

# LIVERPOOL CITY REGION COMBINED AUTHORITY

To: Liverpool City Region Employment and Skills Steering Group

Meeting: 25 November 2014

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

## REPORT OF THE CITY REGION EMPLOYMENT AND SKILLS TEAM CHARTER FOR JOBS AND SKILLS THROUGH PROCUREMENT

### 1. PURPOSE

- 1.1 The purpose of this report is to provide an update to the Employment and Skills Steering Group on the Charter for Jobs and Skills through Procurement signed up to by the six constituent local authorities and Merseytravel in May 2013 and propose a revised Charter for consideration.

### 2. RECOMMENDATIONS

- 2.1 The Employment and Skills Steering Group are recommended to:
- (a) Welcome the good work being done in the six constituent local authorities and Merseytravel on securing jobs and skills through procurement and including local business opportunities and social value;
  - (b) Note the key findings from the informal review and data collection work to date on the Charter;
  - (c) Review the next steps included at Section 6;
  - (d) Review the revised Charter as attached at Appendix Five; and
  - (e) Request that this informal review be finalised and submitted to the Employment and Skills Board for their consideration.

### 3. BACKGROUND

- 3.1 At its 10 May 2013 meeting the Employment and Skills Board submitted a Charter for Jobs and Skills through Procurement for adoption by the City Region Cabinet. The Charter was developed by procurement managers (through Merseyside Procurement Partnership, MPP for short) in conjunction with the Employment and Skills Steering Group and support from employer networks to ensure:

- procurement activity includes a focus on delivering jobs and skills
- local businesses are 'tender ready' and aware of the opportunities that become available

- work with businesses and promote the value of engaging to deliver the City Region's aspirations

3.2 The Charter sets out a number of goals and commitments and a four step approach to achieving them (see Appendix Three for details). Specific actions the group set itself for 2013-14 were:

- Make more suppliers aware of our opportunities.
- Share best practice in wider procurement matters in order to support employment and skills.
- Support and improve economic, social and environmental well-being in the region.
- Engage with the local business community to promote the procurement process.
- Signpost our suppliers to access support and funding that may be available to help them recruit and train their workforce.
- Promote and encourage sub-contracting and supply chain opportunities within the region, where appropriate.

3.3 At a performance management level, the MPP set out the following annual monitoring to the Employment and Skills Board:

- Measure the number of suppliers registered on the Chest
- Measure the number of opportunities published via the Chest
- Measure the number of businesses that we engage with and through what mechanism

#### **4. TERMS OF CURRENT REVIEW**

4.1 The purpose of the review is to ascertain the current position regarding the use of the Charter and more broadly how organisations are embedding the principles of securing wider social benefits (focused on jobs and skills) through procurement.

4.2 The review has been conducted by a secondee from the Local Enterprise Partnership (LEP). The methodology used combined:

- Desk based research of procurement documents/strategies published by the six constituent local authorities and Merseytravel
- Interviews with heads of procurement in each local authority who could field somebody to speak to the researcher during the time period (5, plus Merseytravel)
- A validation process following each interview, to enable the interviewee to check the accuracy of the interview transcript and supply/clarify data to demonstrate progress against the 3 measures listed in 3.3

4.3 This report will consider the key findings from the review, recommend a way forward and identify the timeline for this work.

## **5. KEY FINDINGS**

5.1 Feedback from the review indicated the following findings:

### **5.2 Charter**

- Although there were varying levels of awareness and formal adoption of the Charter, it is clear that the principles of the Charter have been embedded
- This embedding process has differed in each organisation, reflecting differing awareness, local circumstances and opportunities/challenges
- For example, Halton and Sefton have embedded the actual Charter document into their Corporate Procurement Strategy 2013-2016
- Beyond the 3 measures set out in the Charter, a number of organisations measure additional information at a corporate level e.g. contracts awarded to SMEs and percentage of local spend
- Some consultees were unclear how the Charter was being promoted or aligned to other strategies

