



### **Cabinet Member (Strategic Finance and Resources)**

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**Time and Date**

2.00 pm on Monday, 21st October, 2013

**Place**

Committee Room 2, Council House, Earl Street, Coventry, CV1 5RR

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**Public Business**

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting**
  - (a) To agree the minutes of the meeting held on 9 September 2013 (Pages 3 - 6)
  - (b) Matters Arising
4. **Petition - Arms Dealers in Coventry and the West Midlands Pension Fund**  
(Pages 7 - 10)  
Report of the Executive Director, Resources
5. **Final Hospitality Statement for the Mayoralty of Councillor Tim Sawdon for 2012-2013** (Pages 11 - 20)  
Report of Executive Director, Resources
6. **The proposed Business Charter for Social Responsibility including the implications of the Public Services (Social Value) Act 2012** (Pages 21 - 36)  
Report of the Executive Director, Resources
7. **Outstanding Issues**  
There are no outstanding issues
8. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

**Private Business**

Nil

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Chris West, Executive Director, Resources, Council House Coventry

Friday, 11 October 2013

Note: The person to contact about the agenda and documents for this meeting is Su Symonds Tel: 024 7883 3069

Membership: Councillor D Gannon (Cabinet Member)

By invitation Councillor T Sawdon (Shadow Cabinet Member)

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.

**Su Symonds, Governance Services Officer**

**Tel: 024 7683 3069**

**Email: [su.symonds@coventry.gov.uk](mailto:su.symonds@coventry.gov.uk)**

# Agenda Item 3a

## Minutes of the meeting of Cabinet Member (Strategic Finance and Resources) held at 2.00 pm on 9<sup>th</sup> September 2013

Present:

Cabinet Members: Councillor Gannon

Employees (by Directorate):

Place: A. Walster

Resources: M. Chester, J. Crawley, S. Iannantuoni, and L. Knight

Apology: Councillor Sawdon (Shadow Cabinet Member)

### **Public business**

#### **17. Minutes**

The minutes of the meeting of the meeting held on 29<sup>th</sup> July, 2013 were agreed and signed as a true record.

There were no matters arising.

#### **18. Declarations of Interest**

There were no declarations of interest.

#### **19. Agency Workers and Interim Managers – Performance Report Quarter One (1<sup>st</sup> April to 30<sup>th</sup> June, 2013)**

The Cabinet Member considered a report of the Executive Director, Resources regarding the use of agency workers procured through the Master Vendor Contract for the quarter 1 period, 1<sup>st</sup> April to 30<sup>th</sup> June, 2013. The report compared information for quarter 1 with that for quarter 4 of 2012/13 and considered Interim Manager spends for the same period.

The Master Vendor contract required all agency workers to be ordered through Reed Recruitment and came into force on 2<sup>nd</sup> May, 2011. Information supplied by Reed on agency spend gave detailed information on agency worker usage and spends. Overall there had been a reduction in spend of £70,000. The report highlighted the reasons for increased agency worker spend in the Children, Learning and Young People, City Services and Development and Chief Executive's Directorates during the first quarter of 2013/14.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member:**

**(1) Require monitoring processes to continue for both agency workers and interim managers**

- (2) Ensure compliance with the corporate policy on the recruitment of temporary agency workers through the Master Vendor, Reed Recruitment, and interim managers through the Preferred Suppliers List**
- (3) Requests officers to continue to work towards reducing expenditure on the use of agency workers**
- (4) Approves that future orders are not accepted if no reason is given for the need for the agency worker.**

**20. Updating of Policy for ICT Equipment for Elected Members**

The Cabinet Member considered a report of the Executive Director, Resources which sought approval for an updated policy for Information Communications Technology (ICT) equipment that the City Council provided to Members. A copy of the policy was set out at an appendix attached to the report. Approval was also sought to delegate future revisions of the policy to officers in consultation with the Cabinet Member.

The report set out options for adding the role of Deputy Cabinet to the list of Members who were entitled to additional ICT resources and amended the existing policy to allow all members to have a smart phone.

**RESOLVED that after due consideration of the report and the matters raised at the meeting, the Cabinet Member:**

- (1) Approves Option 1, the revised policy for ITC equipment for Elected Members as set out in Appendix 1 to the report.**
- (2) Approves delegation of authority for future revisions of policy to officers, in consultation with the Cabinet Member (Strategic Finance and Resources).**

**21. Three Month (April – June, 2013) Cumulative Sickness Absence 2013/2014**

The Cabinet Member considered a report of the Executive Director, Resources on the levels and reasons for sickness absence across the City Council for the three month period April to June, 2013 and detailing the actions being taken to manage absence and promote health at work. Information was provided for the Council and individual directorates.

The Cabinet Member noted a slight decrease in FTE (full time equivalent) average days lost from quarter one in 2013/14 compared to 2012/13, with a reduction from 2.19 days to 2.07 days. In considering the information on sickness absence by length of days, it was requested that details about the numbers of days lost when an employee was absent for just one day be included in future reports.

**RESOLVED that, after due consideration of the report and the matters raised at the meeting, the Cabinet Member notes the report providing sickness absence data for the 3 month period of April to June, 2013 and accepts the actions taken to monitor and manage sickness.**

**22. Coventry City Council's Workforce Profile Report for 2012-2013**

The Cabinet Member considered a report of the Executive Director, Resources detailing information on the Council's workforce profile for 2012/13. The report enabled the City Council to fulfil its responsibilities under the Equality Act 2010 as set out within the Council's Equality Strategy.

Summary core Council equality data indicated that just under half of the workforce was employed on a part time basis; 71.1 per cent of then workforce was female; black and minority ethnic representation was 16 per cent and the number of employees who had declared a disability was 5.9 per cent. Information was also set out on the workforce profile in the Council's maintained schools.

**RESOLVED that, after due consideration of the report and the matters raised at the meeting, the Cabinet Member:**

**(i) Notes the workforce profile information for 2012/13 included in Appendix 1 to the report.**

**(ii) Notes the headline workforce analysis in maintained schools set out in Appendix 2 to the report.**

**23. Outstanding Issues**

There were no outstanding issues to report.

**24. Any Other Items of Public Business**

There were no additional items of public business.

(Meeting closed at: 10.40 a.m.)

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## Public report Cabinet Member Report

21<sup>st</sup> October 2013

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

**Director Approving Submission of the report:**

Executive Director, Resources

**Ward(s) affected:**

All

**Title:**

Petition – Arms Dealers in Coventry and the West Midlands Pension Fund

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**Is this a key decision?**

No. Although the matter within the Report can affect all wards in the City, it is not anticipated that the impact will be significant and it is therefore not deemed to be a key decision

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**Executive Summary:**

A petition with 424 signatures about the Arms Trade was presented by Councillor Andrews. The petition asked that Coventry City Council remove investments in Arms Dealers from the West Midlands Pension Fund and work towards an arms-free economy for the this city

**Recommendations:**

The Cabinet Member (Strategic Finance and Resources) is recommended to refer the petition to the West Midlands Pension Fund Committee for their consideration.

