

# Agenda

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## Finance Panel (Panel of the Scrutiny Committee)

Date: **Tuesday 25 February 2020**

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Time: **6.00 pm**

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Place: **Plowman Room - Oxford Town Hall**

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For any further information please contact:

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If you intend to record the meeting, it would be helpful if you speak to the Committee Services Officer before the start of the meeting.

# Finance Panel (Panel of the Scrutiny Committee)

## Membership

**Chair**                      Councillor James Fry

### **Vice-Chair**

Councillor Chewe Munkonge

Councillor Craig Simmons

Councillor Roz Smith

# AGENDA

	<b>Pages</b>
<b>1 APOLOGIES</b> Substitutes are not allowed.	
<b>2 DECLARATIONS OF INTEREST</b>	
<b>3 WORK PLAN</b> For the Panel to note and agree its work plan, which can be adjusted to reflect the wishes of the Panel.	7 - 8
<b>4 NOTES OF PREVIOUS MEETING</b> For the Panel to approve the record of the meeting held on 29 January 2020.	9 - 12
<b>5 MONITORING SOCIAL VALUE</b> Nigel Kennedy, Head of Financial Services, Anette Osborne, Procurement Manager (ODS) and Kay Allsop, Contracts and Procurement Specialist will be available to present a report on The Social Value Act 2012 and Social Responsibility in Procurement. The Panel is asked to consider the report and make any recommendations accordingly.	13 - 28
<b>6 INTEGRATED PERFORMANCE REPORT Q3</b> Nigel Kennedy, Head of Financial Services and Anna Winship, Management Accountancy Manager, will be attending to present the Integrated Performance Report for Quarter 3. The Panel is asked to consider the report and make any recommendations to Cabinet accordingly.  <b>This report will be issued as a supplement.</b>	
<b>7 FUTURE MEETING DATES</b> Meetings are scheduled as follows:  30 June 2020 29 September 2020 03 December 2020  All meetings start at 6.00pm.	

## **DECLARING INTERESTS**

### **General duty**

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

### **What is a disclosable pecuniary interest?**

Disclosable pecuniary interests relate to your\* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

### **Declaring an interest**

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

### **Members' Code of Conduct and public perception**

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

\*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

# FINANCE PANEL WORK PLAN

## February 2020 - June 2020

Published on: 17/02/20

### FINANCE PANEL

The 25 February 2020 meeting of the Finance Panel is the final meeting prior to the commencement of the new civic year. The Scrutiny Committee will decide on its work plan, including those things to be dealt with at Finance Panel. However, to ensure officers are given sufficient notice to prepare reports it is suggested that those reports required for the meeting of 30 June 2020 are agreed now.

The following report has been suggested:

- 5
- Assessing the Council's options for borrowing, including the strengths and weaknesses of the PWLB, social impact bonds, municipal bonds or establishing the Council's own bond.

The Panel is asked to consider if any additional reports are to be requested at this point.

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## FINANCE PANEL (PANEL OF THE SCRUTINY COMMITTEE)

**Wednesday 29 January 2020**

**COUNCILLORS PRESENT:** Councillors Fry (Chair), Munkonge, Simmons and Roz Smith.

**OFFICERS PRESENT:** Andrew Brown (Committee and Member Services Manager), Nigel Kennedy (Head of Financial Services), Anna Winship (Management Accountancy Manager) and Tom Hudson (Scrutiny Officer)

### **1. APOLOGIES**

There were no apologies for absence.

### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **3. WORK PLAN**

The Panel noted the items provisionally scheduled for the next meeting on 25 February 2020.

### **4. NOTES OF PREVIOUS MEETING**

The Panel approved the record of the meeting held on 02 December 2019.

### **5. TREASURY MANAGEMENT STRATEGY**

The Head of Financial Services introduced the report, noting that the scale of prudential borrowing planned over the coming years was considerable for the Council; exceeding £500m in 2024/25. The revenue consequences of borrowing were contained in the General Fund and Housing Revenue Account budgets. At present the Council's only external borrowing was £198.5m for the acquisition of the Council's housing stock but it was inevitable that further external borrowing would be undertaken over the coming year as the scale of the capital programme was too large to be wholly financed from internal resources. The Council would look at the market as external borrowing was required and although the Council could benefit from preferential rates from the Public Works Loan Board, rates on offer elsewhere may be more attractive.

Current investments totalled £110m, which was a fairly typical level, and were mainly held in banks, building societies, local authorities and money market funds. £10m was also held across two property funds and a further investment of £10m was planned in a multi asset fund, which would help to diversity risk. Treasury management investment interest generated an annual revenue return

of c. £1m. The Council was looking to diversify its investments away from banks and building societies and was looking at social bonds and other alternative vehicles. The Council's ethical investment policy was still in force and had influenced investments decisions.

In discussion the Panel noted that:

- Capital receipts were scarce and no forward projections had been made for capital receipts.
- Borrowing on the HRA would rise to £300m to fund the purchase of affordable dwellings.
- The Council could afford to purchase all the planned affordable dwellings within the HRA while retaining some borrowing power for regeneration and retrofitting schemes.
- Depending on the nature of schemes coming forwards, any surpluses could be used to increase borrowing further but regeneration schemes did not tend to produce surpluses.
- Any construction cost overruns within the Housing Company would eventually affect returns to the Council although contingencies were built into schemes and the initial risk sat with the company.
- General fund borrowing was projected to increase from £0 to £200-300m; this borrowing was not capped but needed to be prudent and affordable.
- The Council's external advisors provided daily information about credit ratings and areas to invest in.
- Treasury mid-year reports would state where investments were held and name the individual local authorities the Council had invested in.
- The Municipal Bonds Agency was considered to be a better proposition as a source of borrowing compared to when it first launched but the Head of Financial Services was not enamoured with the joint and several liability requirement.
- Considerable due diligence would be undertaken in respect of social impact bonds and the Council had engaged external advisors for this purpose.
- A decrease in the Bank of England base rate would negatively impact treasury income and would not help with borrowing costs at a time when the Council was only borrowing internally.
- The Council's net investment interest shown in paragraph 66 of the covering report was actually a positive figure and this should be explained in the report.

