

<b>Item No.</b> 19.	<b>Classification:</b> Open	<b>Date:</b> 14 June 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Report of the Education and Local Economy Scrutiny Commission: Procurement: Accessibility and Social Value	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Education and Local Economy Scrutiny Commission	

## RECOMMENDATIONS

1. That cabinet note the recommendations from the education and local economy scrutiny commission arising from the update on scrutiny review of procurement: accessibility and social value, paragraphs 6, 7 and 8.
2. That cabinet request that the relevant cabinet member reports back to cabinet on the recommendations within eight weeks.

## BACKGROUND INFORMATION

3. At its meeting on 1 February 2022 the education and local economy scrutiny commission received an update on scrutiny recommendations to Cabinet made in 2020-2021 council year from the Director of Law and Governance on procurement: accessibility and social value. The update also included a brief overview of the fairer future procurement framework wherein there is a commitment to closing the ethnic minority pay gap, incorporating the climate change strategy, staff training and recruitment, developing a contract management toolkit, inclusions of the residential care charter, modern slavery charter and a sustainable food strategy in procurement.
4. At the same meeting the commission asked questions and had discussions around basic contract monitoring, staff recruitment in procurement, challenges of the Social Value Act, apprenticeships and a centralised corporate reporting board.
5. The commission considered and agreed the set of recommendations at its meetings on 1 February 2022 and 8 March 2022. The rationale and commission recommendations are set out in paragraphs 6, 7 and 8.

## KEY ISSUES FOR CONSIDERATION

Set out below are the recommendations of the education and local

economy scrutiny commission.

6. It is important that the council's plans to deliver the objectives of the Fairer Future Procurement Framework are tracked in terms of progress and implementation. The council needs to ensure that plans for additional recruitment of staff in the procurement team is approached by exploring new non-pecuniary routes, flexible working and other benefits are now also offered in the private sector procurement jobs due to the pandemic. The council should also look to target recruiting staff from the pool of procurement jobs created during the test and trace activity, as the need for skilled staff elsewhere in this area has been on the decline.

Recommendation 1 - The Commission notes continued challenges in centrally understanding adherence to and performance against our Fairer Future Procurement Framework. The Commission recommends that the Council maintains its commitment to recruiting additional staff in the procurement team who can help address the known issues with tracking performance against, and implementation of the Fairer Future Procurement Framework. The Commission supports exploring further non-pecuniary routes to attracting new staff in this area and notes that as Test and Trace activity winds down there may be less demand elsewhere for staff with the requisite skills to deliver this role.

7. On apprenticeships, it is important that the council look to be more ambitious and increase its target to more than 1 apprentice per £1 million in contract value, while this might not be possible in some cases where contracts are for six months, more needs to be done for the benefit of young people in Southwark by working with local merchants and businesses to maximise the social value of contracts.

Recommendation 2 - The Commission recommends Paragraph 55 of the Fairer Futures Procurement Framework is updated to reflect that:

- i. A blanket target of 1 apprentice per £1 million in contract value will in many cases not be sufficiently ambitious.
  - ii Provide specific, more ambitious targets in areas where more apprenticeships can be supported per unit of contract value.
8. Following the update to the commission on the scrutiny review to cabinet from the council year 2020-2021, clarifying where the current social value of 15% is applied to in contracts; higher social value percentages in the council's strategic goals would help to drive the climate change agenda by building environment friendly council houses, thus increasing competition amongst developers. Increase in social value would also aid local businesses in the post-pandemic recovery.

Recommendation 3 - The commission recommends that the council revisit the percentages allocated to social value and consider raising them in the face of an existential threat of the pandemic to many local businesses and

the declared climate emergency.

9. It is for the cabinet to decide whether or not to accept the scrutiny commission's recommendations.
10. Overview and scrutiny procedure rule 15.3 requires the cabinet to consider and provide a written response to the report within two months.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Education and Local Economy Scrutiny Commission agenda and minutes- 1 February 2022	Southwark Council Website	Amit Alva <a href="mailto:Amit.alva@southwark.gov.uk">Amit.alva@southwark.gov.uk</a>
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=550&amp;MId=7011&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=550&amp;MId=7011&amp;Ver=4</a> (see item 9)		
Education and Local Economy Scrutiny Commission agenda and minutes- 8 March 2022	Southwark Council Website	Amit Alva <a href="mailto:Amit.alva@southwark.gov.uk">Amit.alva@southwark.gov.uk</a>
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=550&amp;MId=7012&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=550&amp;MId=7012&amp;Ver=4</a> (see item 8)		

## APPENDICES

No.	Title
None	

## AUDIT TRAIL

<b>Lead Member</b>	Councillor Peter Babudu, Chair, Education and Local Economy Scrutiny Commission		
<b>Lead Officer</b>	Everton Roberts, Head of Scrutiny		
<b>Report Author</b>	Amit Alva, Scrutiny Officer		
<b>Version</b>	Final		
<b>Dated</b>	30 May 2022		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
	<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
	Director of Law and Governance	No	No
	Strategic Director of Finance and Governance	No	No
	<b>Cabinet Member</b>	No	No
	<b>Date final report sent to Constitutional Team</b>	30 May 2022	