**List of Appendices included:**

None

**Other useful background papers:**

None

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**

Petition – Arms Dealers in Coventry and the West Midlands Pension Fund

**1. Context (or background)**

- 1.1 A petition with 424 signatures has been presented to Council by Councillor Allan Andrews. The petition states *“Coventry has become known as “The City of Peace and Reconciliation”. Yet there are several leading arms companies doing business here. In addition, Council Tax money is paid in to the West Midlands Pension Fund, which invests over £60 million in arms-dealers. We wish the City Council to remove these investments from the Fund, find better alternatives, and work towards an arms-free economy for this city.”*
- 1.2 Office of National Statistics (ONS) data sources show that no-one in Coventry is employed specifically in the manufacturer of explosives or the manufacture of weapons or ammunition but a small number are involved in the manufacture of military fighting vehicles. Often companies categorised as “arms companies” have a wide portfolio of activities – and some, like Rolls Royce, have a long history in the city.
- 1.3 Coventry City Council takes part in the West Midlands Local Government Pension Fund as an employer along with the other six West Midlands Metropolitan District Councils. City Council employees can opt to be members of the pension scheme and the City Council puts funding into the scheme through its employer contributions.

**2. Options considered and recommended proposal**

- 2.1 The West Midlands Local Government Pension Fund is independently managed and governed to protect its members’ interests and prevent unwonted financial or political influence over its funds. Coventry City Council does not have the ability to make any decisions about the contents of the Fund, therefore cannot not meet the petition’s request to remove investments from the fund.
- 2.2 The West Midlands Local Government Fund has its own formal investment policies including a policy on socially responsible investment. These are publically available on the fund’s website <http://www.wmpfonline.com>. Coventry City Council does not have the authority to change these policies.
- 2.3 It is therefore recommended that the Cabinet Member (Strategic Finances and Resources) ensures that the petition is forwarded onto the West Midlands Pension Fund Committee for their consideration.

**3. Results of consultation undertaken**

- 3.1 No consultation has been undertaken. The West Midlands Local Government Pension Fund is an independent organisation and undertakes its own consultation processes.

**4. Timetable for implementing this decision**

- 4.1 If the recommendation is approved the petition will be forwarded to the West Midlands Local Government Pension Fund

**5. Comments from Executive Director, Resources****5.1 Financial implications**

There are no direct financial implications for the City Council at this stage.

**5.2 Legal implications**

The City Council does not have the legal powers to make decisions about investments in the West Midlands Local Government Pension Fund.



**6. Other implications**

None

**6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The West Midlands Local Government Pension Fund provides pensions for many former employees who live in the city and in this way it contributes significantly to the local economy and the well-being of local residents.

**6.2 How is risk being managed?**

The City Council is not able to make changes to the investments in the West Midlands Local Government Pension Fund and the Fund would be responsible for any consideration of risk.

**6.3 What is the impact on the organisation?**

None

**6.4 Equalities / EIA**

None

**6.5 Implications for (or impact on) the environment**

None

**6.6 Implications for partner organisations?**

None

**Report author(s):**

**Name and job title:** Jenni Venn, Assistant Director Policy, Partnership and Performance

**Directorate:** Chief Executives

**Tel and email contact:** 024 7683 3741, [jenni.venn@coventry.gov.uk](mailto:jenni.venn@coventry.gov.uk)

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Su Symonds	Governance Services Officer	Resources	10.10.13	10.10.13
<b>Names of approvers for submission:</b> (officers and members)				
Finance: Paul Jennings	Finance Manager	Resources	10.10.13	10.10.13
Legal: Clarissa Evans	Commercial Team Manager	Resources	10.10.13	11.10.13

Director: Chris West	Executive Director	Resources	10.10.13	10.10.13
Members: Councillor Gannon	Cabinet Member	Strategic Finance and Resources	10.10.13	10.10.13

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21 October 2013

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance and Resources), Councillor Damian Gannon

**Director Approving Submission of the report:**

Executive Director, Resources

**Ward(s) affected:**

All

**Title:**

Final Hospitality Statement for the Mayoralty of Councillor Tim Sawdon for 2012-2013

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**Is this a key decision?**

No

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**Executive Summary:**

This is the final Hospitality report for the Mayoral Year of Councillor Tim Sawdon 2012/2013. It updates the Cabinet Member on how the budget was spent during the third and final quarter of the Mayoral Year. The amount of £36,158.11 was spent at the end of Quarter 3 and £62,368.60 at year end. This left a variance remaining of £3,227.40 from the annual budget.

**Recommendations:**

The Cabinet Member is recommended to note the outturn of £62,368.60 for the Mayoral year and approve the contents of the report which describes how the hospitality budget has been spent on an event-by-event basis.

**List of Appendices included:**

Appendix 1 sets out actual expenditure for the third quarter from 17<sup>th</sup> November 2012 to 16<sup>th</sup> February 2013.

Appendix 2 sets out actual expenditure for the fourth/final quarter from 17<sup>th</sup> February to 15<sup>th</sup> May 2013.

Appendix 3 lists the beneficiaries of the Lord Mayor's Charity Appeal 2012/2013.

**Other useful background papers:**

None.

**Has it or will it be considered by Scrutiny?**

No

**Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**

**Final Hospitality Statement for the Mayoralty of Councillor Tim Sawdon for 2012-2013**

**1. Context (or background)**

1.1 The annual Hospitality budget for the Mayoral Year is £65,596.

**2. Options considered and recommended proposal**

2.1 The Cabinet Member is recommended to approve the contents of the report which describes how the hospitality budget has been spent.

2.2 The amount of £36,158.11 was spent at the end of Quarter 3 and £62,368.60 at year end. Appendix 1 and 2 sets out a detailed breakdown of how these sums have been spent on an event-by-event basis.

2.3 The Cabinet Member is asked to note the return of an underspending from the Mayoralty Hospitality budget of **£3,227.40** to Corporate Reserves.

**3. Results of consultation undertaken**

3.1 The Lord Mayor's hospitality budget is monitored on an event-by-event basis by the Principal Private Secretary to the Lord Mayoralty and is reported on each quarter.

3.2 The Lord Mayor's Charity Appeal is also monitored on a quarterly basis. With the Heart of England Community Foundation acting as the umbrella organisation for the appeal, a total of 15 charities / organisations benefitted from the Lord Mayor's Charity Appeal during 2012/13 – see attached appendix 3. There is a small amount of funds still to be distributed.

3.3 The total funds raised were £18,620.

**4. Timetable for implementing this decision**

4.1 There are no further events planned as the Mayoral Year has now come to an end.

**5. Comments from Executive Director, Resources**

**5.1 Financial implications**

The hospitality report is presented to the Cabinet Member on a quarterly basis and at year end has stayed within the approved budget of £65,596 per Mayoral year, with spending during the year of £62,368.60. The remainder, £3,227.40, will be returned to corporate reserves.

**5.2 Legal implications**

There are no legal implications arising from this report.

**6. Other implications**

None

**6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The Lord Mayor's Hospitality Budget is spent to reflect the Lord Mayor's Mission Statement as outlined in the Council's Constitution which aligns itself to the Council's core aims and objectives.

