

SCRUTINY INITIATION DOCUMENT (SID)

Title of review:

Supporting Islington's communities through progressive procurement
(suggested title – to be confirmed)

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...

1. 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.
2. How can social value be measured, any challenges associated with this, and opportunities for refining the council's approach.
3. The social value outcomes of major procurement exercises, evaluating how successful these have been, and any lessons learned.
4. Opportunities for the council to share its approach to progressive procurement through other local employers and institutions, including through pan-London procurement frameworks.
5. The council's approach to insourcing, and how the council optimises its delivery including social value.
6. 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:

1. 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

2. Meeting 2 – 12 September – Progress to date

- Progressive Procurement mid-term update
- Social value – how is this measured, and what has been achieved to date?
- Evidence from an affordable workspace operator
- Evidence on models of good practice in employment on council contracts

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

- Innovative Procurement Models from elsewhere
- Centre for Local Economic Strategies – Expert Witness
- Evidence from Manchester City Council

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

- Focus on Adult Social Care – homecare contract

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

- Anchor Institutions Network – how we standardise social value asks
- Evidence on "meet the buyer" events – the views of local businesses

Suggested visits

- Affordable Workspace – BetterSpace (Farringdon Road)
- Evidence session with local businesses on how they can be supported to become suppliers
- Meeting with Unison/Unite to discuss insourcing
- Meeting with Commissioning Officers to discuss their experience of negotiating social value in contracts

Written evidence – to be confirmed

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.