



---

### **Finance and Corporate Services Scrutiny Board (1)**

---

**Time and Date**

10.00 am on Wednesday, 3rd July, 2019

**Place**

Committee Room 3 - Council House

---

**Public Business**

1. **Apologies and Substitutions**
2. **Declarations of Interest**
3. **Minutes**
  - (a) To agree the minutes of the meeting held on 13 March 2019 (Pages 3 - 6)
  - (b) Matters Arising
4. **Delivery against the Social Value Policy** (Pages 7 - 24)

Briefing note
5. **Procurement Strategy** (Pages 25 - 34)

Briefing note
6. **Work Programme and Outstanding Issues** (Pages 35 - 38)

Report of the Scrutiny Co-ordinator
7. **Any other items of Public Business**

Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved

**Private Business**

Nil

---

Martin Yardley, Deputy Chief Executive, Place, Council House Coventry

Tuesday, 25 June 2019

Notes:1)The person to contact about the agenda and documents for this meeting is Carolyn Sinclair, Governance Services, Council House, Coventry, alternatively information about this meeting can be obtained from the following web link:

<http://moderngov.coventry.gov.uk>

2) Council Members who are not able to attend the meeting should notify Carolyn Sinclair as soon as possible and no later than 9am on the day of the meeting giving their

reasons for absence and the name of the Council Member (if any) who will be attending the meeting as their substitute.

3) Scrutiny Board Members who have an interest in any report referred to this meeting, but who are not Members of this Scrutiny Board, have been invited to notify the Chair by 12 noon on the day before the meeting that they wish to speak on a particular item. The Member must indicate to the Chair their reason for wishing to speak and the issue(s) they wish to raise.

Membership: Councillors F Abbott, R Auluck, S Bains, J Blundell, R Brown, B Gittins, R Lakha, J Mutton (By Invitation), J O'Boyle (By Invitation), T Sawdon and R Singh (Chair)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting  
OR if you would like this information in another format or  
language please contact us.

**Carolyn Sinclair**

**Telephone: (024) 7697 2301**

**e-mail: [carolyn.sinclair@coventry.gov.uk](mailto:carolyn.sinclair@coventry.gov.uk)**

**Coventry City Council**  
**Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1) held**  
**at 2.00 pm on Wednesday, 13 March 2019**

Present:

Members: Councillor R Singh (Chair)  
Councillor R Brown  
Councillor Clifford (substitute for Councillor Bains)  
Councillor L Harvard  
Councillor K Sandhu  
Councillor T Sawdon  
Councillor D Skinner (substitute for Councillor Taylor)  
Councillor R Thay

Employees:

People: D Ashmore, P Ward  
Place: G Holmes, C Sinclair

Apologies: Councillor S Bains and K Taylor

## **Public Business**

### **29. Declarations of Interest**

There were no declarations of interest.

### **30. Minutes**

The minutes of the meeting held on 6 February 2019 were signed as a true record.

Matter Arising: Minute 26 (Consultation Responses: Business Rates Retention Reform and Review of Local Authorities' Relative Needs and Resources) - It was reported that the report recommendations were agreed at the meeting of Cabinet on 12 February and subsequently Council on 19 February.

### **31. Outstanding Issues Report**

There were no outstanding issues.

### **32. ICT & Digital Update - March 2019**

The Board received a presentation which provided information on progress being made in respect of the new ICT strategy.

The presentation set out:

- The current ICT strategy position which heavily focussed on the Kickstart programme and the introduction of the move to Friargate.

- What has been learned from the current strategy and what was being taken into the development of the new ICT strategy.
- New strategy vision – designed alongside the emerging thinking around One Coventry and the future savings targets.
- Key themes of engage, optimise, empower and transform.
- ICT and digital service current position focussing on new service plan and target operating model.
- Revision of Service Level Agreement and key performance indicators (KPI). Current KPI focussed on ‘outage’ and data for the first three quarters of 2018/19 was presented.
- Challenges and next steps
- Digital Coventry including supporting driverless cars, City Fibre, superfast broadband, public Wi-Fi and ‘Good Gym’

The Board questioned officers on aspects of the presentation including:

- The migration from Mitel to Skype for Business and 8x8
- Cyber security
- More information about the Local Digital Declaration
- How the City Council compared to other local authorities
- The need for the strategy to be user friendly and citizen focussed
- Savings targets
- Access to public wi-fi in the city centre

During discussion, the Board stressed the importance of engaging with citizens as the services users, to focus on their needs and how best to provide them with a user friendly interface. In line with this, the Board also asked that officers investigate the possibility of providing PayPal as an option for customers to pay online.

Following consideration of the points made during the presentation and matters raised at the meeting, the Board asked for further information on the following:

- ‘Council-as-a-platform’ initiative
- Increased usage of SharePoint and OneDrive
- Good Gym
- Figures for each online service open to citizens (usage and success rate)

In addition, the Board asked that they receive the draft strategy for consideration before it is finalised.

**RESOLVED that the Board note the presentation and agreed:**

**(a) To recommend to the Cabinet Member for Strategic Finance and Resources:**

- (i) That the ICT Strategy 2.0’s primary focus must be on the easiness, usability and availability for citizens and avoiding “reinventing the wheel”. There should be a more cooperative and collaborative approach which will help public services improve.**

**(ii) To re-visit the option of using Paypal as part of the payment review.**

**c) That the draft strategy be brought to Board for consideration before it is finalised and that it should include the outcomes of the digital assessment being undertaken by SOCITIM.**

**d) That future technical reports should be accompanied by notes written in plain English for ease of understanding.**

**33. Delivery Against the Social Value Policy**

This matter was deferred to a future meeting.

**34. Work Programme**

The Work Programme was noted now with the inclusion of the above deferred item (Delivery against Social Value Policy) and the Draft ICT Strategy.

**35. Any other items of Public Business**

There were no other items of public business.

(Meeting closed at 3.40 pm)

This page is intentionally left blank



Coventry City Council

## Briefing note

---

**To: Scrutiny Board 1**

**Date: 3<sup>rd</sup> July 2019**

**Subject: Delivery against the Social Value Policy**

---

### **1 Purpose of the Note**

- 1.1 The Social Value Policy (Appendix 1) was adopted by Full Cabinet on the 11<sup>th</sup> February 2014 and incorporates the Public Service (Social Value) Act 2012 that came into force on 31<sup>st</sup> January 2013. This briefing note details progress/delivery against the Social Value Policy and the outcomes that have been achieved.

### **2 Recommendations**

- 2.1 Scrutiny Board 1 are requested to consider this report and make recommendations as appropriate.

