Open Agenda

Southwark Council
southwark.gov.uk

Education and Business Scrutiny Commission

Thursday 13 February 2020
7.00 pm
Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Membership

Councillor Peter Babudu (Chair)
Councillor William Houngbo (Vice-Chair)
Councillor Karl Eastham
Councillor Renata Hamvas
Councillor Eleanor Kerslake
Councillor Lorraine Lauder MBE
Councillor Eliza Mann
Lynette Murphy-O'Dwyer
Martin Brecknell

Reserves

Councillor Humaira Ali
Councillor Radha Burgess
Councillor Tom Flynn
Councillor Richard Leeming
Councillor Michael Situ
Councillor Leanne Werner

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information You have the right to request to inspect copies of minutes and reports on this agenda as well as the background documents used in the preparation of these reports.

Babysitting/Carers allowances If you are a resident of the borough and have paid someone to look after your children, an elderly dependant or a dependant with disabilities so that you could attend this meeting, you may claim an allowance from the council. Please collect a claim form at the meeting.

Access The council is committed to making its meetings accessible. Further details on building access, translation, provision of signers etc for this meeting are on the council's web site: www.southwark.gov.uk or please contact the person below.

Contact
Julie Timbrell on 020 7525 0514 or email: julie.timbrell@southwark.gov.uk

Members of the committee are summoned to attend this meeting

Eleanor Kelly
Chief Executive
Date: 4 February 2020

PRINTED ON
RECYCLED PAPER

Education and Business Scrutiny Commission

Thursday 13 February 2020
7.00 pm
Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Order of Business

Item No.	Title	Page No.

This item will discuss recommendations for (i) exclusions and alternative provision and (ii) procurement reports. Scopes are enclosed.

The workplan is also enclosed.

DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING.

PART B - CLOSED BUSINESS

DISCUSSION OF ANY CLOSED ITEMS AS NOTIFIED AT THE START OF THE MEETING AND ACCEPTED BY THE CHAIR AS URGENT.

DISTRIBUTION LIST 2019/20

Date: 4 February 2020

EXCLUSION OF PRESS AND PUBLIC

The following motion should be moved, seconded and approved if the sub-committee wishes to exclude the press and public to deal with reports revealing exempt information:

  "That the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1-7, Access to Information Procedure rules of the Constitution."

Southwark Council
southwark.gov.uk

EDUCATION AND BUSINESS SCRUTINY COMMISSION

MINUTES of the Education and Business Scrutiny Commission held on Monday 7 October 2019 at 7.00 pm at Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

PRESENT:	Councillor Peter Babudu (Chair) Councillor William Houngbo (Vice-Chair) Councillor Renata Hamvas Councillor Eleanor Kerslake Councillor Eliza Mann Lynette Murphy-O'Dwyer
OTHER MEMBERS PRESENT:	
OFFICER SUPPORT:	Shelley Burke , Head of Overview and Scrutiny Jenny Brennan, Assistant Director Family Early Help & Youth Justice. David Bromfield, Education Adviser

1. APOLOGIES

Apologies were received from Martin Brecknell, co-opted member of the commission.

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT.

There were none

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS.

There were none

4. MINUTES

Agreed subject to correcting a typo.

Education and Business Scrutiny Commission - Monday 7 October 2019

5. REVIEW: SCHOOL EXCLUSIONS - ADVOCACY ACADEMY

A group of young people from the Advocacy Academy attended the meeting to talk to councillors about their experience of school exclusion.

Christian introduced the group and set out their campaign themes: no lost causes, compassionate education and making the case for increased funding. Some of the group were also part of the IC3 campaign which aims to address the perception of BAME students. He explained that the Advocacy Academy is a social justice fellowship made up of young people from across South London.

Christian had attended Globe Academy. He said that every year one of his friends would get permanently excluded. He had noticed that they tended to have common traits – they were funny, charismatic and struggled to focus. He told the commission how his best friend got excluded and life changed. He knew two excluded students who have died and he saw a link between exclusion and violence. He wanted to draw councillors' attention to some statistics:

- 35 of the most disadvantaged students get excluded every day.
- Excluded pupils are four times more likely to grow up in poverty, twice as likely to be in care, and seven times more likely to have special educational needs

He suggested that the council could develop a charter on school exclusion. This would mean the council setting targets for schools with upper limits eg a percentage of the school roll – the upper limit might be set at around 3-5%. The council could write to every school about this and offer support.

Chanay told the commission that she had experienced internal exclusion for the first time when she was 8. On one occasion in secondary school she was put in isolation for eating a biscuit in class. She was eating the biscuit because she had missed lunch catching up on work. One another occasion she was put in exclusion for leaving her PE kit at home. Exclusion then led to her falling further behind with work. The point she wanted to make was that these were punishments for petty things and that students did not learn whereas a humane solution might have worked and led to a positive outcome. She felt that the concept behind exclusion is like prison and that it becomes a pipeline to more troubles and eventually permanent exclusion. She wanted to draw councillors' attention to some statistics:

- 25000 children aged 7 or under were excluded in 2015/16.
- Black students are 3 times more likely to be excluded.

She suggested that councillors meet with heads and talk about students' experience and try to come up with better alternatives for punishments.

Alex told the commission he had had all types of exclusions. He had been sent to the annex in secondary school and felt it was more like a pupil referral unit with bars on the windows, and no teachers but staff whose job was to stop students fighting. He was in there 2 months and had a friend who was there 2 years. He knew one student who spent his whole secondary school time there and got no GCSEs. Alex had been sent to isolation cubicles in college. On one occasion he was excluded for 5 days for opening a door too hard. He was finally permanently excluded for attainment grades, having missed an exam due to illness. Nearly every one of his friend from secondary school had been excluded. He had friends in jail for stupid reasons. He had a couple of friends who had been stabbed. He agreed that racism is a factor – he had been at school with a black student with aspergers who got no support while a white student with worse behaviour was supported by the school. He wanted to draw councillors' attention to some statistics:

- Pupils excluded at age 12 are 4 times more likely to be jailed.
- 63% of all prisoners have been temporarily excluded and 42% permanently.

He suggested there should be limit on the amount of time students can spend in exclusion. If they cannot see any hope of getting back to mainstream school they have no motivation to improve.

Olamide told the commission she had been excluded a few times, sometimes because of the actions of students she associated with although she might have been in another class at the time of the incident. She had two friends dead, and four that she didn't now what had happened to them. Many others were in gangs. She felt that the system lets young people go so easily and doesn't care about the root of the problem. She felt that much of the difficulty stems from how teachers treat pupils. She was sad to see how normalised it is to have your friends excluded and then you won't see them any more. She pointed out that everyone should have an equal chance at their education. Troublesome behaviour can be a cry for help. Teachers say come and talk to me but students will not do this if the system is not working in a humane way. She wanted to draw councillors' attention to some statistics:

- Every cohort of permanently excluded students costs the state £1.5BN.
- 1% of excluded students go on to get 5 GCSEs.

She felt that schools give out exclusions without understanding the impact on pupils' lives. She agreed that there are links between exclusion and knife crime. She said some really petty and silly incidents can lead to exclusion which can then result in the student's life being taken away and they never get the chance to make up for it. Children will do dumb things because they're learning. A punitive culture demonises instead of teaching them what they did wrong.

She suggested there should be an annual report on exclusions,

addressing the targets and holding schools accountable. She pointed out that many statistics are not available – there is not enough holding to account

Councillors thanked the group for their excellent evidence and asked some further questions:

- Do you have suggestions about preventive measures to avoid exclusions? Special educational needs is a big issue. Schools should provide support early to stop things progressing. Alternative provision in the school done well could be a preventive measure. Teachers should let the student cool down and don't immediately move to issue a sanction. Time to cool down would make a huge difference. If someone shouts at you, you will not learn. One student had positive experience of a wellbeing room in their school (Globe 6th form). No devices allowed and students can go in for 15 minutes to use it as a reflective space.

- When I talk to social workers/teachers/police they talk about having to take a tough line with a person because they need to think about the big picture. What would you say? Far more students need access to a mentor who could help ensure the child understand what they did. Don't treat them like a criminal sitting in a box. Schools could change the whole idea of how it works when a student is sent out of class. They need someone to speak to. The aim should be to get them back into class. Teachers should not be passive-aggressive - that's just as bad. There should be reflection for teachers about how they are speaking to students. Get them to reflect on it. Teachers need to be approachable.

- What was your parents reaction to exclusion? Is there a role for parents? I was excluded many times and my mum didn't find out.

- You have gained insights that are not being presented to people closely involved in education. Do you think your insights have been communicated to teachers, for example to improve training? Do you have any tips for teachers? It is very difficult to communicate with teachers. It took a lot for us to be here. It's hard to find out how to reach governors and hard to get a meeting with headteacher. School council has limited power. It would mean a lot to the students to ask them how engagement could be improved. Some young students see teachers as police and assume they will be against you automatically. School tries to teach you about the world of work but bias creeps in. Young people need the emotional side of teachers to be available.

6. **REVIEW: SCHOOL EXCLUSIONS - FAITH CONFERENCE FEEDBACK ON EXCLUSIONS AND SERIOUS YOUTH VIOLENCE**

This item was deferred.

Education and Business Scrutiny Commission - Monday 7 October 2019

7. REVIEW: SCHOOL EXCLUSIONS - ADDITIONAL INFORMATION

The commission discussed the range of information it had so far received for its review of exclusions and whether there were gaps.

A member said it would be useful to clarify exactly which year groups get free school meals.

A member queried information in the agenda about children's missing education, and how it is followed up. Jenny Brennan responded that there is a formal meeting of a group of professionals following up on children missing education – the Children Missing Education forum. They will attempt to locate the child and find out if they've moved. They double and triple check the information. Sometimes a family moves and doesn't tell anyone. They follow up on children in cases where school does not know where they are, to verify if this is an attendance issue or a child who is substantially missing. The list can also include a child who's new in the country and has not yet got a school place, or a child who was said to be home schooled but the arrangement has not worked out for some reason.

A member asked about the point raised earlier in the meeting on long term internal exclusion - does that get into the statistics? Jenny Brennan said the commission would need to talk to schools about exactly what their system is.

Members agreed it would be useful to have a look at data for exclusion in primary schools. Are children missing? What happens with children who come in as unaccompanied minors? Is there data about the role of SEND support in keeping children in school. How is transition from primary to secondary school supported?   A survey might help to draw out more information.

8. REVIEW: SCHOOL EXCLUSIONS - REGIONAL SCHOOL COMMISSIONER

Claire Burton, Regional Schools Commissioner (RSC), attended the meeting to discuss the role of her office.   Councillor Babudu set the context, explaining that at its previous meeting, commission members had been keen to understand the regulatory framework.

Claire Burton explained that she had started in her role in August 2019. She is a civil servant who acts on behalf of the Secretary of State to tackle underperforming academies, underperforming maintained schools, approving changes to academies/sponsors etc. The School improvement functions had also now been decentralised to sit with RSCs.   She sees role as being the eyes and ears of the education department. She meets

with Southwark council officers regularly as they have a joint interest in excellent education for children in Southwark.

Intervention from the RSC happens when Ofsted judge a school inadequate or when financial problems are found to be taking place at a trust.   The RSCs work closely with the Education and Skills Funding Agency (ESF). For example if there were concerns about financial management/governance in a trust, RSC would work with ESF.   Responsibility for overseeing safeguarding is with ESF, not RSC. RSCs also work closely with Ofsted and hold termly meetings to share information.

She was interested in councillors' experience of access to good quality data. Information about exclusions should come through quickly.   She also pointed out that the Timpson review is in similar policy space. It makes 30 recommendations. This had already led to some changes – for example the Ofsted framework had been changed to include off rolling.

A councillor asked why schools had lost school nurses, who might be able to assist with a violent student. Ms Burton said that schools control budgets and make their own choices. She did not think school nurses had been funded by a ring fenced funding stream.

She thought the debate about exclusion led to an interesting point about professional development of teachers. Where schools are doing well with exclusion, how can this be spread? This was a role for her office's school improvement function.

A member asked her how the RSC monitors data. Southwark's statistics on permanent exclusion show that two academy chains have significantly higher rate of exclusions. Ms Burton said that the RSC do look at data and raise issues with trusts. If an issue is raised, they will have the conversation with the trust but they do not think there is a "right number". The government view is to support headteachers to take any action necessary to make schools safe.   The member asked whether the RSC drill down and assess schools' learning from exclusions.   Ms Burton explained that the RSC do not get involved at that level. Intervention is triggered by Ofsted inadequate judgement.

A member asked what can be done about the patchy supply of data from schools. Ms Burton said if data is not coming through, the council can raise with RSC who would follow up together with ESF. There is a clear interest and role for RSC on supply of data. Off-rolling is something they would look at and share information. She believed that the recent shift in the Ofsted framework would also help.

A member had heard from a family about being given an ultimatum to home-school their child. Was that a matter that could be raised with Ofsted and RSC? Ms Burton said it might be for RSC or ESF given their safeguarding role depending on the exact detail of the situation.

A member asked about the availability of equalities data around exclusion. Ms Burton said there was some data in Timpson report and that

Education and Business Scrutiny Commission - Monday 7 October 2019

a disadvantaged student is far more likely to be excluded. More work was needed to get under the data and find out what's really going on.

A member asked about the use of home schooling as a form of off rolling. Was the RSC concerned about rates of home schooling? Ms Burton said home schooling has a set of issues of its own. She would be very concerned about it being used for gaming the system. She would take action and follow up if she heard of instances of this practice.

A member asked the RSC if she gets opportunities to hear from young people. Ms Burton said she spends about a day a week out of the office talking with groups of school leaders and sometimes children. She saw the flexibility as part of the value of the RSC role.