**6.2 How is risk being managed?**

No significant risks are associated with the budget management. Health and Safety issues are considered for all events with the more significant events eg Annual Meeting of the Council, Armed Forces Day, Remembrance Sunday Service and Parade being monitored by the Council's Safety Events Group.

**6.3 What is the impact on the organisation?**

No impact, the events are managed by the Lord Mayor's office.

**6.4 Equalities / EIA**

An Equality Impact Assessment for the Lord Mayor's Office was last undertaken in February 2012 to ensure the Mayoralty promotes equality across the city and the recommendations in this report do not constitute a change in service or policy.

**6.5 Implications for (or impact on) the environment**

None.

**6.6 Implications for partner organisations?**

None.

**Report author(s):**

**Name and job title:**

Jane Barlow, Principal Private Secretary to the Lord Mayoralty

**Directorate:**

Resources

**Tel and email contact:**

024 7683 3047 [jane.barlow@coventry.gov.uk](mailto:jane.barlow@coventry.gov.uk)

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Jane Worwood	Accounting Technician	Resources - Finance	08/08/2013	20/08/2013
Su Symonds	Governance Services Officer	Resources - Democratic	23/09/2013	24/09/2013
<b>Names of approvers:</b> (officers and members)				
Democratic: Helen Abraham	Assistant Director (Democratic)	Resources	22/08/2013	28/08/2013
Finance: Aimee Proctor	Lead Accountant, Central Services Finance	Resources	22/08/2013	20/08/2013
Legal: Clarissa Evans	Commercial Team Manager	Resources	22/08/2013	22/08/2013
HR: Neelesh Sutaria	HR Business Partner	Resources	22/08/2013	02/09/2013
Director: Chris West	Executive Director	Resources	23/09/2013	24/09/2013
Members: Councillor Damian Gannon	Cabinet Member		23/09/2013	07/10/2013

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ACTUAL Costs of Functions of 3<sup>rd</sup> Quarter: 17<sup>th</sup> November 2012 — 16<sup>th</sup> February 2013

<b><u>Date</u></b>	<b><u>Function</u></b>	<b><u>Number of Guests</u></b>	<b><u>Actual Cost</u></b>
18.11.12	Host Shining Star children & families prior to Christmas Lights Switch-on	30	£ 321.50
20.11.12	Queen's Diamond Jubilee celebration event	90	£ 515.00
28.11.12	Retirement Event for Lord Mayor's Personal Assistant after 42 years' service	10	£ 414.74
30.11.12	Tickets for Christmas Charity Lunch	2	£ 30.00
01.12.12	Chairman of Warwick DC Christmas Concert tickets	2	£ 20.00
03.12.12	Donation to Childrens' Christmas Party organised by Rotary Breakfast	-	£ 400.00
04.12.12	Refreshments for Good Citizen Recipient prior to Full Council	6	£ 17.70
07.12.12	Civic Heads Dinner	50	£ 2,320.12
18.12.12	Lord Mayor's Festive Drinks	-	£ 200.00
19.12.12	Reception for Severn Trent Choir winning the BBC show "The Choir"	60	£ 459.16
03.01.13	Civic Night at the Belgrade Theatre Panto	150	£ 563.33
15.01.13	Refreshments for Good Citizen Recipient prior to Full Council	6	£ 20.50
17.01.13	Police & Crime Commissioners & Coroner's Introductory Dinner	15	£ 536.25
23.01.13	Lunch following HMS Diamond's Deployment Presentation	50	£ 813.00
25.01.13	Lunch prior to Holocaust Memorial Day	40	£ 445.80
31.01.12	Civic Visit to Volgograd for 70th Anniversary of Battle of Stalingrad	2	£ 1,313.07
16.02.12	Tickets for Mayor of Southam's Charity Band Concert	2	£ 20.00
17.02.12	Lord Mayor's Civic Service	160	£ 2,924.20
	<b>Refreshments, wines and spirits for Quarter 3</b>		<b>£ 179.34</b>
	<b>SUB-TOTAL</b>		<b>£ 11,513.71</b>
	<b>Actual Costs Previously Reported at Quarter 2</b>		<b>£ 24,644.40</b>
	<b>TOTAL at QUARTER 3</b>		<b>£ 36,158.11</b>



ACTUAL Costs of Function of 4<sup>th</sup> Quarter: 17th February – 16<sup>th</sup> May 2013

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
02.03.13	Tickets for Chairman of Stratford Charity Concert	2	£ 14.00
05.03.13	Contribution towards the cost of COKEPI	100	£ 662.50
06.03.13	Reception for Coventry Witness Support Programme	6	£ 16.20
13.03.13	Queen's Scout Presentation Evening	30	£ 109.50
14.03.13	Tickets for the Mayor of Nuneaton & Bedworth Charity Dinner	2	£ 70.00
21.03.13	Refreshments following Freeman's Admission Ceremony	60	£ 52.00
28.03.13	Reception for Retiring Members of Coventry Association for International Friendship	20	£ 172.72
04.04.13	Visit of Styvechale Grange Residents Association	25	£ 153.90
10.04.13	Lord Mayor's Charity Golf Day	75	£ 2,082.51
12.04.13	Purchase of promotional items as civic gifts	-	£ 1,267.50
15.04.13	Visit of Mary Goodwin former City Treasurer employee	6	£ 7.80
16.04.13	Visit to Natalia Kulishenko, author from Volgograd	4	£ 123.48
19.04.13	Refreshments as part of Charity Raffle Prize	11	£ 61.60
19.04.13	Tickets for ABF The Soldiers Charity Supper Evening	2	£ 50.00
20.04.13	Mayor of Solihull's Charity Ball	2	£ 80.00
23.04.13	Lunch with delegation from Jinan to mark the 30th Anniversary of Coventry/Jinan twinning Link	25	£ 588.41
24.04.13.	Mayor of North Warwickshire Fundraising Event	2	£ 8.40
25.04.13	Reception for Association of Former Civic Heads	30	£ 721.20
26.04.13	Special Freeman's Court for Rolls Royce Employees	100	£ 1,068.60
02.05.13	Health Partnership Dinner	40	£ 1,014.00
06.05.12	Lunch following Freeman's Sunday Service	50	£ 849.98
09.05.12	End of Year Civic Reception	80	£ 4,360.96

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
10.05.12	Welcome Dinner for Nijmegen Group of Law Co-ordinators	30	£ 587.84
12.05.12	End of Year Civic Party	40	£ 869.25
16.04.13	Contribution towards HMS Diamond's Freedom of Entry – Ceremonial Gift Items	-	£ 10,901.60
	<b>Refreshments, wines and spirits for Quarter 4</b>		<b>£ 314.94</b>
	<b>SUB-TOTAL</b>		<b>£ 26,210.49</b>
	<b>Actual Costs Previously Reported at Quarter 3</b>		<b>£ 36,158.11</b>
	<b>TOTAL at QUARTER 4</b>		<b>£ 62,368.60</b>

List of charities and organisations benefitting from grants from the Lord Mayor’s Charity Appeal 2012/13

