



Overview and Scrutiny Ethical Procurement and Contract Management Sub Group

Date: Wednesday, 31 July 2019

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

Access to the Council Antechamber

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

Membership

Councillors - Russell (Chair), Ahmed Ali, Clay, Lanchbury, Reid, Shilton Godwin, Watson and Wheeler

Agenda

- 1. Minutes** 3 - 8
To receive the minutes of the Ethical Procurement Subgroup meeting held on 21 February 2019
- 2. Update on Modern Slavery** 9 - 30
Report of the City Treasurer (Deputy Chief Executive) attached.

This report provides an update on the activities to address Modern Slavery.
- 3. Update on the Council's Social Value Policy and how equality outcomes are measured and recorded** 31 - 36
Report of the City Solicitor attached

This report provides an update on the Council's Social Value Policy and how equality outcomes are measured and recorded.
- 4. Our Town Hall Project - delivery of Social Value update**
Report to follow
- 5. Work Programme** 37 - 44
Report of the Governance and Scrutiny Support Unit

To review and agree the Work Programme for the Subgroup.

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Wednesday, 24 July 2019** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

Overview and Scrutiny Ethical Procurement and Contract Management Sub Group

Minutes of the meeting held on 21 February 2019

Present:

Councillor Russell (In the Chair)

Councillors Ahmed Ali, Clay, Hacking, Lanchbury, Reid and Watson

Also present:

Councillor Ollerhead, Executive Member for Finance and Human Resources

Apologies: Councillors H Priest and Shilton Godwin

RSG/EP/19/01 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 29 November 2018.

RSG/EP/19/02 Small Format Advertising – Council Influence on Adverts Displayed on Council Assets

The Sub Group considered the report of the Strategic Director, Development that provided a summary of the Council's position to ensure that inappropriate content was not displayed through the advertising estate. The report also summarised how the Council intended to engage the market through the procurement process in order to find the appropriate supplier to operate the small format advertising estate.

The main points and themes within the report included: -

- The context in which the Strategic Director, Development had been asked to provide an assurance that the Council would not be supportive of any advertising that celebrated inappropriate conduct and what the Council could do through the procurement process to influence advertisers who wished to use Council owned land;
- Providing information on the scale of the current small format advertising contract;
- An update on the ambition to generate income from this estate from 2020;
- Information on the guidance as set out by the Advertising Standards Agency to ensure that adverts are legal, decent, honest and truthful and consumer confidence was maintained;
- The additional criteria expected by the Council to ensure that the Council would not be seen to be promoting anything that would be out of line with its ethos; and
- An update on the procurement process.

Some of the key points that arose from the Sub Group's discussions were: -

- How long had the previous contract been in existence and what would the duration of any new contract be;
- Consideration should be given to sharing the advertising criteria which would be agreed by any supplier in order to control the type of advertisements with other Greater Manchester Authorities as an example of good practice;
- Noting that clarification was required to determine which organisations associated with the Authority or Greater Manchester Local Authorities were being referred to in the list of criteria;
- Noting that the wording of all of the criteria needed to be reviewed to ensure it was succinct so as to avoid duplication and more specific, as some of the wording was open to a wide variety of interpretations;
- Noting that the Council has no influence on what could be displayed on screens or boards on private land or other platforms that have approved planning permission on the adopted highway such as the BT Inlink stations.
- Consideration should be given to using the digital advertising boards to promote relevant local community events and to promote the wider cultural offer and library service in the City; and
- Had any complaints been received to date regarding the subject matter advertised, either directly to the Council or to the Advertising Standards Agency.

The Head of Commissioning and Delivery informed Members that the small format advertising contract currently covered 99 sites across the city centre, owned and maintained by JC Decaux and the contract was a legacy contract that was 26 years old. He reassured the Members that although any new contract would not be awarded for such a length of time, throughout this period JC Decaux had complied with all of the requirements of the contract and that no complaints had been received. He said that any future contract would be for a 15 year period, awarded using the Ethical Procurement Policy and the contract would be monitored.

In response to the comments regarding the wording of the criteria the Strategic Director, Development accepted the points raised by the Members and gave an assurance that these would be reviewed. The Contract and Commissioning Manager stated that these had been produced following the examples provided by Transport for Greater Manchester and Nottingham County Council and welcomed the feedback from the Members. He said that they would work closely with any supplier to ensure that any agreed criteria was adhered to.

The Strategic Director, Development advised there was evidence to indicate that BT Inlink stations were associated with anti-social behaviour and crime and in effect operated as advertising boards. He said work was ongoing to address this issue as these installations were outside of planning requirements.

The Executive Member for Finance and Human Resources noted the comments regarding incorporating the advertising of local community events, noting that this could

be part of the social value element of any contract awarded. The Head of Commissioning and Delivery advised that it was already agreed that a percentage of advertising time would be dedicated to promoting Council campaigns. The Chair stated that the timing of any such adverts needed to be at an appropriate time of the day to maximise their effectiveness and that the contract would need to make provision for this.

The Executive Member for Finance and Human Resources stated that he noted the comments expressed by Members regarding the subject matter of adverts and the requirement that they should adhere to the values of the Council, stating that a correct balance would be met to maximise this important revenue stream.