### **5.3 Chest**

- All the six constituent local authorities and Merseytravel use the Chest, starting at different financial minimum threshold levels
- Different approaches have been adopted for use of Request For Quotation and Pre Qualification Questionnaires
- Generally the system is easy to use. It was recognised that the Chest will need to reflect new EU procurement changes (effective by 2015)
- Consultees were unaware of any feature on the Chest which enabled reports to be easily run off to capture the Charter measures
- The Chest is currently being re-procured
- The majority of consultees stated that they had previously conducted local business training and awareness sessions on how to use the Chest to tender
- Acknowledgement from some consultees that another series of business training and awareness events would be beneficial (especially given likely changes to the Chest)
- Some consultees have developed new business training and awareness events e.g. Liverpool Council have a one day Meet the Buyer each month where they set aside half an hour for each interested local business

### **5.4 Merseyside Procurement Partnership**

- The partnership hasn't met for some time and this was thought to be reflective of personnel and resource changes
- Some consultees identified that the different organisations were in different places in the procurement delivery spectrum
- However, there is still a range of collaborations taking place between different groups of members having signed up to the Charter
- There are also opportunities to access other collaboration frameworks e.g. Crown Commercial Services (including what was the Office for Government Commerce)

## 5.5 Social Value

The six constituent local authorities and Merseytravel are at different stages of developing corporate approaches to social value. Some consultees have developed a mix of the following:

- Social Value Outcomes Framework
- Social Value Charter
- Social Value Think Tank
- Social Value Policy / Statement
- Social Value Indicators
- Social Value Procurement Framework
- Fairness Charter

5.6 Examples of Best Practice collected as part of this review have been attached as Appendix Two.

## 6. NEXT STEPS

6.1 Based on the work so far, the following issues/actions would seem appropriate for consideration by the Employment and Skills Board:

- **Review the Charter to reflect the current progress made on adopting The Public Services (Social Value) Act 2012 by the six constituent local authorities and Merseytravel and incorporate other key City Region strategies.** The Charter is being re-drafted to reflect the Public Services (Social Value) Act 2012 and the need to have a wider impact on local supply and economic development: the revised proposal is attached as Appendix Five. It is proposed that the measures be broadened out to include additional measures for reporting from 2015-16. The procurement approach will be proportionate and pragmatic to what is being procured.
- **Clarify the contractual agreement in regard to the Chest and any potential to influence future reporting mechanisms to ensure that they are easy to use.** The Chest is currently being re-procured and is anticipated to be issued on 30<sup>th</sup> November. The draft specification is currently with the 46 members for consultation. Some of the items that are included in the new specification are:
  - a. A section on reporting, available from 2015/16.
  - b. The ability for a winning bidder to subcontract in the local area using the Chest (at no charge to them).
  - c. Ability for companies to identify if they are an SME or not (and companies will need to self update information).

In addition the LEP are currently drafting an Invitation to Tender for a Liverpool City Region (LCR) Local Business Opportunities Portal. The objective is to provide a single access system to support all businesses (public, private and the Third Sector) in Liverpool City Region to source new business opportunities and secure local supply chains via an online portal. This will link to existing portals such as The Chest and also to business support functions such as Advice Finder.

- **Gain an understanding of the future role and appetite for Merseyside Procurement Partnership to collaborate with others (include the Employment and Skills Board) on Jobs and Skills.** There is an appetite

to collaborate, which is being progressed with the Chief Executives through the Combined Authority Implementation Group.

- **Use partnership working at a City Region level to keep abreast of best practice in social value and procurement and how to evaluate and monitor this without undue burdens being placed on procurement functions.** There is an appetite to share case studies, both qualitative and quantitative. This should be via the collaboration route linked to the above.
- **Examining how to ensure procurement officials are aware of key City Region employment and skills strategies that can have a bearing on tender opportunities e.g. Liverpool City Region Skills for Growth including Apprenticeships and the Apprenticeship Hub.** Local linkages should be made between employment and skills and procurement teams. All LCR documentation to be more widely circulated to include procurement colleagues.

6.2 The Employment and Skills Steering Group are asked to consider the proposed actions set out in section 6.1.

## **7. RESOURCE IMPLICATIONS**

### **7.1 Financial**

There are no immediate financial implications associated with the recommendations in this report.

### **7.2 Human Resources**

There are no direct issues as a result of the recommendations set out within this report.

### **7.3 Physical Assets**

The recommendations within this report have no bearing upon any land/buildings/other physical assets owned by the Combined Authority or its constituent Councils.

### **7.4 Information Technology**

The recommendations in this report will not have any direct impact upon the use of IT, or need for IT support.