	<b>Applicant</b>	<b>Amount Awarded</b>	<b>Date Approved</b>	<b>Brief Note</b>
1	Get Together	£1,000.00	07/11/2012	A project to help people with Autism/ Aspergers
2	2-Tone Central Ltd	£1,000.00	16/11/2012	A project to help with the fit out for the project.
3	Speakability Coventry Group	£1,000.00	16/11/2012	A project to hire a tail-lift coach for outings for victims of Strokes
4	International Children's Games	£1,000.00	07/12/2012	A project to hold an International Children's Games
5	Adventure Centre Wyken Ltd	£1,572.00	20/03/2013	A project to support Willenhall Haggard Community Centre on an outreach basis, providing equipment and expertise for archery sessions
6	Coventry Youth Operetta Group	£1,000.00	27/02/2013	A project to produce an educational musical theatre production at The Belgrade Theatre in May 2013
7	Allesley Park Walled Garden Group Ltd	£850.00	20/03/2013	To restore and preserve the Allesley Park Walled Garden in Coventry for the benefit of the public.
8	The Grangers	£1,000.00	20/03/2013	Donation to general activities
9	Dumi International Aid	£1,000.00	08/04/2013	A project raising HIV awareness to the African population in Coventry
10	Coventry Rape And Sexual Abuse Centre Ltd	£1,000.00	11/04/2013	To support the on-going provision of services to our clients
11	Cyrenians (Coventry )	£1,000.00	23/04/2013	A contributions towards costs
12	Holy Trinity Church-Peace Chapel	£1,000.00	23/04/2013	A project to update part of the church
13	City of Coventry Corps of Drums	£1,000.00	29/04/2013	A project to help replace the Corps white hats
14	Cheylesmore Over 60's Club	£1,000.00	08/05/2013	To assist with activities
15	EGO Theatre Group	£1,000.00	08/05/2013	To help with the group's activities
		<b>£15,422.00</b>		

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21<sup>st</sup> October 2013

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

**Director Approving Submission of the report:**

Executive Director, Resources

**Ward(s) affected:**

All

**Title:**

The proposed Business Charter for Social Responsibility including the implications of the Public Services (Social Value) Act 2012.

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**Is this a key decision?**

**No. Although the matter within the Report can affect all wards in the City, it is not anticipated that the impact will be significant and it is therefore not deemed to be a key decision**

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**Executive Summary:**

The recent Public Services (Social Value) Act 2012 (The Act) requires all public bodies to consider how they can improve the economic, social and environmental well-being of their local area through services they procure.

It is an opportune time to explore some of the barriers (both real and perceived) that still exist for local authorities, and to seek a better understanding of how they can maximise the social value achieved through all aspects of procurement and commissioning, planning and land disposals

Corporate Social Responsibility (CSR) has become a broadly accepted phrase in business and represents good business practice. To describe, CSR is a collection of interrelated disciplines all of which combine to represent an organisation's overall ethos, its personality, philosophy and character as regards its role in the world in its largest sense. It embraces how organisations are run and their commitment to all stakeholders.

Small businesses (SME's including Social Enterprises', Black Minority and Ethnic groups, women and disabled-owned businesses and the voluntary sector) can help enhance competition, deliver locally targeted services and provide an important source of innovation and new techniques. Appropriate procurement and commissioning processes can make a significant contribution to sustainable development and minimise resource utilisation by ensuring that suppliers, contractors and the goods and services bought achieve optimum environmental performance. Furthermore, procurers and commissioners have additional responsibilities including the identification of and capturing the local views and needs, minimising any reputational risk of social exploitation within the supply chain. The Council plays an integral role in identifying opportunities for promoting environmental and social awareness in the wider marketplace through the supply community.

The Procurement and Commissioning Service already has in place policies, procedures and processes which are aligned to CSR principles. These are being reviewed in the light of the duty under the Act and have been carefully crafted in consultation with voluntary sector colleagues and others, to allow us to look at social considerations through contracting whilst complying with the Public Contract Regulations. However, there is an opportunity to improve awareness of our commitment and adoption of the same principles within the supply chain.

It is proposed to supplement the existing Small Business Friendly Concordat which Coventry signed up to in March 2007, with a Business Charter for Social Responsibility (see Appendix 2). Although this document is not a legal document, it is intended to be signed by relevant parties, thereby obtaining a 'public' commitment to a spirit, style and set of behaviours in our business relationships.

To draft the Business Charter for Social Responsibility a reality in Coventry we have engaged with the existing "experts" we have in our organisation (see Appendix 3) and intend to use the Charter as a framework that joins up the existing areas of good practice that are currently operating in isolation. The Charter will give these experts the vehicle through which they will be able to engage with our existing supply chain to achieve their objectives e.g. apprenticeships, local jobs etc.

Officers are developing and consulting on a Social Value Policy for the Council, which will be brought to Members in the New Year. The Business Charter for Social Responsibility compliments the proposals for this policy.

**Recommendations:**

- (1) That the Business Charter for Social Responsibility be implemented for Coventry City Council and its supply chain.

**List of Appendices included:**

*Appendix 1- The Small Business Friendly Concordat*  
*Appendix 2-Business Charter for Corporate Social Responsibility*  
*Appendix 3- The existing "experts" we have in our organisation*  
*Appendix 4-Business Charter implementation plan*

**Other useful background papers:**

*None*

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

Yes, Procurement Board, 05<sup>th</sup> Feb 2013 (Business Charter for Corporate Social Responsibility)

**Will this report go to Council?**

No

**Report title:** The Proposed Business Charter for Social Responsibility including the implications of the Public Services (Social Value) Act 2012

## **1. Context (or background)**

- 1.1 The Business Charter for Social Responsibility was presented to Procurement Board as a proposal in August 2012. The Board asked that the Procurement and Commissioning Service engages with interested parties and seeks their views on how this could be implemented across the City Council.
- 1.2 The Act was enacted on 31<sup>st</sup> January 2013 which enables local authorities to evaluate social value as part of their tender processes.