A member cited a case where dress code policy at a secondary school prevented a student with a hijab from attending. He asked how something like this can be navigated. Ms Burton said that the government provides the framework for schools to take into account when drawing up such policies. It requires them to think through, consult and balance the issues. There is then a need to communicate policy with the local community. She did not necessarily see challenge to schools as a role for government.

A member commented that Southwark data shows two academy chains with markedly higher data than elsewhere and that there seem to be limits on how the council can challenge them. Ms Burton said Ofsted's new framework gives it a clear role in looking at data. If such an issue were raised with her office, she would note it and might raise when meeting the trust. She does not get involved on the whole at school level, only at trust level.

9.   **WORK PROGRAMME**

The review scopes and commission work-plan were noted.

Education and Business Scrutiny Commission - Monday 7 October 2019

Exclusions and Mobility at Ark Schools in Southwark

Ark has three schools in Southwark – Globe (primary & secondary), All Saints (secondary) and Walworth (secondary). Globe's outcomes are significantly above the national average for both primary attainment and secondary progress. All Saints and Walworth's secondary progress outcomes are also in line with the national average. All three schools have been rated 'Good' by Ofsted.

Inclusion is an important value across all Ark schools. While we count 'exemplary behaviour' as one of our key pillars, we are also committed to 'knowing every child' and therefore doing everything we can to help our students, whatever their circumstances. All pastoral data - including attendance, exclusions and enrolment – is monitored at a school, regional & network level, with all levels of management expected and empowered to act in the best interests of all our students.

1. Globe – Primary & Secondary

Permanent Exclusions

Year	2016/17	2017/18	2018/19
PEX #	3	3	2
Reasons	• Pers. breaches (2) • Poss. of a weapon (1)	• Pers. breaches (3)	• Pers. breaches (1) • Phys. assault against adult (1)

The Principal has worked hard to avoid permanent exclusions by successfully arranging fresh starts for pupils at other local secondary schools.

PEX Rate	Globe	National Avg	Nat Avg (Adj for PP)
Primary	0.0	0.0	0.1
Secondary	0.2	0.2	0.3

Globe's permanent exclusion rates are in line with national averages and are, in fact, below national averages once the school's relatively high percentage of disadvantaged students is taken into account.

Fixed Term Exclusions

Year	2016/17	2017/18	2018/19
FTE Rate	9.0	8.3	6.0

Fixed term exclusions have been reducing year-on-year over the past few years.

FTE Rate	Primary		Secondary	
	Globe	National	Globe	National
Pupil Premium	7.0	3.9	8.1	24.9
SEN School Support	11.1	7.1	12.6	28.5
Black Caribbean	9.1	2.9	10.1	20.9
Mixed - White & Black Caribbean	0.0	2.8	6.7	20.2

FTE Rate	Globe	National Avg	Nat Avg (Adj for Globe PP)
Primary	5.3	1.4	2.9
Secondary	6.6	10.1	16.9

Globe Primary's fixed term exclusion rates are above national averages – including those specific to student groups with high national rates. These rates appear to be driven by a small

number of challenging pupils with repeated exclusions. Globe Secondary's rates are below national and are well below for student groups with high national rates. As a result, Globe Secondary's overall rate is much lower than its adjusted national average value. 'Internal exclusions' are used as an alternative to FTEs, with an annual rate of 40 internal exclusions per 100 secondary students.

Student Mobility

# of Students	2017/18		2018/19	
	Joined	Left	Joined	Left
Year 7	+2	-10	+11	-9
Year 8	+9	-16	+6	-9
Year 9	+11	-12	+9	-13
Year 10	+9	-17	+6	-10
Year 11	+3	-4	+6	-1

Student mobility is typically lower during KS4 and has reduced year-on-year.

# of Leavers	Year 10	Year 11
Left Area	4	0
Local Transfer	1	1
Home School	1	0
Managed Move	2	0
PEX	1	0
Not fully enrolled	1	0

Of the students that left during KS4 last year, the most common reason was that the students left the local area. Ofsted has not flagged this school as having unusual levels of mobility during KS4.

2. All Saints – Secondary

Permanent Exclusions

Year	2016/17	2017/18	2018/19
PEX #	1	1	3
Reasons	• Threatening behaviour towards pupil	• Poss. of a weapon	• Fireworks (1) • Pers. breaches (2)

All Saints' permanent exclusions peaked at 3 students last year, but is expected to decline again this year.

PEX Rate	All Saints	National Avg	Nat Avg (Adj for PP)
Secondary	0.5	0.2	0.3

All Saints' rate is above the national average – but this gap vs national represents one additional exclusion.

Fixed Term Exclusions

Year	2016/17	2017/18	2018/19
FTE Rate	7.2	15.4	7.3

Following a peak in 2017/18 due to a particularly challenging first cohort, All Saints' fixed term exclusions have since returned to below average levels.

FTE Rate	Secondary	
	All Saints	National
Pupil Premium	8.1	24.9
SEN School Support	20.5	28.5
Black Caribbean	12.7	20.9
Mixed - White & Black Caribbean	23.5	20.2

FTE Rate	All Saints	National Avg	Nat Avg (Adj for All Saints PP)
Secondary	7.3	10.1	17.4

All Saints' fixed term exclusions are below national averages – both overall and for all groups with high national rates. As a result, All Saints' overall rate is much lower than its adjusted national average value. This lower rate is largely due to effective use of a well-staffed internal behaviour support unit, which manages 398 internal exclusions per 100 students.

Student Mobility

# of Students	2017/18		2018/19	
	Joined	Left	Joined	Left
Year 7	+4	-5	+1	-1
Year 8	+3	-4	+4	-7
Year 9	+5	-12	+6	-3
Year 10	+7	-5	+11	-3
Year 11	+1	-1	+4	-5

Student mobility is typically lower during KS4. There are typically more joiners than leavers during this period.

# of Leavers	Year 10	Year 11
Left Area	2	1
Local Transfer	0	2
Home Ed	0	0
Managed Move	0	0
PEX	0	1
Not fully enrolled	1	1

The most common reasons for leaving during KS4 are students leaving the area or transferring to nearby schools. Ofsted has not flagged this school as having outsized mobility during KS4.

3. Walworth – Secondary

Permanent Exclusions

Year	2016/17	2017/18	2018/19
PEX #	4	7	4
Reasons	• Pers. breaches (1) • Threatening behaviour (1) • Poss. of a weapon (1) • Phys. assault on staff (1)	• Pers. breaches (2) • Phys. assault on staff (1) • Drugs on site (2) • Poss. of weapon (2)	• Pers. breaches (1) • Phys. Assault (2) • Poss. of weapon (1)

Permanent exclusions peaked in 2017/18 but have since been reduced to lower levels. The new Principal, who started in September 2018, has developed positive working relationships with many of the other local secondary schools and is adept at arranging fresh starts for pupils at other schools when appropriate.

PEX Rate	Walworth	National Avg	Nat Avg (Adj for PP)
Secondary	0.4	0.2	0.3

Walworth's permanent exclusion rate is above the national average, but is within 1 student of the national average once it has been adjusted to account for Walworth's high levels of disadvantage.

Fixed Term Exclusions

Year	2016/17	2017/18	2018/19
FTE Rate	8.1	8.9	0.6

Walworth's fixed term exclusion rates have significantly reduced during the last year – despite already being below national averages – and are currently the lowest among secondary schools in the network. As with All Saints, the lower exclusion rates are in large part down to the effective use of the internal behaviour support unit, as well as a concerted effort on the part of the Principal not to exclude pupils in order to avoid placing them out into the unsafe environment of the local community. This unit manages 68 internal exclusions per 100 students.

FTE Rate	Secondary	
	Walworth	National
Pupil Premium	1.0	24.9
SEN School Support	0.8	28.5
Black Caribbean	0.0	20.9
Mixed - White & Black Caribbean	5.4	20.2

FTE Rate	Walworth	National Avg	Nat Avg (Adj for Walworth PP)
Secondary	0.6	10.1	15.1

Walworth's fixed term exclusion rates are now extremely low across all groups.

Student Mobility

# of Students	2017/18		2018/19	
	Joined	Left	Joined	Left
Year 7	+5	-11	+3	-20

Year 8	+9	-12	+8	-5
Year 9	+7	-1	+15	-13
Year 10	+1	-6	+7	-12
Year 11	+3	-3	+6	-1

Student mobility is typically lower during KS4. There are typically as many joiners as there are leavers during this period.

# of Leavers	Year 10	Year 11
Left Area	3	0
Local Transfer	3	0
Home Ed	2	0
Managed Move	0	0
PEX	1	0
Not fully enrolled	3	1

The most common reasons for leaving during KS4 are students leaving the area or transferring to nearby schools. Ofsted has not flagged this school as having outsized mobility during KS4.

SOUTHWARK DIOCESAN BOARD OF EDUCATION
Developing Church of England Education

SOUTHWARK DIOCESAN BOARD OF EDUCATION
SUBJECT: Inclusive ethos and culture
REPORT BY: Dr Rachael Norman
PURPOSE OF REPORT: For information for Southwark Council Education and Business Scrutiny Commission

All Church of England dioceses and the Methodist Church use the Church of England Education Office's framework for the **Statutory Inspection of Anglican and Methodist Schools (SIAMS)** under Section 48 of the Education Act 2005. SIAMS inspection focuses on the impact of the Church school's Christian vision on pupils and adults. This involves looking at the school's Christian vision, the provision the school makes because of this vision and how effective this provision is in enabling all pupils to flourish.

Strand 4 concerns "Community and Living Well Together". This strand explores how well the school's Christian vision promotes social and cultural development through the practice of forgiveness and reconciliation that encourages good mental health, and enables all to flourish and live well together. In creating a community where all live well together, schools must evaluate the extent to which their Christian vision and associated values underpin relationships at all levels in the school community, enabling pupils to disagree well and to practice forgiveness and reconciliation and how this is reflected in the school's behaviour, exclusion and attendance policies. Schools must also evaluate how well leaders ensure there is support for good mental health in children and adults and a sense of belonging that embraces and celebrates difference.

Diocesan schools are often recognised by the wider community as centres of reconciliation and support, they are places where pupils are given and take second chances. For example, St Saviour's and St Olave's behaviour policy states:

"At St Saviour's & St Olave's School, we value our school and each other and work hard to create a cohesive community. As an Anglican school we seek to ensure that each of us has the maximum opportunity to fulfil our God given potential. We aim to develop the characters of those in our community to reflect the fruits of the Spirit, such as kindness and self-control. Emphasis is placed on developing self-discipline, respect for other members of the community, taking responsibility for one's own actions, and the creation of an orderly working environment".

Powerful examples of the development of an inclusive ethos and culture in all our Diocesan schools include:

- Following the example of Jesus – the approach is distinctly rooted in the New Testament and is non-punitive wherever possible, with the key value of Forgiveness at the heart of decision-making. Several schools use restorative practices where all members of the community are focused on putting things right where harm has been done, rather than seek to apportion blame.
- Strong moral leadership – the headteacher is faced with difficult decisions resting on their shoulders alone and they often hold an 'unofficial' no-PEX policy in their hearts and minds, determined to exhaust all potential avenues rather than PEX.

- Stable leadership – our headteachers look for alternatives and have the resilience to face their critics when some parties 'push' for a PEX to be used. Governors find it easier to place this trust in them the longer their decision making has been proven right.
- Succession planning and smooth transitions – where leadership does inevitably change, succession planning secures the ethos and the culture is 'held' by the governing body, especially at transition points.
- 'Acid tests' – leaders set themselves challenging acid tests when taking tough decisions, e.g. 'if a child is ever subject to a managed move or PEX from this school, we need to know they will still want to say hello when they pass the school, with no negative feelings.'
- Turning challenge into strength – rather than be anxious about working with the most challenging students, some headteachers send a message of inclusion and ambition by 'opening the doors' of the school and asking staff to be judged first and foremost by the successes they secure for the most vulnerable.
- Chaplaincy – some schools give their chaplains a wide range of responsibilities, the scope to take action and have a high presence in the school, including access to or membership of the leadership team. Chaplains can take a crucial lead in developing a harmonious, tolerant Christian school. Their contact with the wider community also helps them to regularly 'take the temperature' of morale and cohesion in the school.

Concrete strategies which have helped to reduce exclusions in our Diocesan schools include:

- Internal alternatives to fixed term exclusion, often of varying types within one school, e.g. cooling off areas, therapeutic bases, where the school and specialist practitioners can work with the student to work through the issues.
- Co-operation with neighbouring schools, e.g. having a system of placing a student in another school's isolation room for a period of time, which prevents the student from potentially having the freedom of being at home or out in the community during a FEX. Work is provided for students to complete during this time.
- Managed moves between schools, rather than use of PEX, so that the student has no time to 'drift' between placements or have very low part-time hours in a referral unit, all of which gives time and space for someone to fall into the 'wrong crowd'. This also helps students to receive continuous specialist support.
- Pro-active use of alternative curricula and guided pathways to prevent disaffection ahead of serious problems emerging.
- Very regular parent contact with students of concern and any troubled families. Where exclusions are necessary they are rarely a surprise and have parent backing, reducing harmful conflicts between schools and families, providing a 'united front'.
- Specialist staffing around safeguarding and welfare, with the latitude to take appropriate action swiftly. Such staff are often non-teachers to give them the time and freedom to act.
- Wrap-around provision, especially given reductions in youth services, including pre and post school activities, holiday clubs, staff patrols operating well after the end of school to provide a safe point of contact.
- Very clear, unambiguous messages about knife carrying and the dangers, leading to amnesties and avoided PEX.
- Tracking of 'hot spot' weeks within the year and days within the week (often Mondays and Fridays) where vigilance and senior staff presence in lessons and social time is increased.
- Advanced and ambitious use of 'student voice' activities which ensure that students have real responsibility and a genuine series of opportunities to be heard. When in place this often leads to stronger relationships in school and problems being raised where they exist.

