

A meeting of the **OVERVIEW AND SCRUTINY PANEL (CUSTOMERS AND PARTNERSHIPS)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **THURSDAY, 7TH FEBRUARY 2019** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 5 - 6)

To approve as a correct record the Minutes of the Overview and Scrutiny Panel (Customers and Partnerships) meeting held on 10th January 2019.

**A Green
388008**

2. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda item.

3. NOTICE OF KEY EXECUTIVE DECISIONS (Pages 7 - 10)

A copy of the current Notice of Key Executive Decisions is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**H Peacey
388169**

4. GODMANCHESTER NURSERY UPDATE

Members will receive an update on Godmanchester Nursery from the Executive Councillor for Partnerships and Well-Being.

**Cllr J Palmer
01487 814063**

5. INCREASING SOCIAL VALUE IN CONTRACTS (Pages 11 - 28)

The Panel are to receive a report on increasing social value in contracts.

**N Arkle
388104**

6. LUMINUS GROUP

Luminus Group's Managing Director, Mr Nigel Finney, will be in attendance to update Members on developments at the Luminus Group and to inform them of their development plans.

**A Green
388008**

7. OVERVIEW AND SCRUTINY WORK PROGRAMME (Pages 29 - 36)

The Overview and Scrutiny Work Programme is to be presented to the Panel.

**A Green
388008**

Dated this 30th day of January
2019



Head of Paid Service

Notes

1. Disclosable Pecuniary Interests

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it -*

(a) relates to you, or

(b) is an interest of -

(i) your spouse or civil partner; or

(ii) a person with whom you are living as husband and wife; or

(iii) a person with whom you are living as if you were civil partners

and you are aware that the other person has the interest.

(3) *Disclosable pecuniary interests includes -*

(a) any employment or profession carried out for profit or gain;

(b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);

(c) any current contracts with the Council;

(d) any beneficial interest in land/property within the Council's area;

(e) any licence for a month or longer to occupy land in the Council's area;

(f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or

(g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

Non-Statutory Disclosable Interests

(4) *If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.*

(5) *A Member has a non-statutory disclosable interest where -*

(a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or

(b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or

(c) it relates to or is likely to affect any body –

(i) exercising functions of a public nature; or

(ii) directed to charitable purposes; or

(iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

2. Filming, Photography and Recording at Council Meetings

The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and available via the following link [filming, photography and recording at council meetings.pdf](#) or on request from the Democratic Services Team. The Council understands that some members of the public attending its meetings may not wish to be filmed. The Chairman of the meeting will facilitate this preference by ensuring that any such request not to be recorded is respected.

Please contact Mr Adam Green, Democratic Services Officer (Scrutiny), Tel No. 01480 388008/e-mail Adam.Green@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (*under Councils and Democracy*).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Elections & Democratic Services Manager and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

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HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (CUSTOMERS AND PARTNERSHIPS) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Thursday, 10th January 2019.

PRESENT: Councillor T D Alban – Chairman.

Councillors B S Banks, R E Bellamy, S Bywater, B S Chapman, J W Davies, Ms A Diaz, K I Prentice, Mrs S Smith and Mrs J Tavener.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors S J Criswell and D R Underwood.

IN ATTENDANCE: Councillors Mrs P A Jordan and J M Palmer.

44. MINUTES

The Minutes of the meeting held on 6th December 2018 was approved as a correct record and signed by the Chairman.

45. MEMBERS' INTERESTS

No declarations of interest were received.

46. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel received and noted the current Notice of Key Executive Decisions (a copy of which has been appended in the Minute Book) which has been prepared by the Executive Leader for the period 1st January 2019 to 30th April 2019.

47. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting because the business to be transacted contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

48. HINCHINGBROOKE COUNTRY PARK LONG TERM BUSINESS PLAN

With the aid of a report by the Head of Operations (a copy of which is appended in the Minute Book) the Hinchingsbrooke Country Park Long Term Business Plan was presented to the Panel.

The Panel was informed that a business plan for the preferred option has been developed and it is that business plan which was being considered.

After lengthy consideration, the Panel noted the report and commended the Executive Councillor for Partnerships and Well-Being and Officers for the innovative and thorough approach. In addition, the Panel hopes that the Council continues with the collaborative and inclusive approach to maintaining and development the park.

The Panel recommends the plans proceed subject to the criteria laid out by the Executive Councillor for Partnerships and Well-Being.

49. PAXTON PITS OUTLINE CASE PRESENTATION

With the aid of a presentation from the Executive Councillor for Partnerships and Well-Being and the Head of Operations, the Paxton Pits Outline Case was presented to the Panel.

As background information, Members were informed of the current offering on the site, the challenges and the options available. The strengths and weaknesses of each option were outlined and Members were invited to comment on them.