The Panel requested the following:

- A note setting out the positives and negatives of alternative investment vehicles that the Council has not yet taken advantage of.
- A discussion with the Council's investment advisors at an Audit and Governance Committee meeting early in the next Council year.
- A report on Brexit impacts when the shape of the negotiations between the UK and EU about the future relationship starts to become clear. This could form part of, or be considered in parallel with, the Treasury mid-year report expected in December 2020.



## 6. CAPITAL STRATEGY

In introducing the report the Head of Financial Services explained that there was a new obligation in the latest CiPFA guidance for councils to adopt a Capital Strategy annually but that this was already the Council's established practice. He also provided an overview of the Council's relatively new approach to capital project management; the Capital Gateway process. Projects will be presented to members for inclusion in the draft capital programme (for final approval by Council each February) only once they have been approved by an officer board at the outline business case stage.

The Management Accountancy Manager explained the arrangements for monitoring the delivery of the capital programme. The Panel heard that members can expect to see greater detail about the delivery of the capital programme, as well as information about the use of money budgeted for feasibility studies, in the quarterly integrated performance reports that are presented to Finance Panel and Cabinet.

The Panel asked questions about the status of loans to the Council's companies and the structure and progress of the OxWED joint venture. The Panel heard that the Council was receiving a return of 6% on its loans to OxWED which was still at an embryonic stage in the sense that it was yet to secure a development agreement or declare a profit.

The Panel requested an update on the rationalisation project for the two depots occupied by Oxford Direct Services (ODS), for which a £13m budget had been agreed in the Council's capital programme. The Panel heard that the Council has engaged consultants and that a report was expected to progress to Cabinet in the summer. The Panel noted that any future decision on the depot rationalisation project should be informed by appropriate consultation with the ODS workforce, elected members and residents, not least because such consultation may be a requirement under the Duty of Best Value.

The Panel welcomed the inclusion in the Capital Strategy of the Council's recently agreed strategy for commercial property investments. The Panel considered whether the wording in that section of the Strategy is potentially too restrictive in regards to energy efficiency standards (Appendix A 13.6.6). It states that "the Council will not purchase properties that are not compliant with the relevant energy efficiency standard". The Panel felt that this wording may be too definitive as there may be opportunities to redevelop or retrofit such properties, with good returns from energy-efficient investments, recognising that energy efficiency is one of a number of factors that would need to be balanced in any purchasing decision.

The Panel noted the report and agreed:

- That any future Cabinet decision on depot rationalisation should be subject to pre-decision scrutiny and added to the Scrutiny Work Plan.
- To submit the following recommendations to Cabinet:
  1. That the Council consults with the ODS workforce, elected members and the public on any future proposal for depot rationalisation.
  2. That clarity is provided in the Capital Strategy that when properties are assessed for potential purchase, consideration will be given to any opportunities to redevelop or retrofit properties that are not compliant with the relevant energy efficiency standard.

The Panel will continue to consider the Capital Strategy annually and the quarterly integrated performance reports before they are presented to Cabinet. The delivery of the capital programme and the use of the feasibility budget will naturally form part of those deliberations.

## **7. FUTURE MEETING DATES**

The Panel noted the future meeting dates.

## **8. TO NOTE: BUDGET REVIEW GROUP MEETING**

After the Finance Panel meeting the Panel held a separate meeting as the Budget Review Group.

**The meeting started at 6.00 pm and ended at 7.15 pm**

**To:** Finance Panel  
**Date:** 25th February 2020  
**Report of:** Head of Financial Services  
**Title of Report:** The Social Value Act 2012 and Social Responsibility in Procurement

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	In December 2018 The Finance Panel considered a report on the Council's response to the Social Value Act 2012 and Local Government Act 1999 with regards to the Procurement of supplies and services.  This report summaries progress to date.
<b>Key decision:</b>	No
<b>Cabinet Member:</b>	Councillor Ed Turner – Cabinet Board Member for Finance and Assets
<b>Corporate Priority:</b>	Economy, efficiency and effectiveness
<b>Policy Framework:</b>	Corporate and Budgetary framework
<b>Recommendation(s): That Cabinet resolves to:</b>	
1. Note the report	

<b>Appendices</b>	
Appendix 1	Social Value Question for ITTs and RFQs
Appendix 2	Break down of social value achieved on procurements from suppliers 2019

## 1. Introduction and background

- 1.1 Social Value is considered as the wider benefit gained by the local community, businesses and the environment through the better spending of public money.
- 1.2 In December 2018 The Finance Panel considered a report on the Council's response to the Social Value Act 2012 and Local Government Act 1999 with regards to the Procurement of supplies and services. Recommendations from Finance Panel were subsequently approved by Cabinet (formally known as City Executive Board) on 13<sup>th</sup> March 2019. This report provides an update on progress to date on the embedding of these recommendations into procurement processes.

## 2. Progress to date

- 2.1 The agreed recommendations were as follows:

<b>Agreed CEB Milestone Description</b>	<b>Target Date</b>	<b>Completion Date</b>	<b>% Complete</b>
Minimum requirement of 5% weighting on <b>all non OJEU</b> (below £180k) tenders to be included on all procurement templates	December 2019	May 2019	100%
Minimum requirement of 10% weighting on all non OJEU (below £180k) tenders to be included on all procurement templates in 2020	December 2020		0%
Minimum requirement of 15% weighting on all non OJEU (below £180k) tenders to be included on all procurement templates in 2021	December 2021		0%

- 2.2 The Procurement Team continually identify and implement improved processes and exceeded the first recommendation above by adding the 5% weighting to **all** Procurement templates i.e. OJEU, non OJEU and Request for Quotes to capture Social Value on all low and high value projects.
- 2.3 In addition to the above the Procurement Team have also introduced the evaluation of suppliers in compliance to the Modern Slavery Act 2015 for both Invitation to Tender (ITT) and Request for Quote (RFQ).

