

Education and Local Economy Scrutiny Commission

MINUTES of the OPEN section of the Education and Local Economy Scrutiny Commission held on Tuesday 20 April 2021 at 6.30 pm (online / virtual meeting).

PRESENT: Councillor Peter Babudu (Chair)
Councillor Radha Burgess (Reserve)
Councillor Eleanor Kerslake
Councillor Richard Leeming
Councillor Michael Situ
Martin Brecknell (Co-opted Member)
Lynette Murphy-O'Dwyer (Co-opted Member)
Nicole Gordon (Co-opted Member)

OTHER MEMBERS PRESENT: Councillor Rebecca Lury, Cabinet Member for Finance, Business and Jobs

OFFICER SUPPORT: Everton Roberts, Head of Scrutiny

1. APOLOGIES

Apologies for absence were received from Councillor Anood Al-Samerai and Councillor Karl Eastham.

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

The chair informed the commission of an additional item that had not been listed on the agenda – 'Additional evidence from children and young people about their experiences of education through Covid.'

The chair informed the commission of late items contained on Supplemental Agenda No.1

- Item 8 – Local Economy: Revitalisation of High Streets and Town Centres – Draft report of the Education and Local Economy Scrutiny Commission
- Item 9 – Education: Children’s Experiences and Education through Covid – Draft report of the Education and Local Economy Scrutiny Commission

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillor Peter Babudu declared that his sister had facilitated the attendance of the young people to give evidence to the commission on children’s experiences and education through Covid.

4. MINUTES

It was reported that the Minutes would be submitted to the next meeting for approval.

5. PROCUREMENT: ACCESSIBILITY AND SOCIAL VALUE - UPDATE

The commission received an update from Councillor Rebecca Lury, Cabinet Member for Finance, Business and Jobs, and Doreen Forrester-Brown, Director of Law and Governance on progress in response to the Education and Business Scrutiny Commission report on Procurement: Accessibility and Social Value. The commission also heard from Elaine McLester, Head of Procurement.

Councillor Lury, explained to the commission that the recommendations had not been progressed as far as she would have liked, due partly to the impact of Covid which had set back a considerable amount of work across the council, with a need to focus on how the council responds to the pandemic, and also due to constraints in terms of staffing within the procurement team, which had been caused by difficulties in filling vacant posts. There were currently only two full time staff, with three roles to be filled.

Councillor Lury updated the commission on action taken against a number of the recommendations. In terms of data collection, Councillor Lury advised that the team was doing quite well in terms of collecting data going forward, but historical data was more of a challenge. Councillor Lury felt that focus needed to be on what data the council should collect going forward to make sure that the processes were right first, and then with additional capacity, historical data could be looked at with consideration of what the council would want to collect from previous procurements. Councillor Lury advised that the E Procurement system already collected a lot of data and that data collection was being built into the procurement process as well.

In relation to tendering requirements, Councillor Lury explained that there were a number of constraints that the council had been subjected to, which were as a result of Brexit and the national government needing to update a number of the regulations. Further clarity was awaited and once received, amendments to contract standing orders could be undertaken as well as updates to guidance and procurement templates.

In respect of work around social value, Councillor Lury sought a steer from the commission on consideration of what social value is, specifically based on the findings in the context of the investigations undertaken by the commission. Councillor Lury highlighted that within the Fairer Futures Procurement Framework, one of the changes that had been made was a limit around social value, in that it would apply to goods and services contracts over £4m and £15m for works contracts. Councillor Lury stressed that the council needed to be conscious of the impact Covid has had a really significant impact on all businesses and asking them to provide even more information and detail as part of a procurement process might actually hinder businesses coming forward and being able to partake. Councillor Lury felt that it was important to think about what the council was trying to measure and to consider what the most important things were to the council in terms of social value and what was to be sought from businesses. There was also the need to raise awareness, and this was an area that came more with the local economy team. Councillor Lury advised that both she and the strategic director of Finance and Governance had been jointly working with the local economy team to try and make sure that the team got the right support around community wealth building and how they took forward the relationship the council had built with businesses. Councillor Lury advised that during period of Covid the council had built up a stronger relationship with businesses across the borough, due to the tailored support offered by the council, this meant it would be easier to be able to identify businesses who might be suitable for certain contracts that were coming forward and also be able to support them through the process. It would also be possible to reach out to businesses through a new mailing list developed, to make sure that they are aware of all the opportunities that are available.