## **2. Options considered and recommended proposal**

- 2.1 The Act requires all public bodies to consider how they can improve the economic, social and environmental well-being of their local area through services they procure. This emphasis on using procurement to deliver social value is not entirely new. Under the Local Government Act 1999, local authorities are required to achieve best value, defined as "...to secure continuous improvement in the exercise of all functions undertaken by the authority, having regard to a combination of economy, efficiency and effectiveness." The recent Best Value Statutory Guidance issued by the Department of Communities and Local Government in 2011 reminds local authorities that Best Value decisions should include consideration of social value. Furthermore, the new Act is not prescriptive on how authorities must 'consider' social value. However, given the new prominence that the Act has given to the concept of 'social value', it is an opportune time to explore some of the barriers (both real and perceived) that still exist for local authorities, and to seek a better understanding of how they can maximise the social value achieved through every procurement exercise.
- 2.2 CSR has become a broadly accepted phrase to describe a collection of interrelated disciplines all of which combine to represent an organisation's overall ethos, its personality, philosophy and character, as regards its role in the world in its largest sense. CSR is simply good business practice. It embraces how organisations are run and their commitment to all stakeholders.
- 2.3 Where, for instance, leaders are elected, an organisation's reputation for integrity, trustworthiness and professionalism is vital to the continued success of that body of leaders and, therefore, to the continuation of the organisation in its present form.
- 2.4 Being seen consistently to practise clearly articulated CSR principles in its procurement practices sends an unequivocal message to all stakeholders. This sits at the heart of an organisation's 'reputational capital' and can add substantially to its success and longevity.
- 2.5 Small businesses (SME's including Social Enterprises, Black Minority and Ethnic groups, women and disabled-owned businesses and the Third Sector) can help to enhance competition, deliver locally tailored services and provide an important source of innovation and new techniques. Appropriate procurement and commissioning practices and processes can make a significant contribution to sustainable development and minimise resource utilisation by ensuring that suppliers, contractors and the goods and services bought achieve optimum environmental performance. Furthermore, procurers and commissioners have an additional role to play in including the views and needs of the community and minimising any reputational risk of social exploitation within the supply chain. Procurers and Commissioners, therefore play an integral role in incorporating and promoting environmental and social awareness in the wider marketplace through the supply community.
- 2.6 It is henceforth considered appropriate to have a Business Charter that will support us to deliver added value and benefits to the community we serve and having a more proactive approach towards our Corporate Social Responsibility. As we are committed to transforming Coventry into a city where people choose to live and work, the Business Charter will act as a tool enabling us to work with our suppliers and businesses to maximise the opportunities for jobs and growth of our local economy. It will enable effective partnership working between suppliers and the council to yield much wider benefits for the residents of Coventry.

- 2.7 Having identified Health Inequalities as a key priority by the Council and its partners, the charter provides a fundamental opportunity to target the economic, social and environmental benefits that accrue, on our most deprived communities. By improving the opportunity afforded to individuals (for example a job) or by improving the physical environment in the City's most deprived neighbourhoods we can differentially impact on the health outcomes of those who currently suffer more ill health or die at an earlier age than their peers who were born into more advantageous social circumstances. Many, if not all of the social value benefits accrued through the charter could contribute to reducing health inequalities if they are appropriately targeted on individuals living in the most disadvantaged areas and support in the development of the city as a whole.
- 2.8 Procurement Policy & Processes must:
- 2.8.1 Link with the organisation's overall CSR policy and exert influence on its approach from procurement and commissioning perspective.
- 2.8.2 Ensure the procurement sourcing strategy delivers what the organisation, as a whole, is aiming for and its commitments are entirely practicable within overall existing policies in more general terms including value for money and the EU Public Procurement Directives.
- 2.8.3 When engaging with the Voluntary Sector, comply with the principles of Compact Plus for Coventry.
- 2.9 The Procurement Service has in place Policies, Procedures and Processes which are aligned to CSR principles as described above. These may need to be reviewed in the light of the Social Value Act although; they have been carefully crafted to allow us to look at social considerations through contracting whilst complying with the Public Contract Regulations. However, there is an opportunity to improve awareness of our commitment and adoption of the same principles within the supply chain. A significant step has already been taken to improve awareness through the Small Business Friendly Concordat which Coventry signed up to in March 2007. (see Appendix 1).
- 2.10 We now wish to implement this process that will engage our supply chain in a more tangible way to secure their commitment and adoption of the same principles regarding their own organisation and its supply chains.
- 2.11 This process has been working successfully in other authorities including Birmingham CC and Solihull MBC and evidence has shown that often suppliers have completed a significant amount of work in these areas.
- 2.12 Therefore, we propose to supplement the Concordat with a Business Charter for Social Responsibility. (see Appendix 2). Although this document is not a legal document, it is intended to be signed by relevant parties, thereby obtaining a 'public' commitment to a spirit, style and set of behaviours in our business relationships.
- 2.13 The Charter includes a number of simple measures of progress towards goals, and we may implement a simple and low cost process to recognise achievement in a 'public' way. The Business Charter will complement the "Social Value Policy" (subject to Cabinet approval in February 2014) helping us achieve our objectives and outcomes more effectively.
- 2.14 To make the Business Charter for Social Responsibility a reality in Coventry we will need to engage with the existing "experts" we have in our organisation (see Appendix 3) and use the Charter as a framework that joins up the existing areas of good practice currently operating in isolation. The Charter will give these experts the vehicle through which they will be able to engage with our existing supply chain to achieve socially valuable objectives including apprenticeships and local jobs.
- 2.15 If Members agree the Charter, an outline implementation plan has been prepared. (see Appendix 4).

### **3. Results of consultation undertaken**

- 3.1 A wide ranging consultation exercise has been conducted as a part of the 12 month consultation period comprising a series of face to face meetings with the following stakeholders from voluntary sector including Grapevine, Voluntary Action Coventry,



Federation of Small Businesses, Coventry & Warwickshire Chamber of Commerce and Social Enterprise West Midlands.

- 3.2 To summarise the discussions, a favourable response was received from all those consulted, with different flavours and ideas being purported by many of the consultees.
- 3.3 Discussions included the implications for our procurement processes as a result of the Public Services (Social Value Act) 2012, local employment, apprenticeships, local spend including how we define "local", how we can improve communications with the voluntary sector and SME's regarding tender opportunities and how we can encourage our larger contractors to work with us to deliver our local economic regeneration agenda through their own supply chains.
- 3.4 It was agreed that the Council needed to continue to work on how social value was specified and evaluated in our tender documents followed by the measurement and management of social value throughout the life of the contract.

#### 4. Timetable for implementing this decision

The Business Charter will be implemented post Cabinet Member meeting approval following the steps outlined in Appendix 4.

#### 5. Comments from Executive Director, Resources

##### 5.1 Financial implications

There are no direct financial implications resulting from the introduction of the Business Charter.

##### 5.2 Legal implications

The Council has a duty to discharge under the Act and the establishment of the business charter and its incorporation in to the procurement and commissioning process will enable the Council to demonstrate that it has discharged that duty

#### 6. Other implications

N/A

##### 6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The adoption of the Business Charter by the council and take up from other business partners and suppliers will lead to a ripple effect in creating social value. This in turn will benefit the residents of Coventry, helping fulfil the wider objectives' of the council including:

- **A prosperous Coventry:** where local businesses thrive, making the city more prosperous.
- **Jobs and growth:** the charter will help us work proactively with suppliers and sub-contractors to encourage the creation of jobs and apprenticeships locally and help in growing the local economy.
- **Healthier, independent lives:** People in Coventry living longer, healthier, independent lives
- **Achieve and make a positive contribution:** By creating social value in all the business we and our partners carry out will help make a positive contribution towards the wider community.
- **Encouraging a creative, active and vibrant city:** The Business Charter will aim at creating social, economic and environmental benefits for the residents of Coventry through initiative's

including local employment, localised added value services and more business for the local suppliers. This will help the local economy to flourish, promoting a vibrant and active environment where all businesses will have the opportunity to flourish. This may lead to local employment, creating an active and vibrant population through raised aspirations and confidence in some of our disadvantaged neighbourhoods.