### **3 Information/Background**

- 3.1 There has been progress in a number of areas against the social value policy since the last report to Scrutiny Board on 18<sup>th</sup> April 2018. In particular, there has been significant success in driving Social Value through conditions placed on planning applications.
- 3.2 There are 16 case studies on the Council's website that emphasise and identify why and how social value can be delivered in many different forms. With ever reducing budgets and increasing demand for services there is an ever greater need to be innovative and creative in the way in which services are delivered to our local communities to ensure that we get maximum return on investment when spending our scarce resources. The case studies show the different approaches that have been taken across a wide range of areas.
- 3.3 Local authority standard contracts already have an impact on social value in that they include clauses which are intended to ensure that contractors are operating in a way that impacts favourably on society. These clauses can include the avoidance of modern slavery, counter terrorism, safeguarding, equalities, health and safety, data protection, tax avoidance, sustainable supply chains and payment of sub-contractors within 30 days.
- 3.4 Consideration of additional Social Value requirements within the specifications and/or weighting the contract award criteria is now standard in the City Councils tender activity. Social Value specified within specifications is based on a balance of potential additional cost incurred against benefit delivered and need to be proportionate to the value of the Contract. Most contracts have a social value weighting of 5%+ built into the award criteria, and the use of this criteria encourages Suppliers to bid with the inclusion of Social Value elements without passing on the cost to the Local Authority.

- 3.5 The Head of Procurement sits on the West Midlands Social Value Task Force group which was founded in November 2016 in order to establish, share and promote the integration of the Public Services (Social Value Act) 2012 ('Act') into public-sector commissioning and procurement within the area.

It is an open network and welcomes any organisation that wishes to get involved and who wishes to share good practice. The group aims to bridge the gap between public and private sectors recognising that it is only through collaboration and partnership that success will be achieved. The group recognises that Community (Society) is at the centre of everything that we do and participants are encouraged to share their successes (and failures) in order to build our collective knowledge and strengthen the uptake of the Act across all sectors of society. The West Midlands Combined Authority has now developed its' Social Value Policy which has utilised the best practice and key principles contained in each of the Metropolitan Authorities within the region.

- 3.6 The Head of Procurement also sits on the National Social Value Taskforce which has developed a number of tools that support the delivery. Following trials and the experience of others, Coventry is currently exploring the use of the National TOM's (Themes, Outcomes, Measures) framework (Appendix 2). This framework gives a standard and transparent approach to the measurement of Social Value, based around 5 key themes:

- Promoting Skills and Employment: To promote growth and development opportunities for all within a community and ensure that they have access to opportunities to develop new skills and gain meaningful employment.
- Supporting the Growth of Responsible Regional Businesses: To provide local businesses with the skills to compete and the opportunity to work as part of public sector and big business supply chains.
- Creating Healthier, Safer and More Resilient Communities: To build stronger and deeper relationships with the voluntary and social enterprise sectors whilst continuing to engage and empower citizens.
- Protecting and Improving our Environment: To ensure the places where people live and work are cleaner and greener, to promote sustainable procurement and secure the long-term future of our planet.
- Promoting Social Innovation: To promote new ideas and find innovative solutions to old problems.

The Social Value Portal are supporting us, and others within the West Midlands, in the use of this on-line solution that allows organisations to measure and manage the contribution that their organisation and supply chain makes to society. By fully adopting this platform, we will be better able to demonstrate our Social Value work and objectively compare bid submissions and to effectively manage Social Value commitments made as part of ongoing Contract Management activity.

- 3.7 The Head of Procurement chairs a City Council Social Value Working Group. The Group as seen a number of changes in personnel over the last 12-18 months but it is

planned that there will be more consistency in 2019. Officers with expertise in sustainability, environmental issues, economic development, planning, employment, public health and care will work together to maximise the social benefits generated through contracting.

3.8 The corporate Peer challenge in October 2018 included additional areas for the review team to focus on, specifically chosen on the basis that they would benefit from some external challenge and feedback on both current and future delivery plans. One of these areas was to explore how we make the most of our Social Value in Capital projects. The peer review team report included the following comments:

- The Coventry Charter for Social Responsibility is well known and respected
- Businesses feel positively held to account for delivering this – both by officers and elected members – and it is seen as a key part of the planning conditions
- The City has strong anchor organisations with a genuine commitment to social value and responsibility
- There is a strong council commitment to using social value to deliver an enhanced corporate parenting role
- A link could also be made between corporate social responsibilities and community needs, going beyond social value
- Local business knowledge and approaches can play a role, e.g. social value calculators being used for specific Coventry objectives
- Shout about the successes being achieved and the sustained impact being delivered

The Peer Challenge delivery group will continue to monitor progress against the peer team recommendations.

3.9 In July 2019 Public Health are holding the ‘Public Health’ awards, with a ceremony at St Marys Guildhall targeted at the public Health commissioned service providers. The purpose of the event is to recognise, acknowledge and promote best practice in Public Health work with one of the awards being the ‘Social Value Contributor’. This award will recognise the social, economic and environmental benefits which Coventry gains by the way local services are delivered. For example, organisations may recruit local people, pay the living wage, promote active travel among staff, attract additional funding or reduce its carbon footprint.

3.10 The closer working with public sector partners established through the council’s Marmot work (reducing health inequalities) continues to deliver real results through harnessing initiatives like “making every contact count”. Under this initiative, all public services meeting individuals on the front line don’t just check that the individual’s needs have been met from their employing organisation’s perspective, they also check their general wellbeing, alerting public sector partners when additional needs are identified. For example, the Fire Service now not only check homes for fire risks they conduct “safe and well” checks as they are one of the most trusted public services when entering people’s homes.

3.11 Coventry as a Planning Authority has been a lead Authority in the inclusion of Social Value themes in planning conditions on major planning applications which are managed via skills and employment plans. Within the year January to December 2018, a total of 13 planning applications have had conditions applied bringing the total number of planning applications that have had conditions applied since the authority began this approach to 40 applications

In 2019 we have already requested the inclusion of skills and employment conditions on six applications and have started the engagement with 13 local developers to ensure the implementation of the associated skills and employment plans. Part of this engagement includes the introduction to BAM shared apprenticeship scheme, which provides young people with the valuable work experience to support their college work. Two apprentices have started their placements and a further nine have been secured.