Decisions

The Sub Group;

1. Recommend that there should be no promotion of sexual entertainment venues displayed through the advertising estate;
2. Recommend that the proposed criteria to be set by the Council which will be agreed by the supplier in order for them to control the type of advertisements is to be reviewed;
3. Recommend that once agreed, the proposed criteria to be set by the Council which will be agreed by the supplier in order for them to control the type of advertisements is shared with other Greater Manchester Authorities to promote good practice;
4. Recommend that clarification was obtained to determine which organisations associated with the Authority or Greater Manchester Local Authorities were being referred to in the list of criteria; and
5. Recommend that the Communications Team work with the appointed supplier to advertise local community events and the wider cultural offer in an appropriate manner.

RSG/EP/19/03 Procurement of Building Works for Schools

The Sub Group considered the report of the Head of Major Projects that provided a summary of the social value activities and outcome resulting from the major construction projects commissioned on schools during 2018.

The main points and themes within the report included: -

- During 2018 all major school construction projects were procured through a competitive 2 stage tender exercise through the North West Construction Hub for the programme of works, noting that ISG were the contractor successfully appointed;
- ISG recorded and reported on their social value delivery compared to their individual project targets on a monthly basis;

- ISG like many other major contractors employed social value specialists and utilised a social value profit calculator to attach a monetary value to their activities;
- Information on how social value was measured and collated; and
- Providing case studies to demonstrate the social value activities.

Some of the key points that arose from the Sub Group's discussions were: -

- Would future contracts deliver similar outcomes;
- Noting the progress and delivery of social value through such contracts;
- The need to promote the construction industry as a career option for all with consideration given to the language used when engaging with young people to ensure it was inclusive;
- Did targets exist for engaging with residents with protected characteristics, noting that positive action should be adopted to address inequalities experienced in society; and
- How was social value calculated.

The Head of Major Projects said that social value had been embraced and represented a significant cultural shift in the construction industry nationally, and future contracts would replicate this activity. In response to the comments regarding promoting the industry as a career option he said that they were keen to promote this and did engage with schools and FE providers in Manchester.

The Executive Member for Finance and Human Resources stated that caution needed to be taken when attempting to calculate a financial value for social value, commenting that an industry had developed around this very issue. However, noted the comments regarding KPIs in regard to protected characteristics.

Decisions

The Sub Group;

1. Recommend that a review of the Social Value Policy be undertaken to ensure that it complies with the equality objectives of the Council; and
2. Recommend that any future update report includes information on the level and number of apprentices achieved through the procurement of building works for schools.

RSG/EP/19/04 Work Programme

The Subgroup were invited to consider and agree the work programme.

Decision

To agree the Work Programme subject to the recommendations agreed for item RSG/EP/19/06.

RSG/EP/19/05 Exclusion of Press and Public

A recommendation was made that the public was excluded during consideration of the following items of business.

Decision

To exclude the public during consideration of the following items which involved consideration of exempt information relating to the financial or business affairs of particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

RSG/EP/19/06 Social and Environmental Requirements, contractual enforceability and remedies (Public Excluded)

The Subgroup considered the report of the City Solicitor that set out the legal framework in respect of social value considerations and how these were reflected in the Council's commercial and contractual arrangements and to be aware of the position in respect of enforcing such terms and remedies available to the Council.

The Head of Corporate Procurement introduced the report and both he and the City Solicitor responded to questions from the Members.

Decisions

The Sub Group;

1. Recommend that a report be submitted for consideration at the next meeting that provides information on the Social Value Policy and how equality outcomes are measured and recorded; and
2. Recommend that a report be submitted for consideration at the next meeting that provides an update on how Social Value is being delivered through the Our Town Hall Project. This report will also provide an update on the activities to address Modern Day Slavery.

RSG/EP/19/07 National Agreements in associated construction industries – Our Town Hall Contract (Public Excluded)

The Subgroup considered the report of the City Treasurer that provided information on the National Agreements for the employment, welfare, grading and training of

apprentices in the associated construction industries in relation to the letting of the Our Town Hall Contract.

The City Solicitor introduced the report and responded to questions from the Members.

In response to a question from a Member the Executive Member for Finance and Human Resources informed the Group that the Unite Construction Charter had been incorporated into the Our Town Hall contract and the contractor had agreed to adhere to this. He advised that this Charter, along with other nationally agreed standards would also inform future contracts. Members welcomed this, stating that this should be monitored very closely.

Decision

To note the report.

**Manchester City Council
Report for Information**

Report to: Ethical Procurement and Contract Monitoring Sub Group - 31 July 2019

Subject: Update on Modern Slavery

Report of: City Treasurer (Deputy Chief Executive)

Summary

To provide Members with an update on the activities to address Modern Slavery

Recommendations

Members are requested to note and comment on the report, in particular the draft Slavery and Human Trafficking Statement shown in appendix 3.

Wards Affected – All

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Council is committed to improving engagement with Small – Medium organisations, voluntary sector and charitable organisations, and where appropriate tenders will be adapted to their needs, particularly with regard to dividing large contracts into lots, in accordance with the Public Contract Regulations 2015
A highly skilled city: world class and home grown talent sustaining the city's economic success	Provide better Health and Wellbeing for Manchester residents through promotion of fair working conditions, better training opportunities and sustainable economic growth.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Council favours an asset based approach which looks at the uniqueness of people, their potential skills, assets, relationships and community resources. This approach concentrates primarily on what is important to people, what they want to do, and the strengths and nature of their social networks. This underpins wider Council priorities of building self-reliance and strengthening communities.
A liveable and low carbon city: a destination of choice to live, visit,	The supplier, service provider and contractor endeavour to purchase through suppliers and

work	contractors who are continuously working at improving labour and environmental standards in the supply chain.
A connected city: world class infrastructure and connectivity to drive growth	Through commissioning and procurement activities this will promote Manchester as an attractive place to work by securing wider benefits and improvement to the lives of people in Manchester and the environment.