## 3. Data report for Social Value proposals 2019

- 3.1 The concept of social value and the subsequent agreement to include within the evaluation of the procurement of goods and services when relevant and proportionate, has been introduced not only into the Council but also into the

business undertaken by the Councils wholly owned companies, Oxford Direct Services Ltd (ODSL) and Oxford City Housing Limited (OCHL).

- 3.2 The data is taken from the suppliers written response/submission to the Council's requirements for each project and therefore may not have included everything they treat as 'business as normal', such as paying the Living wage, using electric vehicles, waste recycling, paperless systems etc.
- 3.3 Some Request for Quote Social Value responses are currently not captured on the Contract Register, this is because a formal contract is not required due to a Purchase Order constituting the contract.
- 3.4 The award criteria for Social Value when relevant and proportionate is mandatory at 5%, but can be increased if it is felt to be relevant and proportionate to the project. Supplier's proposals are evaluated using the scoring framework below and the total pro-rated to give a percentage score out of the maximum percentage set for Social Value:
- Score of zero - Nil Response, or Proposal is so incomplete or irrelevant that it is not possible to form a judgement
  - Score of 1 - Almost unacceptable, response is limited or proposal is inadequate or substantially irrelevant.
  - Score of 2 - Below expectation, proposal does not fully address the requirement and gives rise to a number of concerns about its potential reliability.
  - Score of 3 - Satisfactory, proposal generally meets requirements, gives minor reservations about meeting some of the requirements.
  - Score of 4 - Good, meets expectations, proposal provides detail that is directly relevant, gives confidence as to reliability to meeting all key aspects of the requirements.
  - Score of 5 - Comprehensive, proposal exceeds expectations, gives high confidence that all key aspects of the proposal may be relied upon without reservation, offers added value and innovation that is relevant to requirement.
- 3.5 In 2019/20 to date out of 52 awarded contracts valued between £35,000 and over the OJEU threshold of £180K, for OCC, ODSL and OCHL there have been 75 varying proposals from 33 awarded contracts (19 contracts were not relevant) regarding Social Value and environmental benefits. This information is shown for each organisation in Appendix 2 with a summary shown in Table 2 below.

<b>Table 2 : Social value submitted by suppliers</b>			
	<b>OCC</b>	<b>ODSL</b>	<b>OCHL</b>
Support mentoring, placements and apprenticeships: Offers vary from taking on an apprentice in years 2 or 4 of a contract, or taking one on when the spend is over £5m, or just looking into the apprenticeship schemes/ ex-military schemes	3	7	3
Recruit/support local subcontractors and SME Offers vary from using local suppliers as sub-contractors, spending locally for supplies, support local employment, sub-contract 80% to SMEs	1	6	3

Support a charity donation Offers vary from charitable contributions, donations to community funds, donations to Oxford based charity, Oxford office to raise money for local hospice	0	7	0
Support/provide time to volunteer for community work/engagement Offers vary from providing 1 staff a day to help at a community or voluntary group, provide 1 day voluntary work, 1 hour per week community engagement	0	5	3
General response in line with our corporate priorities. Some responses just agreed with our objectives/principles with no specific benefits	6	0	0
Contribute to the delivery of Oxford's Zero Emission Zone Proposals around supporting a reduction in emissions	7	1	0
Support Oxford Living wage Only 3 tender proposals included in SV submissions but all suppliers sign up to Terms and Conditions that state that supplier/sub-contractor shall make all reasonable endeavours to ensure they comply with the "living wage"	0	0	3
Provide H&S cost advice/awareness training	1	1	0
Support paperless systems	2	0	0
Support the environment (reduction of noise, air and chemical pollution)	1	1	0
Work placements Offers vary around work experience, 4 weeks work placement, work placement for Academy	0	3	0
Work with schools or colleges in Oxford Offers vary from 40 hours with schools or colleges, attending a school career event, run sustainable design w/shops, career fairs.	1	3	0
Increase tourist revenue	1	0	0
Invest in hybrid vehicles - reduction in carbon footprint	1	0	0
Specialist advice to local people	0	1	0
Support disabled residents of Oxford (and their families)	1	0	0
Support the eradication of vehicle congestion	1	0	0
Support waste recycling	0	1	0
Use environmental friendly packaging	1	0	0
	<b>27</b>	<b>36</b>	<b>12</b>

3.6 The Council is not at liberty to legally enforce the payment of the Oxford Living Wage. The Council has recently introduced a Self-Certification Scheme for suppliers to sign up that they pay the Oxford Living Wage and there are currently around 20 suppliers who have done so. Whilst this is not a specific requirement

for a supplier to self-certify currently, this will be introduced as an improvement for 2020.

