

Policy and Development Committee		Agenda Item: 4
Meeting Date	19 th November 2014	
Report Title	Local First Policy	
Cabinet Member	Cabinet Member for Localism, Sport, Heritage & Culture	
SMT Lead	Pete Raine	
Head of Service	Emma Wiggins	
Lead Officer	Lorna Wyrill	
Key Decision	Yes	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	The Committee is asked to consider the report and recommend any changes to the Policy that it wishes the Cabinet Member to consider	

1. Purpose of Report and Executive Summary

- 1.1 This report sets out details of progress made to date to implement the council's Local First Policy Action Plan.

2. Background

- 2.1 Swale Borough Council has implemented the Policy to build our concept of 'Local First'. It aims to maximise the proportion of Council spend that is retained locally and deliver social value in the Swale BC area. Our commitment started with our local prospectus of services, launched in 2012, which set out the services which other organisations might be interested in taking on responsibility for - providing local services to residents on behalf of the council.
- 2.2 The Policy goes further, and has been developed to support local businesses, Town and Parish Councils (TPCs), and the Voluntary and Community (VCS) sector in bidding for contracts and in growing the number of sustainable jobs and training opportunities offered to local people through the contracts awarded by the council.
- 2.3 Progress to date is shown in Table One.

Progress to date and options for improvement

A full outline of everything that has been delivered so far is highlighted in the Local First Action Plan. Below is each of the strategies priorities, the achievements so far, plans for the future, aligning performance indicators and any recommendations put forward for the Committee to consider.

Table 1

1. Communication of this policy to staff and wider stakeholders	
Achievements	<ul style="list-style-type: none"> • Policy communicated via intranet and staff briefings • Local First posters distributed Nov 2014 as reminder.
Future plans	<ul style="list-style-type: none"> • Continued promotion via staff intranet
Performance indicators	<ul style="list-style-type: none"> • Procurement Performance Indicators for 2014/2015 showing proportion of spend retained in borough will be analysed in April 2015 against previous year figures to be assessed for an increase in local spend
Recommendations	The action remains a priority so recommend no change
2. The social value contributions Table 1 to be included in invitation to tender documents issued by the council	
Achievements	<ul style="list-style-type: none"> • Procurement documents have Table One included
Future plans	<ul style="list-style-type: none"> • Ensure tenderers aware that we are looking for social value for Swale not necessarily for their local area (if they are not a Swale-based provider)
Performance indicators	<ul style="list-style-type: none"> • Deliver 'Future Plans' by November 2015
Recommendations	The action remains a priority so recommend no change
3. Social value contributions scored as part of tender assessment	
Achievements	<ul style="list-style-type: none"> • This is now part of the assessment criteria of tenders, with 20% of the qualitative assessment explicitly for social value.
Future Plans	<ul style="list-style-type: none"> • Monitor procurement to ensure application of social value in assessment scoring; impact at current level of value within overall tender assessment and review social value achieved but continue to

	monitor procurements are including 20% social value in tenders.
Performance indicators	<ul style="list-style-type: none"> 100% of procurements applying 20% social value scores within qualitative assessment.
Recommendations	This action has been achieved
4. Guiding principles of our expectations of a business plan which will be proportionate to the level of council investment	
Achievements	<ul style="list-style-type: none"> Business plan guidance for staff is available http://archive.swale.gov.uk/assets/Strategies-Plans-and-Policies-2014/Business-Plan-Guidance.pdf
Future Plans	<ul style="list-style-type: none"> Organisations to be signposted to 'Swale Means Business' website which can provide additional support
Performance indicators	<ul style="list-style-type: none"> Signposting will be delivered from 25th November 2014, the date of website launch and we will continue to signpost through content marketing, as appropriate
Recommendations	<ul style="list-style-type: none"> This action has been achieved
5. Scoring matrix to ensure a consistent and transparent assessment of business plans	
Achievements	<ul style="list-style-type: none"> This is part of the above guidance
Future plans	
Performance indicators	
Recommendations	The action has been achieved
6. Run training and briefing sessions in conjunction with Swale CVS and Kent Invicta for SMEs, T&PCs and VCS organisations interested in future tendering opportunities	
Achievements	<ul style="list-style-type: none"> Sessions have been offered to SMEs, T&PCs and VCS for general business planning
Future plans	<ul style="list-style-type: none"> Delivering specific SBC tendering workshop Jan 2015 Reviewing business support service for re-tendering in 2015, to align with proposed Kent Growth Hub. Business planning to remain a core feature of service
Performance indicators	<ul style="list-style-type: none"> Total number of individuals organisations provided with general business planning support by Kent Invicta for 12 month period is 254. This equates to 85% of annual target achieved.
Recommendations	The action remains a priority so recommend no change.
7. Provide officer support to organisations submitting business plans	