## **8. RISKS AND MITIGATION**

8.1 There is a risk that partners do not feel consistently engaged with the Charter and that it could lead to duplication of activity/reporting. This will need to be mitigated by ensuring that no undue burdens are placed on Charter members and that the relevant officers perceive value from the Charter being in place.

## **9. EQUALITY AND DIVERSITY IMPLICATIONS**

9.1 There are no direct issues as a result of the recommendations set out within this report.

## **10. COMMUNICATION ISSUES**

- 10.1 It is clear that further internal communications work is needed amongst key stakeholders within the Combined Authority and its constituent Councils to ensure that people are aware of the Charter and buy-in to this approach.

## **11. CONCLUSION**

- 11.1 The purpose of this report is to provide an update to the Employment and Skills Board on its review and propose a way forward.

### **Previous reports to Employment and Skills Steering Group**

Charter for Jobs and Skills through Procurement,

### **Contact Officers:**

Rob Tabb, Knowsley Council (0151 443 3054)

Claire Cottingham, Liverpool City Region LEP (0151 237 3955)

### **Appendices:**

Appendix One - Progress against measures set out in the Charter

Appendix Two - Examples of Best Practice

Appendix Three - The current Charter for Jobs and Skills through Procurement

Appendix Four - Notes of task and finish group held on 4 November 2014

Appendix Five - Proposed Charter for Social Value through Procurement

## Appendix One – Progress against measures set out in the Charter

Measure	Merseytravel	Halton Council	Liverpool City Council	Knowsley Council	Sefton Council	St Helens Council	Wirral Council
<b>Measure the number of suppliers registered on the Chest</b>	Awaiting Data	Up to July 2014: 818  (279 to 650 from July 2010 to May 2013, Oct 749, March 2014 787)	Back to April 2014  8500	Awaiting Data	Up to October 2014  645	Awaiting Data	6930
<b>Measure the number opportunities published via the Chest</b>	April 2013 – March 2014  RFQ 36 ITTs 31 PQQs 30	Apr - July 2014: 16 ITT 10 PQQ 44 RFQ  (Apr 2013 – Mar 2014 is 32 ITT, 17 PQQ and 207 RFQ)  RFQ Activity as at May 2013: 50 – as at Oct 2013: 119 - as at Mar 14: 234  RFQ Awards as at May 2013: 22 – as at Oct 2013: 46 - as at Mar 14: 123	In the last 12 months (low and high value)  RFQ 148 PQQ 7 ITT 32	April 2013 – March 2014  RFQ 201 ITTs 19 PQQs 4	April 2013 – March 2014  PQQ's 5 RFQ's 55 ITT's 29	2014 43 to date since January  2013 50  2012 46  2011 24  2010 15  2009 4	2013 /14 : 176

Measure	Merseytravel	Halton Council	Liverpool City Council	Knowsley Council	Sefton Council	St Helens Council	Wirral Council
<b>Measure the number of businesses that we engage with and through what mechanism</b>	Awaiting Data	<p>(From November 2010 to May 2013 400+ businesses attended Procurement workshops)  Target May 14 (SME's and CV Sector):</p> <ul style="list-style-type: none"> <li>• Increase number of events/attendance - %</li> <li>• Increase Chest Registration - %</li> <li>• Increase procurement activity - %</li> <li>• Increase award of contracts - %</li> </ul> <p>May 15 &amp; 16: review improvement and set new targets</p> <p>As part of our Procurement strategy we will report on these biannually to members</p> <ul style="list-style-type: none"> <li>• Lorraine Cox did sessions with businesses on "New Ways of doing business with Halton" in 2011 on the council procurement rule/ process changes and use of the Chest.</li> </ul>	Run a variety of meetings including meet the buyer sessions every month, which results in engaging with hundreds of suppliers (actual number not known).	<p>1 How to Tender for Knowsley event - Tues 20th May 2014 am or pm session</p> <p>2 Meet the Buyer events</p> <ul style="list-style-type: none"> <li>- 15th October 2013</li> <li>- 16th October 2013</li> </ul> <p>Opportunity to inform local businesses of improved opportunities to quote/tender for KMBC business. Businesses also be informed of how they can register their company on the e-tendering portal "The Chest".</p>	<p><u>InvestSefton Tendering Workshops Programme: 2013-14:</u>  Sefton Council Specialist Transport Supplier Day (December 2013)  The Chest – PC based Training Session for Businesses (April 2013)  Workshop 1 - Should I Tender? (21 November)  Workshop 2 - Identifying Tender Opportunities (December 2013)  Workshop 3 - Writing Winning Tenders (January 2014)  Workshop 4 – Tendering for Public and Private Sector Contracts (July 2014)  Meet the Buyers : International Festival for Business: (July and August 2014)  Selling to the NHS (August 2014)  New Ways of Doing Business with Sefton Council (24 &amp; 25 September 2014)</p>	We have a number of Mechanisms i.e. Primarily the Chest, Then YPO via their contracts, CCS, Espo, Nepo, NHS contractual framework arrangements, our own approved lists for construction etc and the St Helens Chamber.	Businesswirral.com is an online inter-trading platform for Wirral-based organisations and currently has 3,100 members, representing 2,700 organisations that cover all sectors and size of business. The majority of members are SMEs.



