



Cabinet
20 April 2020

**Report from the Strategic Director
of Customer and Digital Services**

Social Value and Ethical Policy

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	Two Appendix 1: Social Value & Ethical Policy Appendix 2: Social Value & Ethical Policy Delivery Plan
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Rajesh Shori Head of Procurement Email: Rajesh.Shori@brent.gov.uk Tel: 0208 937 1598

1.0 Purpose of the Report

- 1.1 To provide Cabinet with an updated Social Value and Ethical Policy that aligns the delivery of Social Value to the Borough Plan 2019 - 2023 by setting out the principles of how Social Value will be delivered. The policy also includes an Ethical Policy that sets out the standards of integrity and professionalism expected from the Council's suppliers in their dealings and practices.

2.0 Recommendations for Cabinet

- 2.1 Cabinet is asked to review and comment on the updated Social Value and Ethical Policy and deliver plan set out in appendix A & B.

3.0 Social Value

- 3.1 The Council wants to ensure Social Value, is integral in all its procurements, benefitting Brent's communities and embraced by all involved.

- 3.2 The new policy sets out how Procurement working with Employment Skills and Enterprise and Strategy and Partnerships departments, will reach out to Members, communities and local businesses, schools and colleges to draw up a list of Brent Social Value Commitments.
- 3.3 The Social Value Commitments will be aligned to Brent Council's strategic themes and support Brent's commitment to ensure social value also supports Community Wealth building and reviving local economies. Under each strategic theme the policy provides guidance on the types of areas we can increase the delivery of social value with the aim to continue building a repository of Brent Social Value Commitments, some examples are provided below:
- Strong Foundations – Number of community engagements / events delivered to improve outcomes in the community.
 - Every Opportunity to Succeed – Number of local jobs created, including focus on disadvantaged groups
 - A Future Built for Everyone, An Economy Fit for All – Number of SME's and third sector organisations that benefit from the procurement exercise.
 - A Cleaner, More Considerate Brent – We will strive for carbon neutrality by 2030 and have KPI's associated to this e.g. Miles of travel or transportation per year converted to zero or low emissions.
 - A Borough Where We Can All Feel Safe, Secure, Happy and Healthy – Support charities who encourage and enable increased physical and mental wellbeing.
- 3.4 To give focus to the implementation of their Social Value commitments suppliers will be encouraged to allocate a financial commitment they are willing to forego, if they do not deliver the social value they have contractually committed to delivering.
- 3.5 The Procurement Team will collate centrally Brent's Social Value commitments identified through the Council's procurements and provide support to the contract managers to ensure the delivery of the commitments.
- 3.6 In addition the Procurement Team will support annual reviews with key suppliers to ensure adherence of contract performance including delivery of social value.
- 3.7 The Procurement Team will also prepare reports on a monthly basis for the Commissioning and Procurement Board, quarterly for the Cabinet Member and annually for Cabinet with regard to delivery of the social value commitments.

4.0 Ethical Policy

- 4.1 The Council is committed to ensuring a high standard of ethical trade practices across its commissioning and procurement activities.
- 4.2 In accordance with this policy, the Council expects its suppliers, service providers and contractors to observe the policy's provisions and to demonstrate a similar commitment to an ongoing programme ethical practices locally and globally.

4.3 Below the key principles in the policy are identified along with one example highlighting the standards we are expect:

- Acting with integrity and transparency – procurement processes are conducted in a transparent way
- Working conditions are safe – workers shall receive regular and recorded health and safety training and such training shall be repeated for new and assigned workers.
- Good Health promoted – Invest in measures for tackling ill health as healthy employees experience a better quality of life and tend to be more productive.
- Employment is freely chosen – Afford employees the freedom to choose to work and not use forced, bonded or non-voluntary labour.
- No Prejudgement –Suppliers, service providers and contractors shall not unlawfully compile, use, sell or supply a prohibited list to deliberately or unfairly exclude some sub-contractors or workers.
- Working hours are not excessive – comply with national laws on employee working hours.
- Wages and Contracts - In accordance with council's aspirations and objectives we commend the adoption of the LLW to our suppliers.
- Regular employment is provided – Excessive use of zero hours contracts should be avoided and suppliers should work with us post award to ensure zero hours contracts are used only when clearly beneficial to both employer and employee.
- Training is provided – raise employee's skills through training and access to professional development as befits their role to improve quality and secure greater value for money.
- Mediation and disputes procedures for employees – Provide clear and accessible processes for resolving disputes with employees.
- No discrimination – In relation to age, disability, gender reassignment, marriage/civil partnership, pregnancy and maternity, race and religion or belief, sex and sexual orientation also to practice no discrimination in hiring, compensation, training, promotion, termination or retirement either directly or indirectly.
- Child labour is eliminated – Support the elimination of child labour. The course of action shall be in the best interest of the child and conform to the provisions of the International Labour Organisation (ILO).
- No inhuman treatment is allowed – Prohibit physical abuse or coercion, the threat of physical abuse, sexual or other harassment and verbal abuses and other forms of intimidation.
- Monitoring compliance with this code – Suppliers should inform Brent council about any concerns they have in applying the above principles. Additionally, they are encouraged to keep written records to demonstrate that their actions are fair and above reproach and where relevant they should report on progress and future planned activity if requested to do so by Brent Council
- Whistleblowing – Brent maintains a Whistleblowing Policy for all employees and suppliers. Our suppliers are encouraged to use these policies when appropriate and also to ensure an appropriate policy is in place in their own organisation.

5.0 Alternative Options Considered

5.1 Not applicable

6.0 Financial Implications

6.1 A change in policy that adds additional responsibilities within a tender process could add a financial burden on the supplier that would be passed on to the council, but this would be dependent on the specific contract and social value requirement.

7.0 Legal Implications

7.1 In January 2013 The Public Services (Social Value) Act 2012 (the 'Social Value Act') came into force. The Social Value Act requires the council, to consider how it can improve the economic, social and environmental well-being of its area through the procurement processes for services contracts subject to the Public Procurement Regulations 2015. The council is also required to consider whether it should consult on such issues.

7.2 Many local authorities have adopted a social value and ethical procurement policy that builds on the Social Value Act to include a requirement for the Council to consider how it can improve the economic, social and environmental well-being of its area through all council procurement and in turn to measure the benefits that this brings to its communities.

7.3 In adopting a social value and ethical procurement policy, the authority should be mindful of the need to ensure that such policy is flexible to ensure the authority only considers matters which are relevant to what is proposed to be procured and only consider those matters to the extent to which it is proportionate, in all the circumstances, to take them into account.

8.0 Equality Implications

8.1 Not applicable

9.0 Any Other Implications (HR, Property, Environmental Sustainability - where necessary)

9.1 Not applicable

10.0 Proposed Consultation with Ward Members and Stakeholders

10.1 Not applicable

Report sign off:

Peter Gadsdon

Strategic Director of Customer and Digital Services