Achievements	<ul style="list-style-type: none"> • SBC officers continue to provide support to organisations that seek advice. This has included Minster PC, Queenborough Harbour Trust, Quinton Hall • Capacity building toolkit includes business planning information for officers to share
Future Plans	<ul style="list-style-type: none"> • Continued promotional campaign for business support using out-of-home media and social media. • Provide bespoke information pages on procurement section of SBC website for Localism Act, to include information on social value, support and capacity building toolkit. This will signpost organisations to help available. • Ensure Council Procurement pages clearly highlight support offered • See Croydon's 'How to tender for council services and supplies' - www.croydon.gov.uk/business/tenders/htcss
Performance indicators	<ul style="list-style-type: none"> • PI's = 5 new organisations to be supported. • Suggest on procurement pages that orgs follow a direct link to contact us/access help so we can ensure those organisations seeking help to bid are on our radar for evaluating PI's.
Recommendations	<ul style="list-style-type: none"> • The action remains a priority so recommend no change
8. Develop bespoke support to those groups we are working with to deliver/ run services	
Achievements	<ul style="list-style-type: none"> • SBC officers continue to provide support to organisations that seek advice.
Future Plans	<ul style="list-style-type: none"> • Capacity building toolkit being pulled together, which will provide help and advice for officers to share
Performance indicators	<ul style="list-style-type: none"> • Toolkit to be delivered/completed by Jan 2015
Recommendations	<ul style="list-style-type: none"> • The action remains a priority so recommend no change
9. Deliver a programme of capacity-building advice/support based on need e.g. articulating social value, forming consortiums, business planning, governance, trustee recruitment	
Achievements	<ul style="list-style-type: none"> • Community Services Officer organised a Funding Fair July 2014. There were 76 delegates in attendance from the voluntary and community sector, 19 grant finder searches were conducted and 14 new members added to the Swale Community Empowerment Network (SCEN)

Future plans	<ul style="list-style-type: none"> Swale Trustee Network event taking place in November – workshops planned in order to upskill existing trustees and information for prospective trustees. This is linked to capacity building and developing to enable contract supply by local VCS and TPC's
Performance indicators	<ul style="list-style-type: none"> Capacity building programme implemented by Nov 2015
Recommendations	<ul style="list-style-type: none"> The action remains a priority so recommend no change
10. Deliver business support through a contract with Kent Invicta	
Achievements	<ul style="list-style-type: none"> Business support contract being delivered
Future plans	<ul style="list-style-type: none"> Continual Monitoring of programme to ensure suitability to target audiences. Continue with increased promotion of the service which has in the past 6 months resulted in a clear increase in uptake of the support offered. Reviewing business support service for re-tendering in 2015, to align with proposed Kent Growth Hub. Business planning to remain a core feature of service Continue with increased promotional activity. Re-tender service
Performance indicators	<ul style="list-style-type: none"> Continued analysis of delivery to ensure targets are met. In the last 12 month period, a total of 254 appointments for Swale-based businesses (pre-start and existing) have been delivered by Kent Invicta Chamber. These are a combination of the 'Starting in Business' full-day workshop attendance and individual one-to-one sessions. The target for a 12 month period was 296, concluding that an 85% target fulfilment was met.
Recommendations	<ul style="list-style-type: none"> The action remains a priority so recommend no change
11. Data collection to build a baseline of social value contributions included in existing council contracts	
Achievements	<ul style="list-style-type: none"> Data has been collected on a total of 30 contracts awarded. Although none of these demonstrated delivery of new jobs and/or training/apprenticeship opportunities, the council spend can be apportioned against maintaining existing employment in borough for each of those contracts. This would be calculated using the following formula: <i>(total of SBC spend ÷ annual turnover) x number of full-time staff</i> Applying this formula to procurement reporting or the full year 2013/2014 we were able to deduce that 166 jobs are supported by SBC spend in the borough. This will be used as an annual baseline going forward and we will assess 2014/2015 procurement activity against this, where we expect to see this

	<p>increased.</p> <ul style="list-style-type: none"> • Staff awareness of social value in procurement may help to secure these aims • The proportion of the council's overall spend which is currently retained locally varies according to the methodology used to perform the calculation, ranging from 19% to 50%. Work is currently ongoing to agree a definitive methodology to ensure rigorous data quality and robust comparability in future, which should be complete by the new calendar year.
Future Plans	<ul style="list-style-type: none"> • Further, more detailed reporting on proportion of procurement sourced at the local level
Performance indicators	<ul style="list-style-type: none"> • Procurement PI reports will continue to be utilised to analyse the proportion of local spend annually
Recommendations	<ul style="list-style-type: none"> • The action remains a priority so recommend no change
12. Include local labour clauses in appropriate Section 106 agreements monitor compliance of these clauses	
Achievements	<ul style="list-style-type: none"> • Discussions are underway with the Spirit of Sittingbourne consortium regarding local labour provision, subject to planning consents. • Subject to planning permission, Airvolution Energy Ltd's wind turbine project on Sheppey will make a £23k p/a provision for funding offering grant assistance to young people wishing to enter an apprenticeship program who are restricted financially from doing so, to be managed through Swale Borough Council, working with partners
Future Plans	<ul style="list-style-type: none"> • Continue to input into pre-application discussions through development team process and liaison with case officers
Performance indicators	<ul style="list-style-type: none"> • Proportion of local labour used and number of apprenticeships secured in appropriate developments and subsequent occupation will be monitored as development commence and complete. Proportions and numbers vary depending on nature of development and the negotiations attached to individual s106 agreements and Unilateral Undertakings.
Recommendations	<ul style="list-style-type: none"> • The action remains a priority so recommend no change
13. Work with local employers to encourage corporate social responsibility policies and commitments	
Achievements	<ul style="list-style-type: none"> • Businesses encouraged at networking & procurement events to consider ensuring a robust CSR policy is place • Specific promotions around apprenticeships and work placements to local companies • Local business survey conducted in Autumn 2014 with c300 respondees. Question inserted on