3.12 The following gives a summary of what has been achieved through skills and employment plans up to December 2018.

- 91 local businesses have benefitted from supply chain opportunities from major developments in the City
- 1310 local people have been employed on the sites
- Over 2000 apprenticeship weeks have been worked by apprenticeships generated on major developments, with a total of 158 apprentices
- Over 2760 young people have attended site visits to major developments or received careers talks by developers

Mick Burn  
Head of Procurement & Commissioning



## **Social Value Policy**

**Coventry City Council**

APPENDIX 1

## 1 Purpose and Background

- 1.1 Coventry City Council is required to consider, before commencing the procurement process, how the economic, social and environmental well-being of the city may be improved through the procurement of its services as part of the Public Services (Social Value) Act 2012. The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, councils give consideration to the wider impact of the services delivery. It allows a council, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community.
- 1.2 The aim of this policy is to set out how Coventry City Council will deliver social value through its commissioning and procurement activities and to set out the Council's priorities in relation to social value. The Government issued guidance on social value in its Best Value Statutory Guidance in September 2011. This can be accessed at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/5945/1976926.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5945/1976926.pdf)

## 2 Defining Social Value

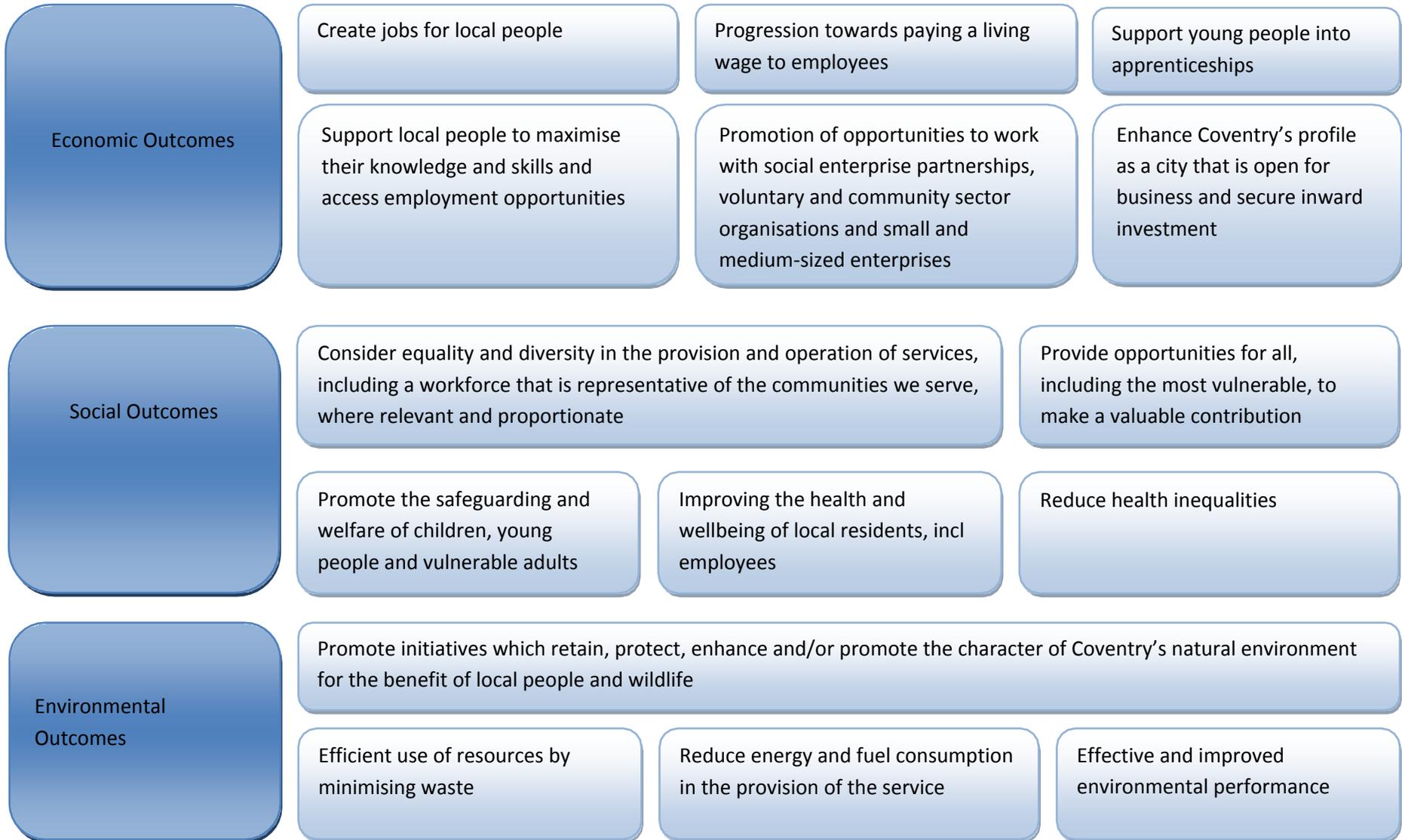
- 2.1 The Act does not define what is meant by 'social value'. Therefore, the Council will adopt the definition of social value as set out by the Sustainable Procurement Taskforce. Social value is defined as:  
**a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment**

## 3 Our Social Value Outcomes

- 3.1 The Council has developed a set of outcomes that will allow it to consider the economic, social and environmental well-being of the city and its residents when commissioning and procuring goods and services. These outcomes are based on the vision, values and priorities contained in the Council Plan ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/)).
- 3.2 The Council procures a wide range of goods and services, and it is recognised that there can be no 'one size fits all' model. This policy will, therefore, need to be applied in a proportionate manner and be tailored to reflect the service or goods to be procured. It is the role of service commissioners and procurement leads to consider, on a contract by contract basis, the potential social value outcomes that could be delivered through the procurement process and the most appropriate procurement strategy to achieve these.
- 3.3 Where appropriate in its procurement activities, the council will specify social value outcomes that are proportionate and relevant to the specification of the service required and will evaluate tenders in accordance with those social value outcomes and the specification.
- 3.4 Applications to provide services from organisations should therefore *demonstrate* their, and where appropriate their supply chains', ability to add economic, social and

environmental value to the city above and beyond simply providing the tendered service and provide evidence which would contribute to the outcomes set out below.

**Our Social Value Outcomes where relevant and proportionate**



## **4 Scope**

- 4.1 The Act applies to services contract and contracts which combine service with the purchase or hire of goods. However, the Council has for many years considered social, economic and environmental issues when procuring goods and services. Therefore, the Council will continue to encourage consideration of social value outcomes in all contracts above the EU threshold, where it can be evidenced that it is relevant to the subject matter of the contract.
- 4.2 For those contracts that fall below the EU threshold, the approach should be to maximise these outcomes where possible.
- 4.3 In order to ensure that the Council adheres to the Act and to EU law, the social value sought from a contract must be relevant and proportionate in respect of the proposed contract.

## **5 Consultation**

- 5.1 In discharging its statutory duties, the Council is required to consider whether consultation should take place as part of the commissioning process, so as to allow the community and voluntary sectors to be more closely involved. Consultation should be considered as part of the process of looking at how a procurement might be offered for tender which would improve the area's economic, social and environmental well-being.