- **Developing a more equal city with cohesive communities and neighbourhoods:** By supporting the local suppliers including third sector organisations (Voluntary / community groups, Social Enterprises, Charities, businesses employing disabled people, women, people from disadvantaged and BME community) will help to provide fair opportunities and support to small businesses in order to create a more equal city.
- **Improving the environment and tackling climate change:** The implementation of the charter will help us and our suppliers improve our environment further and tackle climate change.

## **6.2 How is risk being managed?**

The implementation of the Business Charter doesn't have any risks associated with it.

## **6.3 What is the impact on the organisation?**

Adopting the Business Charter for Social Responsibility will help regenerate our local economy through wise use of our purchasing power.

## **6.4 Equalities / EIA**

The implementation of the charter will promote realisation of social benefits for the residents of Coventry. This will include consideration to benefits that can be yielded for disabled people, people from different ethnic groups, gender/,age (including children and young people)/,sexual orientation/as well as disadvantaged neighbourhoods by procuring services with the social value principles embedded into the process.

## **6.5 Implications for (or impact on) the environment**

The implementation of the charter will encourage us and our suppliers to identify and deliver environmental benefits where appropriate.

## **6.6 Implications for partner organisations?**

The charter aims to communicate our commitment towards creating social benefit, tackling issues where possible and is an extended invitation to all our partners and suppliers to join hands in creating social value for the benefits of Coventry residents including the reduction of barriers for SME'S and voluntary organisations to encourage their participation in the business we carry out.

**Report author(s):****Name and job title:** Liz Welton, Assistant Director (Procurement and Commissioning)**Directorate:** Resources**Tel and email contact:** 024 7683 2918, [liz.welton@coventry.gov.uk](mailto:liz.welton@coventry.gov.uk)

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This report is published on the council's website:

[www.coventry.gov.uk/meetings](http://www.coventry.gov.uk/meetings)

## **Appendices:**

### **Appendix 1: The Small Business Friendly Concordat**

#### **CONCORDAT BETWEEN THE COUNCIL OF THE CITY OF COVENTRY (the "Council") AND SMALL AND MEDIUM-SIZED ENTERPRISES ("SMEs") (Including Social Enterprise, Voluntary and Community Sectors)**

A statement of principles to encourage effective trade between the Council and SMEs

##### **1. Introduction**

The Council is committed to delivering locally the National Procurement Strategy for Local Government. The strategy asks local authorities to adopt a SME friendly procurement concordat and to encourage a mixed range of suppliers in order to help develop and stimulate a varied and competitive market place. This concordat is a statement of the actions that the Council will take to make their contracts more accessible to SMEs.

The concordat sets out what SMEs who are existing suppliers to the council, or who want to do business with the council, can expect and what we expect from our suppliers. It commits the Council to good practice in procurement and contract management in order to deliver high quality public services.

We recognise the important contribution that SMEs, social enterprises, voluntary and community sectors can make to the delivery of public services and the vital role these organisations play in the national and local economy. We are committed to making the most of the benefits offered by them.

This concordat is not an exclusive contractual relationship with any particular organisation, but is intended to set a framework for a more strategic, inclusive and consistent relationship between The Council and our Suppliers.

The Concordat will:-

- Actively encourage early engagement and discussion between the Council and Suppliers.
- Promote enhanced communications and encourages openness and transparency between the parties.

##### **2. Underlying Principles**

Contracts are awarded in order to support the delivery of Best Value and are evaluated according to the nature of the contract. Sometimes this is on the basis of the lowest offered price, but the Council evaluates offers based on the Most Economically Advantageous Tender, considering quality and other non-priced criteria. We will only evaluate on areas that are relevant to the subject matter of the contract.

The Council will identify and publish tendering opportunities for which SMEs can bid and will remove identified barriers in procedures and processes that prevent easy access to council contracts.

Where appropriate, all tender processes and contract awards must comply with:

- EU Public Procurement Directives and the underlying principles of non-discrimination, equal treatment and transparency.
- UK law including our power to promote the economic, social and environmental well-being of our community.

##### **3. The Council's Commitments**

Procurement Strategy

We have a published procurement strategy. The strategy addresses:

- How the Council makes informed decisions about effective delivery of its corporate and service objectives and its contribution to equalities, sustainability and workforce issues.
- The Council's desire for all citizens to have access to the best possible public services, reinforcing the ethos of Best Value legislation,.
- How we will encourage a diverse and competitive supply market, including small firms, social enterprises, and voluntary and community sector suppliers.
  - We will ensure that any use of large contract and 'call-off' contract agreements is supported by a sound business case and options appraisal.
  - Where appropriate, we will consider the benefits of dividing contracts into smaller lots.
  - Where appropriate, we will consider the role of SMEs specialist suppliers as part of these solutions.

### **Access to contract opportunities**

- We publish guidance on our website for suppliers on 'How to do business with The Council'
- We will advertise on our website current and future bidding opportunities including contact details for each contract. We will also include details of contractors who have been successful in winning contracts.
- We will advertise contracts using a range of publications and other means in order to encourage greater diversity.
- Where appropriate, we will give businesses an opportunity to discuss the procurement exercise in order to understand our requirements and assess their own suitability.
- We will work with strategic partners - both at tender stage and during the life of a contract - to establish the contribution that small firms, social enterprise and voluntary and community sector suppliers can play in the supply chain.
- Where appropriate, we will invite bidders to demonstrate their track record in achieving value for money through effective use of their supply chain, including the use of small firms.

### **Fair tender processes**

- We will apply our own rules and policies fairly and consistently to ensure we have accessible and consistent contract procedures.
- At pre-tender stage and during the tender process we will ensure that all tenderers have equal access to relevant information.
- We will strive to ensure tender documentation is clear, concise and jargon free.
- Where possible we will use standard contract terms, and/or contract terms proportionate to the scale and complexity of the contract.
- At specification stage we will focus on outputs/outcomes to maximise value for money, open markets and encourage innovation, consulting suppliers where appropriate.
- We will ensure that risk is fairly assigned to the party best suited to deal with it.
- We will ensure that the costs and time taken in tendering are kept to a minimum and are proportionate to individual contract processes.
- If a pre-qualification stage is used we will, where appropriate, use a Council-wide pre-qualification questionnaire and/or a pre-qualification questionnaire relevant to the size, nature, risk etc of the supply/service to be tendered.
- We will assess potential suppliers against published pre-qualification and tender evaluation criteria. These criteria will be proportionate to the risks of the individual contract process. In

particular the criteria relating to financial standing will not be set to exclude newer businesses unless relevant to the contract.

### **Feedback**

- Where required, we will offer feedback to suppliers in order to improve future tenders.
- We will seek feedback from suppliers on our tender processes.
- We have a published corporate 'Customer comments, complaints and compliments procedure'.

### **Contract management**

We will treat suppliers openly and fairly. Suppliers will:

- Be paid on time and/or not more than 30 days from submission of an undisputed invoice.
- Receive honest and constructive feedback on performance of the contract.
- Be given notice of any performance problems and an opportunity, if appropriate, to put matters right.