Measure	Merseytravel	Halton Council	Liverpool City Council	Knowsley Council	Sefton Council	St Helens Council	Wirral Council
		<ul style="list-style-type: none"> <li>The Council are looking to do more training for businesses to use the Chest system</li> </ul>			<p><u>New Ways of Doing Business with Sefton Council</u> (25 November 2014)  <u>The Chest – PC based Training Session for Businesses</u> (December 2014)</p>		

## **Appendix Two - Examples of Best Practice**

### **Halton Council - The use of Voluntary Clauses to achieve Social Value through the Highways Term Maintenance Procurement Process Jointly Procured with Warrington Borough Council**

The contract delivers measurable social benefits. Targeted employment and training is included, delivering measurable employment apprenticeships and training opportunities both through the contract and via support for the local supply chain.

The question asked was: 'Halton and Warrington Councils would like to realise the potential for a contract of this type to add social value and community benefit and would like to establish a voluntary agreement and measure any benefit through the application of key performance indicators. What are your company's proposals for this contract in respect of the above?'

Scoring within the Quality section included:

- Proposals for Supply Chain Management and Engaging SME's – 4%
- Added Social Value and Community Benefits – 4%

The required standard stated: 'Tenderers proposals identify measures which indicate their approach to:

- Partnering with organisations such as The Halton Employment Partnership and Warrington Employment, Learning and Skills Partnership to address issues of worklessness, and the development of construction skills in the workforce
- Interaction with schools, colleges and training providers to provide work experience, work placements and training opportunities
- The promotion of trade apprenticeships and training opportunities for adults, school leavers, and young people and their retention in employment following training
- The development of trade skills and ongoing training within existing workforce
- Measuring and reporting on the above issues'

### **Halton Council – Mersey Gateway**

Procurement of the new Mersey Gateway bridge included asking contractors how they will engage with Halton Employment Partnership (HEP). Each bidder handled it differently.

The preferred bidder (Merseylink) met HEP and ran bootcamps 'what would you like to see (not just the bridge)'. HEP were involved and able to influence what went into the bid (e.g. volunteering, timebank, suite of KPIs). Merseylink established an Employment and Skills Governance Board (ESGB) to oversee the progress of KPIs, which The Council sits on.

The ESGB reports into the main Merseylink Board, which reports through to the Council via the Mersey Gateway Crossings Board (separate Council Team). Merseylink also employ an Employment and Skills Coordinator to drive forward progress against the KPIs.

For example Merseylink have a KPI to run an annual cluster workshop to support SMEs in clustering for packages, which in their own right, they wouldn't be able to bid for due to the size of the packages. The first workshop for this is in October 2014. It will be a half day workshop and will bring in colleagues from ERDF Business support and other agencies to support capacity building within the SMEs.

The Council and HEP have supported Merseylink with their 2 Meet the Buyer events (23<sup>rd</sup> September 2013 and 22<sup>nd</sup> May 2014). The Council procurement team were there to help people register with the Chest.