## **6 Implementation**

- 6.1 The Council has also developed an Implementation Framework (attached at Appendix 1), which sets out the Council's approach to delivering its Social Value Policy. The Framework sets out how the Council will ensure that social value is embedded in its commissioning cycle, the governance arrangements in place to deliver social value and a set of indicators that will be used to consider the potential social value that could be delivered with regard to the Council's social value outcomes.

## **7 Responsibility**

- 7.1 The delivery of the Social Value Policy is the responsibility of Executive Director Resources, reporting to Cabinet Member Strategic Finance and Resources. All procurement decisions will be managed through the procurement processes, as set out in the Council's constitution.

## **8 Monitoring and Review**

- 8.1 The Social Value Policy will be monitored on an ongoing basis through reports on procurement to the Cabinet Member responsible for procurement.

## Appendix 1: Implementation Framework

1 The Council will ensure that social value is delivered through a number of approaches:

### 1.1 Commissioning Cycle

1.1.1 The opportunities to secure improvements to social, environmental or economic wellbeing will vary from service to service. Consideration of social value is built into all the stages of the Council's commissioning cycle – when reviewing service provision; conducting a needs analysis; consulting stakeholders and/or the marketplace; and specifying the services to be procured. This offers more genuine opportunities to community and voluntary groups to become involved, whilst maintaining our focus on obtaining value for money.

### 1.2 Governance Arrangements

1.2.1 The Council will use its existing governance arrangements, through both its democratic governance, as set out in the Council's Constitution, and its Strategic Category Panels, in order to ensure scrutiny and control of procurement decisions so that the Council achieves social value, where appropriate.

1.2.2 The Strategic Category Panels ensure that the Council achieves the best possible outcomes using the resources available, as efficiently as possible. By embedding social value into the Procurement Outline Document (POD), which is taken to Strategic Category Panels for approval, the Council will meet its obligations under the Public Services (Social Value) 2012 Act. In order to embed social value into our processes, the changes will be set out in the Rules for Contract document and associated policies to take effect as soon as possible.

### 1.3 Social Value Indicators

1.3.1 The Council has identified a set of indicators that can be used to measure and track the amount of social value delivered through contracting arrangements. When commissioning goods and services, commissioners and procurement leads must consider the indicators for inclusion into the award criteria or as a performance obligation, where appropriate. These indicators are not an exhaustive list, and commissioners and procurement leads may wish to consider additional indicators.

## Social Value Indicators, where relevant and proportionate

Outcome		Indicators
<b>Economic</b>	<p>Create jobs for local people</p> <p>Progression towards paying a living wage to employees</p> <p>Support young people into apprenticeships</p> <p>Support local people to maximise their knowledge and skills and access employment opportunities</p> <p>Promotion of opportunities to work with social enterprise partnerships, voluntary and community sector organisations and small and medium-sized enterprises</p> <p>Enhance Coventry's profile as a city that is open for business and secure inward investment</p>	<ul style="list-style-type: none"> <li>• No of new jobs created within the city</li> <li>• Number of local people in employment within services commissioned</li> <li>•</li> <li>• No of suppliers paying a living wage</li> <li>• No of businesses operating apprenticeship schemes/work placements</li> <li>• No of local people accessing apprenticeships/work placements within services commissioned</li> <li>• No of training places/apprenticeships/work placements</li> <li>• No of local people supported to gain a qualification</li> <li>• No of employees benefiting from L&amp;D activities</li> <li>• Level of qualifications achieved</li> <li>• No of contracts with social enterprise partnerships</li> <li>• Evidence that suppliers work with voluntary and community organisations via contracting/sub-contracting arrangements</li> <li>• No of new investment projects</li> <li>• Amount of new money invested in the city</li> <li>• No of foreign owned businesses in the city</li> <li>• New business registration rate</li> </ul>
<b>Social</b>	<p>Consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate</p>	<p>Indicators based on individual service requirements</p> <p><i>Examples:</i></p> <ul style="list-style-type: none"> <li>• <i>Service caters for the specific needs of users.</i></li> <li>• <i>Equality profile of service users</i></li> </ul>

Outcome		Indicators
	Provide opportunities for all, including the most vulnerable, to make a valuable contribution	Indicators based on individual service requirements <i>Examples:</i> <ul style="list-style-type: none"> <li>• <i>Increase in volunteering</i></li> </ul>
	Promote the safeguarding and welfare of children, young people and vulnerable adults	Indicators based on individual service requirements <i>Examples:</i> <ul style="list-style-type: none"> <li>• <i>Fewer children in LA care</i></li> <li>• <i>Reducing incidents of domestic violence</i></li> </ul>
	Improving the health and wellbeing of local residents, including employees	Indicators based on individual service requirements <i>Examples:</i> <ul style="list-style-type: none"> <li>• <i>Provision of facilities and resources for the wider community</i></li> <li>• <i>No of businesses with a workplace health charter</i></li> </ul>
	Reduce health inequalities	Indicators based on individual service requirements and linked to Council Plan indicators
<b>Environmental</b>	Promote initiatives which retain, protect, enhance and/or promote the character of Coventry's natural environment for the benefit of local people and wildlife	<ul style="list-style-type: none"> <li>• Increased biodiversity</li> <li>• Amount of green space available</li> </ul>
	Efficient use of resources by minimising waste	<ul style="list-style-type: none"> <li>• Amount of waste sent to landfill</li> <li>• Recycling rates</li> <li>• Reduced packaging</li> </ul>
	Reduce energy and fuel consumption in the provision of the service	<ul style="list-style-type: none"> <li>• Reduced carbon footprint of business</li> </ul>
	Effective and improved environmental performance	<ul style="list-style-type: none"> <li>• Certification to Environmental Management System Standard or evidence of equivalent environmental management system, for example an Environmental Policy in place</li> </ul>

## The National Social Value Measurement (TOMs) Framework

The National TOMs were developed over a period of 18 months in collaboration with local government and private sector organisations. They comprise 5 themes, 17 outcomes and 35 measures and reflect the issues that matter to communities across the UK and as such are relevant to both local and central government.

Themes	Outcomes
Jobs: Promote Local Skills and Employment	
Growth: Supporting Growth of Responsible Regional Business	
Social: Healthier, Safer and more Resilient Communities	
Environment: Protecting and Improving Our Environment	
Innovation: Promoting Social Innovation	

The National TOMs are used within procurement to unlock additional value by encouraging suppliers to get more involved in delivering more value to local communities with the average additional social value unlocked being +20%.