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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.

N/A

1.0 Background

- 1.1 The report provides an update on the arrangements within the Council's procurement process to safeguard against Modern Slavery.
- 1.2 The report focuses on the amendments to the tender documentation in the first instance. It is recognised, however, that the contract management arrangements which follow are essential to the effective monitoring of the position and identifying any concerns or issues which may arise.

2.0 Ethical (Procurement) Policy

- 2.1 Following the annual review in 2017 of the Council's Ethical (Procurement) Policy it was agreed to strengthen the wording relating to the Modern Slavery Act 2015 (the Act), as follows:

As part of Local Government, the Council recognises that it has a responsibility to take a robust approach to slavery and human trafficking. In addition to the Council's responsibility as an employer, it also acknowledges its duty as a City Council to notify the Secretary of State of suspected victims of slavery or human trafficking as introduced by section 52 of the Modern Slavery Act 2015.

The Council is absolutely committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking. The Council requires that all direct suppliers, service providers and contractors to the Council are absolutely committed themselves to preventing Slavery within their own activities.

- 2.2 All of the Council's tender documents include a link to the Council's Ethical (Procurement) Policy. The Policy has also been uploaded onto the Council's E Tendering Portal for all candidates and tenderers to access when responding to a tender.
- 2.3 The Council's Ethical (Procurement) Policy can also be found on the Council's website (link to website - Ethical (Procurement) Policy)¹.

3.0 Modern Slavery within the Procurement Process

- 3.1 Commercial organisations which must prepare a modern slavery and human trafficking statement are defined within Section 54 of the Act, which relates to organisations that:
 - carry on a business, or part of business, in the UK;
 - supply goods or services; and
 - have an annual turnover of £36 million or more
- 3.2 The Government's Standard Questionnaire in line with the European Public

¹ https://secure.manchester.gov.uk/downloads/download/6446/ethical_procurement_policy

Contracts Procurement Rules 2015, requires bidders to confirm and provide details if:

within the past five years you, your organisation or any other person who has powers of representation, decision or control in the organisation been convicted anywhere in the world of child labour and other forms of trafficking in human beings, and within the past three years, anywhere in the world any of the following situations have applied to you, your organisation or any other person who has powers of representation, decision or control in the organisation.

- *breach of social obligations*
- *breach of labour law obligations*
- *guilty of grave professional misconduct*

3.3 The Council's tender template includes Ethical Values. It requires tenderers to respond to a set of ethical questions that informs the Council of their commitment to preventing slavery and human trafficking within their own organisation and the supply chain(s) they use to support their activities. A copy of this section is attached as Appendix 1.

3.4 The Council issued amended Standard Terms and Conditions in June 2019, to include for whistleblowing and Modern Slavery Act 2015 as follows:

Whistleblowing and Modern Slavery Act 2015 (Extract)

35.1 *The Contractor shall implement and maintain a whistleblowing policy which complies with applicable Law. The policy shall:*

- (i) set out procedures by which staff can confidentially report concerns about illegal, unethical or otherwise unacceptable conduct; and*
- (ii) ensure that it enables the staff to bypass the level of management at which the problem may exist.*

35.2 *The Contractor shall comply with the provisions of the Modern Slavery Act 2015 and shall take such steps as is necessary to promote ethical business practice and policy to protect employees and workers from abuse and exploitation. The Contractor shall use all reasonable endeavours to ensure that slavery and human trafficking is not taking place in its supply chains.*

4.0 Raising Awareness of the Modern Slavery Act 2015 through the Council's Ethical Procurement Policy

4.1 The Ethical Procurement Policy has been promoted at a number of events as shown in Appendix 2.

5.0 Modern Slavery Statement

- 5.1 The Council is not required, by the Modern Slavery Act 2015, to have a Slavery and Human Trafficking Statement although a number of authorities have issued a voluntary statement. At the meeting of Resources and Governance Scrutiny Committee on 10 January, 2019 it was proposed that the Council produce a voluntary Slavery and Human Trafficking Statement. This has now been drafted and is included at Appendix 3 for consideration.
- 5.2 The Slavery and Human Trafficking Statement is a working document which will be reviewed and updated over the next 12 months.

6.0 Recommendations

- 6.1 The recommendations appear at the front of this report.

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APPENDIX 1

3.0 Ethical Values

Your response to the following questions will inform the Council of your commitment to preventing slavery and human trafficking within your own organisation and the supply chain you use to support your activities. KPI's will be set for monitoring compliance and improvement in Ethical Practices during the contract period.