Members scrutinised the preferred option and suggested a number of improvements.

After consideration the Panel resolved that the preferred option is pursued and that a full business case is developed.

(At 8.23pm, during the consideration of this item, Councillor Mrs P A Jordan left the meeting and did not return.)

50. RE-ADMITTANCE OF PRESS AND PUBLIC

RESOLVED

That the press and public be re-admitted to the meeting.

51. OVERVIEW AND SCRUTINY WORK PROGRAMME

With the aid of a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) the Overview and Scrutiny Work Programme was presented to the Panel.

Chairman

NOTICE OF EXECUTIVE KEY DECISIONS INCLUDING THOSE TO BE CONSIDERED IN PRIVATE

Prepared by Councillor G J Bull, Executive Leader of the Council
Date of Publication: 16 January 2019
For Period: 1 February 2019 to 31 May 2019

Membership of the Cabinet is as follows:-

Councillor Mrs M L Beuttell	Executive Councillor for Regulation and Operations	Councillor J A Gray	Executive Councillor for Resources
Councillor G J Bull	Executive Leader of the Council	Councillor J M Palmer	Executive Councillor for Partnerships and Well-Being
Councillor R Fuller	Deputy Executive Leader and Executive Councillor for Housing, Planning and Economic Development	Councillor D M Tysoe	Executive Councillor for Digital and Customer

Notice is hereby given of:

- Key decisions that will be taken by the Cabinet (or other decision maker)
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part).

A notice/agenda together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restrictions on their disclosure, copies may be requested by contacting the Democratic Services Team on 01480 388169 or E-mail Democratic.Services@huntingdonshire.gov.uk.

Agendas may be accessed electronically at www.huntingdonshire.gov.uk.

Formal notice is hereby given under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that, where indicated part of the meetings listed in this notice will be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See the relevant paragraphs below.

Any person who wishes to make representations to the decision maker about a decision which is to be made or wishes to object to an item being considered in private may do so by emailing Democratic.Services@huntingdonshire.gov.uk or by contacting the Democratic Services Team. If representations are received at least eight working days before the date of the meeting, they will be published with the agenda together with a statement of the District Council's response. Any representations received after this time will be verbally reported and considered at the meeting.

Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) (Reason for the report to be considered in private)

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the Financial and Business Affairs of any particular person (including the Authority holding that information)

4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations that are arising between the Authority or a Minister of the Crown and employees of or office holders under the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the Authority proposes:-
 - (a) To give under any announcement a notice under or by virtue of which requirements are imposed on a person; or
 - (b) To make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Huntingdonshire District Council
 Pathfinder House
 St Mary's Street
 Huntingdon PE29 3TN.

- Notes:- (i) Additions changes from the previous Forward Plan are annotated ***
 (ii) Part II confidential items which will be considered in private are annotated ## and shown in italic.

∞ Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private (paragraph no.)	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
HDC Ventures - SSL Business Plans ##	Cabinet	14 Feb 2019		Chris Stopford, Head of Community Tel No 01480 388280 or email Chris.Stopford@huntingdonshire.gov.uk	3	D M Tysoe	Performance and Growth
Treasury Management Strategy 2019/20	Cabinet	14 Feb 2019		Clive Mason, Head of Resources Tel No 01480 388157 or email Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Growth
Final Revenue Budget 2019/2020 and Medium Term Plan Financial Strategy 2019/20 to 2022/23	Cabinet	14 Feb 2019		Clive Mason, Head of Resources Tel No 01480 388157 or email Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Growth

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private (paragraph no.)	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Off Street Car Parking Investment and Affordability	Cabinet	14 Feb 2019		Neil Sloper, Head of Operations Tel No 01480 388635 or email Neil.Sloper@huntingdonshire.gov.uk		M Beuttell	Performance and Growth
Council Tax - Review of Discounts***	Cabinet	14 Feb 2019		Amanda Burns, Benefits Manager, Benefits Manager Tel No 01480 388122 or email Amanda.Burns@huntingdonshire.gov.uk		J A Gray	Performance and Growth
Cambridgeshire Housing Adaptions & Repairs Policy 6	Cabinet	21 Mar 2019		Andy Moffat, Head of Development Tel No 01480 388400 or email Andy.Moffat@huntingdonshire.gov.uk		R Fuller	Customers and Partnerships
Cambridgeshire Home Improvement Agency Performance Report 2017/18 and Shared Service Contract extension	Cabinet	21 Mar 2019		Andy Moffat, Head of Development Tel No 01480 388400 or email Andy.Moffat@huntingdonshire.gov.uk		R Fuller	Customers and Partnerships
Shared Services Business Plans***	Cabinet	21 Mar 2019		Oliver Morley, Corporate Director (Services) Tel No 01480 388103 or email Oliver.Morley@huntingdonshire.gov.uk		D M Tysoe	Performance and Growth
Community Resilience Strategy***	Cabinet	21 Mar 2019		Chris Stopford, Head of Community Tel No 01480 388280 or email Chris.Stopford@huntingdonshire.gov.uk		J Palmer	Customers and Partnerships