The National TOMs have helped create a level playing field in procurement providing big business and SMEs with an equal opportunity to contribute and have become the standard measurement and management solution for local government for the following principle reasons:

- a) The TOMs were co-developed, co- designed and are now being co-implemented by local government
- b) They are real, deliverable and can be measured
- c) They are a minimum standard but include a number of 'sector plug-ins' that represent the specific opportunities within sectors (e.g. Real estate, Health and Facilities Management)
- d) They meet the requirements within the Act as being proportional and relevant to the contract.
- e) They level the playing field between big businesses, SMEs and VCSEs.
- f) They include a means of consolidating answers into a single value which helps procurement officers compare different submissions in an open and transparent manner and reduces the chance of challenge.
- g) They include a 'priority multiplier' that allows commissioners to signpost specific opportunities to bidders on a contract by contract basis
- h) They provide a consistent approach allowing more time spent to be on delivering outcomes and less time on recreating systems to capture data in a slightly different way to meet procurer specific requirements

**Case Studies** - We attach a number of case studies showing how the TOMs have been used to deliver value through procurement including

- Stockton-on-Tees CCTV Procurement
- Balfour Beatty, Perth Transport Futures
- Buckingham Group: Destination Water & Leisure Facility

This page is intentionally left blank

# Buckingham Group: Destination Water & Leisure Facility

## Social Value Measurement Report (1st March 2017 - 27th February 2019)

### Measurement Framework for Buckingham Group

The measurement framework for Buckingham Group, Destination Water & Leisure Facility, has been built around the National Social Value Measurement (TOMs) Framework, updated to reflect the specific data that Buckingham Group has collected, to date, on this project.

The National TOMs Framework (2019) is a measurement framework that has been developed by the National Social Value Task Force, a cross-sector organisation combining both public and private sector organisations. The framework was the result of extensive consultation across local authorities and public-sector organisations, including the Office of Civil Society and Crown Commercial Services.

The Buckingham Group Destination Water & Leisure Facility TOMs Framework is built around two key Themes, supported by six Outcomes and fourteen specific Measures, (TOMs Matrix) that allow Buckingham Group to identify, measure and value the benefits of a particular project. They reflect the needs of, and will make a difference to, improving the economic, social and environmental wellbeing of the immediate local neighbourhood.

**Globally Connected:** Promoting the growth of a sustainable Coventry economy

**Locally Committed:** Improving the quality of life for Coventry people



### Assumptions

Data was uploaded to the Social Value Portal calculator by Buckingham Group account users.

#### The Social Value Portal Calculator 'LOCAL' measures:

- ◆ No. of local people (FTE) employed on contract
- ◆ Local people employed on the contract (%)
- ◆ Local supply chain spend (£)
- ◆ Local SME and Social Enterprise support (hrs)
- ◆ Volunteering in the local community (hrs)

Owing to the data available, on this project 'local' was understood as being within a **40 mile** radius from the location of the project.

The reports overleaf highlight the Buckingham Group TOMs matrix, key achievements for 2017, 2018 and 2019 in both financial and non-financial terms, as well as a summary of the total data submitted on the Destination Water & Leisure Facility project to date.

The proposed TOMs Framework for Buckingham Group, Destination Water & Leisure Facility has been designed around:

- 2 Themes, 6 Outcomes and 14 Measures

THEME	Outcome
<p><u>GLOBALLY CONNECTED:</u> Promoting the growth of a sustainable Coventry economy</p>	Supporting businesses to grow
	Helping local people into jobs
<p><u>LOCALLY COMMITTED:</u> Improving the quality of life for Coventry people</p>	Developing the city centre & creating an attractive and cleaner city
	Reducing the impact of poverty
	Improving educational outcomes
	Environmental outcomes



NEETs  
 Employed  
 Social Value Add



Local Supply  
 Chain Spend  
 Social Value Add



Local  
 Employment  
 Social Value Add



### Globally Connected:

**17** Local people employed on contract, FTE  
**people**

**30 weeks** Meaningful work experience on contract

**4 people** Training opportunities on contract (Levels 2, 3 or 4+)

Long-term unemployed people taken on **2**

**2** NEETs taken on

Hours dedicated to supporting people into work **54 hrs**

### Locally Committed



Volunteering in the local community -> **54 hrs**

Local school/college visits -> **54 hrs**

Investment in local charities -> **£2,418**

Total local supply chain spend -> **£518,102**

### ENVIRONMENT

**- 144T** Reduction in waste to land fill on contract

**6.21% Total social value targets delivered to date**

Theme	Measure	Delivered Social Value Add					Progress Against Targets (RAG)
		No. (P1) 27/05/17 - 27/05/17	No. (P2) 28/05/17 - 27/08/17	No. (P3) 28/08/17 - 27/11/17	No. (P4) 28/11/17 - 27/02/18	Total £ SVA	
Globally Connected	Support for local SMEs and Social Enterprises	0 hrs	0 hrs	0 hrs	0 hrs	£0	0%
	Total amount spent in the local supply chain	£471,052	£17,050	£30,000	£0	£316,042	5.18%
	No. of local people employed on the contract, FTE	6 person	4 people	4 people	3 people	£448,443	34%
	% local people employed on contract	0%	0%	0%	0%	£0	0%
	No. of weeks spent on meaningful work placements	0 weeks	4 week	12 weeks	14 weeks	£24,000	125%
	No. of training opportunities, Levels 2, 3 or 4+	1 person	1 person	1 person	1 person	£7,784	100%
	No. hrs dedicated to supporting people into work	0 hrs	0 hrs	24 hrs	30 hrs	£1,066	75%
	No. people taken on who are long-term unemployed, FTE	0 people	1 person	0 people	1 person	£23,874	66.67%
	No. people taken on who are NEETs	0 people	1 person	0 people	1 person	£28,876	100%
Locally Committed	Hrs volunteering time provided by staff to the local community	0 hrs	0 hrs	24 hrs	30 hrs	£690	37.5%
	Charitable/fundraising donations: communities and local	£558	£558	£558	£744	£2,418	32.24%
	Contribution to education i.e. curriculum engagement and local school visits	0 hrs	0 hrs	24 hrs	30 hrs	£1,066	112.5%
	Reduction against baseline of waste land fill	0 T	37.61 T	32.39 T	74 T	£12,096	0.19%
	Savings in CO2 emissions on contract	0 T	0 T	0 T	0 T	£0	0%



## Briefing note

---

**To: Scrutiny Board 1**

**Date: 3<sup>rd</sup> July 2019**

**Subject: Procurement Strategy**

---

### **1 Purpose of the Note**

- 1.1 The Sub Regional Procurement Strategy was approved by the Cabinet Member Strategic Finance and Resources on the 7<sup>th</sup> December 2015. This briefing note details progress/delivery against the Strategy, national and regional developments and future direction.