### **Knowsley Council – Framework for the provision of tree and woodland maintenance works and tree related emergency incidents**

Social Value was included in the evaluation criteria at 5%. One of successful suppliers included:

- Opportunities for increased local employment: apprentices.
- Use strong links with the Construction Youth Trust (CYT) to establish a partnering programme which will specifically target local objectives and requirements.
- Work with Knowsley's existing network of learning providers to identify, engage and prepare young people to start their career journey.
- Honour any commitments to Not For Profit Organisations which have been made by the incumbent contractor and will work with you to align the solution with your aims and objectives.
- Through day-to-day operations, work with a range of third sector partners to help support disadvantaged groups and focus community support.
- The community charity Groundwork provides work experience opportunities for young people and supporting local community projects, particularly in disadvantaged areas. Using an existing relationship with Groundwork we will explore opportunities in Knowsley by supplementing and supporting their teams, working with the local communities, sharing technical knowledge and expertise with residents and up-skilling apprentices.
- Community Involvement Days: to support not-for-profit organisations or charities in the local community – specifically in the area of the environment, education or employment.

### **Liverpool City Council – Spot Buying**

Liverpool City Council (LCC) have developed a Spot Buying team who will focus on tender opportunities between £5k to £100k with the aim of driving social value by opening up lower value contract opportunities to consistent competition for local business by advertising all opportunities on the Chest and by holding other supplier engagement events such as Meet the Buyer, Supplier Workshops, International Federation of Business and many more. This gives our suppliers and potential suppliers the opportunity to showcase both their business and the Social Value(s) they can bring to the City.

All tender opportunities advertised via the Spot Buy team will highlight LCC's commitment to the Social Value Act and include a weighted question asking the bidders to articulate what Social Value they can bring to the City in line with the LCC priorities.

In recent months LCC have kept a log of all the tendering opportunities that have been advertised through the spot buying team and the 20 tenders sent out to market have resulted in over £230,000 worth of business being placed with SMEs from the Merseyside Area, notably the Refurbishment Works to 6th Floor Cunard Building, the provision of Official Festival Merchandise For Memories Of August 1914 & LIMF 2014 and the extended IDVA Service contract as described below.

The extended IDVA Service contract was won by Local Solutions (LS) a Social Enterprise that delivers services to people primarily across the North West of England and North Wales. Established in 1974, they have a proven track record of improving the quality of life for vulnerable and excluded people whilst promoting independence and building resilience.

All of their clients and clients families are treated with dignity and respect and the company has a diverse portfolio of services which all support social values and improve community cohesion. Services include Domestic Abuse support services, anti-bullying initiatives, carers support, mental health, training programmes, home insulation, fuel debt advice, Domiciliary care, money advice services, supporting young homeless people, outdoor pursuits, accommodation for homeless families.

Since 1999 the company have held 'Investors in People' accreditation, and have demonstrated commitment to maintaining this standard by providing training to both staff and volunteers in all of their projects. LS create job opportunities for local people and currently employ hundreds of staff members who live across Merseyside. The company will endeavour to recruit more from the region if successful with this tender.

Recently LS identified a gap in Domestic Abuse support for young people, in particular group based programmes which are currently accessed largely by over 25's. The DA team is delivering a highly successful group programme to empower young people aged between 16 and 24, whilst also developing their understanding of the impact of DA. The programme works on issues of self-esteem and personal development whilst addressing the clear damage that DA can cause to the individual and their children. The outcomes provided include raised awareness of the impact of domestic abuse as well as the ability to parent and make positive informed life choices. These will lead to improved physical and mental wellbeing for both service users and their children.

Always looking to improve and increase reach LS have devised and delivered a short pilot programme with offenders in Altcourse prison aimed at educating offenders who serve short sentences for perpetrating DA. Having found that no work is completed with such prisoners and recognising the natural correlation of recidivism in this area, the aim was to affect a reduction in re-offending for DA offences. It is then hoped that in turn this will also improve the quality of life for victims and their children once the perpetrator is released from custody. It is hoped that this programme can be rolled out in other prisons across Merseyside.

Further innovation can be demonstrated by the companies work in a recent research project, where they participated in an empirical research project with Liverpool John Moore's University on the victims of violent crimes and admissions through the NHS. An element of this looks at how a victim is progressed and safeguarded through Liverpool Royal Hospital. The aim will be to improve safeguarding and risk identification processes and reduce the risk to life for residents of Liverpool.