### **Supplier Commitments**

As customers we will make clear to our suppliers, and those wishing to do business with us, what is expected of them.

Name of Authority: Coventry City Council

Date 7<sup>th</sup> March 2007

### **Dispute Resolution**

Responsibility for resolving any disputes arising from the provision of this Concordat rests with Head of Customer and Business Information. If the matter cannot be resolved satisfactorily, it should be passed to the Strategic Director of Finance and ICT

## **BUSINESS CHARTER FOR SOCIAL RESPONSIBILITY**

This Charter describes the spirit, style and behaviours we will adopt and will expect our partners/suppliers to adopt as we jointly work together in an open, positive and honest manner to maximise the level of customer satisfaction and value.

Coventry's business community has a corporate and social responsibility to:

- Ensure the future prosperity of Coventry, its businesses and all its citizens
- Value and respect the needs and aspirations of the diverse communities in Coventry
- Enhance social opportunity and cohesion in a dynamic and changing business environment
- Help to develop improvements for disadvantaged neighbourhoods and people
- Create and maintain a sustainable, clean, safe and attractive environment for living, work and leisure
- Recognise and promote Coventry's diversity as a major asset

Businesses will be encouraged to sign up to the Charter and by sharing in a committed approach to these responsibilities, they will achieve economic and staff quality/retention benefits, and enhanced reputation in the community.

Coventry has issued a Concordat for Small and Medium-sized Enterprises, which is a statement of principles to encourage effective trade between Coventry and small businesses. [[http://beacon.coventry.gov.uk/downloads/file/1087/small\\_and\\_medium\\_enterprise\\_concordat](http://beacon.coventry.gov.uk/downloads/file/1087/small_and_medium_enterprise_concordat)]. The Concordat and Charter are complementary.

Coventry will make appropriate use of its legal powers including the power to promote the economic, social and environmental wellbeing of our community.

All tender processes and contract awards will comply with EU Public Procurement Directives and the principles of non-discrimination, equal treatment and transparency and our duties under UK law.

Jointly, we will encourage a diverse and competitive supply market, including small firms, social enterprises, ethnic minority businesses and voluntary and community sector suppliers.

Jointly, we are committed to consider the role of these suppliers in delivering specialist elements of larger contracts and framework agreements. Coventry will work with prime contractors – both at tender stage and during the life of a contract – to jointly establish the contribution that small firms, ethnic minority businesses, social enterprises and third sector suppliers can play in the supply chain. Coventry provides details of its prime contractors on its contract register on its website.

## **Areas of Focus & Measures of Progress**

Whilst the Charter is not a legal document, it is useful to describe areas of specific focus and some simple measures of progress. Positive progress against these measures may result in publicised recognition awards. Progress is to be reported on a six-monthly basis.

### **1. Employment**

Together, we will seek to reduce unemployment and raise the skills level of our local workforce. Working in partnership, we will promote local employment opportunities and where possible, we will encourage and facilitate learning and development of our local workforce. We will also encourage our subcontractors to endorse this philosophy throughout the supply chain network.

Measures: will be negotiated individually with each company but could include measures such as:

- Percentage of new recruits that are Coventry residents
- Use of local agencies to support recruitment

- Qualification levels of employees
- Number of employees receiving training
- Number of work experience placements offered
- Number of visits by schools etc

## 2. Equality and Diversity

Coventry City Council's commitment to equality and diversity, and its framework for action, are expressed in its Equal Opportunities Policy

[\[http://beacon.coventry.gov.uk/directory\\_record/805/equality\\_and\\_diversity\\_policies\]](http://beacon.coventry.gov.uk/directory_record/805/equality_and_diversity_policies) and [Corporate Equality & Diversity Strategy](http://beacon.coventry.gov.uk/directory_record/806/equality_strategy)

[\[http://beacon.coventry.gov.uk/directory\\_record/806/equality\\_strategy\]](http://beacon.coventry.gov.uk/directory_record/806/equality_strategy). Jointly (including our subcontractors) we will familiarise ourselves with these documents and adopt an approach that demonstrates commitment to promoting equality and diversity in service provision, work undertaken within the Coventry community and employment.

Together, we will take all reasonable practicable steps to ensure that the way in which we operate - including policies, practices and procedures, do not discriminate or unfairly affect particular groups, such as black and minority ethnic groups and disabled people.

### Measures (generic):

(i) Equality profile of the workforce, job applicants, training, promotion, grievances, disciplinaries, and leavers.

### Measures (specific to service provision):

(ii) Monitoring information on the equality profile of service users and complainants.

(iii) *Records of service satisfaction surveys/consultation exercises with equality profiling of customers/employees involved.*

## 3. Health Inequalities

Health Inequalities are differences in health outcome that exist between different population groups. Some population groups die at a younger age or suffer more ill health than others often because they are born into disadvantaged communities and experience deprivation throughout their lives. Health Inequalities are the consequence of poverty and poorer access to things such as good quality education, housing and other services. Reducing Health Inequalities is a key priority for Coventry.

By providing more opportunities for health improvement to those living in the most disadvantaged circumstances differences in health outcomes can be reduced. For example providing access to a job or training could improve the health of the beneficiary but through ensuring that the individuals who benefit come from areas of socio-economic disadvantage, health inequalities could also be reduced. Many, if not all of the social value benefits accrued through the charter could contribute to reducing health inequalities if they are appropriately targeted on individuals living in the most disadvantaged areas of the city.

### Measures (generic):

- (i) Differences in life expectancy across the Index of Multiple Deprivation (IMD) (socio-economic/deprivation gradient) using the nationally produced slope index of inequality in male and female life expectancy at birth (to demonstrate a narrowing of the gap in life expectancy that currently exists between different socio-economic groups).

### Measures (specific to the value being accrued):

(ii) Where the impact is on an individual (eg a job or training opportunity) the Index of Multiple Deprivation (IMD) quintile of the beneficiaries will be monitored (to demonstrate the targeting of benefits on those in the most disadvantaged circumstances).

(iii) Where the impact is on a geographical area the post-code of the beneficial development can be used demonstrate targeting on deprived neighbourhoods.



## 4. Managing Risk

When working with new partners or suppliers, the enthusiasm to have an impact and to deliver results can sometimes overtake the need to have all of the necessary arrangements and procedures in place. Problems can arise when governance and accountability arrangements are not agreed, not clear or are under-developed.

To avoid such difficulties, we intend to work with our partners and suppliers to develop a common understanding that:

- managing risk is a joint responsibility;
- we will take all reasonable steps to protect each other, our employees and anyone else (e.g. visitors, people living nearby and other members of the public) from significant risks;
- partners/suppliers are competent to manage risk;
- performance monitoring arrangements will include monitoring risk and health and safety management arrangements to ensure they continue to be effective;
- the extent of any monitoring will be directly linked to the level of risk (the greater the risk, the greater the monitoring).

For a full copy of the Coventry CCC Risk Management Procedure, please refer to [\[http://beacon.coventry.gov.uk/site/scripts/google\\_results.php?q=corporate+risk+assessment+procedure\]](http://beacon.coventry.gov.uk/site/scripts/google_results.php?q=corporate+risk+assessment+procedure).