### **2 Recommendations**

- 2.1 That Finance and Corporate Services Scrutiny Board
- 1) Note the contents of the report
  - 2) Make any relevant recommendations to the Cabinet Member.

### **3 Information/Background**

- 3.1 The Sub Regional Procurement Strategy (Coventry CC, Solihull MBC and Warwickshire CC) was approved by the Cabinet Member Strategic Finance and Resources on the 7<sup>th</sup> December 2015 (Appendix 1). The strategy adopted the 4 themes from the National Procurement Strategy (2014) which were: Making Savings; Supporting Local Economies; Demonstrating Leadership; Modernisation.
- 3.2 The Sub Regional Procurement Strategy was a 5 year strategy for the period 2015 – 2020 and will hence be reviewed for next year.
- 3.3 Summary of delivery
- There has been significant progress made in the 4 strategy theme areas, highlights of which are outlined below:
- 3.3.1.1 Making Savings – The City Council had a 3 year savings target from 14/15 (adjusted to 4 years) of £8m (raised to (£9.1m). This target was met with a significant amount of the saving target being delivered in Years 1 and 2 (by year 3 opportunities were starting to dry up as contracts that had already delivered savings were being re-tendered). In addition, there were a further £3m+ savings which were set against other targets.
- 3.3.1.2 Supporting Local Economies – Local Spend is monitored with particular attention given to postcodes CV1 to CV6 (Coventry only). The local spend for 2018/19 was 35.1%. There has been significant work on Social Value with 16 published case studies. The recent peer review found no significant areas of concern. The City Council has worked closely with Coventry University and others in relation to Social Enterprise and is now a

- 3.3.1.3 Demonstrating Leadership – The Council is considered to have strong Procurement governance procedures in place. All spend over £50,000 goes through a Procurement gateway process through Procurement Category Panels (People; Place & Corporate) and (if over £1m per contract) Procurement Board and (if over £1m per annum) Cabinet. In addition, Audit & Procurement Committee oversee regular reports detailing procurement activity; Category Staff in the Procurement section are MCiPS Qualified (12 staff - 11 fully qualified; 1 part qualified); Part of sub regional shared service with Solihull and Warwickshire; Head of Procurement is Deputy Chair of the West Midlands Heads of Procurement group.
- 3.3.1.4 Modernisation – The City Council has maintained its' compliance with the Public Contract Regulations, managing an increasing diverse and complex array of contracts; The Procurement Service exploits technology advances and has introduced an early payments discount scheme and a shared service electronic tendering system
- 3.4 In July 2018 a new National Procurement Strategy (NPS 2018) was launched. The strategy is not about compliance or tactical issues but is streamlined to reflect learning from the 2014 strategy. It focuses on three themes which are seen to reflect local government priorities now. The 3 main themes are: Showing Leadership; Behaving Commercially; Driving Community Benefits.
- 3.5 Making savings was a major theme of the 2014 strategy. Councils continue to operate in a very challenging climate and demand for local public services is rising, with cost pressures increasing. This area is no longer seen as a key theme within NPS 2018 as evidence suggest that there are few, if any, opportunities left to drive price savings alone. Indeed, there is growing financial pressures including inflation, Living wage adjustments etc.. Clearly, where price savings are still a potential, these are pursued and budgets adjusted accordingly.
- 3.6 The Local Government Association carried out an assessment and benchmarking against responses from each local authority's self-assessment and provision of supporting evidence. Appendix 2 shows the summary information for Coventry shown against the National and West Midland Local Authority benchmark (received February 2019)
- 3.7 The Overall distribution chart in Appendix 2 shows that of the 59 areas assessed, we were 'Developing' in 6 areas, 'Mature' in 36 areas and a 'Leader' in 17 areas.
- 3.8 When compared against both the overall benchmark and the West Midlands benchmark, the Authority compares well, scoring higher in all 11 section areas than the comparators.
- 4 Future Direction**
- 4.1 Discussions with Solihull and Warwickshire have commenced in relation to what will replace the current sub regional strategy. Since its' inception there have been a number of developments which may impact on proposals for future strategy approaches, e.g. formation of West Midlands Combined Authority, NPS 2018
- 4.2 Our future strategy is likely to follow a similar form as the previous one and to tie in with the themes in the NPS 2018

**1. Introduction**

Across the three upper tier authorities within the Coventry, Solihull, Warwickshire (CSW) sub-region, the Councils spend approximately £883m each year on bought in goods, services and works. Spending this money well through effective procurement is fundamental to achieving organisational success for the three authorities and supporting prosperity across the sub-region. The Councils have formally recognised by the signing of a Memorandum of Understanding on 02/03/2012 that working together on procurement can contribute to a wide range of socio-economic benefits including a successful local economy, a thriving voluntary sector, community empowerment, equality, consideration for the environment and value for money.

**2. Scope of the Strategy**

This is an over-arching strategy that seeks to clarify the strategic direction for procurement across the sub region whilst allowing for more localised delivery plans within each of the three authorities to meet specific need.

Procurement is an essential element of cost effective and efficient services. It impacts on Members, the Chief Executive, the Corporate Leadership Team, staff, the public, suppliers and partners.

A clear, comprehensive and effective procurement strategy is crucial to ensuring that good value services are provided whilst driving change and continuous improvement.

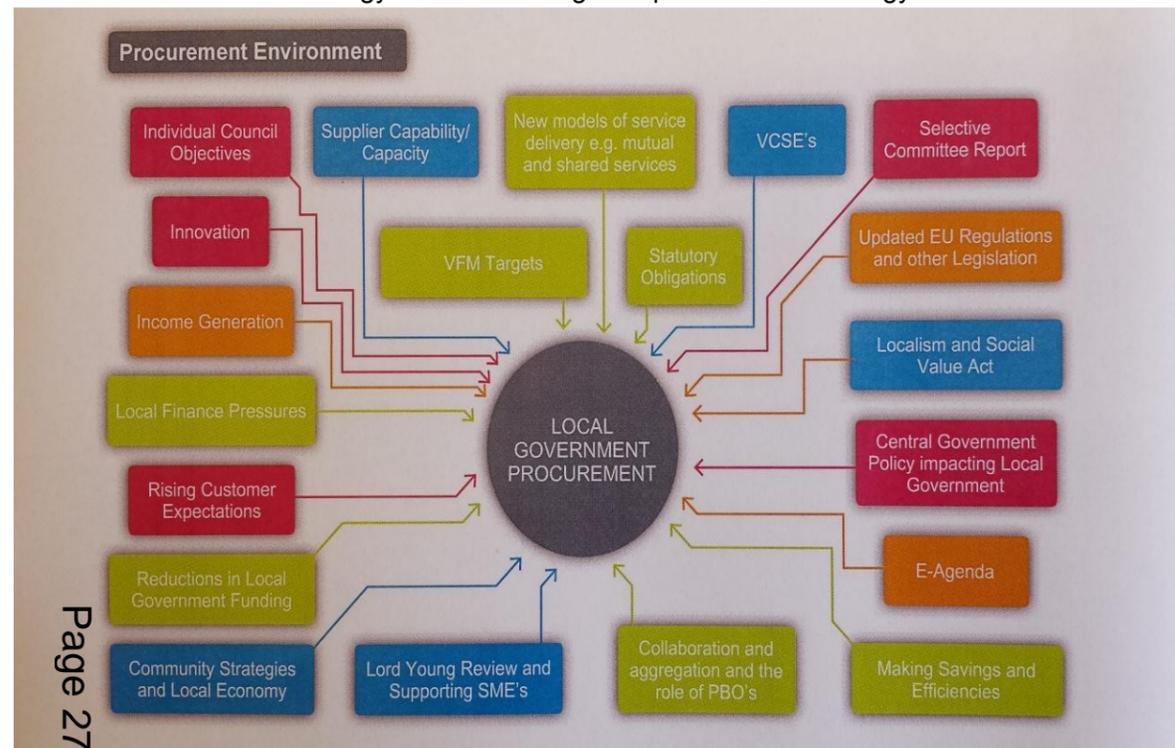
For the purpose of this strategy the procurement process has been defined as:

“The whole process of acquisition from third parties which covers goods, services and works. The process spans the whole life cycle from initial concept and definition of business need to commercial contract management and the effective management of markets, through to the end of the useful life of an asset or end of services contract. It involves options appraisals and the critical “make or buy” decision which may result in the provision of services in-house in appropriate circumstances”

**3. National Context**

In July 2014 the Local Government Association launched a National Procurement Strategy (NPS) for Local Government after a period of consultation with Chief Executives, Heads of Procurement and central government.

It describes the procurement policy landscape in 2014 which is represented by the diagram below. This illustrates the major policy related developments which form the context for the National Procurement Strategy and the sub regional procurement strategy.



To facilitate the delivery of effective procurement in the above policy context, the NPS 2014 has been structured around 4 key themes.

**4. National Procurement Strategy themes**

**1 Making Savings**

*NPS Priorities:* Category management, partnering and collaboration, contract and supplier management, performance and transparency, risk and fraud management, demand management

**2 Supporting Local Economies**

*NPS Priorities:* Improving access for SME's and VCSE's, Economic, environmental and social value

**3 Demonstrating Leadership**

*NPS Priorities:* Single cohesive voice, commitment from the top, procurement training, commissioning

**4 Modernisation**

*NPS Priorities:* Commercialisation and income generation, supplier innovation, EU Directives, using technology

**5. The Legislative Framework within which we procure**

All of the above needs to be delivered within a legislative framework which is significant and complicated. The Public Contract Regulations 2015 (PCRs) enact the 2014 EU Directive (2014/24/EU) into UK law and lay out in detail how public procurement must be undertaken across all of the member states within the European Union.

Examples of other law impacting procurement are: Public Services (Social Value) Act 2012, Competition Act 1998, Localism Act 2011 Freedom of information Act 2000, Equality Act 2010.

**6. Procurement Structure within the Sub Region**

The Shared Procurement Strategy and Joint Savings Plan, to which CCC, SMBC and WCC have signed up to since 2010 has generated savings from a number of collaborative exercises e.g. food, highways, agency staff and fostering. The sub-regional focus for procurement has been reconfirmed by Chief Executives and Leaders of each authority in 2015. This will support the further development of intelligent strategic procurement across the sub region leading to the delivery of savings and efficiencies in line with national austerity measures whilst using procurement power wisely to deliver the required economic growth in our local communities.

The operating model for the shared procurement service is that each authority retains its own procurement team with identified category leads in particular authorities. This means that where contracts are shared, one category manager lets the contract on behalf of all participating authorities.

**7. Governance**

The shared procurement service is governed by the Shared Service Directors group: Executive Director Resources, Coventry, Director for Resources, Solihull and Strategic Director for Resources, Warwickshire, which meets quarterly. The Procurement Management Team, with representatives from all upper tier authorities and a Districts' representative meets monthly and monitors performance against a set of agreed key performance indicators.

**8. Our Vision is: Working together to enhance lives within communities**

The challenges ahead are to:

- understand future demand for service provision through engagement
- understand markets and identify procurement excellence that will enhance lives
- work with partners to enhance lives
- place social and economic regeneration and the environment at the heart of procurement
- shape markets to be able to procure from a diverse and competitive mixed economy of suppliers including minority businesses, voluntary and community sector groups , small businesses and social enterprises
- support Members' leadership to embed procurement excellence into the culture of the Council
- innovate through the identification of appropriate service delivery options
- drive down procurement costs
- minimise exposure to risk
- make procurement a key management activity, delivering projects through multifunctional teams
- Equip staff with the right skills and training to deliver excellence
- use procurement processes and in particular e-procurement to support organisational and behavioural change
- be customer focussed using internal consultation and involvement to support service outcomes and improve performance
- comply with legislation relating to procurement activity, e.g. Public Contract Regulations, Freedom of Information Act
- Work sub regionally in line with the Memorandum of Understanding
- Work with regional and national Public Bodies to benefit from economies of scale and shared expertise

This vision is in line with the strategic direction of each participating authority and therefore will help deliver Council strategy, policies and plans.

**9. NPS outcomes and CSW delivery**

The most effective way to meet the procurement requirements in the national and local contexts is to base the Sub Regional Procurement Strategy on the key themes of the National Procurement Strategy. This will demonstrate effective procurement delivery in line with the national strategic direction whilst meeting local ambition and needs.

The attached charts show CSW's response to the NPS themes, priorities and outcomes.

Individual authorities may choose to implement some or all of the CSW responses depending on local priorities. CSW responses have been RAG rated to indicate importance with red, amber, green representing high, medium and low importance.

This page is intentionally left blank

## Coventry City Council - LGA National Procurement Strategy 2018

### APPENDIX 2

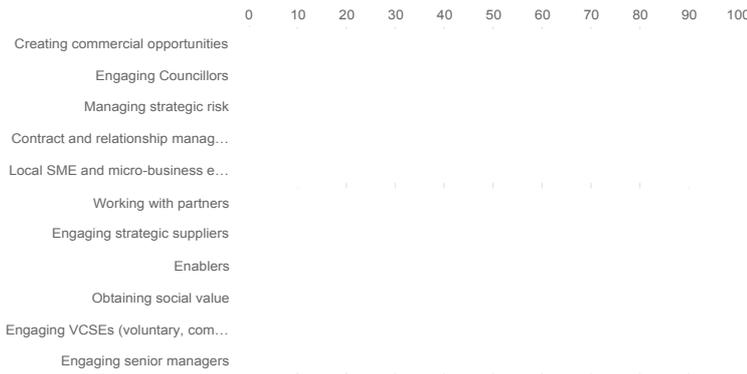
# Summary

The following charts summarise the scores to give an overview of: how many question scores were given at each level, how many question scores were given per section at each level, and which questions were given scores at each level.