Keeping Children in Education

Celebrating success and agreeing next steps

16th January 2020

@lb_southwark   facebook.com/southwarkcouncil

Southwark Council
southwark.gov.uk

Welcome and Housekeeping

David Bromfield, LA Secondary and Further Education adviser

Felicity Corcoran:
Principal of St Michael's Catholic College

4

Southwark
Council
southwark.gov.uk

Agenda

- **Opening address** - Nina Dohel, Director of Education

- **Setting the scene** – Jenny Brennan, LA Assistant Director

- **Voices of Young People and Parents** – short video describing the impact of permanent exclusion

- **Case study discussion** at tables - Examples from Southwark schools of the work done to Keep Children in Education

Coffee Break 10 – 10:15

@lb_southwark   facebook.com/southwarkcouncil

Southwark
Council
southwark.gov.uk

- **Brief Feedback** from table discussions

- **Keynote address** – Professor Sonia Blandford CEO Achievement for All

- **Table discussion** – agree principles and personal commitments

- **Closing address** – Cllr Jasmine Ali, Cabinet member for Children, Schools and Adult Care

- **11:50 conference ends**

Southwark
Council
southwark.gov.uk

Nina Dohel
Director of Education

Setting the scene

Southwark
Council
southwark.gov.uk

How many children are we keeping in education?

School Phase for Analysis	Pupils Linked to a Southwark Address Attending a Southwark School	Southwark School Population	% of Southwark School Pupils Linked To a Southwark Address
Nursery	670	743	90.2%
Primary	22100	25329	87.3%
Secondary	11974	16768	71.4%
Special	480	562	85.4%
PRU	88	88	100.0%
Southwark LA	35312	**43490**	81.2%

9

Source: January 2019 school census

What is working well?

- The Ofsted ratings of our schools are at 93% "good" or "outstanding" with 33% "outstanding" - well above the national average

- A greater percentage of Southwark children achieved a Good Level of Development in early years compared to the rest of London and nationally

- In Phonics we are at 85%, which is above national and above the London average

- At KS1, we are at or above the London averages for reading, writing and maths

Southwark
Council
southwark.gov.uk

What is working well?

- At KS2 in the combined reading, writing and maths measure we're above the national average, 2% off the London average

- In the KS4 Progress 8 performance measure, Southwark was above national and London averages for 3 consecutive years

- In the KS4 performance measure of Attainment 8, for the past three years Southwark has been above the national average

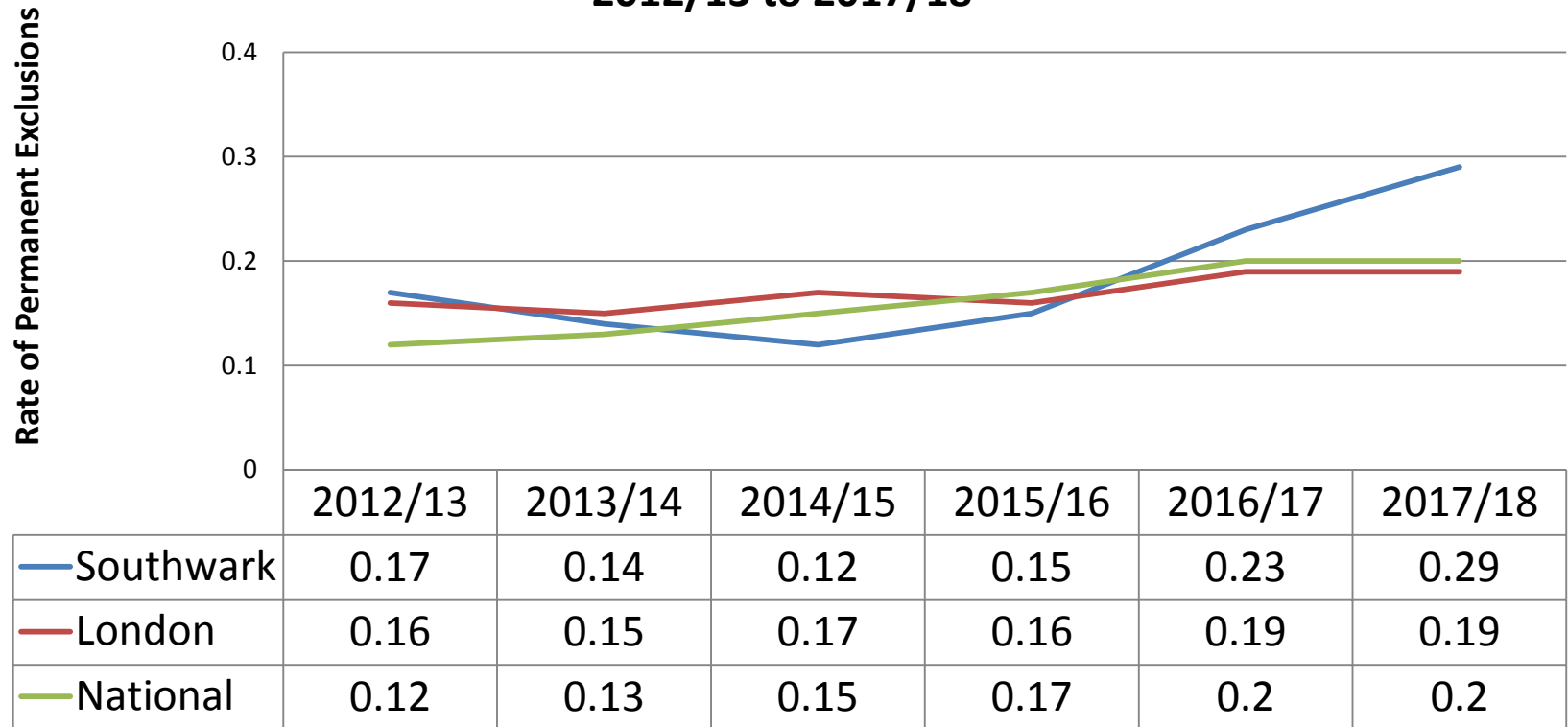- At KS5, 26.7% of Southwark's A-Level entries achieved the highest possible grade of A*-A in 2019

11

But..

Based on the latest provisional KS4 2019 data, 66% of the (2509 eligible children) achieved a standard pass in both English and maths.

This means 853 children at the end of KS4 for Summer 2019 did not achieve the threshold measure referenced.

What do we know about exclusions?

13

Permanent exclusion from a Southwark Primary School is rare but Southwark Rates of Permanent Exclusion at Secondary phase are higher than National and London averages

Comparison of Secondary School Permanent Exclusion rates 2012/13 to 2017/18

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Southwark	0.17	0.14	0.12	0.15	0.23	0.29
London	0.16	0.15	0.17	0.16	0.19	0.19
National	0.12	0.13	0.15	0.17	0.2	0.2

Rate of Permanent Exclusions

The latest census data shows a reduction in numbers of excluded children following a 4 year increase

Number of children permanently excluded (Southwark schools and residents)

15
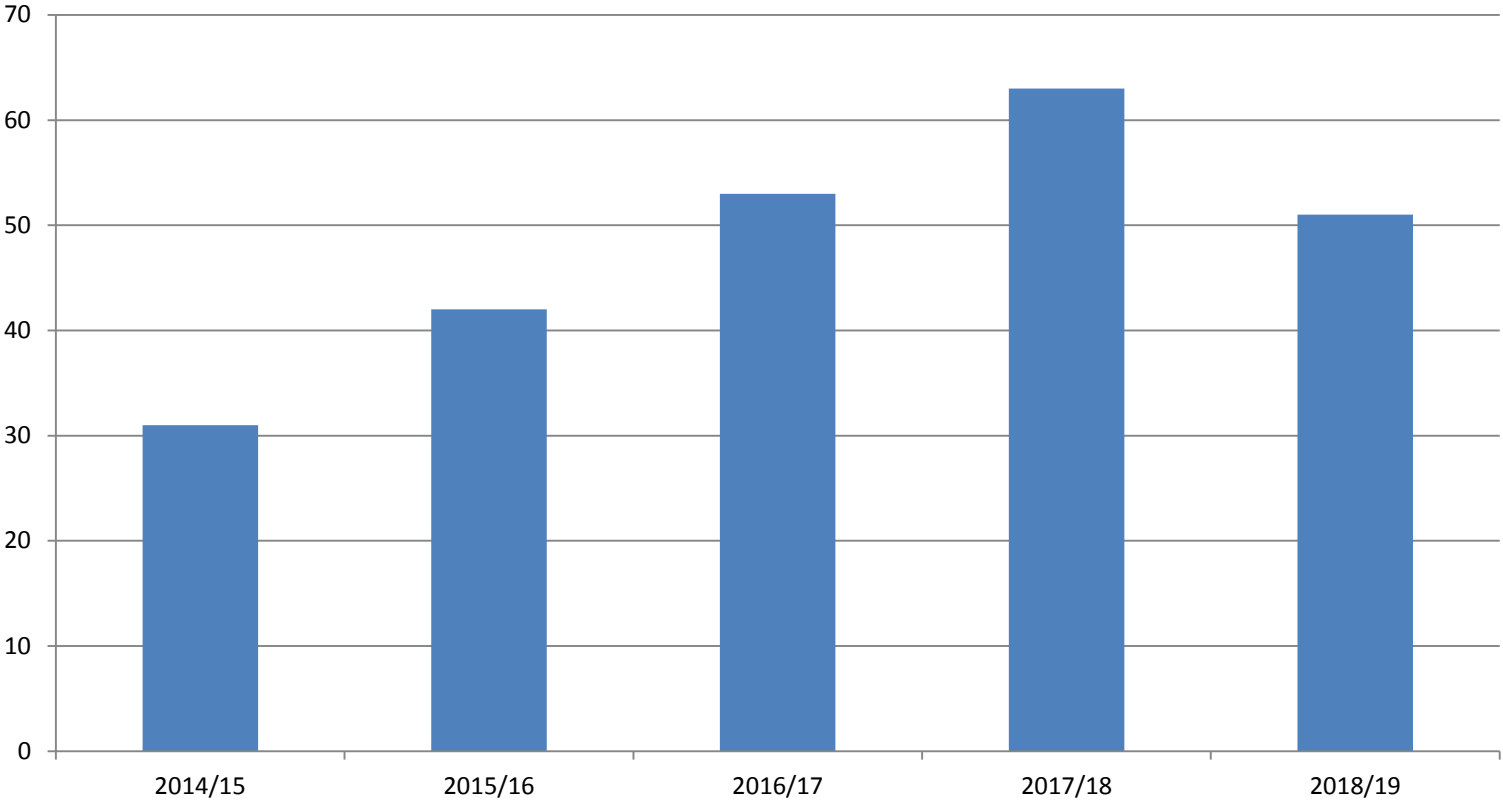
2018/2019 School Year

33
- Southwark children, excluded from Southwark school
- STATUTORY RESPONSIBILITY

12
- Southwark children, permanently excluded from non-Southwark schools
- STATUTORY RESPONSIBILITY

6
- Non-Southwark children, permanently excluded from Southwark schools
- NO STATUTORY RESPONSIBILITY

51

Permanent exclusions relating to Southwark children, either resident in the borough or educated here.

16

The 2018/19 reduction largely relates to Southwark children at Southwark Schools

Permanent exclusions relating to Southwark schools / Southwark young people
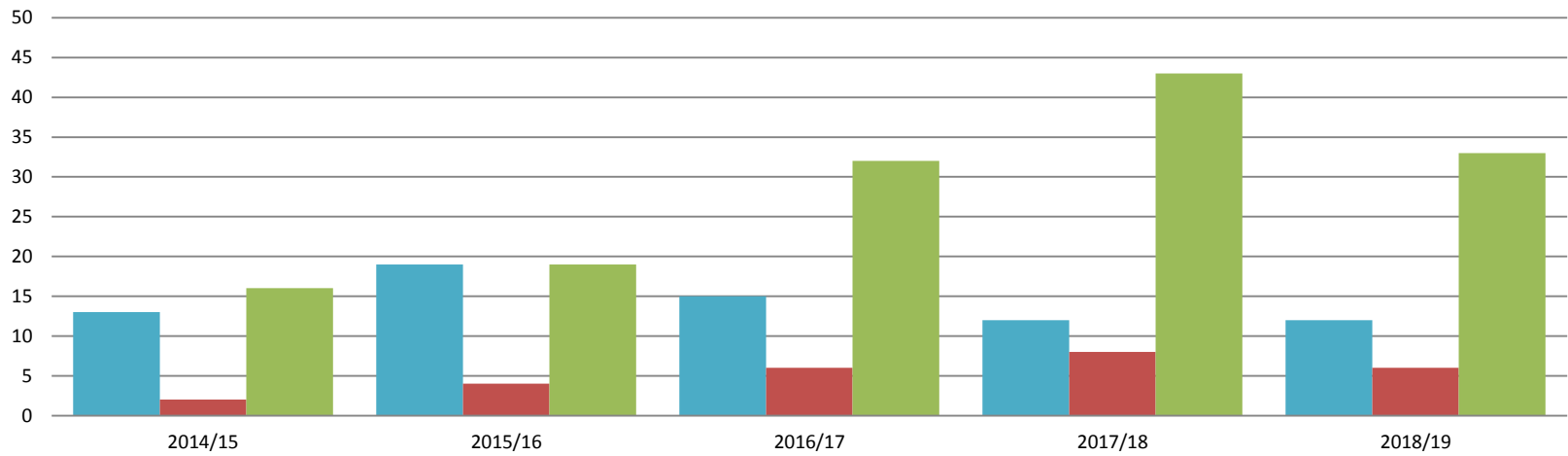
Legend:
- ■ Non Southwark school, Southwark child
- ■ Southwark school, out of borough YP
- ■ Southwark school, Southwark child