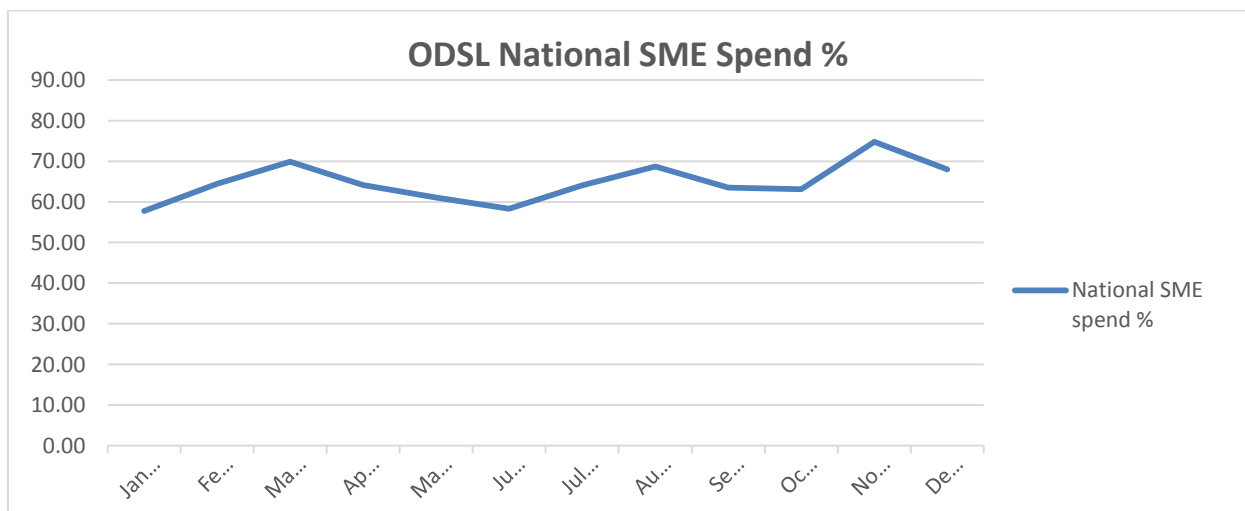
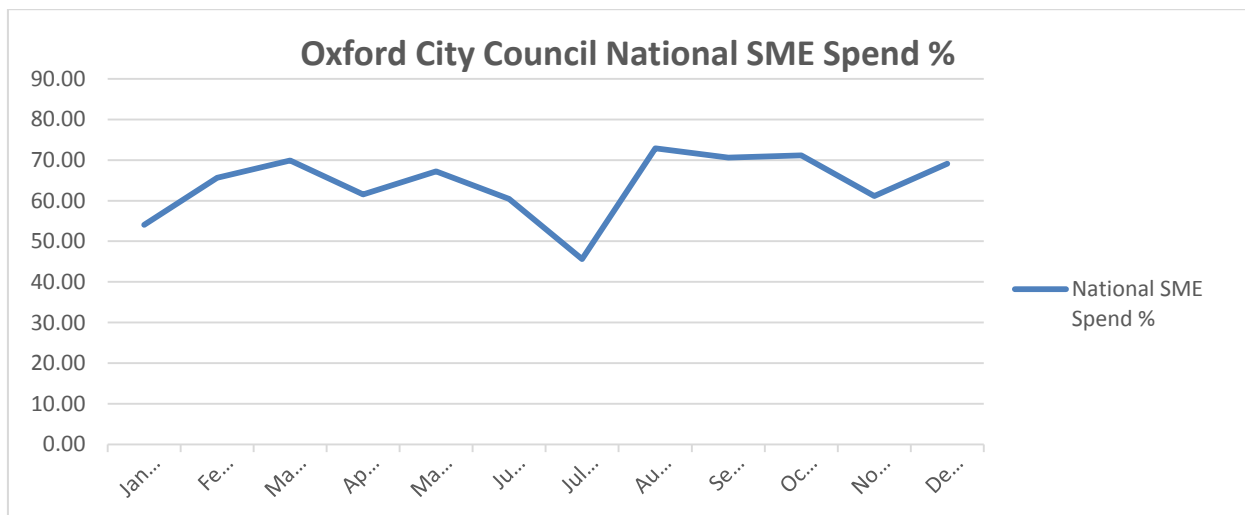
- 3.7 It should be noted there are no specific government guidelines to measuring the value of social value offered by different organisations, therefore in this initial phase of introducing an element of social value into our procurement process, much of what has been put forward can only be checked through appropriate contract monitoring by purchasing managers once the contract has been awarded. In 2020 contract management training is to be undertaken by the Procurement Team and will address the Council's Social Value objectives such as:
- realising Social Value proposals
  - supporting the Oxford Living Wage scheme
  - annual check on the Council's suppliers on their Modern Slavery Act Statements

#### **4. Conducting Business with SME's and local suppliers**

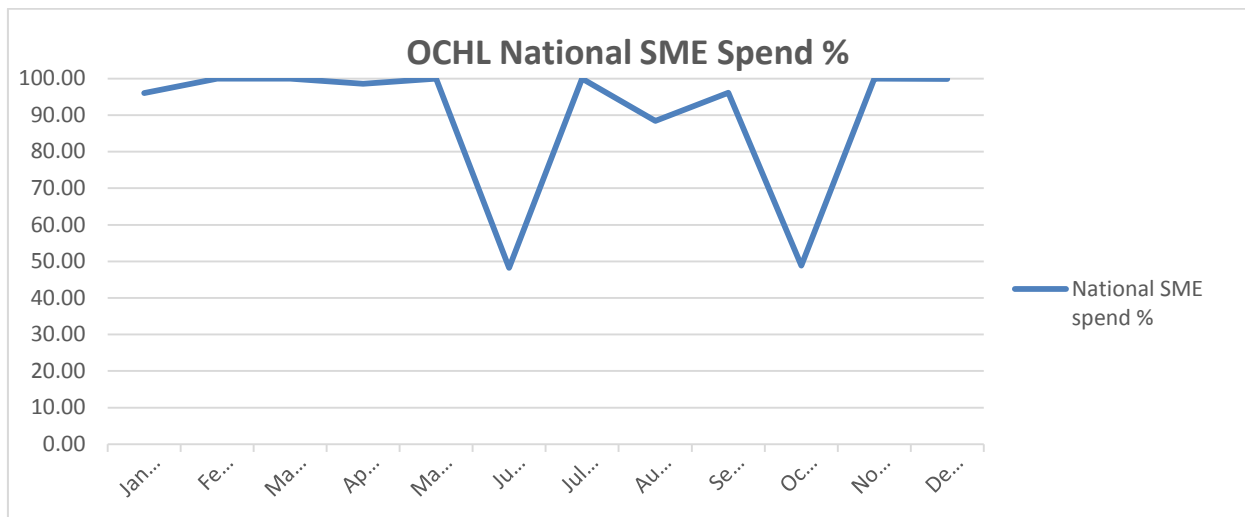
- 4.1 Since Social Value is concerned with local communities it follows that undertaking business with local suppliers and indeed, Small and Medium sized Enterprises (SME's) would add to the Council's embedding of social value.
- 4.2 What is an SME? The UK government follows the EU's definition of SMEs, and to qualify as an SME, there are two criteria: staff headcount of between one and 250, and an annual turnover of no more than €50 million (approximately £45 million). The current target for Government spend with SMEs is 33% by the end of the current Parliament in March 2022, a revision of the end date of 2020.
- 4.3 The Council report into Corvu on the percentage of spend with national and local SMEs used per month. As of December 2019 the target for the Council's SME spend was set at 28.53% (taken from Corvu measure FN052).
- Spend for OCC (excluding ODSL, ODST and OCHL) from January 2019 to December 2019 was £33,455,562.43.
- From January to December 2019 the Council (excluding ODSL, ODST and OCHL) achieved an average of 64.10% of spend with national and local SMEs, peaking in the month of August at 72.86%.
- 4.4 Consideration should also be given to the amount of spend which is via other large contractors who then purchase through an SME (classed as indirect SME spend) (contractors who sub-contract to local suppliers) Figures indicate for ODSL this is running between 20 and 43%% of spend.
- 4.5 In 2020 to try and increase the Council's and wholly owned companies procurement spend with SMEs, Procurement will look at various options:
- In early 2020, hold a suppliers engagement event, to include local suppliers, SMEs and Voluntary Community Social Enterprises (VCSE).