## **Sefton – Linking Procurement to Local Economic Development**

The recent changes to our procurement processes have aimed to engage with local businesses and suppliers to support our local economy:

- Four 'Doing Business with Sefton' events were held in September 2014, organised between InvestSefton and the Council's Central Procurement Unit.
- Two more are to be held after Sefton Economic Forum on 25<sup>th</sup> November at Aintree Conference Centre.

The events are designed to encourage local businesses to bid, particularly small and micro businesses. We are also raising awareness of the move to risk-based sourcing, which is less onerous for suppliers in terms of paperwork and process (tender threshold at £70k increased to £172K for goods and services). We have targeted iproc suppliers and Sefton businesses registered on the Chest, in addition to an e-blast to 1,700 Sefton companies.

In relation to public procurement, we are using some recent tendering opportunities to engage with Sefton businesses:

- Merseytravel have asked for assistance with promoting a broader supply base £250M+ framework of consultancy opportunities including Project Management, PR campaigning, Engineering and Safety Environment
- Halton Council has asked for assistance in promoting a £250M+ framework for Specialist Transport services to the Sefton transport operators we worked with on the Sefton framework
- InvestSefton and Sefton@Work advisors are following up businesses who attended the September Doing Business events. About half of the 84 delegates had not previously sought assistance with public procurement
- Two PC-based workshops are scheduled for 11 December, because 55 of the Doing Business delegates asked for training in how to use The Chest.

## **Appendix Three - The current Charter for Jobs and Skills through Procurement**

### **Charter for Jobs and Skills**

#### **Introduction**

Liverpool City Region Employment and Skills Steering Group have developed this charter in conjunction with the Merseyside Procurement Partnership (MPP). MPP is a collaborative approach to procurement across key public services within the Liverpool City Region and beyond, aimed at maximising value for money, ensuring quality and best practice: Halton Council, Knowsley Council, Liverpool City Council, Sefton Council, St Helens Council, Wirral Council, Merseytravel, Merseyside Fire and Rescue and Cheshire West and Chester Council make up the Procurement Partnership.

#### **Our Goals**

We recognise:

- That we share a common goal to support employment rates and workforce skills in our communities.
- The power of our procurement spend, together with that of other public sector organisations across the City Region, our contractors and their supply chains should be used to sustain and support employment and skills.

#### **Our Commitments**

We will aim to:

- Act in a coordinated and consistent manner using our collective buying power to secure employment and skills wherever they may be delivered across the Regional economy;
- Encourage other public sector bodies, our contractors and their supply chains in using their buying power to pursue these aims; and
- Work with employment and skills agencies, education institutions, training providers and our communities to enable people across the Liverpool City Region and beyond to maximise opportunities.

#### **Context**

We are committed to a broader four step approach adopted by the Liverpool City Region's Employment & Skills Board to maximise the positive impact made by public sector procurement on the City Region's economy:

To support these steps we will:

- Share best practice in wider procurement matters in order to support employment and skills.
- Take steps to ensure that we maximise opportunities for the Region's suppliers to access and bid for our opportunities, including SMEs and social enterprises.
- Consider where and how procurement activities will support and improve economic, social and environmental well-being within the region, whilst taking account of Procurement Contract Regulations.

- Engage with the local business community to promote the procurement process within our organisations and learn from such engagement.
- Assist LCR Employment & Skills Group to signpost our suppliers to access support and funding that may be available to help them recruit and train their workforce, including apprenticeships and work experience.
- Promote and encourage sub-contracting and supply chain opportunities within the Region where appropriate.

### **Specific actions 2013-14**

- Make more suppliers aware of our opportunities.
- Share best practice in wider procurement matters in order to support employment and skills.
- Support and improve economic, social and environmental well-being within the region.
- Engage with the local business community to promote the procurement process.
- Signpost our suppliers to access support and funding that may be available to help them recruit and train their workforce.
- Promote and encourage sub-contracting and supply chain opportunities within the Region where appropriate.

### **Measures**

- Measure the number of suppliers registered on the Chest.
- Measure the number opportunities published via the Chest.
- Measure the number of businesses that we engage with and through what mechanism.