Profile of Permanently Excluded Young People

- 70 – 84% male

- 30% permanently excluded in Year 10, but proportion for Year 11 has increased for the last 5 years

- 18/19 showed a reduction in proportion of BAME students permanently excluded – down to 70% compared to a high of 82% in 17/18

- Low numbers of LAC, 38-45% have some form of SEN, 44% FSM, 42% had met thresholds for CSC

Southwark
Council
southwark.gov.uk

Schools have different rates of permanent and fixed term exclusion

Rates of Fixed Term Exclusions and Permanent Exclusions per school 2017/18
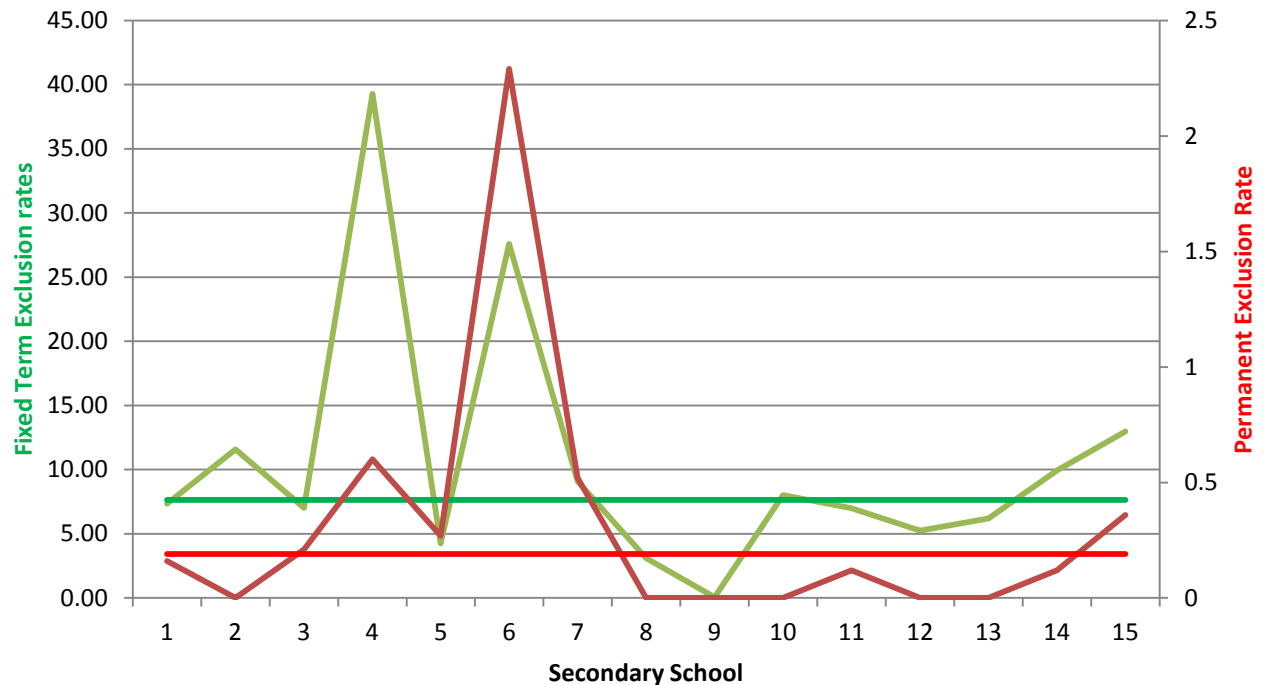
What do we know about Managed Moves

- Schools have no duty to inform the LA of managed moves they arrange so there is no data on these

- Managed Move Forum Chaired by schools and supported by Family Early Help – of 44 moves arranged through the forum 46% were successful

Southwark Council
southwark.gov.uk

What do we know about home education?

Elective Home Education

- In March 2017 there were 92 known home educated children in Southwark, today there are 235.
- At least 33% of these had previously had contact with Children's Social Care, Family Early Help, CAMHS or YOS.
- Home education is unlikely to be suitable for many of these children.
- While we must respect parents' right to home educate, we should ensure they understand what is involved – taking on full legal and financial responsibility for ensuring that their children receive a suitable, full time education.

What do we know about pupil movement?

- In 2018-19 school year, Southwark secondary schools notified us of 581 children being removed from school rolls.
- 70% of these had either moved to another school or moved out of the area.
- There were 59 pupils who were deleted from registers after a period of absence with whereabouts unknown.
- We follow these up as potentially Children Missing Education, so appreciate schools sharing any intelligence they have about these young people.

Excluded…Voices of children and parents

Case study discussions

Introduce yourselves on tables – name, role in keeping children in education

Read the case studies

Using flip charts and Post-It notes, answer the following questions:

- What helps keep children in education?

- What gets in the way?

- What can we improve?

Southwark Council
southwark.gov.uk

Coffee Break until 10:15

Feedback from discussions

- What helps keep children in education?

- What gets in the way?

- What can we improve?

Southwark
Council
southwark.gov.uk

Professor Sonia Blandford

Southwark
Council
southwark.gov.uk

Proposals for change

As a group

Each table to identify and agree 5 key principles

Individually

What commitment can you make to Keeping Children in Education?

Southwark
Council
southwark.gov.uk

Cllr Jasmine Ali

Cabinet Member for children, schools and Adult Care

Southwark Council
southwark.gov.uk

SOUTHWARK CHAMBER of COMMERCE

FEB 11TH | 6 - 8.30PM

ENTREPRENEURIAL PECKHAM

Supporting business in Southwark

A FREE networking evening to celebrate entrepreneurship in Peckham.

at Theatre Peckham, 221 Havil Street, London, SE5 7SD

FEB 11TH
6PM - 8.30PM

YOU ARE INVITED TO...

A NETWORKING EVENING TO CELEBRATE ENTREPRENEURSHIP IN PECKHAM.

Come and hear talks from local businesses large and small about their companies and about the opportunities for local businesses to work together

We will also be joined by Cllr Johnson Situ.

Southwark Chamber of Commerce and Theatre Peckham looks forward to welcoming you on what promises to be a great evening.

For more information: www.southwarkcommerce.com | admin@southwarkcommerce.com
07477 581 977

BOOK YOUR PLACE https://entrepreneurial-peckham-theatre-peckham.eventbrite.co.uk

THEATRE PECKHAM

Theatre Peckham
221 Havil Street
London SE5 7SD
0207 708 5401

www.theatrepeckham.co.uk

HOLLYBROOK

Sponsored by Hollybrook

March 2016

CREATING A GOOD LOCAL ECONOMY THROUGH PROCUREMENT

Final Baseline Study prepared by

Matthew Jackson

Presented to

Procure Network partners and URBACT

CONTENTS   PAGE NO.

1   INTRODUCTION

This baseline study report provides further information about the 'creating a good local economy through procurement' (Procure) network. The Procure network is one of 21[1] networks commissioned through the European Union's URBACT III programme,[2] which seeks to enable transnational exchange and learning between cities around a particular theme. The Procure network seeks to connect cities and build success around the theme of procurement, which is the process used by public authorities and commercial business to purchase goods and services.

1.1   The purpose of Procure

The purpose of the Procure network is to support cities to enhance procurement processes so that they bring greater benefits for their city economy and in social and environmental terms. The focus of Procure is not just upon city authorities (municipalities), but the range of 'anchor institutions' which have a significant stake in that city. Anchor institutions will generally employ hundreds of people, have multi-million Euro levels of procurement spend, and are unlikely to leave that city. They will include municipalities, health institutions, police and other emergency services, universities, social housing providers, and private sector businesses. These institutions should be delivering more benefit for the city in which they are based, and procurement is a way of enabling that to happen.

Utilising procurement more progressively and innovatively has become possible since the introduction of the new European Procurement regulations in February 2014[3]. These regulations seek amongst other things: 'to facilitate the participation of small to medium sized enterprises (SMEs) in public procurement in support of common societal goals'. Procure seeks to ensure that through engagement with partner cities behaviour is shifted so that procurement derives greater benefit.

1.2   The Procure cities

The Procure network is being led by Preston City Council[4] from the United Kingdom. Preston has undertaken work over the last three years to develop an evidence base as to how anchor institutions impact Preston and Lancashire's local economies; as well as identifying ways through which that impact can be maximised[5]. This network is shaped by that work and other innovative procurement work across Europe. Preston was joined initially in the Procure network by four further cities each with a desire to utilise procurement innovatively, address any barriers currently facing them in the process of procurement, respond to the new European directives, and learn from others. The four cities are: Lublin (Poland); Koszalin (Poland); Albacete (Spain); and Almelo (The Netherlands).

In addition the Satu Mare County Intercommunity Development Association (Romania); Metropolitan City (Cimet) of Bologna (Italy); District 9 Prague (Czech

---

[1] http://urbact.eu/new-action-planning-networks-more-information-available

[2] http://urbact.eu/

[3] The European Parliament and the Council of the European Union (2014) *Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC*. http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024&from=EN

[4] http://www.preston.gov.uk/

[5] Centre for Local Economic Strategies (2015) *Creating a good local economy: the role of anchor institutions*. http://www.cles.org.uk/wp-content/uploads/2015/04/Anchor-institutions.pdf

Republic); Koprivnica (Croatia); Candelaria (Spain); and Nagykallo (Hungary) have subsequently joined the network, as part of the network expansion process.

1.3 The Procure lead expert

The Procure network is being led and supported by expertise from Matthew Jackson[6]. Matthew is the Deputy Chief Executive of the Centre for Local Economic Strategies (CLES)[7]. CLES is a think-tank and research organisation based in Manchester, the United Kingdom. Matthew has spent much of the last eight years working with municipalities and anchor institutions, to understand the impact their procurement spend has on their city economies and to enhance their practice so benefit is maximised. Matthew has also undertaken work in the United States[8] around procurement and anchor institutions which is relevant to the Procure network.

1.4 About the baseline study

The baseline study is designed to assist the development of the phase 2 application for the Procure network which is due to be presented to URBACT on 15th March 2016. The baseline study consists of three key sections. **Section 2** details the **'state of the art'** which is designed to provide the context around the theme of procurement and local economies. It is broken down into the following sub-elements

❑ It provides commentary upon why procurement is important in addressing economic, social and environmental challenges across Europe, and its link to wider European policy;

❑ It provides commentary upon the European level procurement regulations; alongside additional national regulations for the cities within the Procure network (more detail is provided in Appendix 1);

❑ It explores some of the key barriers and challenges which cities across Europe generally face in implementing more innovative and progressive procurement processes and practices;

❑ It introduces some of the ways in which cities can innovate in procurement;

❑ It details case studies of innovative and progressive procurement practice from across Europe and internationally.

Section 3 details the **city profile** for each partner city which forms part of the Procure network. Information has been gathered through visits by the Lead Partner Co-ordinator and Lead Expert to each city and compiled from the baseline study template (full versions of notes from each city are detailed in a supplementary document). Each city profile details the following:

❑ Information about the city including around size, population and economic profile;

❑ Information about the city and its processes and practices around procurement;

---

[6] http://urbact.eu/jackson-0
[7] http://www.cles.org.uk
[8] Jackson, M. (2015) *Building a new local economy: lessons from the United States*. http://www.cles.org.uk/wp-content/uploads/2015/09/Lessons-from-the-United-States.pdf

❑ Information about the city and the barriers and challenges it faces around procurement;

❑ Information about the city and its involvement in the Procure network in terms of proposed activities;

❑ A summary and linkages to Operational Programmes.

Section 4 details the synthesis for the Procure network. This reflects upon the outcomes of the 'state of the art' and city profile and particularly details the focus of activities to be undertaken at Phase 2 of the Procure network. It consists of the following:

❑ A summary of the key emerging themes from the city profiles in terms of: existing activities around procurement; challenges around procurement; and proposed activities for the Procure network;

❑ A summary of the position of the cities in the Procure network in relation to the key URBACT III Programme indicators;

❑ Outlines of themes and content for transnational activities in Phase 2 of the Procure network.

2 'STATE OF THE ART'

2.1 Why is procurement important?

This element of the **'state of the art'** outlines why the process of procurement is important for city economies both socially, economically and environmentally across Europe.

2.1.1 The challenges and opportunities facing cities

Cities across Europe are facing a number of economic, social and environmental challenges[9]. These include:

❑ High levels of unemployment and particularly youth unemployment;
❑ A struggle to respond to economic restructuring as a result of a reliance upon a singular industry;
❑ Migration and the need to create jobs to support both local and incoming residents;
❑ Increasing levels of carbon emissions and a need to make the transition towards a low carbon economy;
❑ Issues in developing the skills of workforces so that they can respond to the demands of a global economy.

These are also opportune times for European cities:

❑ Firms are continuing to want to invest in urban areas;
❑ There are an array of urban development programmes across the European Union; focused upon developing both physical infrastructure and alleviating social issues;
❑ Infrastructure and connectivity across Europe is improving with associated knock-on effects for the movement of trade and labour.

2.1.2 Linking the challenges and opportunities facing cities to procurement

The image on the right side of the diagram[10] below crudely depicts the outcome of economic policy making in European Cities over the last 30 years for some local places. There has been a stream of investment through infrastructure development, inward investment, the public purse, and regeneration initiatives designed to improve them; but some places remain unchanged. There are not enough good quality jobs; businesses are not productive enough; people remain unskilled; and any growth that is being created is benefiting the few and actually exacerbating inequality.

The image on the right could also apply to the way in which procurement has been traditionally undertaken across Europe. As a result of legislation and an associated unwillingness to take risks, the procurement spend of city governments and other anchor institutions has not necessarily led to or contributed towards addressing the economic, social and environmental challenges facing that city.