- To raise awareness of the SME, VCSE and Social Value Agenda across the business via team bulletins, workshops and contract management training
- To engage with local SME representative groups i.e. Federation of Small Businesses
- To review all Procurement processes and identify where we can compliantly assist SMEs to engage and bid for more contracts
- Consistency of approach with other departments within the Council

4.6 The Council has a good track record of work in this area as shown in the following graphs. The graphs below show Information for spend in the Council, Oxford Direct Services and Oxford City Housing Ltd over the period 1-1-2019 to 31-12-2019 split between national and local SME's

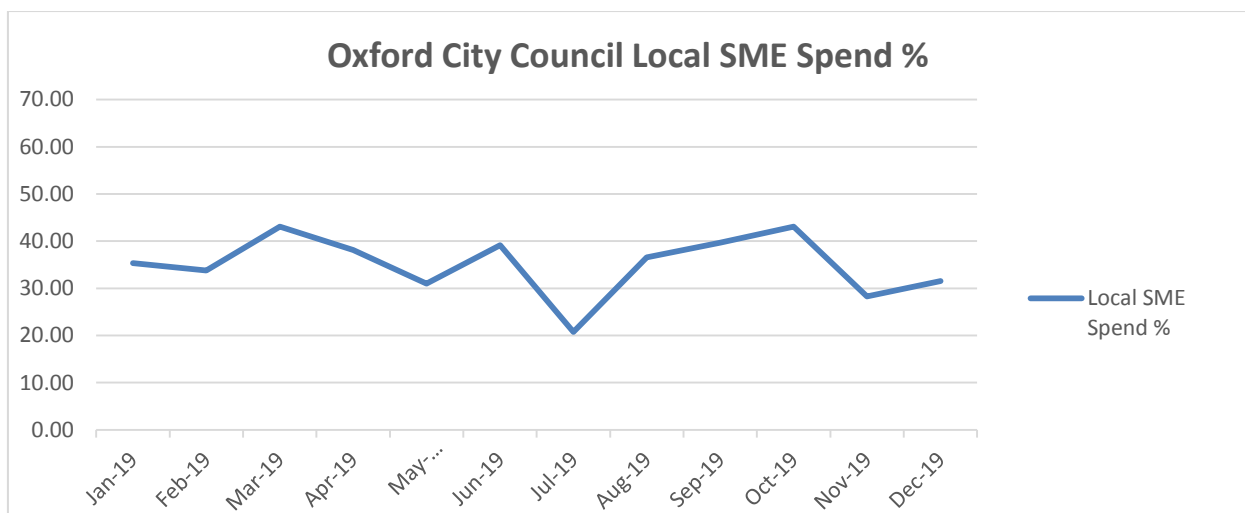
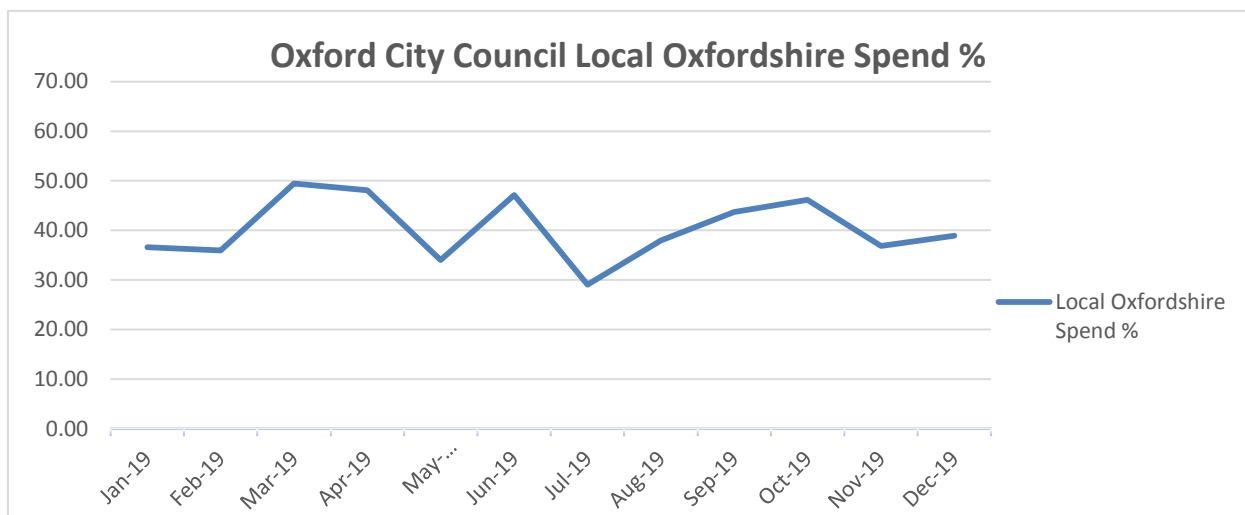




