

# Social Value and Ethical Procurement Policy

April 2020



# Foreword

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As we move into a new decade, Brent is in the midst of a renaissance and renewed transformation that will see us working and collaborating with an array of partners, businesses and voluntary community sector organisations to build a better Brent, and a brighter future for all.

This year we celebrate being the London Borough of Culture,

and just as we come together to share and celebrate our rich and diverse history, we collectively embrace the new and walk hand-in-hand into the ambitious future we are forging. These are the values that make Brent great, and the reason that it is one of the best places to live and work in the UK.

Just as our borough continues to grow and adapt, so too do our procurement principles, policies and practices; helping to ensure that every pound spent by Brent enables better outcomes for communities, residents and local businesses.

We are proud to have been an accredited London Living Wage employer through the Living Wage Foundation since November 2013 and offer other businesses in Brent a range of incentives to encourage them to become accredited London Living Wage employers too.

With expenditure of over £400M per year, Brent council are one of the largest buyers of goods and services in the borough. This presents us with a significant opportunity to ensure that we leverage our purchasing power to secure and deliver wider benefits for the borough of Brent and ensure those with whom we choose to do business reflect our values and standards. We want to see as much of Brent's money invested, in every sense of the word, in this borough.

To help us achieve this, we have developed a new Social Value and Ethical Procurement Policy that will both help to ensure our suppliers are committed to delivering wider social value in Brent but also that they uphold and promote our strong values.

This policy will enable us to effectively prioritise, target and monitor Social Value investments and ensure that Social Value is embedded in our procurements, delivered in our communities and embraced by all involved.



Cllr Margaret McLennan  
Deputy Leader, London Borough of Brent

# Introduction

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Social Value at Brent is about more than driving a hard bargain when procuring services – it is a statement of our principles. It is these same principles which underpin the council's vision and priorities. From committing to paying the London Living Wage, to our values of collaborative working that enables the council, its partners and businesses in Brent to create opportunities that enhance our communities and improve the lives of our residents. Brent's definition of Social Value through commissioning and procurement is:

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*“Outcomes and activities that will improve the quality of life & life chances of Brent's residents and enhance the sustainability of the local area”*

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Key enablers for this will be creating the necessary culture, conditions and processes to ensure that our supply chain contributes as much as possible to the overall wellbeing of our residents and that social value is included wherever possible as part of the procurement process. This means that all organisations and companies bidding for Brent contracts have to give social value serious consideration when putting tenders together.

Brent is firmly committed to social value and has joined the Co-Operative Councils' Innovation Network, a collaboration of 28 like-minded authorities, with a view to finding better ways of working for, and with, people to the benefit of their communities.



Social Value can help support Community wealth-building aims to revive local economies, renew trust in local services and deliver a renaissance of local government; by giving local businesses and local communities a bigger stake in the local economy.

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*“we want to see as much of Brent's money invested, in every sense of the word, in this borough”.*

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To enable and support this vision, we have developed a new Social Value and Ethical Procurement Policy which sets out how we will ensure that our local community is central to the way we purchase goods and services, demonstrating that small changes can have big impacts across the local economy.

# Introduction

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## Policy Context

On 31 January 2013, The Public Services (Social Value) Act 2012 (Act) came into force. The Act requires local authorities and other commissioners of public services to consider how their services benefit people living in the local community, including any economic, social and environmental benefits. Under the existing legislation, local authority procurers must consider how they can improve the social impact of their public service contracts before they start the procurement process. In particular, the Act states that:

*The authority must consider —*

*(a) how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area,*

*(b) how, in conducting the process of procurement, it might act with a view to securing that improvement.*

The Public Contracts Regulations 2015 expressly allow contracting authorities to incorporate social and environmental aspects into specifications, award criteria and contract conditions, where these are linked to the subject-matter of the contract, proportionate to what is being procured or provided, and will not result in unequal treatment of bidders. This needs to be of additional benefit to the local community over and above the goods, works, services themselves and in an addition to the contract.

## Borough Plan

Our vision for 2023 is to make Brent a borough of culture, empathy, and shared prosperity. A borough where people from different backgrounds feel at ease with one another, share in cultural opportunities and activities, and value the principles of fairness, equality, good citizenship and respect for people and place.

