

**To:** Cabinet  
**Date:** 29 September 2020  
**Report of:** Finance Panel (Panel of the Scrutiny Committee)  
**Title of Report:** Social Value in Procurement

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To present Finance Panel the updates on the recommendations concerning Social Value in Procurement
<b>Key decision:</b>	Yes
<b>Scrutiny Lead Member:</b>	Councillor James Fry, Chair of the Finance Panel
<b>Cabinet Member:</b>	Councillor Ed Turner, Cabinet Member for Finance and Asset Management
<b>Corporate Priority:</b>	An Efficient and Effective Council
<b>Policy Framework:</b>	Corporate and Budgetary Framework
<b>Recommendation: That Cabinet states whether it agrees or disagrees with the recommendations in the body of this report.</b>	

<b>Appendices</b>
None

## Introduction and overview

1. At its meeting on 25<sup>th</sup> February 2020, the Finance Panel considered a report on Social Value in Procurement.
2. The Panel made two recommendations;

***Recommendation 1: That the Council benchmarks its spending with SMEs against other similar councils nationally.***

***Recommendation 2: That the Council underwrites an event for social value similar to that run by Fraud Prevention, which brings neighbouring Councils, support service providers and experts together to improve overall standards.***

## **Update to Recommendation 1**

3. A number of factors have meant that procurement have been operating one team member short, and with only procurement management support on a part time basis.
4. Covid-19 added further pressure on the team with the need to respond to emerging unforeseen requirements.
5. The attention of the manager has been the day to day activities and the Procurement Strategy which encompasses a focus on Social Value and the use of SMEs.
6. A new team member has been appointed and it is hoped that they will commence in October.
7. A key focus of the new team member will be to understand the importance of SMEs in the supply chain and they will be tasked to Benchmark the Council against other similar Councils as recommended below.

### **City Councils**

Cambridge City  
Canterbury City  
Carlisle City  
Chelmsford  
Exeter  
Gloucester  
Lancaster  
Lichfield  
Lincoln  
Manchester  
Norwich  
Preston  
St Albans  
Winchester

8. Many of the reports from City Councils are old and outdated, or not available which means that contact will need to be made by email or phone. It is estimated this will take until at least the end of this calendar year before we have meaningful figures.
9. The Unitary (City) Authorities are listed below, however benchmarking Oxford against a Unitary Council is unlikely to provide a “fair” like for like result and will therefore be discounted at this stage.

### **Unitary (City) Authorities**

Brighton and Hove City Council,  
Bristol City Council,  
Derby City Council,  
Hull City Council  
Leicester City Council  
Nottingham City Council  
Peterborough City Council  
Plymouth City Council

Portsmouth City Council,  
Southampton City Council  
Stoke-on-Trent City Council and  
City of York

10. It may however be worth considering a number of London Boroughs to benchmark against such as:

Bromley  
Croydon  
Greenwich  
Harrow  
Kingston upon Thames  
Richmond upon Thames

11. Central Government does publish its percentage spend with SMEs however having provided this data in a previous role I can confirm that the focus for the figure relates to contract spend over £5M.

12. This recommendation forms one of the actions within appendix 4 of the proposed Procurement Strategy

### **Update to Recommendation 2**

13. There is a high focus within the proposed Procurement Strategy on Social Value including as part of the actions within appendix 4 as follows:

“Organise an event bringing together neighbouring Council, support service providers and experts together to improve overall standards and learn from one another.

A suggestion may be to utilise the Bucks and Oxon procurement hub to start the process”

To be started by November 2020

14. I have reviewed the CLES (Centre for Local Economic Strategies) report “Own the Future” and will review this further which includes a section on progressive procurement of goods and services. I will contact both Preston and Manchester City Council who have tried and tested methods that appear to be working (Preston was named the “Most Improved City in the UK”), (Manchester consistently use 20% social value weighting in their tendering process).

15. I have signed up to B4 Business to engage with local SMEs to understand further their views on social value

### **Future milestones**

16. Sign up for the first B4 Business webinar

17. Get Social Value on the Bucks and Oxon procurement hub agenda

18. Commence benchmarking