In respect of the recommendation around Section 106, Councillor Lury informed the meeting that she was looking at this with the Director of Regeneration. Councillor Lury highlighted that there were restrictions around what the council could actually do within S106 and whilst the council could encourage developers to use local businesses, a better understanding was needed as to how far the council could go with mandating some of this.

Councillor Lury went on to provide some information in respect of the Fairer Future Procurement Framework which had been approved by cabinet in January 2021. Councillor Lury drew members' attention to climate change and how the council might need to respond. She advised that following approval of the Climate Change Strategy which was due to be considered by Cabinet in July, consideration would be given to what amendments might need to be made to the Framework going forward.

Training was a key focus, and there was also now digital training available through the e-learning portal. If the council was able to grow the resource of the procurement team, then would be able to look at future training opportunities. This would however be difficult at the moment with just two full time members of staff to be able to look at training more broadly across the whole of the council.

A new contract management toolkit was being developed and would be in place by mid-May. Councillor Lury also made reference to the Construction Charter for which final comments from the Unite union was awaited, and Electronic Watch (ethical commitments around the procurement of electronic goods and services – IT and supply chains), an area that had been completely delayed due to Covid, but could now be focused on going forward.

Following the initial introduction from the cabinet member, questions and discussion were held around the following:

- Steps to be taken to resolve the recruitment problem
- Evidence received by the commission that local social value being used to the benefit of SMEs and local organisations in other local authority areas – why not Southwark?
- Timelines for taking matters forward

In response the question around social value, Councillor Lury expressed that it could be made quite complicated for a business to be able to demonstrate how they will provide social value, and a small business being required to find other ways in which to provide extra local value on top of the service they are being contracted to provide could create an undue burden on that business, both in terms of applying for the contract in the first place and being able prove how they are going to do that, and also being able to deliver it alongside the core parts of a contract. Councillor Lury explained that from her point of view and sought understanding on was whether, in recognising the fact that a local business was providing social value already by the fact that they are local, and therefore the way in which social value was judged might therefore not need to be as strict as needed, for example, requiring businesses to 'set out the seven things that they are going to do as a business' to meet social value. Instead it could be more about the council taking into consideration how many local people they employ, or where their headquarters are, things they are already doing as a business for the local area. Councillor Lury felt it was that kind of difference that would be useful.

In terms of timelines for taking matters forward, Councillor Lury informed the commission that a written update on progress in around six months' time, but stressed that due to the challenges in recruiting to posts in the procurement team, it would be difficult to take forward a number of the actions until the recruitment issues were resolved.

Doreen Forrester-Brown touched upon a number of points made by Councillor Lury. Doreen informed the commission of the reorganisation that she had undertaken in the procurement team with the implementation of fairer futures

procurement and the scrutiny recommendations in mind, to ensure that the team had the right staff at the right level, including provision for trainee and junior posts to allow for career progression and more senior posts being mindful that this was a key priority area. Also, being an advisory function, there was a need to make sure there were resources to train officers involved in procurement activity across the council, and to make sure that they understand and are aware of how to implement the principles and practices within the fairer future procurement framework.

Doreen went on to highlight some of the challenges faced in relation to the recruitment process undertaken and the competitiveness of the market in terms of recruiting procurement professionals, both in London and nationally.

Doreen praised the work of the Head of Procurement and the procurement team and highlighted some projects that were or had been recently undertaken, including amendments on the fairer futures procurement, the contract management toolkit, and the rolling out of the digital training package on procurement that all officers could access.

Doreen indicated that there was still more work to be done around social value and explained that in respect of smaller SMEs, the current regulations were still in place so the council's ability to push for more local SMEs was still not quite there. She did anticipate that one of the positive things that might come out of Brexit was the procurement regulations and the ability to do things at a much more local level and drive that through community wealth building.

Doreen highlighted the need to clarify the distinction between procurement and local economies in order for recommendations from the commission to be directed appropriately. Doreen explained that the procurement function was about the purchase of works and services that the council needed to deliver its core functions, and the procurement team advised on the process. It did not develop relationships with businesses in the borough, and if it did, could potentially be seen as a conflict of interest under the regulations, as the council needed to be fair, open, and transparent, treat everybody equally and apply the process. In terms of supporting and understanding local businesses, and collecting data about local businesses, this was where the local economy team had the expertise and much more experience.

Elaine McLester, informed the commission of some of the complexities and challenges around applying social value, particularly to lower value contracts.