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Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Increasing Social Value in Contracts
Meeting/Date:	Overview and Scrutiny Panel (Customers and Partnerships) – 7th February 2019 Cabinet – 14th February 2019
Executive Portfolio:	Cllr J Gray, Executive Councillor for Resources
Report by:	Procurement Manager
Ward(s) affected:	All Wards

Summary

The Council has complied with the Social Value Act 2012 (SVA) in seeking the delivery of wider benefits such as employment, community or environment from contracts.

However, the narrow scope of the Act (competitions for services above the EU threshold (£181k); the relatively rare examples within the Council's spend and poor engagement by local businesses have all contributed to the limited delivery of Social Value.

The attached report seeks to establish a policy for Social Value that extends its scope beyond the Social Value Act 2012 by using "Best Value" powers to include all tenders (£100k) and that supports local businesses improving their response to Social Value in particular and public procurement generally.

Recommendation:

The Overview and Scrutiny Panel is invited to note and comment on the proposals for Increasing Social Value in Contracts

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HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Increasing Social Value in Contracts
Meeting/Date:	Overview and Scrutiny Panel (Customers and Partnerships) – 7th February 2019 Cabinet – 14th February 2019
Executive Portfolio:	Executive Councillor for Resources
Report by:	Procurement Manager
Ward(s) affected:	All Wards

Executive Summary:

The Social Value Act 2012 (SVA) requires public bodies to consider the inclusion of Social Value (SV) deliverables in competitions for services above the EU threshold (£181k). SV deliverables, such as employment, community or environment benefits have to be delivered within the District and have to be relevant to the subject of the contract.

Since the introduction of the SVA, we have complied by including SV questions in relevant competitions but limited marks and very poor responses from contractors has seen little benefit offered or delivered to the District. This report proposes the adoption of a SV policy and considers how greater SV benefits can be delivered.

Top-tier Authorities have engaged with SV reflecting their greater spend on services, and some have extended the scope below the EU threshold. The dearth of District examples reflects both the limited spend on relevant services and that the SVA does not mandate the inclusion of SV deliverables; rather the SVA merely requires public bodies to *consider* their inclusion.

The proposed SV policy is aligned to Corporate Plan objectives and advocates providing support and training to small and local firms, who are best placed to deliver benefits within the District, through the local businesses organisations. Upgrading SV skills and, in the process, their understanding of public procurement, should make small and local firms more competitive, not just for Council business but also in the wider public sector market.

In addition to mandating marks for SV and extending the scope to all tenders (greater than £100k) for works and services, the relevance and credibility of SV could also be strengthened through publicising Council policy.

There is a small theoretical risk that increased SV marks could increase cost or be at the expense of other quality features (specification, performance, delivery, etc). Competition results will be monitored and reported if any evidence emerges.

Recommendations:

To drive increased delivery of SV through procurement, it is recommended that:

- SV questions are mandated in all tenders (greater than £100k) in contracts for works and services.
- a maximum percentage of 5% is allocated to SV.
- a programme is developed to engage with and support small and local businesses in contributing to SV and building public procurement knowledge.
- the SV framework (Appendix 1) is adopted as the basis of delivering SV through procurement.
- the results of competitions to be monitored and any indications of increased prices to be report to SLT.
- a review of the impact of the changes to SV policy is undertaken after a year.

1 PURPOSE OF THE REPORT

1.1 To explain:

- the measures required to improve Social Value (SV) delivered by suppliers through procurement processes.
- the steps necessary to raise the understanding and response to SV from suppliers; small and local businesses in particular.

2 BACKGROUND

2.1 **Regulations.** The Local Government Act 1988 prohibits non-commercial considerations in procurement. The Social Value Act 2012 (SVA) modified the Local Government Act 1988 by requiring public bodies to consider SV in the letting of contracts for services above the EU threshold (£181k). The statutory duty simply requires us to consider SV as part of the commissioning or procurement process. However, the SV has to be directly relevant to the subject matter of the contract, and delivery within the authority's area.

2.2 **Meaning.** A wide range of community or environmental benefits have been ascribed to SV partly due to the absence of a legal or formal definition. Typical measures include creating opportunities for the long-term unemployed or other disadvantaged groups, apprenticeships and training, support to SMEs and charities and energy or CO₂ reduction measures.