People will feel that they and their children are safe, cared for and able to achieve, and that they receive excellent services when they need them. Brent will be a great place to live and work, where business and enterprise prosper and local people have opportunities to change their lives for the better. The Borough Plan focuses on five themes:

- Strong foundations
- Every opportunity to succeed
- A future built for everyone, an economy fit for all
- A cleaner, more considerate Brent
- A borough where we can all feel safe, secure, happy and healthy

We will harness the opportunities presented through procurement and social value to help to deliver this vision and build a better Brent.



# Brent's Priorities and Social Value



# Strong Foundations

To achieve our goal of improving the satisfaction of residents with the way the council does things, we must think carefully and creatively about the best ways to obtain value for money from our suppliers.

The ability of residents and businesses in Brent to get online and access services through digital platforms will be an essential skill. Social value initiatives will provide opportunities for developing these digital skills with our residents as well as with businesses within the supply chain.

Understanding local needs, and working closely with residents and community organisations in the design and delivery of services and outcomes that address those needs are key principles of Brent's strong foundations. Through social value we will seek opportunities for co-design and community engagement and will also take every opportunity to maximise the number of Brent organisations that participate in the council's supply chain.

## Opportunities for social value include

- Training and Development around digital skills for residents and businesses; Initiatives to involve disengaged and underrepresented groups;
- Providing specialist training and support for Residents Associations and Voluntary Sector groups; Encouraging participation, collaboration and co-design: Engaging and encouraging user and employee involvement in service design and delivery;
- Engaging residents to support key initiatives in their local community;
- Working alongside residents and organisations in parts of Brent that are particularly disadvantaged, with a view of improving outcomes.



# Strong Foundations

## How we will measure social value impact

Some of the KPI's we will use to measure the impact of social value work undertaken will include:

- Number of digital skills courses provided or sponsored in the community for residents and businesses;
- Number of training courses provided for Residents Associations and Voluntary groups tied in specifically to their requirements;
- Number of community engagements events delivered to improve outcomes in the community;
- Number of workshops / events targeted at underrepresented and disengaged groups;
- Hours contributed toward supporting / financial commitment for sponsorship of community-led initiatives.



# Every opportunity to succeed

Education is crucial to helping people fulfil their potential and achieve their ambitions. Here in Brent, we are rightly proud of our early years' provision, the teaching and leadership in our schools and the further education opportunities available within the borough.

More generally we need to raise people's skills and formal qualifications, and improve the below-average employment level. Although the situation has improved, household income in Brent is the third lowest in London.

Our ambition is to create a borough where everybody has an opportunity to succeed and thrive; a place where they are able to realise aspirations of education, work and family. We will utilise social value initiatives to improve inclusion, equality and representation of groups currently underrepresented in further education and work.



## Opportunities for social value include

- Working with schools to ensure young people in Brent develop the skills and knowledge to succeed in the labour market;
- Work experience for school students; in particular, support for young people with complex needs, including; young offenders, care leavers and children with special educational needs and disabilities (SEND);
- Partnering or sponsoring schools, particularly in more disadvantaged areas, to provide award / reward schemes to recognise and celebrate achievement;
- Employment support and skills provision, including CV clinics and mock interview events as well as significantly increasing the take-up of apprenticeships;
- Ensure that residents can access affordable training and learning opportunities, so that they can secure and remain in employment and enhance their careers;
- Ensuring businesses in the supply chain encourage improved gender pay balance;
- Ensuring businesses in the supply chain encourage increased representation and in-work support for people with disabilities and mental health conditions in the workforce;
- Ensuring businesses in the supply chain encourage increased Black, Asian and Minority Ethnic (BAME) representation in the workforce.

# Every opportunity to succeed

## How we will measure social value impact

Some of the KPI's we will use to measure the impact of social value work undertaken will include:

- Number of CV / interview clinics provided;
- Number of work experience placements for young people;
- Number of events / hours spent providing skills / advice / guidance sessions for young people;
- Amount invested in school partnership / sponsorship schemes;
- Number of new local jobs created, including focus on disadvantaged groups (full time equivalent);
- Number of local apprenticeships / work experience opportunities (including focus on disadvantaged groups);
- Number of hours delivering or funding employment-focussed skills and learning opportunities.



# A future built for everyone, an economy fit for all

We have made huge strides in regenerating the borough, with thousands of new homes, hundreds of new jobs, and much-needed growth in our tax base, not to mention hundreds of millions of pounds spent in the local and regional economy.

We must now ensure we continue to build upon the inward investment in Brent, creating an attractive and prosperous place for businesses to operate and grow. Furthermore, in order to encourage more people to shop, work and travel to Brent we need to continue to improve our transport network as well as change behaviours around how people choose to travel. We will work with SME's to make sure they are best placed to bid for Brent Contracts.