Elaine highlighted, that the council spent a vast amount of money in so many different ways, and one of the concerns was around unintended consequences. Due to the nature of the organisation, in requesting information, the council could not just take the information provided at face value, the council would require evidence and supporting information in order to be able to assess and score the information being provided due to the regulations the local authority had to comply with. Elaine explained that the social value portal had been created around themes, outcomes and measures, which linked back to the commitments of the council. The social value portal was however only used for larger scale contracts, and even then was not a one size fits all approach, and there was not an easy way

to apply, an example of this was a high value contract, but was only six months long, then this may mean the council's aspirations of having apprenticeships may not be able to be fully applied – would the job placement then be classified as a training opportunity or mentoring. It was very difficult to come up with a very clear definition. Another complication highlighted was how this would impact on leaseholders, when trying to build in social value for leasehold work, as this may not be part of what leaseholders could be charged for. Elaine advised that there were lots of complications relating to social value, but stressed that officers were not trying to block the commission's recommendations around this issue and were trying to find a way through it, with a recognition that it was not a one size fits all, and that there isn't an easy solution.

In response to the cabinet member and officer comments in relation to social value, the chair informed that the commission and its work was very supportive of the idea that whether through the social value portal or otherwise, that the council lean towards prioritising the types of social value that aligned well with the council priorities and it was felt that this would be a legitimate way to prioritise. The chair indicated that there was evidence that social value had been done quite well elsewhere, with big gains in the amount of local procurement organisations that were often delivering the types of social value that the commission sought to achieve – this had been identified through commission work looking at the Centre for Local Economic Studies (CLES).

Doreen informed the commission that she had looked at some literature and work that CLES had done around looking at both local spend and how they assess local spend and also how they have engaged in the area of community wealth building. She acknowledged the strong link between procurement and community wealth building, the collection and collation of data being critical. Doreen also reported that research was being undertaken around working with more anchor institutions.

RESOLVED:

That it be noted that an update on progress will be provided in approximately 6 months' time.

6. FAIRER FUTURE PROCUREMENT FRAMEWORK - BRIEFING

This item was considered in conjunction with item 5 above. See item 5 for discussion.

7. LOCAL ECONOMY: REVITALISATION OF HIGH STREETS AND TOWN CENTRES - DRAFT REPORT OF THE EDUCATION AND LOCAL ECONOMY SCRUTINY COMMISSION

The commission noted the draft report drafted by the Chair of the commission.

8. REVITALISATION OF HIGH STREETS AND TOWN CENTRES - SCRUTINY REVIEW

The commission heard from representatives associated with Southwark Chamber of Commerce to inform the commission's scrutiny review. In attendance were, Sarah Moore-Williams, London Southwark Bank University, Edward Cree, British Land, Scott Bebbington, KALMARs Commercial.

Ms Moore-Williams informed the commission that the South Bank University was undertaking some contract research for Lambeth Council and Lewisham Council on what is happening on the high street. Research was due to start in Deptford High Street where the university would be undertaking a footfall survey and would also be looking at premises. From the extrapolated results, the university would make recommendations for improvements and things a business could do around social media marketing to raise the profile of their business, along with any online retail that they could do.

Ms Moore-Williams also informed the commission of research previously undertaken by the University for Elephant and Castle traders on footfall and where to best place their new pitches. The research undertaken with the traders made the university aware of the need for local businesses to upskill in areas such as social media, online retail and marketing, and website design. Ms Moore-Williams expected that there would be the same type of demand in other areas of Southwark as well.

Ms Moore-Williams informed the commission of the Help to Grow scheme the government was initiating, which was being run through the Chartered Association of Business Schools. The scheme was being delivered by many universities in the country, including South Bank, delivering programmes to SMEs to upskill their businesses, primarily on marketing and communication skills, which were needed to improve their businesses.

The commission then heard from Edward Cree, British Land. Mr Cree informed the meeting that British Land, owned about 4 billion pounds worth of retail and 14 million square feet and that British Land used to be the UK's largest landlord of retail. They had consistently seen a change in consumer habits, driven by a number of things. Online retail, which was already happening, had been accelerated by Covid. Mr Cree explained that consumers had a functional purpose to buy a product, and that they also had an experiential purpose to go shopping. He advised that where the experience isn't pleasant, then the consumer would choose to do the functional shop, which was now easy to do without the need to leave their home. High streets therefore needed to somehow get the consumer out to experience something pleasant. Mr Cree stressed the need for clean, safe streets and adequate public toilet facilities to support this.