---

[9] European Union (2011) *Cities of tomorrow: challenges, visions, ways forward*. http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/citiesoftomorrow/citiesoftomorrow_final.pdf
[10] New Economics Foundation (2002) *Plugging the leaks: making the most of every pound that enters your local economy*.
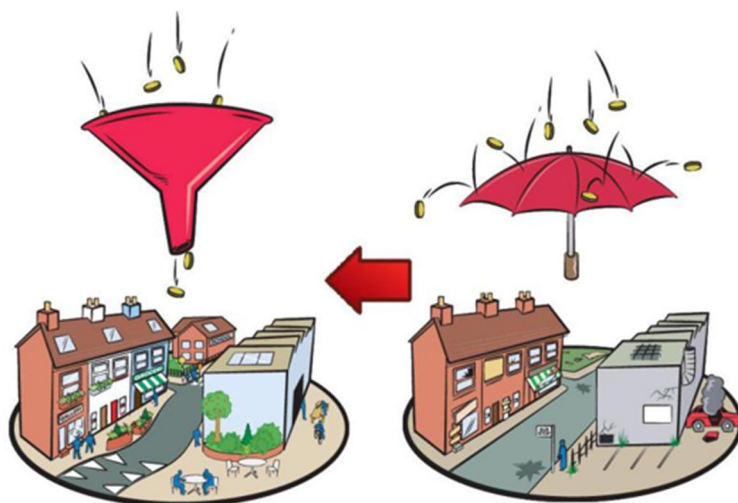
Illustration by Rory Seaford of The Creative Element,
www.pluggingtheleaks.org/resources/plm_ptl_images.htm

Economic development policy making, investment and indeed procurement needs to think more virtuously, whereby: the investment in a city is retained in the city economy through supporting local supply chains and local employment[11]. As a result local people are more able to influence the activities being undertaken; and activities are undertaken by and are beneficial for a broader mix of stakeholders across the public, commercial and social sectors. This is effectively depicted in the image on the left hand side of the diagram above; where wealth is retained and investment brings a range of economic, social and environmental benefits. This is the core purpose of the Procure network: to change the behaviour of procurers so that the process is undertaken more innovatively leading to greater benefits for cities across Europe. This complements the objectives of the new European Directives around procurement.

2.1.3 The outcomes procurement can contribute towards

It can be argued that procurement can contribute towards a range of outcomes in cities across Europe through changing the behaviour of municipalities and other anchor institutions.

Economic

- ❑ Procurement can support local businesses both directly and through sub-contracting opportunities;
- ❑ Procurement can support new local businesses to develop, which address key challenges and fill gaps in provision;

Social

- ❑ Procurement can support businesses to create new jobs and support existing jobs for residents of the city[12];

---

[11] Dudu, D. (2012) *How do local actors understand and tend to work toward local economy? A case study from Ares Grona Daler area, Jamtland, Sweden*. http://stud.epsilon.slu.se/5118/1/dudu_d_121206.pdf
[12] Joseph Rowntree Foundation (2014) Tackling poverty through public procurement. https://www.jrf.org.uk/report/tackling-poverty-through-public-procurement

- ❑ Procurement can support the creation of apprenticeships and the upskilling of local residents and their pay[13];
- ❑ Procurement can support the development of new forms of enterprises and cooperatives[14];
- ❑ Procurement through the above activities can support the achievement of wider outcomes around health and crime, for example;
- ❑ Procurement can stimulate social innovation through institutions co-designing services with communities and utilising social economy and social enterprise organisations in delivery[15].

Environmental

- ❑ Procurement can assist in reducing the distance which goods and services travel;
- ❑ Procurement can assist in stimulating technological innovation through encouraging the market to develop new technologies which address both good and service requirements and enable environmental advances;
- ❑ Procurement can improve the look of cities and improve the local environment particularly where innovative processes are utilised in the design process and where creative individual are procured to design, build and manage new facilities and infrastructure.

It is important to note that each of the above outcomes can be achieved and that the new regulations from Europe support municipalities to achieve wider societal goals through procurement.

2.1.4 The policy fit of Procure

The development of the Procure network and its emphasis upon procurement is aligned to both wider European Union policy making; wider thinking about the future of cities across Europe; and existing knowledge, projects and networks working on procurement and associated issues.

In terms of Europe 2020[16] and its emphasis upon jobs and growth, procurement can be a means of enabling growth which is smart (through more effective investments in education, research and innovation); sustainable (thanks to a decisive move towards a low carbon economy); and inclusive (with a strong emphasis on job creation and poverty reduction). Procurement should also be a component element of thinking and recommendations associated with the ESPON work on economic crisis and the resilience of the regions and around place[17].

Whilst other URBACT and wider European funded projects have had a degree of emphasis upon procurement or have looked at it as part of a wider issue, the Procure network is the first which looks at procurement holistically as a means of enabling local economic, social and environmental benefit. For example, the Sustainable Food in Urban Communities[18] network looked at procurement as part

---

[13] Schulter et al (2012) *Pay and other social clauses in European public procurement*. http://www.epsu.org/IMG/pdf/EPSU_Report_final.pdf

[14] Democracy Collaborative (2015) *Cities building community wealth*. http://democracycollaborative.org/sites/clone.community-wealth.org/files/downloads/CitiesBuildingCommunityWealth-Web.pdf

[15] Uyarra, E. (2010) *Opportunities for innovation through local government procurement: a case study of Greater Manchester*

[16] http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm

[17] ESPON (2014) *ECR2 – Economic Crisis: Resilience of Regions*. http://www.espon.eu/main/Menu_Projects/Menu_AppliedResearch/ECR2.html

[18] http://urbact.eu/sustainable-food

of a much wider focus upon urban food systems and healthy public food provision. Similarly, the Electric Vehicles in Urban Europe[19] network explored how procurement could be used as one of the tools for overcoming barriers in the uptake of electric vehicles. Other relevant past URBACT networks include: diet for a green planet pilot transfer network; 4D Cities; Roma-Net II; and WEED project. Procurement also forms part of other projects associated with Horizon 2020 and INTERREG programmes.

The focus in Procure upon procurement and economic, social and environmental benefit is the first time procurement has been looked at holistically as part of the URBACT Programme and also other programmes such as NWE INTERREG IVB and INTERREG IVC. Indeed, procurement was identified as a key area of innovation in URBACT II's capitalisation report 'Social Innovation in Cities'[20], particularly where cities have used public procurement policies to encourage 'unusual' providers in the form of SMEs, NGOs or groups of citizens to access calls for tenders and projects. The importance of utilising purchasing power for jobs and growth benefits was also referred to in the wider capitalisation article[21] from the URBACT II programme, with a reflection that 'more localised supply chains, in food or construction materials, can be driven by cities to bring greater sustainability and grow local jobs'.

2.2   The legislative framework

This element of the **'state of the art'** outlines the legislative framework within which procurement processes and practices across Europe fit, including at country level for the cities involved in Procure.

2.2.1 European regulations

The EC Treaty of 1957 (also known as the Treaty of Rome)[22] first introduced the principle of a 'single market' and a unified Europe when it came to the movement of goods, services, workforces and finance. The Treaty effectively sought to ensure a Europe wide commitment to enabling the movement of such commodities freely between countries and a commitment to supporting the economic development of all member countries through trade between countries. Under this principle of a 'single market', the EC Treaty effectively outlawed anti-competitiveness in the process of procurement that favoured national or local suppliers.

This emphasis upon a single market is also reflected in the latest iteration of the EU Procurement Directives (Directive 2014/24/EU which repealed Directive 2004/18/EC), which is focused upon the procurement of public services. The new Directives however do allow for some flexibility when it comes to wider benefits being achieved through procurement. The Directives are intrinsically linked to the Europe 2020 Strategy[23] and the emphasis upon balancing the achievement of smart, sustainable and inclusive growth while ensuring the most efficient use of public funds. There is a focus in the Directives around 'increasing the efficiency of public spending, facilitating in particular the participation of small to medium sized enterprises (SMEs) in public procurement in support of common societal goals'.

---

[19] http://urbact.eu/evue-ii
[20] URBACT II (2015) *Social innovation in cities*. http://urbact.eu/sites/default/files/03_socialinn-web.pdf
[21] http://urbact.eu/capitalisation-lessons-governance
[22] http://ec.europa.eu/archives/emu_history/documents/treaties/rometreaty2.pdf
[23] http://ec.europa.eu/europe2020/index_en.htm

Given the emphasis upon SMEs, the new Directives also more effectively advocate the use of pre-market engagement before a good or service goes to procurement and also promotes the potential engagement of social economy organisations (social enterprise and voluntary and community sector organisations) in the process.

2.2.2 Country level legislation

Each of the cities involved in the Procure network have nuances in the way in which the European Procurement Directives translate into national level law. Appendix 1 describes national level law in each country involved in the Procure network in turn, with the below element of the 'state of the art' drawing out key commonalities.

Countries across the European Union are required to adhere to the principles of the European Procurement Directives when it comes to the purchasing of goods and services. In legal terms, they have to ensure that those principles are embedded into national level law by 2016. This allows for a common approach to be adopted across Europe and for the process of procurement to be transparent. It also allows for any national level requirements and innovation to complement European level law.

The cities and countries involved in the Procure network are at various stages of adopting the principles of the European Procurement Directives into national level law and responding accordingly. Countries such as the United Kingdom and Italy have already adopted the Directives; with this often framed by existing national level legislation around procurement and also innovation in procurement. In Italy where innovative procurement has been evident for the last twenty years, this includes legislation around Green Public Procurement (GPP). In the United Kingdom, this includes the legislation of the Public Services (Social Value) Act in 2012 which encourages public authorities to consider economic, social and environmental value in procurement processes and decisions. In these countries, European Procurement Directives have been both adhered to and supplemented so that issues of wider concern are embedded into law.

Other countries involved in the Procure network are yet to formally embed the principles of the new European Procurement Directives into national level law including Poland, Romania, and Croatia. In these countries, considerations detailed in the new Directives around SME involvement and the consideration of wider societal goals are new and have not been considered before in national level procurement law or bespoke legislation as described above for the United Kingdom and Italy. In these countries, the ability to innovate is minimal as a result of the primary emphasis in procurement being on price. This is changing and each of the countries in the Procure network will have new national level law in place by April 2016, making the network even more relevant in how European and national level law translates to the city level.

The below details a key observation for each country around their national level procurement law:

❑ Croatia – national level law is framed by procedures around transparency and compliance; however the process is under review;
❑ Czech Republic – procurement is heavily monitored and inspected by specialist units;

- Hungary – has a new Public Procurement Act which came into effect in November 2015; it places greater emphasis on value for money considerations in procurement;
- Italy – has a strong history of innovating in public procurement and has specific considerations around the use of cooperatives and green procurement;
- Netherlands – the consideration of proportionality is key, meaning that decisions have to be appropriate and reasonable in relation to the object being tendered;
- Poland – is currently developing an amendment to its Procurement Act with an objective to simplify and make the process more flexible;
- Romania – has seen numerous changes to national level law over the years, with 2016 set to see further amends as a result of the new European Directives;
- Spain – national level law is driven by eleven priorities including: guaranteeing transparency; promoting SMEs; and promoting social participation in the process;
- United Kingdom – the Public Services (Social Value) Act requires procurers to consider how the services they procure might improve economic, social and environmental well-being.

2.3 The barriers to progressive procurement

This element of the **'state of the art'** sets out some of the common barriers (both perceived and real)[24] which prevent cities across Europe from developing more progressive and innovative procurement processes and practices. It is important to note that the new European Directives and associated national level law should contribute towards reducing some of these barriers. The barriers can be split into five themes.

2.3.1 European legislative barriers

The core barrier facing cities in achieving local economic benefit through procurement has historically been European Procurement Law and associated Directives. The use of the term 'local' is viewed as discriminatory and anti-competitive by the Procurement Directives. There are two core elements of the EC Treaty and Procurement Directives which act as barriers to achieving local benefit through procurement:

- **anti-discrimination provisions** – the Directives, in particular their single market principles, prevent the discrimination of firms on the basis of locality. This means that procurement bodies cannot openly favour local suppliers and instead need to open the process up to national and wider European providers.

- **advertising obligations** – European procurement law stipulates that all contracts above the thresholds identified earlier must be advertised Europe wide through the Official Journal of the European Union (OJEU), thus encouraging competition nationally and from Europe. This obligation has always presented a significant barrier to local companies, as they are not often aware of contracts and services which are being advertised through OJEU.

---

[24] Association for Public Service Excellence (2010) *More bang for the public buck: a guide to using procurement to achieve community benefits*. http://www.apse.org.uk/apse/index.cfm/research/current-research-programme/more-bang-for-the-public-book/more-bang-for-the-public-book/

2.3.2 City government and anchor institution barriers

A further barrier to achieving benefit through procurement is municipality and anchor institution cultures in terms of local politics, policies and processes. Specifically, there can often be an intrinsic cultural and perception barrier at the local level across procurement departments, regarding exactly what can be achieved through the procurement process:

❑ **perceptions as a barrier** – there is a perception amongst municipality procurement departments that EU procurement law acts as a significant barrier to achieving wider benefit. In some cases, there is a perception that 'local firms cannot supply us with products or services because of procurement law'.

❑ **perception of cost as a barrier –** another key perception barrier amongst municipality procurement departments is that inclusion of community benefits or social value will drive up the cost of procuring goods and services to the municipality and therefore should not be done in the face of budgetary pressures and efficiency drives.

❑ **lack of knowledge and training** – there is generally a lack of knowledge at the local level about how to use procurement to realise the possibilities for benefit. If procurement bodies do not have the knowledge about how to achieve wider benefit, this subsequently restricts the capability of suppliers to have knowledge of and achieve such benefits;

❑ **corruption** – there are challenges in some of the countries involved in the Procure network around corruption; whereby senior figures of cities are in prison as a result of the way in which procurement has been undertaken and contracts awarded. A barrier to more progressive procurement is therefore the legacy of this and a potential unwillingness to take risks.