Measures (to provide evidence of an effective Risk and Health and Safety Management System):

(i) Production of an Annual Health and Safety Performance Report

(ii) Regular monitoring of accident data to identify causes, trends and make recommendations to improve performance.

(iii) Regular review of proactive internal monitoring arrangements e.g. inspections/ audits.

## 5. Subcontracting to other business organisations or to third sector organisations within Coventry

Where subcontracting is necessary and is accepted under the terms of any prime contract, it will be conducted under the 'spirit' of this Charter and the Compact for Coventry [\[http://beacon.coventry.gov.uk/downloads/download/348/coventry\\_compact\]](http://beacon.coventry.gov.uk/downloads/download/348/coventry_compact).

The term 'third sector' describes a range of groups, organisations and institutions which occupy the space between the public and the private sector. These include all local voluntary and community groups, large and small registered charities, foundations, trusts, and the growing number of social enterprises and co-operatives.

Measures (generic):

(i) Number of organisations engaged (by type) and estimated associated annual value

(ii) Number of their employees and percentage resident in Coventry

(iii) Number of their employees on training and development schemes

Measures (specific to third sector):

(iv) Where such subcontracts are funded by public money, the number of SLAs (Service Level Agreements) that are in place.

## 6. Environmental Sustainability

Coventry City Council acknowledges that the current model of development is unsustainable. In other words, humankind is living beyond its means. We are consuming too many resources, generating too much waste, and causing irreversible damage to the environment and the climate.

The City Council will play its part in improving our environment and will lead by example by reducing, where possible, the environmental impact of our business activities. This will include

- reducing our carbon footprint and energy consumption;
- avoiding unnecessary waste by following the waste hierarchy of reduce, reuse and recycle;
- protecting and enhancing Coventry's natural environment for the benefit of wildlife and people.

In addition we seek, in partnership with suppliers, to minimise any negative environmental impacts of goods and services purchased, across their life cycle from raw material extraction to end of life.

Together, we will ensure that we follow sustainable procurement policies and processes which will exploit the opportunity to minimise energy consumption, waste, pollution, production of greenhouse gas emissions and detrimental environmental impacts while encouraging others to do likewise.

### Measures:

Measures expected to be adopted by suppliers:-

- Identification of the main environmental aspects associated with the services and products provided. E.g. carbon dioxide emissions, energy consumption, fuel consumption, packaging and waste.
- Periodically providing monitoring data related to main environmental aspects.
- Setting of improvement targets related to main environmental aspects and provision of a plan on how targets will be achieved over the period of the contract.

Certification to an environmental management standard such as ISO 14001 will help in meeting the above measures.

## 7. Safeguarding

Coventry is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and requires the support of the entire community to achieve this aim; including local businesses.

### Measures:

*The level of safeguarding measures required of local businesses will vary depending on the nature of the business and should be appropriately reflected in any contract between the local business and Coventry MBC.*

## 8. Corporate Parenting

The Children and Young People's Act 2008 identifies the role of the Corporate Parent. Corporate Parenting is a term used to define responsibilities towards looked after children, young people and care leavers (aged up to 21years / 25 years). This group of people may also be called children / young people in care.

All elected members and local authority employees have a universal responsibility to ensure that these children and young people are considered when providing services. This also applies to partners such as Care Trust, Police, Coventry Community Housing, private and third sector

providers. Education and Children's Services and workers directly providing services to these young people have a targeted responsibility. This also applies to services that are commissioned / contracted out to other agencies / partners, i.e. care placements.

Other organisations may be able to support Corporate Parenting by providing this group of people with opportunities for learning and development, including work experience.

Measures (specific to service provision):

*Measures applicable to the organisations mentioned above will be detailed within agreed SLAs specifically relevant to the respective service provision.*

Measures (generic):

*The number of these children and young people who are/have been provided with learning and development, including work experience.*

## **9. Fraud**

The Council recognises that the successful implementation of an anti-fraud and corruption culture is dependent on the commitment and involvement of Members, senior and other levels of management, all employees, workers and stakeholders in the wider community and its suppliers.

The Council's partners and suppliers should ensure that there are adequate arrangements in place to minimise fraud and corruption and protect the public funds that are being spent on behalf of the Council.

All partners and suppliers have a duty to report any suspected fraud or corruption that relates to Council funds to the Head of Internal Audit and Risk.

For a full copy of the Coventry City Council Fraud and Corruption Strategy, please refer to: [\[http://beacon.coventry.gov.uk/directory\\_record/4651/fraud\\_and\\_corruption\\_strategy\]](http://beacon.coventry.gov.uk/directory_record/4651/fraud_and_corruption_strategy)

**Signed:**  
**(for Coventry City Council)**

**Signed:**  
**(for XYZ Co)**

### **Appendix 3- The existing "experts" we have in our organisation**

Views, support and inputs have been sought from colleagues having responsibility for the areas listed under "Measures of Progress" in the Charter document. The areas covered are listed below:

- 1) Employment
- 2) Equality & Diversity
- 3) Health Inequalities
- 4) Managing Risk
- 5) Subcontracting
  - a) to other business organisations , or
  - b) to Third Sector organisations
- 6) Sustainability
- 7) Safeguarding
- 8) Corporate Parenting

## **Appendix 4-Business Charter implementation plan.**

Post Cabinet Member meeting approval, the following steps will be followed to implement Business Charter:

1. Identify up to four Partners/Suppliers willing to sign up (and deliver supportive presentations) at a 'public' Launch Event, and willing to act as advocates/ambassadors for the Charter. Include a presentation by a Third Sector organisation already engaged in service provision alongside a relevant 'commercial' organisation.
2. Identify a number of other Partners/Suppliers we would want to sign up and invite them to the Launch Event. We propose that the first phase of this will be with a limited number of significant Partners/Suppliers, so that we can manage the process and deal with any issues before rolling it out to a wider range of Partners/Suppliers.
3. Identify other organisations (Third Sector etc) which may benefit from the Charter process and invite them to the Launch Event.
4. Launch the Charter at a 'public' Event in the Council House with the Leader and other Members plus Directors/Officers present. It is planned that the media will also be invited.
5. Thereafter, the Charter is intended to be available for use by anyone undertaking commissioning/procurement (bearing in mind item 3 above). It will be helpful to maintain a 'central register' of all signed Charters so that the level of take-up can be monitored and so that we can determine how to manage the recognition / award process. Therefore, it is proposed that copies of signed Charters are sent to the Procurement Service for this purpose.

### **Note that:**

1. The eight Areas of Focus and Measurement within the Charter may be tailored to ensure relevance to the business/service activity being conducted. It is important that any proposed amendments are discussed with the relevant 'owners' of the Areas of Focus and Measurement.
2. Should any of the Areas of Focus and Measurement be incorporated within a Contract document or the associated SLA (Service Level Agreement), then the Charter can be amended accordingly.
4. It is intended that Partners/Suppliers monitor themselves and provide reports to Coventry City Council, and that we only need to become involved by exception.
5. A review of the Charter and associated progress and processes is planned to take place approximately twelve months after the Launch Event