Please tick the following as applicable and provide information where requested:					
Slavery and Human Trafficking					
The Council is absolutely committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking. The Council requires that all its direct suppliers, service providers and contractors to the Council adhere to the highest possible ethical standards in employment and are absolutely committed themselves to preventing slavery and human trafficking within their own activities and through their supply chain which includes manufacturers, and producers. All should be committed to preventing slavery and human trafficking.					
Employment			TICK AS APPLICABLE		
			YES	NO	
Q3.1	Does your organisation / business currently pay employees the equivalent or higher of the Manchester Living Wage (MLW) currently, set at £9.00 per hour			DATE:	
	If working towards paying the Manchester Living Wage please provide date when this will completed:				
Q3.2	Does your organisation / business operate Zero Hours Contracts? (Please provide reasons for operating this)				
	Response:				
Q3.3	Does your organisation / business currently have a program to assure that slavery and human trafficking do not exist in your operations and supply chain? If Yes, please describe your program.				
	Response:				
Q3.4	Does your organisation / business:				
	(i) recognise Trade Unions in your organisation / business?				
	(ii) accept persons that have membership of a trade union into your work force?				
	(iii) encourage employees to join a trade union of their own choosing?				
Q3.5	Does your organisation / business operate a whistle blowing process which is actively promoted within the organisation and suppliers (where applicable) to report any incidents of breaches or suspected breaches of the Modern Slavery Act 2015? If Yes please describe your process				
	Response:				

Q3.6	If your organisation / business has 250 or more employees in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 have you published and reported your gender pay gap data on your public facing website and to government online?		
Q3.7	If your organisation / business has fewer than 250 employees have you voluntarily published and reported your gender pay gap data on your:		
	(i) Public facing website?		
	(ii) Government online?		

From 2017, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap.

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'.

Employers must both:

- publish their [gender pay gap data and a written statement](#) on their public-facing website
- report their data to government online - using the [gender pay gap reporting service](#).

If your organisation has fewer than 250 employees, it can publish and report voluntarily but is not obliged to do so.

Tender reference:

Contract Title:

Date:

4.0 Supply Chain Management –

Please tick the following as applicable and provide information where requested:			
Employment		TICK AS APPLICABLE	
		YES	NO
Q4.1	Does your supply chain (suppliers/providers/contractors) currently pay employees the equivalent or higher of the Manchester Living Wage (MLW) currently, set at £9.00 per hour? Provide detail of how you manage this within your supply chain.		
	Response:		
Q4.2	Does your supply chain (suppliers/providers/contractors) operate Zero Hours Contracts? (Please provide reasons for operating this)		
	Response:		
Q4.3	If you use sub-contractors or suppliers of goods and services, does your organisation / business have processes in place to check whether any of these have been convicted or had a notice served upon them for infringement of The Modern Slavery Act 2015? If Yes please describe your process		
	Response:		
Q4.6	If you use sub-contractors and suppliers, does your organisation / business have processes in place to check whether any of these operate a whistle blowing process which is actively promoted within their organisation / business to report any incidents of breaches or suspected breaches of the Modern Slavery Act 2015? If Yes please describe your process		
	Response:		
Q4.7	Does your supply chain:		
	(i) recognise Trade Unions		
	(ii) accept persons that have membership of a trade union into their work force.		
	(iii) encourage their employees to join a trade union of their own choosing		

Tender reference:
Contract Title:
Date:

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Appendix 2 - Raising Awareness of the Modern Slavery Act 2015

2017

Launch of Ethical Procurement Policy – The Power of Procurement II	Event	28.02.17
Contract Management Workshop	Workshop	23.08.17
MCC AND WIGAN Sharing Event	Workshop	26.10.17
Social Value Workshop - Commissioners and Key Stakeholders	Workshop	03.11.17

2018

Ethical Procurement Annual Event - Embedding Social Value in Progressive Procurement Activities	Event	05.03.18
GM(AGMA) – NHS Social Value	Presentation	18.04.18
MCC Wider Senior Management Team	Presentation	06.06.18
MCC Corporate Core Conference	Presentation	28.06.18
ICT Supplier Day	Presentation	10.07.18
Unite Union – Modern Slavery and Human Trafficking	Meeting	25.07.18
MCC Leadership Summit	Workshop	05.09.18
i-Network Meeting	Presentation	26.09.18
Unite Union – Modern Slavery and Human Trafficking	Meeting	11.10.18
Strategic Head of Early Help, Directorate for Children and Families - Chair for the Modern Slavery and Human Trafficking Strategy on behalf of the Safeguarding Boards sub group.	Meeting	15.10.18
Procurement & Commissioning Learning Lunch	Workshop	17.10.18
Highways - Social Value Workshops	Workshop	30.10.18
Highways - Social Value Workshops	Workshop	31.10.18
Highways - Social Value Workshops	Workshop	02.11.18
Partnership Working Group for Modern Slavery and Human Trafficking Strategy on behalf of the Safeguarding Boards. Sub Group	Attendance	08.11.18
Joined up with MMU, NHS, Mcr Uni to present to SME's in Ardwick - Cariocca Business Park	Presentation	13.11.18
Presentation at National Procurement Conference	Presentation	21.11.18
Presentation to Montreal Delegation	Presentation	28.11.18
IPPR North (Cllr Luke Raikes) - Contribution to research	Meeting	19.12.18