	volunteering to identify companies engaged or prepared to engage,
Future Plans	<ul style="list-style-type: none"> • Follow-up with those companies indicating a preparedness to engage with volunteering • Continue to promote apprenticeships • Work with KCC to promote work placements to employers as part of future curriculum planning with local schools
Performance indicators	<ul style="list-style-type: none"> • No of work placements facilitated • No of companies promoting volunteering to workforce
Recommendations	The action remains a priority so recommend no change
14. Promote volunteering, by our own staff, the staff of other local organisations, and the community more generally	
Achievements	<ul style="list-style-type: none"> • Volunteering Event held March 2014 and another planned March 2015 • Volunteers' Week marketing campaign undertaken • Promote volunteering to staff by providing weekly local volunteering opportunities on staff intranet • Regular volunteering social media messages posted and stories shared • Promote through website etc • Our current volunteering rate is 21%
Future Plans	<ul style="list-style-type: none"> • Follow-up with those companies indicating a preparedness to engage with volunteering through business survey
Performance indicators	
Recommendations	The action remains a priority so recommend no change
15. Participation by staff in the council's community action day	
Achievements	<ul style="list-style-type: none"> • A total of 16 people have taken advantage of their community action day so far.
Future Plans	<ul style="list-style-type: none"> • Continued promotion of volunteering on the staff intranet
Performance indicators	<ul style="list-style-type: none"> • Original target of 5 staff participating has been achieved
Recommendations	<ul style="list-style-type: none"> • This action has been achieved

3. Proposal

- 3.1 The Committee is asked to consider the report and recommend any changes to the Policy that it wishes the Cabinet Member to consider

4. Alternative Options

- 4.1 Not to continue to progress the Local First Policy. This is not recommended as it will mean that the council does not embrace Localism or Open for Business priorities fully in its approach to commissioning and procuring. There will also be no principles by which the council can abide by to ensure it considers local first and supports local businesses, the VCS and TPCs in line with the Social Value Act 2012.

5. Consultation Undertaken or Proposed

- 5.1 The Policy and the social value measures within it went out for eight weeks consultation. It was also discussed at Policy Overview Committee (POC) on 4th September 2013 and on 17th October 2013 where the feedback was considered before the final strategy was agreed by Cabinet 6th November 2013.

6. Implications

Issue	Implications
Corporate Plan	The Policy addresses the priorities of embracing localism and open for business.
Financial, Resource and Property	Staff resources within the ECS team and wider council officers have been made available. The council has already set aside £250k for a local loan fund and £105,750 for local member community grant, both of which are available to local groups to support their aspirations. In addition, a £64,576 Localism Fund and £394,613 Regeneration Fund for 2013/14 are available internally. There may have been some income generation created by the local first approach stimulating local business growth, and business rate retention, but this is not quantifiable at this stage.
Legal and Statutory	The Policy takes account of Best Value duty, EU procurement rules, Public Contract Regulations 2006, and the Social Value Act 2012.
Health and Wellbeing	Promoting a stronger economy and the social value outcome can make a positive contribution to the well-being of residents in the Borough through, for instance supporting employment, generating new learning opportunities and providing access to volunteering.
Crime and	By encouraging a 'Big Society' communities are more cohesive and

Disorder	resilient and this can help to reduce crime and disorder.
Risk Management and Health and Safety	<p>There remains a risk that local businesses, VCS and TPCs still do not win competitive tenders even when this policy is implemented. The aim of this Policy was intended to even out the playing field and give them as fair an opportunity to compete as is permissible within the legislative framework that applies.</p> <p>There is a risk that staff do not adhere to this Policy and not think local first or involve local businesses, VCS and TPCs in the pre-procurement stages. Communicating this Policy as we have, linked to the launch of the Procurement Strategy has hopefully helped to promote it.</p>
Equality and Diversity	<p>By thinking and going local the council is giving a fair opportunity for local businesses, the VCS and TPCs to compete for tenders.</p> <p>A CIA has been undertaken. The conclusion was that there were no adverse impacts to implementing this Policy and positive impact to women and lower socio economic groups.</p>
Sustainability	Actions in the Policy, such as the business support programme, works to ensure support is given to ensure the sustainability of local businesses, the VCS and TPCs who work with the council to take on our services.

7 Appendices

None

8 Background Papers

8.1 Local First Policy