

**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 20 July 2017
Subject: Draft Terms of Reference for the Ethical Procurement Sub Group
Report of: Governance and Scrutiny Support Unit

Summary

This report sets out the proposed Terms of Reference for the Ethical Procurement Sub Group.

Recommendations

The Committee is invited to:

1. Agree the Terms of Reference for the Sub Group or make any necessary revisions.
 2. Agree that the work programme will be developed and set by the appointed Chair, Head of Corporate Procurement and the Scrutiny Team Leader, and then shared with the Sub Group Members in advance of the first meeting..
 3. Agree the membership of the Sub Group and appoint a Chair.
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Wards Affected: All

Contact Officers:

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Position: Scrutiny Team Leader
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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Minutes of the Resources and Governance Scrutiny Committee meeting held 22 June 2017.

1.0 Introduction

- 1.1 At its meeting of 22 June 2017, following consideration of the Ethical Procurement Policy and the implementation of recommendations of the Ethical Procurement Task and Finish Group report, the Resources and Governance Scrutiny Committee agreed to establish a Sub Group to monitor large contracts that the Council had, or were about to enter into and to also use the Sub Group to keep a brief on the Local Care Organisation contract (see minutes RGSC/17/24).
- 1.2 The proposed name for the group is the 'Ethical Procurement Sub Group'.
- 1.3 This report sets out the draft Terms of Reference for the Sub Group (see appendix 1). The Committee is asked to discuss and make any necessary revisions to the Terms of Reference.

2.0 Membership

- 2.1 The Committee agreed at its meeting on 22 June 2017, that the Membership of the Sub Group should be formed from Members of the Resources and Governance Scrutiny Committee, Members of the Council's Audit Committee and the Chairs of the other five Scrutiny Committees. Members also agreed that Councillor Dar, Assistant Executive Member for Finance and Human Resources should be invited to work alongside the Sub Group.
- 2.2 The Committee is invited to determine which Members from the Scrutiny Committee will form part of the membership of this Sub Group and appoint a Chair.

3.0 Work programme and frequency of meetings

- 3.1 It is proposed that the work programme will be developed and set by the appointed Chair, Head of Corporate Procurement and the Scrutiny Team Leader and then shared with the Sub Group Members in advance of the first meeting.
- 3.2 The appointed Chair, Head of Corporate Procurement and the Scrutiny Team will also make a determination on the frequency of meetings required which will need to be agreed by the Sub Group.
- 3.3 The Sub Group will review the work programme at each meeting and if necessary amend as the Group see fit.

4.0 Operation

- 4.1 The Sub Group will be ongoing until a time it is felt that it is no longer required. The Scrutiny Committee will receive the minutes of the Sub Group meetings.

4.2 Papers for the Sub Group will be made available to members of the media and public on the Council's website and the main entrance to the Town Hall except where information which is confidential or exempt from publication is being considered.

5.0 Recommendations

5.1 Recommendations to the Committee are listed on the first page of this report.

Draft Terms of Reference

Title	Ethical Procurement Sub Group
Membership	TBC
Lead Executive Members	Councillor Flanagan – Executive Member for Finance and Human Resources
Strategic Directors	Carol Culley – City Treasurer
Lead Officer(s)	Ian Brown - Head of Corporate Procurement
Contact officer	Mike Williamson – Scrutiny Team Leader
Objectives	<ol style="list-style-type: none"> 1. To monitor large contracts that the Council has entered, or is about to enter into, to ensure Social Value is contained within these; 2. To monitor the governance of the Social Value Fund; 3. To review how the Council's Health Partners incorporate Social Value within their contracts; and 4. To review the communication and promotion of the Ethical Procurement Policy amongst.
Key Lines of Enquiry	<ol style="list-style-type: none"> 1. To consider the proportion of procurement contracts possibly awarded to businesses that were not based in Manchester or Greater Manchester; 2. To consider the evaluation of the Ethical Procurement Policy's use in the tender processes and the extent to which its principles were being considered and whether the principles and objectives of the Policy are being rolled out across the authorities of the Greater Manchester Combined Authority; 3. To consider what promotion of the Social Value Toolkit is taking place and the wider understanding of the opportunities presented by ethical procurement across all directorates and services in the City Council; 4. To consider whether a consistent approach to Social Value evaluation across Greater Manchester is being achieved; and 5. To consider an evaluation of prompt payments by main contractors to enable contract monitoring through key performance indicators during the contract period.

Operation	This Sub Group will report its findings to the Resources and Governance Scrutiny Committee by submitting minutes to the Committee. The Committee will be asked to endorse any recommendations from the Sub Group.
Access to Information	Meetings of the Sub Group will be open to members of the media and public except where information that is confidential or exempt from publication is being considered. Papers for the Sub Group will be made available to members of the media and public on the Council's website and the main entrance to the Town Hall except where information which is confidential or exempt from publication is being considered.
Schedule of Meetings	To be determined.
Commissioned	July 2017