## Opportunities for social value include

- Local investment from Contractors;
- Contributing a number of hours to local businesses, voluntary and community organisations for: business support, financial advice, legal advice, HR advice;
- Encouraging a diverse base of suppliers: Promoting supplier diversity; including the participation of SME's, Third sector organisations and local suppliers in general;
- Maximising opportunities for Brent organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area of Brent;
- Promoting and supporting travel that will reduce the burden on our roads and keep traffic moving;
- Service delivery models that would help ease the burden on our roads – particularly during peak travel times – such as better coordination and reductions in deliveries and vehicle movements.

# A future built for everyone, an economy fit for all

## How we will measure social value impact

Some of the KPI's we will use to measure the impact of social value work undertaken will include:

- Financial value of investment / support in the community;
- Number of events / hours provided for the community, businesses and voluntary organisations for financial, legal and HR advice;
- Number of volunteer hours provided by the supplier to be delivered within Brent;
- Amount of money to be spent locally within the Brent community;
- Number of local suppliers including SME's and third sector organisations;
- Proportion of work / services delivered outside of peak travel hours;
- Hours invested in delivering Mental Health and Wellbeing awareness and support training to SME and third sector organisations in Brent.



# A cleaner, more considerate Brent

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The environment is a major factor in the quality of life for our residents, who have identified clean streets, parks and trees, and collection of waste and recycling, as three of the top five priorities that they value the most in Brent. However, in common with much of London, the quality of our air is not as good as it could or should be.

Brent council will strive for carbon neutrality by 2030 after joining more than 260 other councils and the Mayor of London, in declaring a climate and ecological emergency.

The motion, which was passed unanimously by Full Council on 8 July 2019, aims to:

- Promote the importance of local biodiversity and natural habitats;
- Deliver reductions in carbon emissions by supporting renewable alternatives;
- Create a Carbon Offset Fund, to ensure that new developments fund projects that reduce toxic emissions elsewhere in the borough.

The council is committed to taking a systematic approach to tackling the climate emergency, focusing on the following environmental issues: carbon emissions reduction, warm homes, local resilience to the impacts of global heating, clean air, a circular economy, greener spaces and water conservation. Everyone in Brent has the ability to help do something to reduce their impact

on the environment and to make choices that support greater sustainability. Social value provides significant opportunities to deliver outcomes that will improve our environment; from the quality of air that we breath to making Brent the cleanest, greenest borough in London

## Opportunities for social value include

- Encouraging people to contribute to clean air in Brent by using alternatives to cars for those journeys where it makes sense, by prioritising more walking and cycling routes, promoting sustainable means of transport and the health benefits of being more active;
- Contributing toward increasing the number of trees and biodiverse, bee-friendly and sustainable planting on our streets, in our public spaces, and our award-winning parks;
- Promoting, encouraging and actively working to change behaviours around recycling and making sustainable choices;
- Helping with community clear up days gardening and food growing projects;
- Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, reduction of waste to landfill;
- Suppliers reviewing how best to deliver energy efficiency products to prevent fuel poverty for local residents.

# A cleaner, more considerate Brent

## How we will measure social value impact

Some of the KPI's we will use to measure the impact of social value work undertaken will include:

- No. of trees to be planted on our streets, in our public spaces and parks;
- Hours spent contributing to environmental events in the community, including; clear up days, planting, gardening and food growing projects;
- Hours / £ spent on promotion and education in Brent on sustainable living;
- Miles of travel or transportation per year converted to zero or low emissions within Brent;
- Reduction of waste sent to landfill / reduced packaging and increase in recycling rates;
- the amount of new green spaces created as part of the project or bought back into use as part of the project;
- Hours / £ spent on promotion and education in Brent encouraging more sustainable travel and help reduce traffic on Brent roads;
- Use of recycled / refurbished goods in contract delivery.



# A borough where we can all feel safe, secure, happy and healthy

Brent has a rich cultural history and heritage, and we were delighted to be awarded the title of London's 2020 Borough of Culture. We have ambitious plans to ensure that 2020 will bring Brent even closer together, with the benefits felt long afterwards, especially by young people.

Crime is falling in Brent, and residents are clear that safety is what they value most. However, we still have work to do to prevent crime and anti-social behaviour, as well as reducing the fear of crime.

It is vital for the council to support our most vulnerable residents - safeguarding children and young people and helping vulnerable adults to be independent at home.