2.3.3 Supply chain barriers

The notion of delivering wider benefits through procurement is often dependent upon having small businesses and a community and voluntary sector that are willing to be involved in the procurement process and have the skills, capacity and expertise to write tenders and ultimately deliver contracts. Specific barriers around this can include:

❑ **inability of small firms to bid for and deliver contracts** – Social economy organisations and SMEs often do not have the capacity nor the expertise to compete with larger providers in the procurement process. They cannot offer the same economies of scale as other providers and often do not have the capacity to fulfil procurement requirements or complete the tender process;

❑ **the size of contracts** – contracts above the European thresholds are often for multi-million Euro services. Social economy organisations and SMEs cannot compete to tender for and deliver these contracts as a result of their sheer scale. This therefore restricts any wider benefit through the potential use of these providers;

❑ **unawareness of opportunities** – Social economy organisations and SMEs often cite a lack of awareness and poor promotion of contract opportunities, as a core reason for not competing within the procurement process and

subsequently winning contracts to deliver services. They are often not aware of where to look for tenders advertised locally and through OJEU.

❑ **inclusion of social value drives up the cost of delivery** – there can be a perception amongst larger private sector organisations that delivering social value, through procurement adds additional cost to service delivery beyond what is required. If municipalities and anchor institutions build in a requirement for wider benefit into the specification stage of the procurement process, it potentially deters some suppliers from bidding.

2.3.4 Measuring social outcome barriers

The tendering process, unless it specifically requests organisations to demonstrate potential social and environmental benefits, can often fail to provide bidders with the opportunity to demonstrate such wider potential benefits. Social benefits can include employment, skills and training for local communities as a result of the procurement spending, together with provision of social amenities and the wider involvement and engagement of the local community in decision making.

❑ **social outcomes are often intangible –** the intangible nature of many social outcomes makes it difficult to provide for these in wider benefit clauses, as the supplier or procurer may not be able to measure the high level social aims of clauses and hence cannot establish whether they have been met or to what extent they have been met. This is likely to be a barrier, in that it may deter suppliers from bidding for fear of rebuke that they have not achieved sufficient levels of benefits;

❑ **there is no common measurement framework** – at the moment there is no common means of measuring direct impact of procurement spend and the indirect impact of supply chain behaviour. Plenty of municipalities and other anchor institutions undertake spend analysis but often at different geographical levels which makes benchmarking difficult. Additionally few if any places have effective contract management arrangements which enable wider outcomes to be monitored by suppliers and reported back to the procuring body.

2.3.5 Geographical barriers and the danger of protectionism

A key barrier to achieving greater benefits for local economies and in social and environmental terms through procurement is geography and not having a definition of the geography a city is working towards. All local economies are different as are administrative boundaries across Europe. Therefore cities need to have a mature understanding of what constitutes 'local' when it comes to procurement. This might be a local authority boundary, a city-region, a functional economic geography or a labour market. This definition then needs to follow through into procurement strategy, any criteria around social or environmental benefit for decision making, and in the measurement and monitoring of spend and impact. Local procurement practice therefore needs to be reflective of a defined geography.

Linked to the above, maximising benefit through procurement can be sometimes be seen as cities promoting a 'protectionist' agenda. Whilst promoting local organisations and other social and environmental can bring benefits for local economies, it can also come at the expense of neighbouring areas or authorities; which would in effect mean a 'zero-sum' game. There will be some procurement

opportunities which are not conducive to innovative procurement and where local economic, social and environmental benefits are not applicable; and others where they are. Cities therefore face a barrier in finding the correct balance between the two and ensuring that benefit comes through a range of means regardless of geography.

Related to the above, adopting an approach to procurement which also includes social and environmental benefit, for example, can also be perceived to be more expensive[25]. Again, cities therefore face a barrier in ensuring that procurement balances both efficiency and effectiveness considerations.

2.4 Maximising benefit through procurement

This element of the **'state of the art'** outlines some of the ways in which cities and particularly municipalities and anchor institutions can address the barriers to more progressive procurement[26] detailed in element 2.3 and respond to the new European Directives and national law detailed in element 2.2.

The process of procurement is often split into four parts. There is the commissioning of the good or service; the development of procurement strategy; pre-procurement; and the delivery of the good or service and monitoring. Ways of maximising benefit for city economies in socio-economic and environmental terms across Europe, can be built in at each of the parts of the process by municipalities and anchor institutions.

2.4.1 Service commissioning

Cities can enable and maximise benefit for city economies in socio-economic and environmental terms across Europe, through the procurement process in the commissioning phase. This can include:

Linking procurement to wider corporate priorities
The purpose of any procurement process must always be to commission services and goods, which are required by service users in a cost efficient way. However there are a range of wider economic, social and environmental benefits which can be achieved through the process in terms of jobs, skills, business development, and a reduction in the distance travelled by goods. One of the most straightforward ways of progressing procurement is to link the process to the wider corporate priorities of a municipality. Most municipalities will have a priority around addressing unemployment, for example. They can raise awareness of this issue by detailing it in procurement strategy and making potential suppliers aware that it is an issue in the procurement process.

Reflecting community need
They can seek to ensure that service design and commissioning is reflective of community need, by engaging and consulting communities upon the design of services. This is emerging in the concept of co-production, where institutions and residents design services collaboratively, and where communities can have responsibility for small elements of budgets. This ensures that procurement is reflective of the needs and wants of communities, thus bringing benefits for local people.

---

[25] Hettne, J. (2013) *Strategic use of public procurement – limits and opportunities*. http://www.sieps.se/sites/default/files/2013_7epa.pdf
[26] Centre for Local Economic Strategies (2013) *Maximising benefit through progressive procurement: the policy and practice of Cheshire West and Chester Council*. Manchester: CLES http://www.cles.org.uk/wp-content/uploads/2015/02/Progressive-Procurement.pdf

Case Study – Mondragon, Basque Country

A key example of co-produced and designed services and cooperative models of procurement and delivery is Mondragon in the Basque Country of northern Spain, which is often considered the most successful example of employee-owned, cooperative, enterprise in the world.

What started in 1956 with a handful of workers making simple paraffin cookers and heaters, now consists of over 82,000 people in an integrated group of some 258 cooperatively-owned businesses, subsidiaries, and affiliated organisations. They are all linked through a structured, but flexible umbrella, the Mondragon Corporation. For strategic purposes, the member firms and their affiliates are distributed among three major areas:

❑ The Finance Area embraces three specific activities: banking, social security and insurance;

❑ The Retail Area is a network of supermarkets, cash & carries and other consumer goods chains with more than 2600 outlets;

❑ The Industry Area, which is divided into 12 different divisions.

The Corporation ensures that there is no competition among the network businesses and, even more importantly, fosters collaboration among them to create new businesses that take advantage of new market opportunities. Usually these new businesses are headed up by entrepreneurs that come from existing cooperatives. This occurs both organically and through seeking to harness the potential of procurement.

For example, Mondragon recently founded a new company, Smart Health Services (SHS), for managing integrated purchasing and supply logistics for health centres. This is a new type of business, combining a variety of health centre management services, with the aim to become a driver for integrating the capacities of different organisations from different parts of the Corporation.

Another example of inter-cooperation is an organisation created to achieve volume purchasing advantages. Several years ago, 16 Mondragon co-ops co-created this new service, and housed it in an organisation called Ategi S. Coop. Ategi's job is to put together the purchasing needs for utilities and other products/services (computers, phone/internet, etc.) of as many Mondragon co-ops as possible, and select and negotiate with suppliers and "deliver" the finished purchasing agreement to the co-op member. Any Mondragon company can join Ategi by making a membership investment and it may use Ategi for purchasing any one or combination of products/services.

The core outcome of the work undertaken in Mondragon is that of collaboration; the process of procurement is used as a way of creating new market opportunities for Cooperatives in the Corporation with subsequent benefits in local economic, social and environmental terms.

2.4.2 Procurement strategy

Cities can maximise benefit for city economies and in economic, social and environmental terms across Europe through the procurement process in the procurement strategy phase. This can include:

Developing procurement strategies with a common narrative
These set out a municipalities or organisation's priorities and processes in relation to procurement practice. They are a key means by which priorities and criteria relating to economic, social and environmental wellbeing can be embedded, ensuring that priorities feed into the decision making process for all contracts. They also highlight to suppliers the types of benefit city governments are expecting them to demonstrate in their response to tenders.

Case Study - Cleveland, United States

Collaborative working across anchor institutions has been a key part of Cleveland's response to economic decline. There is a common vision across these institutions for economic improvement with a narrative around procurement an integral part of this. Cleveland, Ohio has faced significant challenges over the last thirty years. The crash of the manufacturing industries in the 1980s and 1990s led to a reduction in the number of jobs to the sum of some 150,000, with associated consequences for the local population which reduced from around 800,000 to 400,000 as people headed elsewhere seeking opportunity. The response has been one of collaboration and relationship building with key organisations coming together to reinvigorate and rejuvenate the local economy. Organisations such as the Cleveland Foundation, City of Cleveland Economic Development, Cleveland State University, the Evergreen Cooperative, Neighbourhood Connections, and the University Hospitals have come together to commence a collaborative approach which is focused upon community wealth.

A number of activities around procurement and maximising benefit for the local economy have been undertaken in Cleveland by each of the anchor institutions. For example, University Hospitals operating as a commercial enterprise, recognised the importance of engaging with the wider vision of improving the economy of Cleveland. This was delivered for a number of reasons, as an improved economy and physical look enables the continued attraction of the brightest medical talent; whilst also enabling medical technology entrepreneurs to stay in Cleveland, and demonstrate their ethos by contributing jobs to the local economy. University Hospitals have particularly emphasised its procurement process. They have also worked collaboratively with Cleveland State University to set up a joint mail hub, and are incentivising procurement officers to consider Cleveland based businesses in purchasing decisions.

For example, Evergreen Cooperatives is a unique model of providing services. Over the course of the last five years, Evergreen have set up three new cooperative businesses: Evergreen Laundry, Evergreen Energy Solutions, and Green City Growers; all with the purpose of being worker owned; addressing unemployment in seven key deprived parts of the city; and providing services for anchor institutions and others in the Greater University Circle Area. Thereby relating the local community to wealth creation opportunities. The

---

Evergreen Laundry provides services to hotels and anchor institutions in Cleveland, including University Hospitals.

The core outcome of the work undertaken over the last ten years in Cleveland, has been its ability to bring together organisations across the public, commercial and social sectors to innovate and instigate change. There have also been particular increases in the amount of procurement spend by anchor institutions within Cleveland, and wider Cuyahoga County organisations. University Hospitals now spends over 44% with Cuyahago County vendors, an increase of some $140m between 2013 and 2014. The economic and social outcomes include the creation of over 200 jobs for individuals from the Eastside of Cleveland through Evergreen and other social economy organisations. The cultural outcomes include a real shift in the behaviour of senior management and officers in each of the key anchor institutions, particularly around procurement.

Developing accessible portals
They can develop a range of online activities which raise awareness amongst the local business base, SMEs, and social economy organisations, of upcoming tender opportunities. These can include online portals which provide alerts to relevant contract opportunities, and a means of uploading tender documents and guides that explain to small organisations what is expected in the tender process and how to complete procurement documentation. They can also develop portals specifically for sub-contracting opportunities.

Packaging contracts to make them more accessible
For contracts which are below the European thresholds, municipalities and anchor institutions can consider breaking contracts down into smaller lots to make them more attractive for local and small business. They can also break them down into more specific lots which enable different organisations to bid for different aspects of a contract.

Streamlining procurement documentation
One of the biggest barriers preventing local and particularly small organisations from bidding for contract opportunities is a (often fair) perception that the process is too complex and bureaucratic. Municipalities and anchor institutions can overcome this through the streamlining of documentation and particularly by:

❑ standardising Pre-Qualification Questionnaires (PQQs) and Invitation to Tenders (ITTs);
❑ providing sample and case study PQQ completion examples;
❑ simplifying the requirements of PQQs and ITTs;
❑ streamlining financial assessment criteria;
❑ removing PQQ requirements altogether for lower value contracts.

Using social and environmental criteria
Traditionally cities and particularly municipalities have undertaken procurement using two criteria: cost and quality. Often cost in some countries and procurements will be the only consideration as the procurer seeks maximum efficiency and the best price. Quality of the products being offered and the experience of the organisation delivering is also considered regularly. However, cities can also consider social and environmental criteria in procurement strategy and in the associated tender documents and decision. This can be done by

assigning, for example, ten percent of the decision to the extent to which potential suppliers detail that they will address social and environmental issues.

> ### Case Study – Malmo, Sweden
>
> Malmo's approach to procurement is particularly framed around sustainability, and undertaking socially responsible public procurement. Since 2007 while forming key components of their criteria, the city has started to think about the quality of their procurement processes, and social responsibility as well as cost. The emphasis upon social responsibility has been applied to a number of construction projects and procurements, including products such as the food served in schools, tea, coffee and textiles. The drive towards socially responsible procurement has been a political one with policy guidelines, which encourage products which are low environmental impact and socially responsible.
>
> The approach has had a key impact both in terms of procurement processes, and the relationships between municipalities. The City of Malmo are continuously monitoring their purchases with an assessment undertaken three times a year, to investigate the percentage of green and ethical goods purchased. In the financial year 2011/12, for example, Malmo bought 37% of commodities with environmental criteria. Malmo collaborates with neighbouring authorities when procuring, in order to ensure that the social and economic benefit is maximised across a wider footprint.