2.3 **Past Performance.** Over the last 5 years SV questions have been included in appropriate tenders but usually given low weighting compared with whole life costs and quality. Often fewer than 1 in 10 of the tenders received scored any marks for SV; larger joint contracts with our partner authorities have had similar results. Whilst larger companies generally understood the requirements of the SVA and produced professionally written tenders, they struggled to provide SV delivery in the local area and therefore, usually scored poorly. Local firms and small businesses often provided very poor answers and not infrequently ignored the question altogether. This may reflect their poor understanding of public procurement rules in general and the SVA in particular.

3 ANALYSIS

3.1 The duty under the Act is simply to consider the inclusion of SV within the tender requirements. The Council complies and we set tailored questions according to the subject matter of the contract. We record the fact that SV has been considered/included and the subject is incorporated into procurement training.

3.2 Although the outcome of our previous competitions has been undisturbed given the modest marks for SV, the tenders received have demonstrated a divergence in SV knowledge between larger enterprises, often national firms and smaller enterprises, typically local firms:

- Larger enterprises typically:
 - produce evidence of their SV credentials, usually based on their Corporate Social Responsibility programmes.

- include a wide range of measures, albeit predominately volunteering, charity and environmental.
 - can rarely show any benefit delivered within the District
 - schedule the contract into their existing forward work plan, meaning they are less likely to need to engage additional staff, etc.
 - are better resourced to provide SV.
 - smaller enterprises typically:
 - display a very limited understanding of SV (and public procurement generally).
 - regard SV as an additional hurdle.
- 3.3 For different reasons both groups often scored very few marks and offered virtually no tangible SV benefit beyond activities that would have been undertaken in the normal course of the contract (eg: taking on local staff). To advance SV:
- Small enterprises need to appreciate the relevance of SV in competing for contracts and overcome any lack of understanding. Providing support and training to small and local firms through the local businesses organisations should increase engagement with SV. Our modest contract spend is likely to have the greatest sway with small enterprises.
 - The relevance and credibility of the Council's SV policy has to be strengthened through publicity in order to influence large organisations.
- 3.4 The delivery of social value rests with the successful bidder and to win the bidder has to present a strong tender as well as a meaningful SV contribution. Therefore, small and local firms need to be equipped with knowledge of public procurement. Improved skills should enhance the competitiveness of small and local firms in all public procurement competitions, not just for the Council's requirements. Proposed measures to improve SV delivery are at Appendix 2.

Financial Implications

- 3.5 There are potential financial implications to increased weightings for SV:
- There is a very small non-cash resource cost (staff time) in incorporating SV questions and the evaluation of tenders, which is already absorbed into business as usual.
 - Commentary from top-tier authorities is that SV does not translate into increased costs. Any actual impact on cost would be difficult to detect as contractors' pricing calculations are invariably opaque. However, in instances where competition is weak and if the supplier has to commit additional resource, then price increases are not inconceivable.
- 3.6 There is a theoretical risk that greater SV weighting could increase prices or be at the expense of the specification. The table 1, below, demonstrates a worst case scenario for 3 different SV weightings (2.5%, 5% and 10%) and is based on a contract value of £100k (our current tender threshold). The scenario shows where the lowest cost bid scores zero marks for SV and a more expensive bid scores full marks for SV, the model shows the potential SV price

premium; eg: if Price / Quality Marks are 60/40 and SV is 10% of the quality marks available, then a tender could be £16,666 more expensive and still win the competition.

		Price / Quality Marks	
		60/40	40/60
Social Value Marks (included within the overall quality marks)	2.5 %	£4,167	£6,250
	5.0 %	£8,333	£12,500
	10.0 %	£16,667	£25,000

Table 1. Potential Price Premium

This is a set of theoretical scenarios showing the worst case and it assumes that the remaining quality marks are otherwise matched between the two tenders.

- 3.7 Advice was sought from EELGA and although there are a number of District Authorities in this region with published SV policies but there does not appear to be an exemplar in the region. A number of top-tier authorities however, are actively engaged with some choosing to set a fixed percentage (e.g. Manchester City Council - 20%) for all services contracts.

4. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND / OR CORPORATE OBJECTIVES

- 4.1 Improving SV through contracts has the potential to contribute to the Corporate Plan in:

- “Delivering a flexible and skilled local workforce” through apprenticeships, recruitment and work experience for the local community.
- “Developing stronger and more resilient communities to enable people to help themselves” for example by contributing hours of business support and advice to community and voluntary organisations
- “Creating, protecting and enhancing our safe and clean built and green environment” in reducing overall energy consumption / water consumption and the amount of waste generated.
- “Accelerating business growth and investment” by running practical workshops with local business organisations and increasing spending with the local supply chain.

- 4.2 Limited delivery of SV benefits thus far has been noted in a report (Progress on issues arising from the 2017/18 Annual Governance Statement) to the Corporate Governance Committee - 23 January 2019.