2019

Social Enterprise UK -Round Table Discussion in London	Meeting	22.01.19
Sign up to Unite's Construction Charter	Event	30.01.19
Met up with MMU, NHS, Mcr University, Growth hub as follow up to Cariocca event in Nov 18	Meeting	08.02.19
Round of meetings with Financial Services framework providers to discuss the Delivery of Social Value - e.g. KPMG, Grant Thornton, Ernst Young etc.	Meetings	Feb 2019 onwards
Team away day with Social Value and Ethical Procurement update and training exercise	Workshop	14.02.19
Social Enterprise UK, Social Value Summit - London	Event	11.03.19
Unite Union – Modern Slavery and Human Trafficking	Meeting	13.03.19
Sign up to Unite's Ethical Employment Standards in the Voluntary and Community Sector Charter	Event	14.03.19
E Learning on Modern Slavery and Human Trafficking for the Corporate Procurement Team	E Learning	31.03.19
Meeting with New Zealand delegate re social value	Meeting	09.04.19
Presentation at Procurex National Conference - Birmingham	Event	30.04.19
Islington Council	Telecon	25.04.19
Ernst Young Smart Futures graduation presentation	Event	17.04.19
Annual MCC Social Value & Ethical Procurement event	Event	12.02.19
Partnership Working Group for Modern Slavery and Human Trafficking Strategy on behalf of the Safeguarding Boards. Sub Group	Attendance	15.05.19
Oldham Council - Unite Construction Charter how Manchester City Council has applied this in procurement documentation and Standard Questionnaire	Email	30.05.19
PA Housing of Leicester Engaging SME's knowledge sharing	Meeting	20.06.19
Contribution to CLES Community Wealth Building Summit - Social Value Session	Event	27.06.19
Social Value Learning Lunch for Finance	Workshop	01.06.19
Policy, Partnerships and Research Social Value Presentation, question and answer session	Presentation	11.07.19

MCC collaborative Social Value workshop with Islington	Workshop	18.07.19
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SLAVERY AND HUMAN TRAFFICKING STATEMENT

For the period xx/xx/2019 to xx/xx/2020

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INTRODUCTION

The Modern Slavery Act 2015 places specific responsibilities on organisation to ensure slavery and human trafficking does not exist within its supply chain, and in any part of its own business. Organisations need to demonstrate accountability through transparency to protect workers (both adults and children) from being abused and exploited, which in turn will bring greater confidence to customers and service users.

Modern slavery takes many forms, but some of the most common are sexual exploitation, servitude, human trafficking and forced and compulsory labour.

The Council is committed to improving our practices to prevent slavery and human trafficking and understands its responsibilities to residents, service users, employees and the local community. We have a strong set of core values, at the heart of which is protecting the local community whilst enabling growth and investment. The Council expects suppliers, partners and third parties to adhere to the same values and principles to combat slavery and human trafficking.

This statement sets out Manchester City Council’s arrangements and procedures that exist to eradicate slavery or human trafficking

STRUCTURE AND BUSINESS

Manchester City Council is a local authority which provides a wide range of services alongside partners, to the local community. Some of these service provisions are to the most vulnerable people in society and as such the Council has high level of moral duty and care embedded within all its policies and practices. The Council's structure can be found here: [Organisation chart | Manchester City Council](#)

'OUR MANCHESTER'

The [Our Manchester Strategy](#) is the vision which the whole city is working towards - our vision is for Manchester to be in the top flight of world-class cities by 2025 and to be somewhere that is:

- Thriving
- Full of talent
- Fair
- A great place to live
- Connected

The transformed Manchester that the vision aims for is so ambitious that business-as-usual approaches won't get us there.

To make that vision happen for everyone by 2025, as resources shrink and demand grows, Our Manchester is leading a three-way push to :

- Keep the basics on track
- Prevent problems down the line
- Tackle complex problems together

Manchester City Council's corporate plan sets out the Council's contribution to the Our Manchester vision through the delivery of 7 key priority themes over the next 2-3 years:

- Young People
- Healthy, cared-for people
- Housing
- Neighbourhoods
- Connections
- Growth that benefits everyone
- Well-managed council

The council is delivering the corporate plan through our behaviours:

- Being proud and passionate about Manchester
- Taking time to listen and understand
- Owning it and trying new things
- Working together and trusting each other

SUPPLY CHAINS

The Council has a responsibility to prevent slavery and human trafficking within its supply chain and in any part of the organisation. As the customer, the Council makes clear to our suppliers, and those wishing to do business with us, what is expected of them.

The Council's tender processes require all tenderers to provide confirmation that they are compliant with the Modern Slavery Act 2015. They are also required to confirm their subcontractors and suppliers comply with the Modern Slavery Act 2015.

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

- The following policies and procedures apply:
 - Safeguarding – the Council recognises its responsibility to develop, implement and monitor policies and procedures to safeguard the welfare of children and vulnerable adults and has a comprehensive Safeguarding Policy. [Manchester safeguarding standard](#)
 - Equality and Diversity – the Council is committed to Equality and Diversity and actively seeks to eradicate discrimination and inequality when delivering services and when goods and/or services are supplied on the Council's behalf. [Equality Objectives 2016 - 2020](#)
 - Code of conduct – the Council expects all employees to demonstrate the highest standards of conduct and ethical behaviour. [Our Constitution](#)
 - Fraud, bribery and corruption – The Council has adopted policies and procedures to ensure there is full commitment to preventing fraud, bribery and corruption in the organisation. [Counter fraud and irregularity strategy](#)
 - Whistleblowing – the Council encourages employees, customers and the public to report any concerns. [Whistleblowing](#)
 - Ethical Procurement Policy – the Council requires that all its suppliers, service providers, contractors and their suppliers and subcontractors adhere to the council's Ethical Procurement Policy. [Ethical \(procurement\) policy](#)
- The Council's recruitment processes require the completion of relevant employment checks and standards which include eligibility to work in the UK and DBS checks and suitable references are requested and followed up.
- The Council operates a job evaluation scheme to ensure all employees are paid fairly and equitably.
- Agency workers are sourced via a Framework Agreement which procures a third party to verify the practices of any agency it uses before accepting workers from that agency.
- The Council is committed to paying the Manchester Living Wage and is committed to becoming an accredited Real Living Wage Employer.
- The Council requires all Councillors to submit declaration of interests to record and declare personal and prejudicial interests.