## Appendix Four

### **Task and Finish Group - Notes from the meeting of 4<sup>th</sup> November 2014 re: Charter for Jobs and Skills next steps**

Attendees: Rob Tabb (RT) - Employment and Skills Team, Knowsley Council  
Claire Cottingham (CC) - Special Projects Advisor, Liverpool City Region LEP  
Stuart Davies (SD) - Commercial Procurement Unit Liverpool City Council  
Andrea Watts (AW) – Head of Governance and Civic Services, Sefton Council  
Mark Long (ML) – Head of Economy and Tourism, Sefton Council  
Elaine Robert-Smith (ERS) – Procurement team, Halton Council  
Robert Banks (RB) - Head of Procurement, St. Helens Council

#### **Context:**

- RT set the context as to how and why the Charter for Jobs and Skills through Procurement was implemented.
- The Charter took 12 months to develop and pre-dates the Public Services (Social Value) Act 2012 and the aim is now to combine elements of both them in a new Charter.

#### **Overview of the recent review:**

- CC gave an overview of the main points from the recent review of the Charter for Jobs and Skills through Procurement.
- The report focused on items relating to the Charter rather than what is happening with social value.
- There was different awareness of the Charter from embedding in procurement strategy to no awareness. Even if there was no awareness it is clear that the principles of the Charter have been embedded into procurement strategies. The Charter influenced the way in which St Helens now procure.
- Lack of capacity to drive the implementation of Charter.
- The Chest was not able to provide data easily to support the 3 measures in the Charter. Colleagues felt influencing the re-procurement of the Chest to address this would be advantageous.
- There was a range of best practice examples shared and some promoted in the report that went to the Employment and Skills Steering Group on 9<sup>th</sup> October 2014.
- The next steps identified for this group to consider are:
  1. Review the Charter to reflect the current progress made on adopting The Public Services (Social Value) Act 2012 by the six constituent local authorities and Merseytravel and incorporate other key City Region strategies.
  2. Clarify the contractual agreement in regard to the Chest and any potential to influence future reporting mechanisms to ensure that they are easy to use.
  3. Gain an understanding of the future role and appetite for Merseyside Procurement Partnership to collaborate with others (include the Employment and Skills Board) on Jobs and Skills.
  4. Use partnership working at a City Region level to keep abreast of best practice in social value and procurement and how to evaluate and monitor this without undue burdens being placed on procurement functions.
  5. Examining how to ensure procurement officials are aware of key City Region employment and skills strategies that can have a bearing on tender opportunities e.g. Liverpool City Region Skills for Growth including Apprenticeships and the Apprenticeship Hub.

#### **Action 1 - Review of the Charter:**

- The Charter is now in the Sefton Procurement Strategy signed off by Cabinet.
- The principles of Charter are now in St Helens Procurement Strategy, signed off.
- How do we maximise the impact of the harder edge tools to generate jobs and skills?
- Not asking for enough from a contractor's perspective e.g. workforce development, community engagement.
- Need to have wider impact of local supply and economic development.



- Balance of extending advantages as opposed to increasing expectations on contractors - a proportionate response.
- Definition of local may vary - businesses in Liverpool City Region whereas residents into work may be much more local.
- There may be issues in being able to report local expenditure if spend is attributed to a Head Office outside of the region but delivered through a local office.
- We don't have everything we need in the City Region, so will need to do externally.
- Jobs and skills outcomes to be proportionate, pragmatic and be different i.e. which are the most appropriate to the contract.
- Review conflicting issues on cost, outcomes and wider delivery.
- Pick up examples of jobs and skills.
- Metrics: pick up widening of reporting from 15/16 – RT to circulate examples previously considered
- Consider rather than promote

### **Action 2 - The Chest:**

- RB is on the Steering Group for procurement of the new Chest.
- The specification for the new Chest is anticipated to be issued on 30<sup>th</sup> November (it is currently with the 46 members who use it for consultation).
- SD to pick up with RB on Liverpool involvement in the re-procurement
- Some of the items discussed that are included in the new specification:
  - A section on reporting, available from 2015/16.
  - The ability for a winning bidder to subcontract in the local area using the Chest (at no charge to them)
  - Ability for companies to identify if they are an SME or not (and companies will need to self update information)
- The RSL's have their own portals.
- The LEP are currently exploring options for a single access to contracting opportunities across Liverpool City Region. They have had a presentation from the company that runs 'Find it in ....' which might help with contractors to secure local supply chains. Stuart to pick up NWDA work on landing page and circulate.
- Advicefinder and Growth Hub can support businesses to be ready.