5 LEGAL IMPLICATIONS

5.1 The SVA sets a very low bar merely requiring public bodies to consider and SV in competitions for services above the EU and record the fact. We comply. Expansion beyond this narrow definition relies on our Best Value duty provided that the SV obligations are:

- Appropriately linked to the subject matter of the procurement
- Proportionate to the requirements of the procurement
- Consistent with value for money
- Consistent with the EU principle of equal access for all EU suppliers.

5.2 A number of authorities (Greater Manchester Combined Authorities, Suffolk, Surrey, East Sussex, etc) have already set their SV threshold at £100k – their tender threshold.

6 RESOURCE IMPLICATIONS

6.1 There are no resource implications to maintaining the current policy. SV data gathering and engagement with local businesses will require additional work for both the creditors team and procurement, but this would be absorbed within the existing establishment.

7. REASONS FOR THE RECOMMENDED DECISIONS

7.1 Although the SVA has been in place since 2012 limited appreciation of its requirements exists outside large firms already engaged with the Corporate Social Responsibility agenda. Growing the delivery of SV benefits in the District would mean increasing the participation of small and local businesses.

7.2 A compliance based approach has meant the application of the SVA has been restricted to the few instances of relevant contracts. SV benefits have been limited to activities associated with the normal delivery of the contract. The measurement of SV benefits will be needed to ensure delivery throughout the life of the contract. Improving the available information can be addressed through a series of measures to contact suppliers at points in the procurement process.

7.3 Best placed to deliver SV benefits, small and local businesses need to be aware of the increased importance (and weighting) attached to SV by the Council and be furnished with the knowledge and skills to contribute. Building procurement skills in conjunction with SV should improve the competitiveness of small and local firms in all public procurement competitions and provide opportunity beyond the scope of the Council's spend. Engagement through the local branches of business organisations appears the most practical and direct route in starting that education process.

- 7.4 Although a remote risk of including SV in competition weighting is increased costs the results of competitions will be monitored and any indications of higher prices will be reported to SLT. A review of the impact of the changes to SV policy will be undertaken after a year.

CONTACT OFFICER

Nigel Arkle / Procurement Manager
01480 388104
Email: nigel.arkle@huntingdonshire.gov.uk

Appendices:

1. Draft Social Value policy and Framework
2. Proposed Measures
3. Local Spend

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Draft Social Value Policy and Framework

1. Purpose

This policy sets out the legal context for Social Value (SV) and the approach the Council will adopt to deliver SV through commissioning and procurement activities.

The framework sets out the expected outcomes for the Corporate Plan 2018 – 2022 objectives and provides examples of how suppliers could contribute towards these outcomes.

2. Background and Scope

The Public Services (Social Value) Act 2012 (the Act) came into force on 31st January 2013. The legal obligation for local authorities and other public bodies is to consider how SV could be delivered through the procurement of services.

The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that as part of these processes, councils give consideration to the wider impact of the service's delivery. It allows local authorities to, for example, choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which secures wider benefits for the community.

The Council has been implementing the Act on a compliance basis. However, this policy provides an opportunity for a more flexible approach to generating SV through public procurement.

The statutory requirements of the Act only apply to public service contracts above EU threshold. This policy statement sets out the Council's aims; in particular it seeks to:

- Set out a definition of social value
- Identify the policy objectives
- Define the scope of SV in Council procurement
- Create a SV framework to measure SV delivery

3. Defining Social Value

Social Value is the additional economic, social and environmental benefits that can be created from a procurement beyond the value of the services specified.

4. Social Value Objectives

The following objectives are proposed to reflect the Corporate Plan 2018 – 2022 objectives:

- **Develop a flexible and Skilled Local Workforce:**
 - Promote training and employment opportunities for the people of Huntingdonshire
 - Tackle unemployment and facilitate the development of skills
- **Develop stronger and more resilient communities to enable people to help themselves:**
 - Build the capacity and sustainability of the voluntary and community sector.
 - Practical support for local voluntary and community groups
- **Create, protect and enhance our safe and clean built and green environment** - promote environmental sustainability by reducing wastage, limit energy consumption and procuring materials from sustainable sources
- **Accelerate business growth and investment –**
 - Engage with local businesses to develop skills and build capacity.
 - Help local businesses access and give the skills to compete for business opportunities not merely locally but nationally.

5. How will Social Value be achieved in Huntingdonshire District Council?

Building SV into contracts will help support the Council's strategic priorities and deliver added value for the Council. Inclusion of SV is therefore, considered a requirement for all appropriate contracts.

Depending on the potential SV gain, the award criteria can be adjusted (either 5% or 2.5%) based on:

- The greatest likely contribution to the SV framework.
- The additional impact of SV.
- The area impacted (this recognises that whilst the impact should be District focused, that SV delivered anywhere within the County may have some beneficial impact on the District).