Mr Cree mentioned that Covid had highlighted the importance of social connections for mental wellbeing and advised that high streets needed to create an environment that promoted that social connection, such as somewhere nice to eat, or somewhere to sit down with friends and pass the time. This space had to be

safe, clean, vibrant and fun. These things provided a reason to go out to the high street rather than the functional shop. Mr Cree acknowledged that the functional shop was still very important, but was of the view that there was going to be an acceleration of more vacant units. There were too many shops in the UK, and fundamentally, online retail was going to take that market share – research had proved that it was a depreciating requirement to have physical stores. Mr Cree advised that physical stores were however still very important for the consumer and reported that one of the things that British Land were doing was trying to promote the local choice. Many consumers were preferring to see who owns a shop and getting to know the proprietor (as opposed to large conglomerates where it can become faceless). Shopping local would become much more important, so emphasising and helping local businesses in the high street was also as important as creating an experience and an enjoyable place to go.

In relation to segmented ownership, Mr Cree advised that where there was good retail, it was often a single owner of that area/high street. He explained that where you had one owner they were able to tailor the use and mix and could put on activities. Where you had segmented ownerships, the single owners would have one objective which was to mitigate their overheads if their property becomes vacant. This was a reason why high streets were getting a plethora of charity type shops. Mr Cree mentioned that there had also been a deterioration of town centre managers and questioned whether they could be brought back to oversee everything to do with the high street, in places where there was segmented ownership.

The committee then heard from Scott Bebbington, KARLMARs retail decentralised office team. Mr Bebbington reported that KARLMARS mainly covered Southwark but also covered other areas. Mr Bebbington concurred with Edward Cree in respect of shopping being about the experience, the day out and public facilities coming with that. Mr Bebbington felt that it was about having the best possible time in the smallest possible area.

Mr Bebbington highlighted concerns around business rates and also concerns from retail restaurants about the potential loss of revenue, if they were no longer allowed to do takeaway deliveries.

Following the initial presentations, questions and discussion were held around the following areas:

- Community ownership, and how to best involve communities in their high streets and town centres.
- Innovations/initiatives the council could do to help high streets post covid
- Social, cultural and economic barriers to the experiential high street
- Gentrification
- Encouraging / maintaining diversity in the high street
- Turnover rents
- Securing unit spaces – what is attractive to landlords
- Innovative work being done outside Southwark on reconfiguring high streets

- What landlords need from government, creative industries, cultural sector, local authorities to help them reimagine their high streets in better ways

9. EDUCATION: CHILDREN'S EXPERIENCES AND EDUCATION THROUGH COVID - DRAFT REPORT OF THE EDUCATION AND LOCAL ECONOMY SCRUTINY COMMISSION

Ahead of considering the draft report, the commission received further evidence from some young people, Jane and Olivia on their experience of education through the pandemic. Both young people attended a Southwark secondary school.

Jane, aged 16 informed the commission that she had found locked down quite difficult as her school experience was not just about the academics, it was also about interacting with her friends and teachers. She felt the experience had taken a toll on her mental wellbeing. Jane explained that because of her parents working hours she often saw friends and teachers more than her parents. If there were to be another situation like now, then it would be good if could be arranged that children could go into school every so often so that the school experience could be maintained.

Olivia, aged 15 reported that she also found the experience of the second lockdown difficult and found the first lockdown experience easier because it had been quite new and less pressurised. She felt that there had been also more pressure to try and keep the same kind of routine as they had at school due to them going through the GCSE exam process. She expressed that the different resources they received from school had been helpful. As with Jane, Olivia felt that if a similar situation was to happen again that it would be more helpful if the schools were not completely closed and that sessions were made available where children could come in to school and ask for help from teachers. It had been more difficult to ask for help from teachers during the lockdown as it was more difficult for teachers to teach in the same manner as if they were actually in school.

Following the initial introductions, Jane and Olivia responded to questions around the following areas:

- Government guidance on exam process this time round,
- Exams vs mixture of exams and assessments
- Catch up sessions over the summer period
- Any positive elements of the last year with a shift from the standard classroom teaching experience which may have helped, which would be worthwhile continuing.
- Support for children returning to school

Following a brief discussion, the commission noted the draft report drafted by the Chair of the commission.

10. WORK PROGRAMME 2020-21

The commission discussed the work programme and highlighted the following areas as priorities for 2021/22 municipal year:

- SEND provision
- Pupil place planning
- Sexual abuse in schools
- Covid recovery

RESOLVED:

That the work programme as at 20 April 2021 be noted.

The chair thanked Nicole Gordon for her contributions as a business co-opted member on the commission for the 2020/21 year.

The meeting ended at 9.32pm

CHAIR:

DATED: