
Resources and Governance Scrutiny Committee

Minutes of the meeting held on Tuesday, 9 March 2021

Present:

Councillor Russell (Chair) – in the Chair
Councillors Ahmed Ali, Andrews, Clay, Davies, Lanchbury, B Priest, Rowles, A Simcock, Stanton, Wheeler and Wright

Also present:

Councillors: Leese, N Murphy and Richards

Apologies: Councillor

RGSC/21/16 Minutes

Decision

The Committee approves the minutes of the meeting held on 17 February 2021 as a correct record.

RGSC/21/17 Proposed refresh of the Council's Social Value Policy and what Social Value has been derived during Covid-19 lockdown

Treasurer, which provided an update on the effects on the delivery of Social Value by the Council's suppliers resulting from the pandemic and set out proposals to reprofile the Council's priorities for the delivery of Social Value to more closely align the social value priorities to supporting the city's economic recovery and introduce further measures that would ensure that the commitment to addressing the climate crisis was reflected by the Council's suppliers.

Key points and themes in the report included:-

- The Council's approach to Social Value;
- How the pandemic had affected Social Value;
- Examples where the delivery of Social Value had continued and where contractors have had to significantly adapt or pause their social value provision in light of the pandemic;
- An overview of the proposed new Social Value Policy which included priority actions to support Manchester's recovery, expanding the Council's priority groups and environmental scoring in the evaluation of tenders; and
- The expected impact of the updated priorities.

The report would also be considered by the Executive at its meeting on 17 March 2021

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

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- The proposal to move to a 30% Social Value weighting to all contracts as standard (20% social value and 10% zero carbon) was welcomed;
 - What impact would the reduction in the Council's budget and staffing have on the ability of the Integrated Commissioning and Procurement team to deliver Social Value;
 - How was the further priority aimed at addressing inequalities faced by Black, Asian and Minority Ethnic (BAME) residents going to be achieved;
 - What quantitative measures could be asked of employers to demonstrate that they were providing Social Value within their tenders;
 - Did the Council hold any information on the percentage of businesses in the city that were owned or managed by Black, Asian and Minority Ethnic people and did the Council monitor what proportion of its contracts went to such businesses;
 - It was questioned why Manchester's Social Value policy did not specifically reference the use of local supply chains in the same way the Greater Manchester Social Value policy did;
 - It was suggested that the Ethical Procurement and Contract Management Scrutiny Sub Committee should play a role in monitoring the implementation on the refreshed Social Value Policy and that this should be reflected in the policy;
 - Further information was sought on how the Integrated Alcohol and Drug Early Intervention and Treatment service with CGL, have continued to meet their social value environmental commitments;
 - What happened to those individuals who were on Biffa's apprenticeship programme when they had to pause its apprentice programme due to the pandemic and could an assurance be given that the same number of formal apprenticeships would be delivered before the break in contract with Biffa;
 - Was it possible to provide any detail on how the 10% Social Value weighting to zero carbon would be monitored and how much involvement would be expected of businesses to buy in to the climate change agenda;
 - Would it be possible in the Policy to incentivise contractors to provide employment and apprenticeship opportunities at a very local level across the city;
 - Would it be possible to monitor the outcome of social value from Council contracts in a similar way to how the Economic Dashboard is presented;
 - Had any consideration been given to including reference to the Living Hours campaign in ensuring a good employment offer as part of the priority actions list; and
 - It was suggested that the Committee received an update report on apprenticeship provision by the Council's top 10/20 suppliers to ensure that they were expecting to fulfil the commitments made.

The Leader commented that the Council would need to reorganise itself in light of the budgetary challenges it faced in order to be as fit for purpose as it possibly could, with the resources restraints it had. It was recognised that the delivery of a number of services in the short term, not just Social Value would be challenging. The Deputy Chief Executive added that the delivery of Social Value was not solely the responsibility of the Integrated Commissioning and Procurement team.

It was explained that the employment of local businesses had always been a Social Value priority of any tender but had not necessarily been segmented beyond opportunities for young people and the proposal to address inequalities faced by BAME would ensure the Council lived up to the standards expected of it and would ensure the Council had BAME friendly approaches in its tender process.

The Head of Integrated Commissioning and Procurement advised that proposals put forward by a supplier as to how they intended to deliver Social Value would be encompassed in Key Performance Indicators for the contract and then monitored over the management of the contract to ensure these indicators were met. He also advised that the Council did not currently monitor what proportion of its contracts went to businesses in the city that were owned or managed by Black, Asian and Minority Ethnic people but acknowledged that this was something that was possibly needed going forward. He also stated that there was currently a process underway to look at potential software packages to monitor how social value could be captured across the Council. There was also no data available to indicate what percentage of businesses in the city were owned or managed by Black, Asian and Minority Ethnic people.

The Leader commented that it would not be appropriate to reflect in the policy what the Committee determined that its Sub Group should scrutinise, but acknowledged that if it was minded to keep an overview of monitoring the implementation on the refreshed Social Value Policy, then the Sub Committee would be appropriate to do so. In terms of local supply chains, he advised that this was inherent in many of the Council contracts with suppliers as this was one of the key ways in which suppliers were able to deliver Social Value and added there would be no issue in specifying this in the Council's policy rather than it be inherent.

The Head of Integrated Commissioning and Procurement agreed to provide further information to the Committee after the meeting in relation to how the Integrated Alcohol and Drug Early Intervention and Treatment service with CGL, had to meet their social value environmental commitments. He also added that he would speak to Biffa in relation to their apprenticeship programme and provide a response to the Committee in due course.

It was explained that it was endemic in delivering Social Value that if recruitment was taking place, that this would be in areas of deprivation and amongst those furthest away from the job market first. In relation to monitoring the climate change objectives and proposal, it would need to be proportionate to the scale of the contract.

The Leader advised that if there was the capacity to collect and monitor the social value data in real-time then the Council could look at producing something akin to the Economic dashboard. He also advised that the Council was a signatory to the Greater Manchester Good Employment Charter which covered more than the living wage and this was the basis to be judging good employment on otherwise there would be inconsistencies with other approaches being taken.

Decisions

The Committee:-

- (1) Endorses the recommendations to the Executive, subject to the following:-
 - that the refreshed Social Value Policy has a stronger emphasis on the use of local supply chains and a focus on charitable giving to local charities as well as those listed in the report.
 - that the priority actions in reference to employment opportunities explicitly refers to the Greater Manchester Good Employment Charter.
- (2) Agrees to receive a future report on apprenticeship provision by the Council's top 10/20 suppliers to ensure that they were expecting to fulfil the commitments they had made.
- (3) Recommends that the Council explores the possibility of maintaining a register of businesses in the city that are owned or managed by Black, Asian and Minority Ethnic people and businesses owned or managed by women as suppliers to the Council with a view to fully understand what proportion of our suppliers come from these backgrounds.

RGSC/21/18 Estates Strategy

Decision

The Committee defers consideration of this report to its meeting in May or June 2021 in order for the report to be updated with more up to date information to enable a well-informed discussion.

[Councillor Wright declared a personal and prejudicial interest in this item as she is a member of the Executive of Manchester Trades Union Council which is presently pursuing a Community Asset Transfer from the Council and left the meeting before the consideration of this item.]

RGSC/21/19 Post transfer governance-Council Housing service

The Committee considered a report of the Director of Housing and Residential Growth, which provided a summary of the proposals for governance of the Housing service after it transferred from Northwards to the Council in July 2021.

Key points and themes of the report included:-

- Details of tenant engagement that had taken place, ensuring that there was a wider range of engagement with more diversity and proper representation;
- Consideration of the level of decision making that the proposed Housing Board should have;
- The proposal that once transferred, the housing management and maintenance service would be governed by elected members and tenants, building on existing tenant engagement processes;
- The Board's role and purpose, which would be similar to that of the Board of Northwards currently as it relates to housing functions, delivery and performance; and
- Timescales for formal implementation.

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

- It was requested that the six Elected Member positions on the proposed Board were appointed to from Councillors who had Northwards properties within their wards;
- There was concern that the proposed Board would not have direct operational responsibility for the housing service and essentially would be an advisory board;
- It was felt that the transition would need to be carefully managed so that tenants did not feel they were being ignored;
- It was suggested that the use of independent professional members on the Board, who could provide advice to tenants and Elected Members should be considered;
- There was a discussion about the merits of independent membership of housing boards, and concerns were raised about the potential for conflicts of interest to arise for Elected Members, particularly in the absence of independent members;
- There was concern that the proposed balance of the Board, with only four tenant representatives downplayed the tenants' voice and it was suggested that there should be an equal number of tenant seats on the Board to Elected Members;
- Confirmation was sought that meetings including all Councillors with Northward tenants in their wards would continue; and
- It was suggested that when the shadow board arrangements concluded, scrutiny should have an opportunity to review how effective it had been.

The Executive Member for Housing and Regeneration confirmed that the Elected Member positions on the proposed Board would be appointed to from Councillors who had Northwards properties within their wards. She added that a key priority over the last 12 months and also going forward would be ensuring tenants had a say and direct impact in the shaping of their service. Any structures would be developed in partnership with tenants through an independent organisation (Shelter) to ensure that they felt that their voice was being heard and listened to.

The Director of Housing and Residential Growth advised that part of the work programme being developed with Shelter would seek to increase the accreditation of the 26 Tenants and Residents Associations. A new Leaseholders Group would be created along with a Sheltered Housing Group and Editorial panel, to ensure all publications that were issued were tenant filtered and co-written.

The Leader commented that the proposals in the report had been discussed at a number of meetings and had been supported by Elected Members with Northwards tenants in their wards. He added that regardless of the membership the proposed Board would provide significant direction to how Northwards was managed. He commented that it would be appropriate to review the governance arrangements once the transitional phase had concluded.

The Executive Member for Housing and Regeneration agreed to consider the Committee's suggestion for the use of independent professional members on the Board as part of further deliberations with tenants, Elected Members and Shelter as to how this could be delivered. She added that regular meetings with Elected

Members with Northwards tenants in their wards would continue to take place and agreed that if the Committee wanted to review the effectiveness of the arrangements that were being put in place between now and July then a report could be provided to a future meeting

Decision

The Committee supports the creation of a Northwards Housing Board but in doing so asks the Executive Member for Housing and Regeneration to take on board the points raised around Independent Members on the Board by the Committee.

RGSC/21/20 Overview Report

The report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

It was noted that a small number of previous recommendations were still outstanding responses and that these were now getting on for being 12 months old. It was also noted that as this was the last meeting of the Municipal Year, the Chair would liaise with Officers in relation to the work programme for the Committee's first meeting in the new Municipal Year

Decisions

The Committee:-

- (1) Notes the report.
- (2) Requests that Officers look to provide responses to the outstanding recommendations at the earliest opportunity.
- (3) Agrees that the Chair liaises with Officers in relation to the work programme for the Committee's first meeting in the new Municipal Year.