6. Social Value Scope

Social Value considerations shall be included in all procurements greater than £100k for works and services.

7. Social Value Framework

Corporate Plan Objective	Outcomes: What are we trying to achieve?	What could suppliers deliver?
<p>Develop a flexible and Skilled Local Workforce</p>	<p>Outcome 1: More local people in work.</p> <p>Outcome 2: Enhanced educational attainment & skills</p>	<ul style="list-style-type: none"> • Create jobs in the District. • Recruitment from the local community. • Traineeships (including apprenticeships) for local residents. • Work experience for local community. • Support people back to work by providing career mentoring for job clubs, including mock interviews, CV advice, and careers guidance. • Employ care leavers or ex-military. • Employ ex-offenders.
<p>Develop stronger and more resilient communities to enable people to help themselves</p>	<p>Outcome 3: Responsible businesses that contribute to the local community.</p> <p>Outcome 4: An effective and resilient third sector</p>	<ul style="list-style-type: none"> • Contribute business support (financial, legal, HR advice, etc) to community and voluntary organisations. • Provide facilities for use by community and voluntary organisations. • Work with community and voluntary organisations to create new volunteering opportunities in Huntingdonshire.
<p>Create, protect and enhance our safe and clean built and green environment</p>	<p>Outcome 5: Promote Environmental Sustainability</p>	<ul style="list-style-type: none"> • Reduce the amount of waste generated. • Reduce overall energy consumption / water consumption. • Increase the use of renewable energy. • Green travel plans.

Corporate Plan Objective	Outcomes	What could the Council deliver?
<p>Accelerate business growth and investment</p>	<p>Outcome 6: Thriving local businesses.</p>	<ul style="list-style-type: none"> • Support local businesses by running practical workshops with local business organisations. • Support the local economy by increasing spend locally (detail at Appendix 3). • Develop the supply chains and networks through local events, etc.

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Proposed Measures

1. Mandate SV questions (aligned to Corporate Plan objectives) in all relevant invitations to tender (greater than £100k for works and services).
2. Mandate a maximum of 5% of the marks for SV.
3. Monitor SV delivery against the contractor's tender undertakings.
4. Amend contract documentation to include an undertaking from contractors to deliver SV.
5. Monitor the relevant tender results and report to SLT any detected SV price premium.
6. Contact local business organisations to develop and deliver a programme for local business to improve their SV and public procurement knowledge and skills.

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Local Spend

	2013	2014	2015	2016	2017
Total No of Suppliers	1,603	1,459	1,304	1,345	1,355
No. of Local Suppliers	420	390	347	336	323
Local suppliers as % of total	26	27	27	25	24

	2013	2014	2015	2016	2017
Total Spend £ (,000)	22,279	13,794	12,223	16,316	20,780
Local Spend £ (,000)	3,320	2,777	2,421	2,403	2,573
Local spend as % of total	15	20	20	15	12

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Overview and Scrutiny Work Programme 2018/2019

O&S (Customers and Partnerships) – Active

O&S (Customers and Partnerships)	Summary of Scope	Advisors	Progress
<p>Health</p> <ul style="list-style-type: none"> Identify ways in which the Council can improve the lifelong health of residents. Identify the benefits of a whole system approach for the Council. 	<ul style="list-style-type: none"> Identify what the main health issues facing the residents of Huntingdonshire are (and if there are any problem areas). To discover what leisure activities/provision residents enjoy and/or want. Identify what leisure provision/facilities are most effective. (Investment shouldn't be made in a particular facility if the benefits are minimal.) Discuss with the CCG in order to establish if collaboration between the Council and the CCG is worthwhile. 	<p>CCG CCC Public Health Jayne Wisely Cllr J Palmer Cllr Jill Tavener</p>	<p>10th January 2019 – The Task and Finish Group met and reviewed the scoping document. Based on the Group's discussion the scoping document is being revised. The revised scoping document will be presented to the Group at their next meeting for approval. 7th February 2019</p>

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O&S (Customers and Partnerships) – Inactive

O&S (Customers and Partnerships) idea	Objective test ideas	Advisor potential	Suggested Scope	Progress
<p>Health – What are the issues facing the young and elderly populations of Huntingdonshire. How can HDC, either with partners or on its own initiative, assist with the health and well-being of residents in the District.</p>	<p>1. Reducing isolation</p> <ul style="list-style-type: none"> reducing age-specific dependency rates by 1 per cent per year would reduce public expenditure by £940m per year by 2031 reducing the rate of institutionalisation by 1 	<p>Age UK</p>	<p>Identifying opportunities (particularly technology) to deliver key activities identified by Age UK, to address isolation:</p> <ul style="list-style-type: none"> Creating a new social link Developing wider social networks Meeting like-minded people through clubs and groups Meeting people with similar needs and supporting each other Using local services and facilities Changing social attitudes so that users become 	<p>Dependent upon outcome of bid for inclusion in CCC digital services programme – Spring 2018</p>