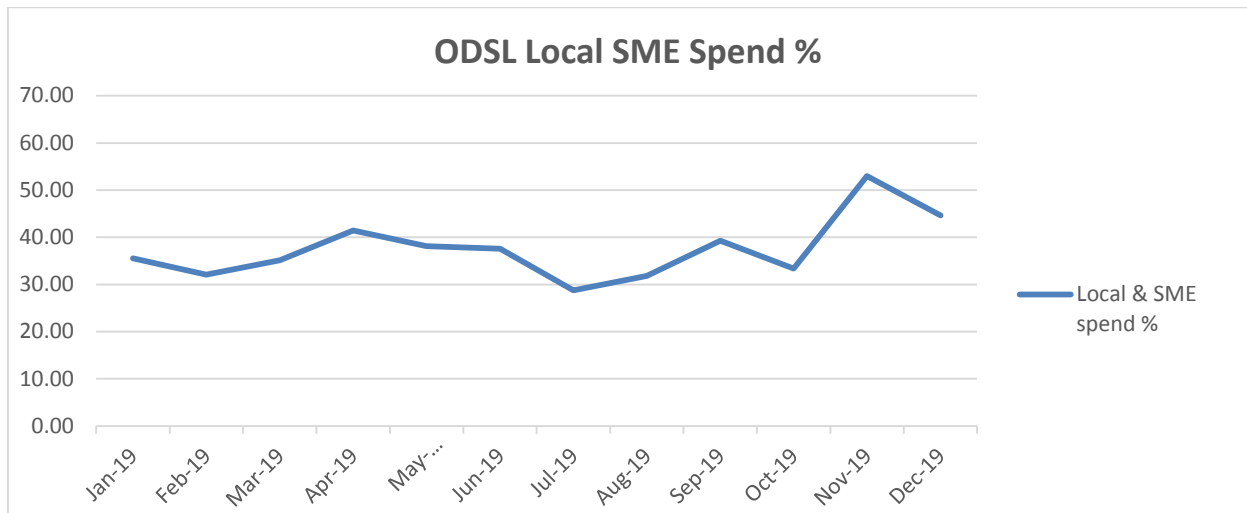
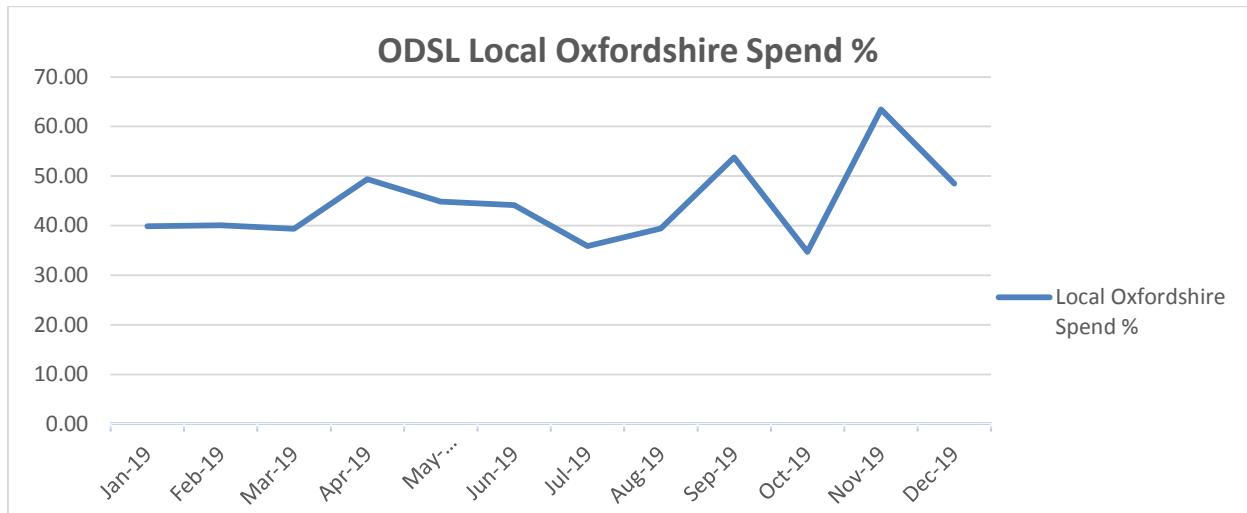


## 4.7 Use of local suppliers

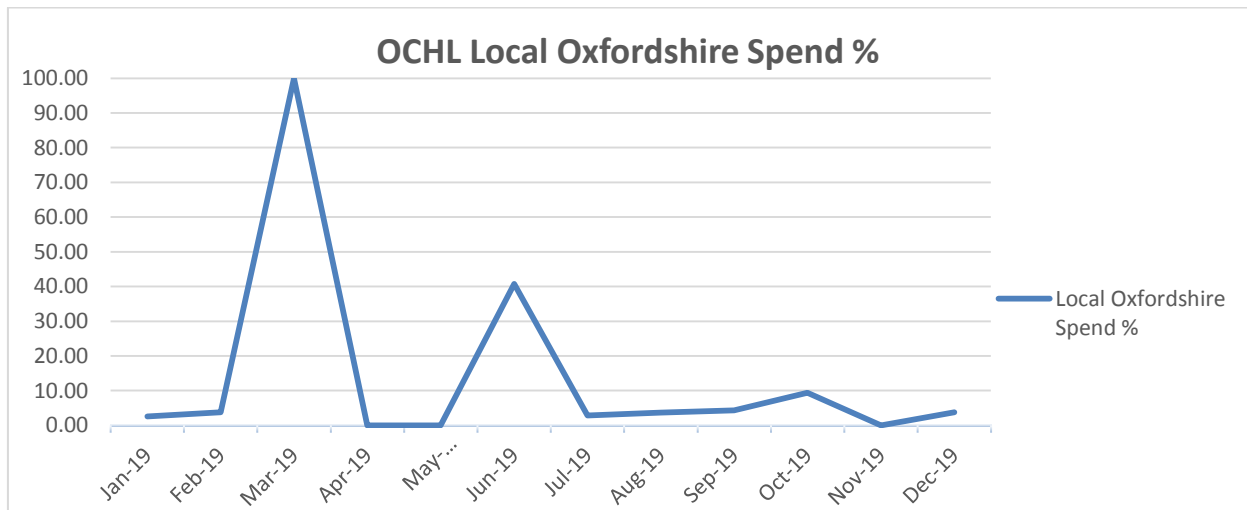
4.7.1 Using local suppliers clearly helps the local area in terms of employment and wellbeing of residents in the locality. Oxford City Councils local spend for December 2019 achieved 38.92% and for local SMEs we achieved 31.52% as shown in the following graphs:

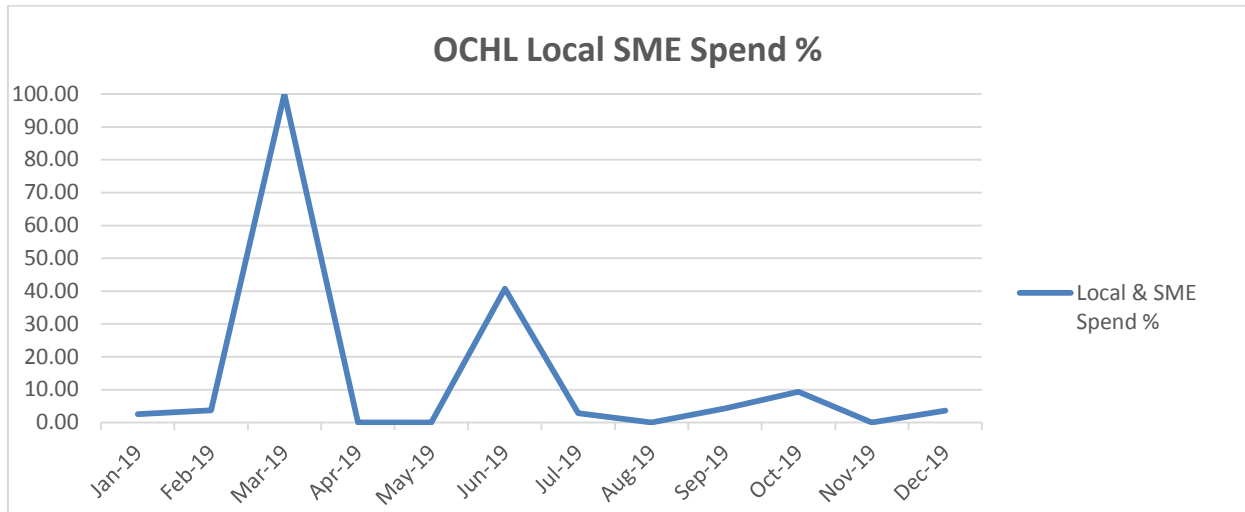


4.7.2 It is ODSLs intention to engage with more local suppliers and to find ways to make it easier for SMEs to work and bid for work with ODSL.



4.7.3 OCHL local (and SME) spend can be unpredictable as the charts show below, the 100% point indicates spend of £8k with local suppliers, whereas for April and May, spend was around £400k (in total) with minimal local suppliers being used, most being National SMEs.





### Payment for Goods and Services

4.7.4 In addition to paying 99.9% of our undisputed invoices within 30 days of receipt the Council already pay all local SME's within 14 days of receipt.

## 5. Key Learning points to date

- 5.1 Recent Social Value webinars acknowledge that there are challenges to embedding Social Value into Procurement processes, the three main areas of concern have highlighted that many authorities are:
- still struggling to have a consistent approach with mixed practices from public sector buyers and suppliers,
  - there is no standard effective way to measure SV and
  - there is no scrutiny or consequence for failing to deliver SV commitments identified during the procurement process.
- 5.2 Whilst Oxford City has made a start there is still much to do across the organisation. Issues that have arisen to date include:
- Risk of Internal staff using old templates.
  - Risk that Contract Managers will not 'realise' the benefits offered on tender proposals.
  - Tenderers proposals come in many different formats and often their proposals are difficult to place a value on in GBP.
  - Social value should be linked to the subject-matter of the contract and proportionate to its requirements, therefore case by case considerations must be made ensure relevant social value questions are included in the building of tender/quote documents.
  - Balancing how we take into consideration and incorporate sustainability, ethical, environmental, social value and working with local SMEs and voluntary enterprises including Social Enterprises into Procurement exercises, as well as obtaining "value for money" and choosing the

supplier that offers “the optimum combination” of whole life costs and benefits to meet our requirements.

- We cannot insist a Supplier pays the Oxford Living wage (or, indeed, that it adopt any pure employment terms beyond those required by law). Problems arise where:
  - Staff members are employed to work on a mixture of contracts, not all of which require the Oxford Living wage to be paid.
  - Where only some suppliers named on Framework Agreements pay the Living Wage. The suppliers who don't adopt it can win mini competitions on proposing lower prices. There is a risk of challenge from the losing supplier supporting our OLW scheme.
- Contracting authorities cannot easily monitor adherence to the payment of the Oxford Living wage or be able to enforce it.
- SME's may be disadvantaged if the Council cannot effectively create a level playing field for the scoring of SV , Oxford Living Wage and various other elements
- Not all Contracts are awarded by Procurement and therefore it is unlikely that all Contracts have SV, Oxford Living wage, Modern slavery etc. captured.
- There does not appear to be a SV corporate policy encompassing a procurement element.
- Other Councils and partnerships may be experiencing the same issues and it may be pragmatic to work with those organisations to create an Oxford wide policy.
- If too much weighting is placed on SV, Oxford Living Wage, Environmental impacts etc. it may mean that a supplier is selected who scores highly in this area, but who may not be technically better or provide best value for money to the Council

5.3 Within the report from Finance a number of other recommendations were put forward for consideration, although little work has been undertaken on these areas to date. These include:

- To update all Environmental/Sustainable/Ethical Policies to include more details on the requirements of the SV Act
- The Council should seek to implement the Green Public Procurement Policy on all spends
- For the Council to consider paying all SME's and Voluntary Community Sector (to include Social Enterprises) within 14 days, as we do currently for Local companies.

## **6. Future Goals and Milestones**

6.1 Whilst some good progress has been undertaken to date on establishing Social Value offered by suppliers there is more to be done. It is an area which is taxing

most local authorities, whilst they understand the principles they have yet to start implementing it in earnest, by benchmarking our local and District Councils we feel Oxford City Council has made an earnest effort to implement it with further improvements defined for 2020.