## Overall Score Distribution



## Section Score Distributions



### Key

- 1 - Minimum
- 2 - Developing
- 3 - Mature
- 4 - Leader
- 5 - Innovator

## Scores

- Contract management with SMEs
- Councillor development
- Market/supplier research/analysis
- Options appraisal (Make or Buy)
- Supplier financial distress
- Supply chain and contractor failure
- C&RM skills and knowledge
- Change control
- Commissioning for social value
- Commissioning with SMEs
- Contract management with VCSEs
- Culture
- Data collection and analysis
- Developing talent
- Early engagement with future sup...
- Enabling innovation
- Existing strategic supplier engag...
- Exploring digital technology
- External events (e.g. Brexit)
- Forward planning
- Governance and processes
- Governance of SME engagement
- Governance of VCSE engagement
- Information storage/accessibility
- Mission and strategy
- Modern slavery (Legislation)
- Performance reporting
- Policy and scope (SMEs)
- Policy and scope (VCSEs)
- Post contract review
- Procurement (social value)
- Procurement with SMEs
- Recognition/cultural acceptance
- Reporting
- Reporting social value
- SME relationships
- Savings and benefits delivery
- Social value TOMs (themes, outc...
- Social value contract management
- Social value internal management
- Social value market engagement
- Staff development for partnership...
- Commissioning with VCSEs
- Cross sector collaboration
- Embedding change
- Fraud and financial loss
- GDPR (Legislation)
- Influence and impact
- Market engagement with SMEs
- Policy and scope (social value)
- Proc. and commercial champions
- Processes
- Procurement with VCSEs
- Senior managers development
- Social value governance
- Tendering
- VCSE engagement measurement
- VCSE market engagement
- VCSE relationships

# Comparison: Overall Benchmark

The following charts compare the scores given to another set of scores to show: the gap for each section average score and the gap for each question score.

### Section Score Comparison



### Question Score Comparison



Score
  (Overall Benchmark)
  gap < 0
  gap 0 - 0.5
  gap 0.5 - 1.25
  gap 1.25 - 2.0
  gap 2.0 - 3.0
  gap > 3.0

# Comparison: West Midlands Benchmark

The following charts compare the scores given to another set of scores to show: the gap for each section average score and the gap for each question score.

### Section Score Comparison



### Question Score Comparison



Score  
 (West Midlands Benchmark)  
 gap < 0  
 gap 0 - 0.5  
 gap 0.5 - 1.25  
 gap 1.25 - 2.0  
 gap 2.0 - 3.0  
 gap > 3.0



This page is intentionally left blank

Please see page 2 onwards for background to items

<b>3<sup>rd</sup> July 2019</b>
- Social Value Act - Procurement Strategy
<b>18<sup>th</sup> September 2019</b>
- Medium Term Financial Strategy
<b>13<sup>th</sup> November 2019</b>
- Digital Transformation - ICT and Digital Strategy
<b>15<sup>th</sup> January 2020</b>
-
<b>12<sup>th</sup> February 2020</b>
-
<b>18<sup>th</sup> March 2020</b>
-
<b>2019/2020</b>
- Budget – meeting savings targets - Income Generation - Council Reserves - Capital Programme - Business Rates - Asset Investment including West Midlands Pension Fund - Coventry City Council Apprenticeships - Digital maturity/capability - Workforce Analytics

<b>Date</b>	<b>Title</b>	<b>Detail</b>	<b>Cabinet Member/ Lead Officer</b>
<b>3<sup>rd</sup> July 2019</b>	- Social Value Act	To examine the extent to which the Social Value Act is delivering added value and how we can maximise opportunities to increase social value. To include a copy of the SVA Policy, how it's measured and more examples of where it has been used.	Cllr J Mutton/ Mick Burn
	- Procurement Strategy	To scrutinise the Procurement Strategy and it's impact.	Cllr J Mutton / Mick Burn
<b>18<sup>th</sup> September 2019</b>	- Medium Term Financial Strategy	To discuss the Council's Medium Term Financial Strategy prior to its approval through the political process.	Cllr J Mutton / Paul Jennings
<b>13<sup>th</sup> November 2019</b>	- Digital Transformation	To scrutinise the Council's Digital Transformation agenda.	Cllr J Mutton / Paul Ward/ David Ashmore
	-ICT and Digital Strategy	For Members to consider the Strategy before it is agreed by Cabinet – to also include the outcomes of the digital assessment undertaken by SOCITIM	Cllr J Mutton / Paul Ward/ David Ashmore
<b>15<sup>th</sup> January 2020</b>	-		
<b>12<sup>th</sup> February 2020</b>	-		
<b>18<sup>th</sup> March 2020</b>	-		
<b>2019/2020</b>	- Budget – meeting savings targets	To scrutinise whether the Council is on track to meet its savings targets.	Cllr J Mutton / Barry Hastie
	- Income Generation	To look at opportunities to maximise income - identified at meeting 18/04/18	Cllr J Mutton / Barrie Hastie
	- Council Reserves	To receive an update on the position of Council Reserves.	Cllr J Mutton / Paul Jennings

Date	Title	Detail	Cabinet Member/ Lead Officer
	- Capital Programme	For the Board to receive a written report updating the Board on the Capital Programme, including information on WMCA programmes.	Cllr J Mutton / Paul Jennings
	- Business Rates	To discuss the changes to Business Rates.	Cllr J Mutton / Paul Jennings
	- Asset Investment including West Midlands Pension Fund	Following on from the meeting on 12 <sup>th</sup> December 2018 this item is to look at asset investment in the West Midlands and Coventry (including inviting a representative from WMPF)	Cllr J Mutton / Paul Jennings
	- Coventry City Council Apprenticeships	To consider the apprenticeships being offered by the City Council. To look at how the young people employed are supported to get the maximum value from their placements.	Cllr J Mutton / Grace Haynes
	- Digital maturity/capability	Work to be scoped by the Chair.	Cllr J Mutton / Paul Ward/ David Ashmore
	- Workforce Analytics	Following on from the meeting on 12 <sup>th</sup> December 2018, Members requested a further update on Workforce Analytics.	Cllr J Mutton / Grace Haynes/ Julia McGinley

This page is intentionally left blank