Agenda Item 7

	<p>per cent a year could save £3.8bn.</p> <p>2. Improving mental health Contributes to addressing: - Worklessness - Homelessness - Poor health outcomes - Self-reliance</p> <p>3. Reducing hospital admissions in over 65's</p>	<p>CCG</p> <p>Sports England/Active Lifestyles/CCG</p>	<p>accepted and valued as full members of the community in their own right.</p> <ul style="list-style-type: none"> - Quantifying the cost and impacts of isolation - Recommendations for our services to address - Designing communities for the future <p>Identifying non health interventions that can support mental health – e.g. social referral, links to community activities, volunteering activities.</p> <ul style="list-style-type: none"> - Opportunities to improve impact of DFG's? - Assisted collections. Investigate if having an assisted collection is an indicator that a resident may require a DFG. - Closer partnership working with health - Establishing greater community resilience 	
<p>Homelessness – Investigating the links between homelessness and housing supply. Finding triggers for homelessness. Discovering options and opportunities to reduce homelessness in Huntingdonshire.</p>	<p>1. Increase supply of affordable property.</p> <p>2. Reduce number of homelessness presentations.</p> <p>3. Increase number of homelessness preventions – solutions that prevent people</p>	<p>Development Advisor</p> <p>Jon Collen / Helen Brown</p> <p>Jon Collen</p>	<ul style="list-style-type: none"> - Engagement with Places for People/Luminus - Working with Private Sector landlords to understand reasons behind end of AST and incentives to address - Looking to develop options to incentivise Private landlords to take social tenants. - Strategies around use of HMOs - Testing effectiveness of Trailblazer - Testing Homelessness pilot work - Looking at opportunities for partners to signpost and intervene 	

	<p>losing their home</p> <p>4. Increase number of empty properties brought back into use</p>		<ul style="list-style-type: none"> - Taking evidence from best practice providers elsewhere - Working with Registered Providers to maximise housing stock utilisation and fit 	
<p>Environment – What are the environmental (and lifestyle) quality issues facing Huntingdonshire,</p>	<p>1. Reducing air pollution</p> <p>2. Reducing long term flood issues</p> <p>3. The community role in grounds maintenance and cleansing</p> <p>4. Definition of ‘Place’ and ‘People’ vision for Huntingdonshire</p>	<p>Chris Stopford</p> <p>Environment Agency</p> <p>Neil Sloper</p>	<ul style="list-style-type: none"> - Transport options - Natural environment – exploring opportunities to enhance HDC country parks (Hinchingbrook / Paxton Pits) - Role of Great Fen as a regionally significant habitat / tourism destination - A14 and Cam Ox corridor – actively influencing Govt and key transport agencies on investment pipeline and funding options - Exploring the options and Council/communities appetite for scalable growth linked to new infrastructure and ‘healthy places’ with sustainable living choices - Role of Neighbourhood Plans and Market Town Master Plans in promoting and directing employment and housing growth - Influencing long term utility provision – water/power 	

O&S (Performance and Growth) – Active

O&S (Performance and Growth)	Summary of Scope	Advisors	Progress
<p>Delivery of Affordable Housing <i>(Accelerating the delivery of Affordable Housing across Huntingdonshire communities primarily through Rural Exception Site mechanisms)</i></p> <ul style="list-style-type: none"> Increase in the number of affordable houses built in the District – positively impacting on the quality of developments. 	<ul style="list-style-type: none"> To explore methods that maximise the effectiveness of the Council’s approach to achieving additional affordable housing provision beyond allocated sites. To advise on a strategic programme and range of mechanisms to promote and secure rural exception sites (RES) appropriate to settlement scale and need across the District. To explore how RES sites can best be promoted locally, including the role of Ward Members and Parish /Town Councils. 	<p>Andy Moffat Cllr Corney (a builder by trade)/Developers</p>	<p>8th January 2019 – The Panel reviewed and agreed the scoping document.</p>