2.4.3 Pre-procurement

They can maximise benefit for city economies and in social and environmental terms across Europe through the procurement process in the pre-procurement phase. This can include:

Working with local business to test markets
Procurement teams can work with economic development teams to identify local businesses, particularly SMEs, who might be suitable to bid for certain contract opportunities. Targeted market testing could be focused on businesses in specific sectors or based in particular parts of the city. They can follow up market testing with targeted capacity building. They can also engage with potential suppliers before formally putting a service out to tender through holding meetings and events. These enable institutions to detail their specifications in relation to a particular contract and to inform suppliers of what is expected of them in the tendering process, including any requirements around economic, social and environmental benefit. They also provide the opportunity to informally develop suppliers' skills in tendering.

Engagement work with business networks
They can make local businesses, particularly SMEs, aware of procurement opportunities through developing relationships with business representative bodies such as Chambers of Commerce and small business organisations. These organisations can also provide advice and guidance to their members about bidding for procurement opportunities, and also assist in developing capacity and capability.

Capacity building of social economy organisations

They can provide capacity building support for both SMEs and social economy organisations, which gives them the knowledge and skills to bid for contract opportunities. This approach is not about preferential treatment, but about local organisational development. Capacity building can focus upon raising awareness of opportunities, the process of completing a PQQ, or getting a social economy organisation tender ready. It could also involve one-to-one tendering support.

Apprenticeships, labour and social clauses

They can enable benefit by stipulating in tender documentation the requirement for contractors to add value for communities beyond service delivery. In construction projects, this could include a requirement to create apprenticeships for every euro 1 million spent, or a desire to create jobs for those who are unemployed. In more service focused activities, it could include wider social benefits such as community work.

> ### Case Study – Nantes, France
>
> The city of Nantes in South West France has been known for nearly 20 years, as a leading innovator in using social clauses in public procurement to stimulate local jobs. Over this time they have developed sophisticated support structures using social enterprises, to train and prepare the 'clients' to help them to get the jobs that are opened up in the private sector.
>
> France revised its public procurement rules in 2006 to create a more permissive environment for the insertion of social clauses, which are accepted at EU level. This has led to considerable progress in awarding contracts by Nantes Metropole and surrounding suburban administrations (Chantenay, Vannes, Doulon, and Malakoff). Work has included Swimming Pools, roads, bus routes, and a media centre. The types of trades offered through the clauses include: mason assistant, carpenter, painter, building worker, pavers, green space maintenance, plumber, metalworker, plastering, and external cleaning.

2.4.4 Delivery and monitoring

They can maximise benefit for city economies and in both socio-economic and environmental terms across Europe, through the procurement process in the delivery stage. This can include:

Developing supplier networks

They can enable benefit and continuously ensure that wider economic, social and environmental benefit is considered in service delivery through the establishment of supplier networks. Supplier networks ensure a continuous relationship between buyer and supplier. Historically, goods and services have gone out to contract and suppliers have gone away and delivered the required service. A supplier network enables these institutions to voluntarily influence the behaviour of suppliers by informing them of corporate priorities and wider expectations around economic, social and environmental benefit; and in turn ensure these aspects of benefit are being delivered.

Continuous spend analysis and outcomes monitoring

They can continuously seek to identify the impact their procurement spend brings for their locality through spend analysis and contract monitoring. Through

geographical analysis, they can identify the extent to which spend lies with suppliers based in or within a branch in their municipality boundary; and spend within particular areas of the city. Through contract monitoring, institutions can identify the extent to which suppliers re-spend in the local economy upon local suppliers and employees of their own; and the extent to which they are adding value to wider local priorities and outcomes. Spend analysis can also be utilised to identify areas of spend which are 'influenceable' and 'non-infuenceable. In relation to the barrier around protectionism, it can be used to identify contracts which are not conducive to local economic, social and environmental benefits and those which are.

Case Study - Manchester City Council, United Kingdom

Manchester City Council in the United Kingdom has been forefront of work around measuring the impact of their procurement spend and utilising this evidence to amend procurement policy and practice, including the formulation of supplier networks.

In relation to delivering and monitoring, Manchester City Council has been undertaking work since 2008/09 around changing their procurement processes in order to bring greater benefit for the local economy. Central to this has been evidence gathering around the impact of spend and subsequent adoption of policy and practice. In each of the last six financial years the supply chain has been analysed to understand the extent to which, organisations providing the Council with goods and services are based in the Manchester boundary and wider Greater Manchester.

The above analysis and intelligence has been utilised to frame a range of activities which have sought to maximise the benefit procurement spend brings. A cross-departmental procurement working group was set up, which brought together procurement officers and commissioners of services and importantly economic development teams. A suppliers' network was also set up which brought together key existing suppliers to Manchester City Council and procurement and economic development teams, with a purpose being to influence the behaviour of the supply chain so that added value was brought beyond the delivery of a good or service. For example this meant discussions around addressing worklessness, creating sub-contracting opportunities for Greater Manchester based businesses, and apprenticeships. To supplement this further engagement work was undertaken with suppliers based in areas of deprivation, to make them aware of the challenges facing the locality, whilst seeking to influence their recruitment and supplier choices.

The core outcome of the work undertaken by Manchester City Council has been a shift in the behaviour of both the Council and its suppliers. Officers at Manchester City Council are now working more collaboratively to ensure that public service provision reaps maximum benefit for the Manchester economy and its residents. Suppliers are now also thinking about delivering local economic, social and environmental benefit. As a result of the activities described above and others, there has also been a change in both the levels of spend by Manchester City Council in its own boundary and re-spend by the supply chain. In the financial year 2008/09, 51.5% of spend upon the top 300 suppliers was with Manchester based suppliers; this has increased to over 67% in financial year 2014/15.

2.5 Concluding thoughts to the State of the Art

The Procure network is about supporting cities to maximise the impact their procurement spend brings for their local economies and in economic and social terms. Framed by the new European Directives and a realisation that procurement can be utilised as one of the ways in which challenges facing European cities can addressed; this State of the Art has sought to provide a context to the theme of innovative and progressive procurement. The development of Procure comes at an opportune moment. The European Directives came into effect in February 2014 and member countries are required to embed their principles into national level law by April 2016. The principles are important as not only do they require cities to be compliant and accountable around procurement; but they also provide the opportunity to be flexible particularly around the engagement of SMEs and the achievement of wider societal goals.

Undertaking innovative and progressive procurement is however restricted by a range of barriers; notably around: law and bureaucracy; the behaviour of municipalities and other anchor institutions; the behaviour of suppliers; measuring impact; and geography. The means of maximising economic, social and environmental benefits through commissioning, procurement strategy, pre-procurement, and delivery and the associated case studies presented in the 'state of the art' will be explored as part of the Procure network going forward. However, the learning and practice could and should be adopted across other cities in Europe to enable the impact of procurement to be maximised.

Scrutiny review proposal

1 What is the review?

School exclusions, off-rolling and alternative provision performance

2 What outcomes could realistically be achieved? Which agency does the review seek to influence?

Reducing exclusions, improving coordination
Improving outcomes for young people in PRUs, improving PRU provision

3 When should the review be carried out/completed? i.e. does the review need to take place before/after a certain time?

Immediately

4 What format would suit this review? (e.g. full investigation, q&a with executive member/partners, public meeting, one-off session)

Likely multiple sessions

5 What are some of the key issues that you would like the review to look at?

- Build on work of Serious Youth Violence (SYV) panel - final report and recommendations

- Clarity on numbers and data trends ; both exclusions and off-rolling

- At risk cohorts and themes: off-rolling & home schooling; SEND; young people at risk of gang involvement

- Examine information sharing (between officers, schools, academy chains, and the police)

- Look at how far the council is utilising it's somewhat limited role and powers

- Internal exclusion / provision

- Performance of the PRU, in terms of:

  a)young people's reintegration into mainstream education and educational outcomes
  b) Alternative Provision good practice and meeting different young people needs (e.g. trauma, behaviour, SEND, home schooling)

6 Who would you like to receive evidence and advice from during the review?

- Briefing from the Education Director, Nina Dohel and Director of Children & Families Early Help, Alasdair Smith on Early Help.

- Claire Burton, Regional Schools Commissioner

- Ofsted regional inspector

- Local parent and Guardian journalist Warwick Mansell
  https://www.theguardian.com/profile/warwick-mansell

- Harris, Ark and Diocese executive leads

- A contributor to the Timpson review

- Akala: https://schoolsweek.co.uk/akala-schools-need-universal-code-on-exclusions/

- FFT Education Datalab

- Young people, parents and community leaders

7 Any suggestions for background information? Are you aware of any best practice on this topic?

Select committee report: Forgotten children: alternative provision and the scandal of ever increasing exclusions. July 2018.

https://publications.parliament.uk/pa/cm201719/cmselect/cmeduc/342/342.pdf

Timpson review into exclusions
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/807862/Timpson_review.pdf

Knife Crime and Serious Violence Plan

The theme 'PROTECTING AND EDUCATING YOUNG PEOPLE' is relevant to the commission review, and particularly the actions recognising the importance of prevention and working alongside schools:

- Point 10: Monitor exclusions data through local education arrangements and also six monthly at CSP. The aim is to improve monitoring and review; leading to more timely intervention and reducing numbers of exclusion. Lead Jenny Brennan. LBS Family Early Help & Youth Justice. Note: *This will form part of the Violent Crime dashboard discussed at the Safer Communities Delivery Group. This is only possible if we get data from schools on Fixed Term Exclusions as currently data is only sent when child is permanently excluded and the decision cannot be reversed. There are capacity and IT issues involved in monitoring this data which are currently being worked through.*

- Point 2: To improve partnership works with schools. Meeting with Academy Chief Executives to be scheduled with Police Borough Commander and Council Chief Executive to discuss joint working. Improved joint working will lead to more timely response to serious youth violence with earlier discussion, implementation of prevention and intervention measures

Southwark Youth Violence Panel

The Southwark Youth Violence Panel has called for more to be done to reduce school exclusions as a key way to prevent young people getting involved in crime.

Key recommendations include:
•Collective action to reduce school exclusions and ensure they are used as a **last** resort

See more summarising the work here:
https://www.southwark.gov.uk/news/2019/jul/southwark-youth-violence-panel

The panel sessions are detailed here:
http://moderngov.southwark.gov.uk/mgCommitteeDetails.aspx?ID=514

Evidence session 2: Early years and Education, Southwark Youth Violence Panel Wednesday 23 January 2019 5.30 pm is particularly relevant

http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=514&MId=6327&Ver=4

Warwick Mansell journalist investigation

Author of an article highlighting concerning trends re offrolling

https://www.theguardian.com/education/2018/nov/06/academy-trusts-gcse-students-disappearing-prior-to -exams

TES investigation into home education and off rolling
https://www.tes.com/news/rolling-fears-about-home-education-1-5-las

Ofsted report
https://www.theguardian.com/education/2018/jun/26/300-schools-picked-out-in-gcse-off-rolling-investigation

Investigation by FFT Education Datalab on children missing from school rolls
https://www.theguardian.com/education/2018/jun/21/thousands-of-pupils-missing-from-english-school-rolls-study

Government's statutory guidance on exclusions
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/641418/20170831_Exclusion_Stat_guidance_Web_version.pdf

Education Endowment Foundation evidence
Report on improving behaviour in schools
https://educationendowmentfoundation.org.uk/public/files/Publications/Behaviour/EEF_Improving_behaviour_in_schools_Report.pdf

Alternative provision
Department for Education commissioned a literature review to explore the evidence for effective strategies that support young people in alternative provision to increase attainment at key stage 4 and to make a successful transition to post-16 provision. This includes reporting on any differential effects by pupil characteristics, including gender, ethnicity and special educational needs and disability (SEND).

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/585550/Alternative_provision_effective_practice_and_post-16_transition.pdf

Case studies from NFER that are of interest
https://www.nfer.ac.uk/publications/APSN02/APSN02.pdf

Case studies of innovative provision:
http://www.redballoonlearner.org/Life-at-RB-Centres-centrehttps://www.stonesoupacademy.org.uk/about-us/
http://www.dallagliorugbyworks.com/what-we-do/case-studies

8 What approaches could be useful for gathering evidence? What can be done outside committee meetings?
e.g. verbal or written submissions, site visits, mystery-shopping, service observation, meeting with stakeholders, survey, consultation event

Stakeholder representation that speaks to the session and frames our work, e.g. a parent of an excluded child

Session in school in due course – e.g. a school that has had success in reducing exclusions.

Outward facing community event with high profile speakers to engage parents, carers and young people.

__Scrutiny review proposal__

1 What is the review?

Accessibility of procurement for SMEs and community businesses,
with a particular emphasis on procurement from underrepresented groups in business
across the protected characteristics.

The protected characteristics are: race, disability, sex, pregnancy and maternity,
gender reassignment, sexual orientation, age, religion or belief and marriage or civil
partnership.

**2 What outcomes could realistically be achieved? Which agency does
the review seek to influence?**

- Improved levels of SME procurement by council
- Even further improvements in incorporation of social value into new
  procurement strategy

3 When should the review be carried out/completed? i.e. does the review need
to take place before/after a certain time?

Informing roll out of Fairer Future Procurement Strategy and providing evidence for
one year 1 review.

**4 What format would suit this review? (e.g. full investigation, q&a with
executive member/partners, public meeting, one-off session)**

1-2 sessions

**5 What are some of the key issues that you would like the review to look
at?**

- Clarify current statistics around SME procurement by protected characteristic
- Known issues and plans to address these
- Consideration of broader social value contributions in procurement decisions

6 Who would you like to receive evidence and advice from during the review?

Officers, including broader look at new strategy. Relevant departments and business units could include Legal, Finance, Local Economy and Regeneration.

Relevant stakeholders including SMEs which has been unsuccessful in wining contracts / accessing procurement opportunities with the council.