DUE DILIGENCE PROCESSESS

All tender processes have been revised and require all tenderers and subsequent suppliers to provide confirmation that they are compliant with the Modern Slavery Act 2015.

The Council has a legal duty to cooperate with the Anti-Slavery Commissioner in any way that the Commissioner deems necessary to support their function. In doing so the Council may be required to provide personal and/or confidential information to the Commissioner.

Section 52 of the Modern Slavery Act 2015 requires police, immigration and local authority staff to report all instances when they have reasonable grounds to believe a person may be a victim of slavery or human trafficking to the Secretary of State.

A notification to the Home Secretary must include the information listed in Schedules 1 and 2 to the Modern Slavery Act 2015 (Duty to Notify) Regulations 2015 (SI 2015/1743), where such information is in the possession or control of the public authority:

Schedule 1 – includes information such as the name of the public authority making the notification, whether the suspected slavery or trafficking has been referred to the police, the type of conduct involved and whether the conduct involved the commission of an offence by the victim.

Schedule 2 – this lists additional information that must be provided where the victim is either under the age of 18, or is over 18 and has consented to the disclosure of that information in the notification; this includes the victim’s name and date of birth and the name of the perpetrator.

PARTNERSHIP WORKING

The Council is part of the Greater-Manchester Combined Authority (GMCA). The GMCA is made up of ten Greater Manchester councils and Mayor. The ten councils have worked together voluntarily for many years on issues which affect everyone in the region including, transport, regeneration, and crime and prevention.

The Council works within multi-agency partnerships to protect and safeguard people. The GMCA has delivered conferences on modern slavery and human trafficking to highlight how to prevent abuse and neglect, detect and report incidents and provide support to victims.

The Council chair the Modern Slavery and Human Trafficking Strategy on behalf of the safeguarding boards, the group have an action plan in place covering awareness raising, training, prevention , with a partnership working group in is place to implement actions. Agencies include: Greater Manchester Police, NHS, Manchester Action on Street Health (MASH), Medaille Trust, Barnardos, Afruca, and City Hearts.

TRAINING

The Council’s Procurement Team have completed a programme of mandatory training. Awareness raising of Modern Slavery and Human Trafficking is a priority for the Safeguarding Boards and is an integral part of the Safeguarding Board training plan. Training includes e- learning, short briefings and training courses. Employees who complete Safeguarding and Equality and Diversity training are provided with information on modern slavery and human trafficking which includes knowing how to identify and report suspected incidents. Councillors’ receive face to face training on a monthly basis. All future Safeguarding and Equality and Diversity training will include material on modern slavery and human trafficking.

USEFUL LINKS

Further information on Modern Slavery and Human Trafficking is available at the following websites:

- <https://www.antislavery.org>
- <http://www.nationalcrimeagency.gov.uk/crime-threats/human-trafficking>
- <https://www.stopthetraffik.org/>
- https://www.programmechallenger.co.uk/what_we_do/modern_slavery/
- <https://www.afruca.org/>
- <http://www.mash.org.uk/>
- <http://www.medaille-trust.org.uk/>
- <https://city-hearts.co.uk/>
- <https://www.manchestersafeguardingboards.co.uk>

OUR COMMITTMENTS

- Our commitments to prevent modern slavery are:
- to comply with regulatory and legislative requirements,
- make suppliers and service providers aware that we adhere to and promote the requirements of the legislation,
- encourage suppliers and contractors to take their own action and understand their obligations under the Modern Slavery Act 2015,
- consider modern slavery factors when making procurement decisions,
- develop modern slavery awareness within the workforce and the community
- expect supply chain / framework providers to demonstrate compliance with their obligations in their processes.

STATEMENT REVIEW

The Council's slavery and human trafficking statement will be published on the Council's website, and reviewed at regular intervals. The Council will continue to strengthen and improve its practices and encourage providers to act in a similar way to prevent slavery and human trafficking.

Chief Executive (signature):
Xx/xx/2019

Joanne Roney OBE

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Manchester City Council Report for Information

Report to: Ethical Procurement and Contract Monitoring Sub Group -
31 July 2019

Subject: Information on the Social Value Policy and how equality
outcomes are measured and recorded

Report of: City Solicitor

Summary

To provide Members with an update on the Social Value Policy and how equality outcomes are measured and recorded.

Recommendations

Members are requested to note and comment on the report.

Wards Affected - All

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Council is committed to improving engagement with Small – Medium organisations, voluntary sector and charitable organisations, and where appropriate tenders will be adapted to their needs, particularly with regard to dividing large contracts into lots, in accordance with the Public Contract Regulations 2015
A highly skilled city: world class and home grown talent sustaining the city's economic success	Provide better Health and Wellbeing for Manchester residents through promotion of fair working conditions, better training opportunities and sustainable economic growth.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Council favours an asset based approach which looks at the uniqueness of people, their potential skills, assets, relationships and community resources. This approach concentrates primarily on what is important to people, what they want to do, and the strengths and nature of their social networks. This underpins wider Council priorities of building self reliance and strengthening communities.