<p>Skills</p> <ul style="list-style-type: none"> Increase in educational attainment, and achievement of key skills. 	<ul style="list-style-type: none"> Combined Authority strategy impacts, particularly advancing recommendations from CPIER. Alignment to future skills and sectoral demand identified through EMSI study. Role of EDGE programme and wider Combined Authority skills and business support advisory services. Relationship to CPBS 'Grand Challenges' outcomes. 	<p>Andy Moffat John T Hill - CPCA CA Business Board / Company CEOs – reasons for locations choices and future workforce aspiration</p>	<p>Once the Combined Authority has published their skills strategy, Mr John T Hill will be invited to discuss the strategy with Members. To be confirmed</p>
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☪ O&S (Performance and Growth) – Inactive
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O&S (Performance and Growth)	Objective test ideas	Advisor potential	Suggested Scope	Progress
<p>Housing – Increasing quality of housing developments and increasing supply of Affordable/Social housing – specifically in the villages.</p>	<ol style="list-style-type: none"> Increase in the number of affordable houses built in the District – positively impacting on the quality of developments Reduce voids of all types, inc empty homes and RP turnaround times Increase the availability of social housing Reduce Council spend on Homelessness 	<p>Andy Moffat Cllr Corney (a builder by trade)/Developers Homes England Registered Providers</p>	<ul style="list-style-type: none"> Review the effectiveness of rural exception sites and 60/40 policy Explore viability assessment mechanisms to ensure proper value is created form development sites Review of CIL charging regime and utilisation of funds Relationships with RPs (Registered Providers) and options to increase pace and tenure type of supply plans Utilisation of HDC non-operational land assets to increase supply and generate system savings (eg reduction in B&B spend. Improving infrastructure on developments to enhance liveability, including digital, environmental 	

				– flooding etc, energy use, health land and space for wildlife. Supporting positive transport choices, and community self-reliance.
Wider Economic Environment – How to best position Huntingdonshire as an attractive place to do business	<p>5. Enhanced infrastructure and liveability on developments</p> <p>1. A Local Industrial Strategy for Cambridgeshire within which Huntingdonshire is prominent</p> <p>2. GVA (Gross Value Added) net increase</p> <p>3. Increase in business rates receipts and invest to accumulate utilisation thereof (subject to Govt regs)</p> <p>4. Increase average earnings and percentage earnings derived in Huntingdonshire/Cambridgeshire</p> <p>5. Opportunities to enhance the Councils industrial portfolio and Corporate Investment Strategy in facilitating, retaining and securing new business opportunities</p> <p>A package of ‘Deals’:</p> <ul style="list-style-type: none"> - HDC & Govt/CA - HDC and Local Councils - HDC and communities 	Andy Moffat / Clive Mason CA Business Board / Company CEOs – reasons for locations choices and future workforce aspirations	<ul style="list-style-type: none"> - Creation of an Investment prospectus for Huntingdonshire - Input into a Local Industrial Strategy - Digital infrastructure and Connected Cambridgeshire roll-out across market towns - Better Business for All pilot initiative matching regulatory services to advice and promotion - Roads and rail infrastructure investment deal with Govt / CA - Business rates retention and utilisation of AW Enterprise Zone NNRD receipts - Role of strategic sites such as Alconbury Weald in delivering floor space and clusters - Sector analysis - what are the indicators of existing success and productivity. Sectors to nurture and attract. - Understanding locational advantages of Huntingdonshire and investment decisions of business leaders to stay/relocate here. - Scope and mechanisms for HDC interventions in infrastructure/redevelopment programmes 	

Ideas

Health – What are the issues facing the young and elderly populations of Huntingdonshire. How can HDC, either with partners or on its own initiative, assist with the health and well-being of residents in the District.

Evidence

Local Authority Health Profile 2018 published by Public Health England. We have three key indicators where we perform significantly worse than the national average:

- Killed and seriously injured on roads
- Alcohol-specific hospital stays (under 18s)
- Excess weight in adults (aged 18+)

Not significantly worse, but underperforming national average

- Hip fractures in older people (aged 65+)

We have a number of projects already underway or receiving support which are directly contributing to these outcomes (Ramsey Think Healthy / Live Healthy project).

Support for activity through our leisure centres and for community initiatives such as Park Run. With a new run supported to start in St Neots this year. One Leisure Active Lifestyles Team creating opportunities for social engagement, particularly ageing population, through its class programmes, particularly 'Right Start'

Homelessness – Investigating the links between homelessness and housing supply.

Finding triggers for homelessness. Discovering options and opportunities to reduce homelessness in Huntingdonshire.

A large amount of work is happening in this space already, as a key corporate priority. Our own net spend on Homelessness is has more than doubled since 2015/16. This is in line with national figures. Housing affordability is an issue locally. With private rentals being very limited within the rates that national benefits pay. Huntingdonshire's average house price increased by **36%** in four years from April 2014 and the average household would now need to borrow **7.1** times its income to purchase the average house based on median values.

Environment – What are the environmental (and lifestyle) quality issues facing Huntingdonshire,

Evidence

2036 Local Plan and associated studies, particularly Infrastructure Delivery Plan

Combined Authority strategies and CPIER report

Affordable Housing – Increasing quality of housing developments and increasing supply of Affordable/Social housing – specifically in the villages.

Wider Economic Environment – How to best position Huntingdonshire as an attractive place to do business

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