6.2 A survey of our neighbouring authorities indicates that some do not have any firm processes for dealing with the Social Value element of procurement, whilst others do not have mandatory weightings but ask around social value in individual procurement projects according to what it is they are sourcing and whether Social Value is relevant.

6.3 The Councils Procurement Strategy is in the process of being redrafted and social value and green procurement will form a major part of this strategy going forward. Future actions over the coming 12 months are shown below:

<b>Milestone Description</b>	<b>Target Date</b>	<b>% Complete</b>
Redraft Procurement Strategy	April 2020	20%
Apply the Green Public Procurement Policy in the Procurement Strategy for 2020	December 2020	10%
On award, contract handover document to include any Social Value benefits proposed	February 2020	25%
Contract Management training to include the benefits of realising SV	Start February 2020	0%
'Meet the Buyer' event to include Voluntary Community and Social Enterprise sector	April 2020	20%
Review 4 toolkits to aid embedding SV and working with Voluntary and Social Enterprises into all procurement processes from pre tender to realising the benefits	September 2020	25%
All RFQ contracts SV responses to be detailed on the Contracts Register on set up of contract/supplier	April 2020	25%
Consider increasing Social Value weighting to 10% where relevant and proportionate	December 2020	0%

6.4 As part of 2020 Social Value improvements the Procurement Team would like the Council to adopt a question on Social Value (Appendix 1) where relevant and proportionate, the benefits for adopting this will be:

- Council stakeholders and Tenderers will have a better understanding of the areas encompassed in Social Value and the Council's objectives
- Tenderers responses will be closer to being 'like for like' and therefore fairer and more transparent to evaluate

- Making this an approved approach will make it easier to embed into Procurement processes and templates, with communication ranging from internal training workshops, Intranet updates, contract management guidance and one to one advice as required

With better understanding of the benefits proposed and any additional value this offers the Council, we may be in a position to increase the weighting.

<b>Report author</b>	Kay Allsopp
Job title	Contract and Procurement Specialist
Service area or department	Finance
Telephone	07917791906
e-mail	<a href="mailto:kallsopp@oxford.gov.uk">kallsopp@oxford.gov.uk</a>

<b>Background Papers:</b> None
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## Appendix 1

Oxford City Council are seeking to engage with providers who will be able to promote and deliver to the economic, social and environmental well-being of the City as part of the contract, as covered under the Public Services (Social Value) Act 2012.

Please demonstrate where your organisation is able to meet Social Value considerations and your direction of travel over the past 2 years as part of the wider impact of goods, works or services, giving specific details of what will be delivered in line with this contract.

To help Tenderers understand Oxford City Councils commitment to Social Value, we have listed ideas below which the tenderer may wish to consider, these may promote good ideas or are practices/processes already in place and counted as business and usual.

<b>Weighting 5%</b>
<p><b>Jobs: Promote Local Skills and Employment (incl. schools and colleges)</b></p> <ul style="list-style-type: none"> <li>• Supporting payment of the Oxford Living Wage, align with the Councils self-certification scheme</li> <li>• Number of meaningful apprenticeships, work placements and mentoring opportunities that pay the Minimum, Local or National Living wage</li> <li>• Number of hours supporting unemployed people into work by providing career mentoring / CV advice / career guidance</li> <li>• Number of hours supporting local schools/colleges with career talks / curriculum support / literacy support / workshops / career events</li> <li>• Supporting opportunities for disadvantages people, long term unemployment / rehabilitating young offenders / people with disabilities</li> <li>• Improving skills for local people, training opportunities.</li> <li>• Supporting the Council's vision of an inclusive economy</li> </ul>
<p>Tenderers response:</p> <p>Please state if you are willing to support payment of the Oxford Living Wage and align with the Councils self-certification scheme <span style="float: right;">Yes/No</span></p>
<p><b>Growth: Supporting growth of responsible local business</b></p> <ul style="list-style-type: none"> <li>• More opportunities for local SMEs and VCSEs, equipment or resources donations to local VCSEs</li> <li>• % of contracts that include commitment to ethical Procurement</li> <li>• A workforce and culture that reflect the diversity of the local community, diversity training for contractors and sub-contractors</li> <li>• Amount spent in local supply chain through this contract</li> <li>• Amount spent with local micro, small and medium enterprises (SMEs)</li> <li>• % of contracts with Social Value embedded in the supply chain, how this is</li> </ul>

<p>measured and monitored</p> <ul style="list-style-type: none"> <li>• Supporting the Councils vision of delivering more affordable housing</li> </ul>
<p>Tenderers response:</p>
<p><b>Social: Healthier, Safer and more resilient Communities</b></p> <ul style="list-style-type: none"> <li>• Initiatives to help crime reduction</li> <li>• Creating a healthier community, initiatives taken or supported to engage people in health activities or initiatives</li> <li>• Vulnerable people are helped to live independently, initiatives taken to support elderly, vulnerable, disabled people</li> <li>• More working within the Community, hours volunteered to work on local projects, support provided to help local Community</li> <li>• Supporting the Council's vision of flourishing communities</li> </ul>
<p>Tenderers response:</p>
<p><b>Environment: Protecting and improving our Environment</b></p> <ul style="list-style-type: none"> <li>• Savings in the reduction of air pollution and how it will be achieved</li> <li>• Better places to live, voluntary time dedicated to the creation or management of green infrastructure, keeping green spaces green</li> <li>• % of contracts that include sustainable Procurement commitments</li> <li>• Saving CO2 emissions and how it will be achieved</li> <li>• Number of low or no emissions vehicles</li> <li>• Climate impacts are reduced</li> <li>• Reduction in waste, recycling / paperless systems / food waste</li> <li>• Supporting the Councils vision of a zero carbon Oxford</li> </ul>
<p>Tenderers response:</p>
<p><b>Innovation: Promoting Social Innovation</b></p> <ul style="list-style-type: none"> <li>• Please describe any other initiatives you are committed to or willing to commit to if awarded this contract i.e. local charity donations / staff or company voluntary time / improving staff wellbeing</li> </ul>
<p>Tenderers response:</p>



APPENDIX 2

Social Value supplier proposals (May 2019-December 2019)

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