A liveable and low carbon city: a destination of choice to live, visit, work	The supplier, service provider and contractor endeavour to purchase through suppliers and contractors who are continuously working at improving labour and environmental standards in the supply chain.
A connected city: world class infrastructure and connectivity to drive growth	Through commissioning and procurement activities this will promote Manchester as an attractive place to work by securing wider benefits and improvement to the lives of people in Manchester and the environment.

Contact Officers:

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Name: Karen Lock
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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.

N/A

1.0 Background

- 1.1 The report is to provide information on the Social Value Policy and How Equality Outcomes are Measured and Recorded

2.0 What is in the Social Value Policy

- 2.1 In late 2013 the Council reviewed its sustainability policy which resulted in The Council working with GMCA to develop a new GM Social Value Policy. This was led from Manchester and once signed off by GMCA, adopted into MCC's policies and procedures in 2014. The policy outcomes were developed to positively impact on equality outcomes
- 2.2 The Policy sets out the following 6 objectives which are embedded into the procurement process:
- promote employment and economic sustainability – tackle unemployment and facilitate the development of skills
 - raise the living standards of local residents – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester
 - promote participation and citizen engagement - encourage resident participation and promote active citizenship
 - build the capacity and sustainability of the voluntary and community sector– practical support for local voluntary and community groups
 - promote equity and fairness – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough
 - promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources

3.0 The Council's current method for Monitoring and Measuring Social Value

- 3.1 The measuring and monitoring is inconsistent across the council with some pockets of good practice that have been developed and are described in more detail in this section of the report.
- 3.2 A consistent approach to the monitoring and measurement of social value across the council is unlikely to be achieved until the new council wide contract management system has been procured and implemented. The specification is currently being finalised and it is planned a tender will be issued summer 2019, it should be noted there will be a phased implementation period of at least 12 months from when the system is procured.

Highways

- 3.3 Highways monitor and measure social value through their social value tracker which is a spreadsheet maintained by the Social Value Project Manager. The tracker records the social value that has been offered at tender stage and

agreed with the supplier on award of the contract. It also provides updates against social value progress made during meetings with the suppliers. The Social Value Project Manager provides support to suppliers in order to link their commitments with potential opportunities to help achieve positive social value outcomes.

- 3.4 All major projects within Highways must have social value KPIs embedded within the tender documents in order to hold suppliers to account against their social value offer. KPIs are linked to supporting Manchester's key priority groups and targeting 'hard to reach' individuals.
- 3.5 Social Value commitments from Highway suppliers have also included support to organisations and charities who are trying to get Manchester residents back into work. Suppliers have offered social value time for participating in mock interviews, CV writing workshops and attending 'back to work' events. One Highway's contractor has also recently agreed to take on a Manchester Care Leaver who will join the company in Summer 2019.

Capital

- 3.6 Capital Programmes currently measure 14 KPIs. These include:

Fair Payment (Contractor to Supply Chain)	Health and Safety
Local Labour	Contractor Satisfaction
Social Value	Supply Chain Satisfaction
Waste Reduction	Client Satisfaction, Product at Handover
Carbon Reduction	Client Satisfaction, Service at Pre Construction
Predictability of Cost	Client Satisfaction, Service at Construction
Predictability of Time	Client Satisfaction, Service and Product at Completion of Defect Period

All of the capital programme KPIs are recorded and updated on a quarterly basis by constructor partners. All standard KPIs are benchmarked in line with the National Association Construction Frameworks (excluding social value which is treated as a "local" issue which is not standard practice across the country). Each KPI has a pre-agreed target and is monitored by a KPI and Performance Manager on a monthly basis.

The social value KPI is broken down into the following elements. Pre-agreed targets are aligned to them (measured on inputs and outputs):

- Apprentice Weeks
- Employment Activities
- Community Activities
- Education Activities
- Work Placements
- Training

Quarterly audits are undertaken on projects where Constructor Partners are required to provide evidence on the KPIs recorded.

Capital Programmes have developed an advanced suite of KPIs for our new Frameworks, which will include High and Medium Value in 2019. These KPIs build on the best practice delivery the Capital Programmes has achieved since 2010, by linking to the National Social Value Task Force developed National Themes, Outcomes and Measures (TOMs) as well as the UK Construction Industry Performance report (CIPR) and NACF benchmarked KPIs. By adopting this approach Clients receive reports on how each project is performing against its set KPIs, how this compares regionally/ nationally and the impact of this performance in economic impact (£). There is additional flexibility within KPIs by adding our own bespoke TOMs for the Capital Programmes to the standard TOMS, to accommodate the measurement of regional specific impacts and ensure we can capture these for clients too. This will enable us to capture the following.

Revenue Procurement

- 3.7 The monitoring and measurement of social value on the Council's revenue spend is undertaken through the annual survey, analysis and report summary on the Council's top 300 suppliers for spend carried out by Centre for Local Economic Strategies (CLES). Which has been undertaken each year since 2008 and the results reported to Members on a regular basis. Appendix 1 provides a breakdown of the equality measures included in the CLES reports.

4.0 Ongoing work

- 4.1 Work is currently in progress to develop a Social Value Tracker incorporating the National Themes, Outcomes, and Measures (TOMs) with the flexibility to incorporate bespoke TOMs to Manchester. The tracker will require suppliers, contractors and service providers to update and upload evidence of delivering their social value commitments throughout the contract period.
- 4.2 The social value tracker mentioned above will be an interim measure until the Council wide contract management system is implemented.