Best practice in procurement utilised by other councils e.g. South Tyneside.

Social Enterprise UK

Federation of Small Business

Business Improvement Districts:

- Nic Durston, South Bank BID
- Natalie Raben, We are Waterloo
- Nadia Broccardo, Team London Bridge
- Peter Williams, Better Bankside
- Russell Dryden, Blue Bermondsey

Chamber of Commerce

7 Any suggestions for background information? Are you aware of any best practice on this topic?

Council

Southwark Council's Fairer Future Procurement Framework (FFPF):

http://moderngov.southwark.gov.uk/documents/s83221/Appendix%201%20Fairer%20Future%20Procurement%20Framework.pdf

Economic Wellbeing and Skills Strategies:

http://www.southwark.gov.uk/business/economic-wellbeing-strategy

http://www.southwark.gov.uk/business/skills-strategy

Previous scrutiny report:

http://moderngov.southwark.gov.uk/documents/s51814/Report%20Overview%20and%20scrutiny%20recommendations.pdf

Supply South Tyneside

Supply South Tyneside is an initiative to support local businesses and help them to identify, bid for, and win public sector contracts. The initiative set a target to increase the amount of money the council spend with local businesses from the 2009/10 baseline of 32%, to 40% by 2013/14, then to 50% by 2016. By 2018/19, the council paid more than £207.5 million for goods and services, of which almost £115 million (55 per cent) was spent locally. One of the aims is to protect local jobs by using local suppliers.

See: https://www.southtyneside.gov.uk/article/33534/Supply-South-Tyneside and https://www.lgafirst.co.uk/wp-content/uploads/2019/06/First-637-July-2019.pdf

Social Value

LGA: Profit with Purpose report this report particularly focuses on realising social value through the expansion of councils' commercial activity.

https://www.local.gov.uk/sites/default/files/documents/11%20173%20-%20Profit%20with%20a%20Purpose_V05_web.pdf

Government introduction to social value (2018)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690780/Commissioner_Guidance_V3.8.pdf

Preston Model : Community wealth building

The "Preston Model" is a term applied to how the council, its anchor institutions and other partners are implementing the principles of Community Wealth Building within Preston and the wider Lancashire area.

The city council is committed to implementing this approach and, as the "place leader" for the city, is promoting the concept to other anchor institutions in and around Preston and to the private sector.

The implementation is something that is being shared across a range of Preston based anchor institutions, including:

- Lancashire County Council
- University of Central Lancashire
- Preston's College
- Cardinal Newman College
- Community Gateway Housing Association
- Lancashire Constabulary.

This is important as many of these institutions have significantly greater spending power and assets than the City Council and by working together the city council

can have a significantly greater impact on the future well-being of the city.

Community wealth building offers an opportunity for local people to take back control, to ensure that the benefits of local growth are invested in their local areas, are used to support investment in productive economic activities and that people and their local institutions can work together on an agenda of shared benefit.

This work is linked to an EU programme; the Procure network, which is one of 211 networks commissioned through the European Union's URBACT III programme. This seeks to enable transnational exchange and learning between cities around a particular theme. The Procure network seeks to connect cities and build success around the theme of procurement. The purpose of the Procure network is to support cities to enhance procurement processes so that they bring greater benefits for their city economy and in social and environmental terms.

The Procure network is being led by Preston City Council from the United Kingdom, supported by expertise from Matthew Jackson. Matthew is the Deputy Chief Executive of the *Centre for Local Economic Strategies (CLES).* CLES is a think-tank and research organisation based in Manchester, the United Kingdom

Preston was joined initially in the Procure network by four cities: Lublin (Poland); Koszalin (Poland); Albacete (Spain); and Almelo (The Netherlands). Later they were joined by: Satu Mare County Intercommunity Development Association (Romania); Metropolitan City (Cimet) of Bologna (Italy); District 9 Prague (Czech Republic); Koprivnica (Croatia); Candelaria (Spain); and Nagykallo (Hungary).

https://www.preston.gov.uk/thecouncil/the-preston-model/preston-model/

Centre for Local Economic Strategies CLES is the UK's leading, independent think and do tank realising progressive economics for people and place, which aims to achieve social justice, good local economies and effective public services for everyone, everywhere.

https://cles.org.uk

Recent work by CLES with London local authorities:

https://cles.org.uk/wp-content/uploads/2019/04/New-Municipalism-in-London_April-2019.pdf

NEF

NEF have done a range of work around the value of keeping money circulating locally to grow the local economy and maximise community benefit (cf Community Wealth Building).

https://neweconomics.org/2002/12/the-money-trail/

https://www.nefconsulting.com/our-services/evaluation-impact-assessment/local-multiplier-3

They have also produced this procurement focused publication:

https://neweconomics.org/2005/07/public-spending-public-benefit

South London Procurement Network

The South London Procurement Network (SLPN), which was established by Shell Centre redevelopers Qatari Diar and Canary Wharf Group plc, has worked with South London SMEs (small and medium sized enterprises) across a range of different sectors, generating multiple leads and contract wins in the area since its inception in 2012.

The South London Procurement Network works to ensure local businesses are part of the long term economic growth of the region by providing a service to compete with local supply chains. They are focused on making a real difference to the sustainability of local businesses.

SLPN is working in partnership with Southbank BID.

 See: http://slpn.org.uk/
 https://group.canarywharf.com/media/press-releases/local-procurement-   network-generates-over-1-5million-for-south-london-businesses/

Social Enterprise

Supply Change is a UK marketplace platform that matches public sector buyers to social enterprises. https://www.supplychange.co.uk/

Started in 2018 arising out of a research project for Orbit housing. This research focused on how social enterprises are accessing Orbit and other Social Housing supply chains. Research with large Social Housing organisations and social enterprises identified financial and cultural barriers. Social enterprises found it difficult to access contracts as they did not have wide visibility of opportunities because of the numerous bureaucratic processes in individual large Social Housing organisations. There was an appetite from large organisations to use social enterprises, but large organisations need information on relevant providers and assurance on viability. The supply change portal arose from this research and aims to provide visibility to Social Enterprises and assurance to large organisations.

Orbit is a founding organisation of Supply Change, which is now testing with a pool of local authorities, and there is an opportunity for Southwark to be a founding partner, who can help develop the platform.

Supply Change has shared research done with Orbit with the Commission. They are also doing work with Coventry looking at other anchor organisations, with a completion date 20 September, and could also potentially share.

Buy social campaign and specific asks of local authorities:
https://www.socialenterprise.org.uk/Handlers/Download.ashx?IDMF=fbfcd5c3-d183-4b56-a950-c7cae98973c2

More general guidance and asks of local authorities:
https://www.socialenterprise.org.uk/with-councils

8 What approaches could be useful for gathering evidence? What can be done outside committee meetings?
e.g. verbal or written submissions, site visits, mystery-shopping, service observation, meeting with stakeholders, survey, consultation event

Stakeholder representation that speaks to the session and assists in framing and scoping the review e.g. a small business leader that's systematically struggled to navigate our procurement processes; a representative of SME group or network.

Education & Business (Roving) Scrutiny Commission Workplan

Timetable

Date	Item
Meeting 1, Tuesday 10 September	1. School exclusions 2. Procurement and SMEs 3. Initial discussion of work plan

Meeting 2, Monday 7 October	1. School exclusions
	   - Advocacy Academy
	2. School exclusions - Faith conference feedback on Exclusions and Serious Youth Violence
	3. School Exclusions – officer update FSM and Managed Moves reporting requirements
	4. School Exclusions
	   - Regional School Commissioner, Claire Burton
	5. Agreeing scope of workplan and priority item for Meeting 4

Meeting 3, Monday 16 December	1. Wandsworth Alternative Provision - Eileen Shannon, Head Teacher, Victoria Drive PRU; Carol Self, Nurture Provision lead, Wandsworth 2 Interview of Cabinet Member for Children, Schools and Adult Care (re Education) 3 Interview of Cabinet Member for Jobs, Business and Innovation 3. Schools Exclusions: Ark Academy report, and CoE Diocese report Catholic Diocese schools report (all to note) 5. Education Officer update (presentation) 7. Procurement update (presentation) 8. South Tyneside report on procurement approach and best practice (to note)

Meeting 4, 13 February 2020	1. **Exclusion Review: Regional Director London, Ofsted**
	Mike Sheridan, Regional Director London, Ofsted, on the new inspection framework .
	2. **Exclusion Review: Evidence from schools**
	   • Ark Academy report , to note and discuss
	   • Southwark Diocesan Board of Education report and presentation by Rachael Norman, Secondary Schools Adviser
	   • Catholic Diocese presentation by Dr Simon Hughes
	3. **Exclusion Review: 'Keeping Children in Education' Conference**
	
	Update on 'Keeping Children in Education' Conference, held 16 January, and work officers have do done to inform this including a short film : Excluded- voices of children and parents.
	
	Jenny Brennan, Assistant Director Family Early Help and Youth Justice, will present the film and provide an update on the conference.

	4. **Procurement review: Southwark Chamber of Commerce** Shade Abdul will report on the work of the Southwark Chamber of Commerce on The Entrepreneurial Peckham event, 11 February (see enclosed information) and more broadly on the work of the Chamber to engage small businesses led by people from ethnic minority backgrounds. 5. **Procurement review: Southbank Business Improvement District and South London Procurement Network** . With Nic Durston, BID, and Petrona Wickham, South London Procurement Network. 6. **Procurement review: Procure** Report enclosed on 'CREATING A GOOD LOCAL ECONOMY THROUGH PROCUREMENT' prepared by Matthew Jackson (deputy CEO CLES), to note. 7. **Exclusion Review : Survey** Update 8. **Exclusion Review: Timpson Review report** Executive summary of TIMPSON REVIEW OF SCHOOL EXCLUSION, to note. 9. **Southwark PRU visit report** 10. **Workplan** Discussing recommendations for (i) exclusions and alternative provision and (ii) procurement reports. Scopes are enclosed.
Meeting 5, Tuesday 24 March	1. Additional priority topic from longlist/main OSC 2. Southwark PRU visit report – longer discussion 3. Matt Jones , Globe ARK academy 4. Social Value pilot update report 5. Sign off school exclusions and alternative provision report 6. Sign off procurement report
Meeting 6, Additional date TBC	TBC – Community event (Exclusions)

School exclusions and alternative provision

The Commission will build on work of the Southwark Youth Violence Panel and seek to understand
- the extent of permanent exclusions and quasi exclusions (e.g. forced home schooling and off-rolling) across the borough, total levels, where it is concentrated and what are the key trends
- alternative provision across the borough, its quality, its role in managing permanent exclusions and the quality of service it is providing our young people

We will explore exclusions by:
- Speaking to local school representatives, young people who have been excluded and/or their parents,
- Reviewing the prior investigations by the Council of exclusions and the extent
- Looking at best practice from beyond the borough both in terms of managing exclusions and delivering alternative provision

- Speaking to officers and the lead Cabinet member regarding what they see to be the main issues regarding current rates of exclusion in the borough and how they can move towards zero

Procurement: SMEs, social value and diversity

On SME procurement, I'd like to clarify current stats around sme procurement by protected characteristic, known issues, plans to address and additional ideas from external actors on how can further improve. Officers and relevant stakeholders - let's discuss who that is.

Southwark Council is a major procurer of services and has recently introduced a new Fairer Future Procurement Framework. We will be exploring the Council's procurement strategy with a particular focus on how accessible the Council's procurement processes are for SMEs, how well the Council's procurement approach is incorporating social value legislation and the opportunities it brings, and how well the council is at being accessible to and encouraging diversity through its procurement.

We will explore procurement by:
- Exploring current data regarding procurement performance from an SME, diversity and social value perspective
- Investigating the Council's preferred approach for incorporating social value
- Looking at examples of good practice from elsewhere in encouraging procurement from elsewhere
- Speaking to historic bidders who have experienced Southwark's procurement processes
- Reviewing the new procurement process to understand potential unintended side effects to some of the policy improvements that have recently been incorporated

Other Topics of interest to the Commission

As this is a roving Commission, the Commission will maintain bandwidth to either pick up additional topics of interest from the shortlist below, or to pick up urgent matters arising from main OSC.

- *Youth provision in Southwark*: Looking at the Council's plans to refresh youth provision across the borough
- *Race disparity in Southwark*: Conducting a race disparity audit for discrete parts of the Council as a precursor to a more in-depth exercise
- *Care leavers provision and support*: Looking at the Council's work to support care leavers via a dedicated trust and other pre-existing channels
- *Rogue landlords*: Council's use of new powers to discourage bad landlord practices
- *High streets*: Looking at the Council's work to strengthen high streets across the borough

Education & Business SCRUTINY COMMISSION

MUNICIPAL YEAR 2019-20

AGENDA DISTRIBUTION LIST (OPEN)

NOTE: Original held by Scrutiny Team; all amendments/queries to Fitzroy Williams Tel: 020 7525 7102

Name	No of copies	Name	No of copies
Education Co-Opted Members			
		Fitzroy Williams, Scrutiny Team SPARES	10
Lynette Murphy – O'Dwyer (Catholic Diocese)		**External**	
Martin Brecknell (Church of England Diocese)			
Electronic Copy			
Members:			
Councillors			
Councillor Peter Babudu			
Councillor William Houngbo			
Councillor Karl Eastham			
Councillor Renata Hamvas			
Councillor Eleanor Kerslake			
Councillor Lorraine Lauder MBE			
Councillor Eliza Mann			
Education Representatives			
Martin Brecknell			
Lynette Murphy O'Dwyer			
Reserves Members			
Councillor Humaira Ali			
Councillor Radha Burgess			
Councillor Tom Flynn			
Councillor Richard Leeming			
Councillor Michael Situ			
Councillor Leanne Werner		**Total: 10**	
		Dated: December 2019	