### **Action 3 - Collaboration:**

- Halton and Sefton alignment of activity with linked CPRs.
- MPP needs to be strategic - drafted MoU amongst all Councils.
- AW and RT to pick up with Chief Executives through the Combined Authority.

### **Action 4 - Best Practice:**

- Capture case studies - qualitative rather than quantitative.

### **Action 5 - LCR strategies:**

- Local linkages between employment and skills and procurement
- City Region documentation to be more widely circulated to include procurement colleagues.

### **Next Steps:**

- CC and RT to summarise meeting notes
- Output of this group to be taken to the next Employment and Skills Steering Group on 25<sup>th</sup> November 2014 then to the Employment and Skills Board in December. Colleagues will have the opportunity to review all associated documents.

### **Actions:**

- AW to send through case study of best practice to Claire.
- Stuart to pick up NWDA work on landing page.
- SD to pick up with RB on Liverpool involvement in the re-procurement of the Chest.
- RT to circulate additional example measures previously discussed.

# Appendix Five

## Proposed Charter for Social Value through Procurement

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### Introduction

Liverpool City Region Employment and Skills Steering Group have developed and refreshed this charter in conjunction with employment, skills and procurement colleagues across the Liverpool City Region.

### Our Goals

We recognise:

- That we share a common goal to support the local economy and social value through:
  - Employment rates;
  - Workforce skills; and
  - Local supply chains in our communities.
- The power of our procurement spend, together with that of other public sector organisations across the City Region, our contractors and their supply chains should be used to sustain and support employment and skills.

### Our Commitments

We will aim to:

- Act in a coordinated and consistent manner using our collective buying power to secure employment and skills and local supply chains wherever they may be delivered across the Regional economy;
- Encourage other public sector bodies, our contractors and their supply chains in using their buying power to pursue these aims; and
- Work with employment and skills agencies, education institutions, training providers, business support agencies and our communities to enable people across the Liverpool City Region to maximise opportunities.

### Context

We are committed to a broader four step approach adopted by the Liverpool City Region's Employment and Skills Board to maximise the positive impact made by public sector procurement on the City Region's economy:

To support these steps we will:

- Share best practice in wider procurement matters in order to support employment and skills.
- Take steps to ensure that we maximise opportunities for the Region's suppliers to access and bid for our opportunities, including SMEs and social enterprises.

# Appendix Five

## Proposed Charter for Social Value through Procurement

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- Consider where and how procurement activities will support and improve economic, social and environmental well-being within the region, in a proportionate and pragmatic way, whilst taking account of Procurement Contract Regulations.
- Engage with the local business community to promote the procurement process within our organisations and learn from such engagement.
- Assist LCR Employment and Skills Group to signpost our suppliers to access support and funding that may be available to help them recruit and train their workforce, including apprenticeships and work experience.
- Promote and encourage sub-contracting and supply chain opportunities within the Region where appropriate.

### Specific actions 2015-16

- Make more suppliers aware of our opportunities.
- Share best practice in wider procurement matters in order to support employment and skills.
- Support and improve economic, social and environmental well-being within the region.
- Engage with the local business community to promote the procurement process.
- Signpost our suppliers to access support and funding that may be available to help them recruit and train their workforce.
- Promote and encourage sub-contracting and supply chain opportunities within the Region where appropriate.
- Support and encourage our contractors and companies in their supply chains to structure, describe and advertise vacancies in such a manner as to maximise their accessibility to our communities, with particular emphasis on target groups.
- Encourage and support our contractors and companies in their supply chains to maximise apprenticeship and work experience opportunities and their accessibility to relevant groups within our communities.
- Report on the measures in this Charter on an annual basis.

### Measures

- Measure the number of suppliers registered on the Chest.
- Measure the number of opportunities published via the Chest.
- Measure the number of businesses that we engage with and through what mechanism.
- Measure the percentage of contracts awarded to wholly or partially Liverpool City Region based companies.
- Measure the percentage of contracts awarded to SMEs or social enterprises.
- Measure the percentage of contract value awarded to SMEs or social enterprises.
- Measure the number of new apprenticeships created.
- Measure the number of new work experience opportunities offered.