5.0 Recommendations

- 5.1 Members are requested to note and comment on the report.

Appendix 1 - Social Value Theme: Promote Equity and Fairness

Measure	2014/15	2015/16	2016/17	2017/18
Spend with top 300 suppliers	£407,347,359	£462,700,146	£445,584,189	£430,700.00
Proportion of total spend in Manchester	68.8%	73.6%	71.7%	71.3%
Proportion of total spend in Greater Manchester	88.6%	90.7%	87.2%	89.8%
Number of targeted employment 'opportunities from suppliers directed at 'hard to reach' individuals	1,130	334	5,352	1788
Break down of employment opportunities				
Young people not in employment education or training	No breakdown carried out.	27%	53%	27%
Young People involved in/or at risk of becoming involved in the criminal justice system				13%
Young people who have to overcome additional barriers to secure and sustain a place in the labour market				14%
Long-term unemployed		24%	18%	19%
Ex-services		0%	13%	*2
Ex-offenders		7%	7%	*3
Over 50		0%	4%	13%
Disabled		11%	2%	2%
BME		21%	1%	*4
homeless and asylum seekers or refugees respectively		5%	5%	12% ⁵

¹ Figures provided are proxy figures

² Not included in the survey

³ Not included in the survey

⁴ Not included in the survey

⁵ Includes vulnerable adults overcoming a crisis (e.g. domestic abuse survivors, substance mis-users, rough sleepers)

**Resources and Governance Scrutiny Committee – Ethical Procurement and Contract Management Subgroup
Work Programme – July 2019**

Meeting 1 – 2:00pm Wednesday 31 July 2019, Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Monday 22 July 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Update on Modern Slavery	This report will provide an update on the activities to address Modern Day Slavery.	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Peter Schofield/ Karen Lock	See 21 Feb 2019 minutes
Social Value Policy audit	To receive a report that provides information on the Social Value Policy and how equality outcomes are measured and recorded	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Ian Brown Fiona Ledden	See 21 Feb 2019 minutes Invite Tom Powell – Head of Internal Audit
Our Town Hall Project – delivery of Social Value update	To receive a report meeting that provides an update on how Social Value is being delivered through the Our Town Hall Project.	Cllr Ollerhead (Exec Member for Finance and	Paul Candulent Peter Norris Peter	See 21 Feb 2019 minutes

		Human Resources)	Schofield/ Ian Brown	
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Meeting 2 – 2:00pm 24 September 2019, Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Friday 13 September 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 3 – 2:00pm 26 November 2019, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 29 November 2019

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 4 – 2:00pm 25 February 2020, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 14 February 2020

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Items to be scheduled				
(Items highlighted in grey have been added to one of the above meetings)				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Appointment of local people/companies to MCC contracts – the Council's legal position	To consider a report on what the Council's legal position is in relation to trying to ensure local people and companies gain employment on local contracts.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Rebecca Maddison	
Review of the Ethical Procurement Policy with regard to Trade Union recognition and Whistleblowing	To consider the Council's Ethical Procurement Policy and whether the policy has appropriate Trade Union/whistleblowing recognition within in it or whether this is an area that requires strengthening	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Ian Brown	
Social Value outcomes - measurement and tracking	To consider a report on how the Council tracks the outcomes of social value derived from its contracts, including:- <ul style="list-style-type: none"> • who is responsible for doing this; • what information is being collated; and • what methodology is being used 	Cllr Ollerhead (Executive Member for Finance and Human Resources)	TBC	

The Council's Social Value Fund	<p>To consider a report on the Council's Social Value Fund. This report will include:-</p> <ul style="list-style-type: none"> • what is in the fund to date; • what is being done with the money within the fund; • how is the Council ensuring that it isn't just a way in which contractors add 10% to the project price, and then hand back 5% as a social value contribution 	Cllr Ollerhead (Executive Member for Finance and Human Resources)	TBC	
Delivery of Social Value and Ethical Procurement from the Council's Security Contract(s)	To receive a report on what steps the Council has taken / is taking to ensure that its security contract(s) are being ethically procured and how Social Value is being delivered from these contracts.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Ian Brown/ Steve Southern/ Julie McMurray	
Promotion of Social Value from Executive Members	To review what emphasis Executive Members have been placing on Social Value when approving contracts	All Exec Members		Invite Executive Members to the meeting
The benefit of Social Value	To invite local companies to come and discuss how they have implemented social value within their organisations and what it has meant to them in terms of how they operate.			
Delivery of Social Value in the new Health and Social	To receive an update on delivery of social value in the new health and social care arrangements. The report will provide data and analysis of measure	Cllr Craig (Executive Member for	Carolyn Kus Ed Dyson	See September 2018 minutes

Care arrangements – update	on how social value is being delivered under these arrangements.	Adults Health and Wellbeing)		

Proposal from Neighbourhoods and Environment Scrutiny Committee

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Review of the Council's contract with Biffa Waste Services for the collection of waste and recycling	<p>To review the Council's contract with Biffa Waste Services and in particular look at:</p> <ul style="list-style-type: none"> Whether they are fulfilling their contractual obligations; The use of agency workers to undertake permanent roles on lower wages; The use of zero hour contracts; Appropriate training for staff to complete their duties; and Whether new vehicles in use are fit for purpose. 	Cllr Akbar (Executive Member for Neighbourhoods)	Fiona Worrall/ Heather Coates	See NESC mins 10 October 2018