

SCRUTINY INITIATION DOCUMENT (SID)

Title of review:

Supporting Islington's communities through progressive procurement

Scrutiny Committee: Corporate Resources and Economy Scrutiny Committee

Director leading the review:

Caroline Wilson, Director of Inclusive Economy and Jobs

Lead officers:

Peter Horlock, Assistant Director – Procurement and Supply
Dionne Gay, Head of Strategic Programmes and Partnerships

Overall aim of the review: To review the council's Progressive Procurement strategy, evaluate its impact, and to enhance the application of social value in local communities and for businesses.

Objectives of the review:

1. To review the progress of the council's Progressive Procurement Strategy, how effective the council is in leveraging its purchasing power to achieve social value through procurement, and how the impact can be monitored and measured.
2. To consider the council's strategic approach to insourcing services, the circumstances in which insourcing may achieve best value in procurement, and how council services are supported to consider insourcing as an option.
3. To examine how progressive procurement can support the council in achieving its missions and strategic objectives, including the council's Challenging Inequality Strategy by promoting diversity in the council's supply chain.
4. To consider the opportunities to share best practice on progressive procurement beyond the council, and how the council can encourage this approach being embedded in other local institutions and organisations, to maximise the benefit to local people.
5. To examine the wider application of the social value model to the council's management of assets, and if there are opportunities to develop this further.
6. To assess how the council's procurement approach is making a difference to Islington's communities and the local economy.

How does this review contribute to the Council's priorities?

- This review will contribute to the council's mission: Community Wealth Building. The Islington Together 2030 Plan sets out the council's ambition that:
By 2030, there is a sustainable, inclusive, and locally-rooted economy in Islington, where wealth is shared fairly and residents and businesses feel they have a stake in their community.'

Scope of the review and evidence to be received:

The review will focus on the Council's Progressive Procurement Strategy, and how this strategic approach is being implemented across council departments, including:

- How opportunities for social value are identified and prioritised;
- The extent to which social value considerations are balanced and prioritised against other factors when commissioning services.
- How can social value be measured, any challenges associated with this, and opportunities for refining the council's approach.
- The social value outcomes of major procurement exercises, evaluating how successful these have been, and any lessons learned.
- Opportunities for the council to share its approach to progressive procurement through other local employers and institutions, including through pan-London procurement frameworks.
- The council's approach to insourcing, and how the council optimises its delivery including social value.
- The council's interventions to rebalance the economy through its purchasing power for Black and global majority owned businesses.

The Committee will receive the following evidence:

Meeting 1 – 30 July – Scoping the review

- Scope of review to be agreed through the SID
- Executive Member also due to present Inclusive Economy Annual Report

Meeting 2 – 12 September – Progress to date

- Slides to be presented by Executive Members and Officers on:
 - Progressive Procurement mid-term update
 - Social value – how is this measured, and what has been achieved to date?
 - Models of good practice on council contracts (e.g. GLL, Mitie)

Visit (October TBC): Evidence from an affordable workspace operator

- Committee Members to visit BetterSpace or Outlandish to see their work first-hand

Evidence session (October TBC): Learning from others

- Virtual evidence session to learn about innovative procurement models from elsewhere (e.g. Waltham Forest, Manchester, Westminster, NHS, Peabody, Anchor Institutions)

Meeting 3 – 5 November – Opportunities for developing our approach further

- Update on the Procurement Act
- Discussion on innovative approaches – considering the evidence received from others, what best practice could we adopt, and how could that apply in an Islington context?

Evidence session (late November TBC)

- Centre for Local Economic Strategies – Expert Witness – (virtual session)

Evidence session (late November TBC)

- Meeting with Commissioning Officers to set out the potential of social value in contracts (suggested attendees include the Inclusive Economy team, Digital Services, and Public Health).

Meeting 4 – 5 December – Deep dive on a particular service

- Focus on Adult Social Care homecare contract — social value ambitions, lessons learned, and what next?

Visit (January TBC)

- Meeting with Unison/Unite to discuss insourcing

Evidence session (February TBC)

- Evidence session with local enterprises focused on how they could be supported to become suppliers

Meeting 5 - 11 March – building on our approach outside of the council

- Anchor Institutions Network – how we are working to standardise social value asks
- Net Zero Incubator – enabling and procuring innovation

Written evidence – to be circulated late August

- Progressive Procurement Strategy
- Commissioning Framework
- Cabinet Office summary on Procurement Act

Review timetable (list specific meeting dates if possible)

1. SID to be agreed: 30 July 2024
2. Witness evidence to be received: July 2024 to March 2025
3. Draft recommendations to be considered: 3 April 2025
4. Report to be approved: May 2025
5. Report to be submitted to Executive: July 2025
6. Provisional date for Executive response: September 2025
7. Provisional date for 12 month update report back to the Committee: September 2026

Additional information:

In carrying out the review the committee will consider equalities implications and resident impacts identified by witnesses. The Executive is required to have due regard to these, and any other relevant implications, when responding to the review recommendations.