## Opportunities for social value include

- Engaging residents to identify and support key initiatives in their local community;
- Working alongside residents and organisations in parts of Brent that are particularly disadvantaged, with a view of improving outcomes;
- Reducing isolation for older people – coordinating and running a befriending service;
- Supporting local culture and heritage including events sponsorship;
- Getting children and young people to be more active and reduce their sugar intake, in partnership with schools, the NHS, and the community;
- Promoting, supporting and raising awareness of good mental health and wellbeing for Brent residents Supporting adults to take up physical activity, including making use of improved facilities on offer in the borough, such as our leisure centres and the Gladstone Park tennis courts;
- Working with communities and voluntary sector to help tackle anti-social behaviour and serious youth violence;
- Supporting or developing initiatives to reduce crime.

# A borough where we can all feel safe, secure, happy and healthy

## How we will measure social value impact

Some of the KPI's we will use to measure the impact of social value work undertaken will include:

- Provision of facilities / resources, for use by the local and wider community which promote healthier lifestyles and community cohesion;
- Organise a number of social events for more isolated groups in Brent;
- Hours invested in community events and activities that promote, support and raise awareness of good mental health and wellbeing;
- Support charities who encourage and enable increased physical / mental wellbeing;
- Sponsor neighbourhood schemes to promote local culture and heritage events;
- Reduction in crime linked to social value initiatives.





Making it happen: delivery,  
reporting and governance



# Making it happen

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Using the above as a guide will help to shape the thinking about the different types of Social Value that would be of benefit to end users and the community.

We will work with our councillors and departments to reach out to the communities and local business, schools and colleges at least annually to draw up a local list of Brent Social Value Commitments which informs and supplements those set out in this policy.

The Brent 'Social Value Commitments' is a great way for the Council to align its Social Value to high priority issues in the local areas such as Brent Connects forums and our network of Community Hubs.

This list of Brent Social Value Commitments will be held by the Procurement Team and used, working with the Services, to understand what items within the list will be of additional benefit to the local community over and above the tendered services being procured. Supporting Brent's main priority of developing a localised approach to Social Value, as the best way to support the community and its residents in the long term.

## Delivering and reporting

The Social Value Delivery Plan will ensure all the key activities required to deliver Brent's social value objectives are clear and achievable.

In practice this Policy will be applied as follows:

- (i) Nationally, the Act applies to the procurement of Public Service contracts (not Works or Supplies contracts) above the EU thresholds for Services. But in Brent the council has agreed that as a minimum, all procurements over £100,000 in value will be required to include Social Value, provided it is deemed to be appropriate and proportionate to what is being procured. However, wherever possible to do so, procurements below this value should also seek to include social value benefits from contracts.
- (ii) The standard weighting for Social Value will be a minimum 10% of the overall evaluation score.
- (iii) Once a procurement exercise is concluded, the responsibility for ensuring the committed Social Value benefits are actually delivered will fall to those officers identified within the services responsible for contract management.
- (iv) All procurements for Social Value, will apply the strategic themes that the council are looking to deliver through its borough plan. Suppliers will set out under each strategic theme what Social Value they will be able to deliver. Where relevant alongside this the supplier will be asked to provide a monetary value that will be passed back to the council if that element of Social Value is not delivered. This monetary value will be allocated to the Social Value Fund and used to deliver social value projects and initiatives that meet our social value core priorities set out above.

# Making it happen

- (v) To ensure this, all procurements incorporating Social Value will have a monetary value applied by the Supplier to the Social Value they are looking to deliver. The monetary value of the Social Value shall be set at 10% of the contract value including any extension period, aligning to the 10% weighting.
- (vi) The Social Value will be scored and evaluated on the quality of the Social Value being provided weighed up against the financial compensation allocated. The evaluation will look to ensure the Supplier has demonstrated the impact and the outcomes of the Social Value commitment to the local community and how proportionate it is against the financial compensation they are willing to forego, if the Social Value commitments don't transpire during the period of their contract.
- (vii) Any financial compensation that is provided where the contracted Social Value commitments are not delivered will be allocated to the Social Value Fund. The council will aim to include in all our procurements the principles and measures set out above. But will remain flexible on how or if the monetary value is applied dependent on the type of Service we are procuring.
- The Lead Cabinet Member will receive a report on a quarterly basis of what Social Value has been committed to / and delivered across our procurements for that period.
- The Cabinet will receive an annual report detailing:
  - what social value has been delivered vs committed during the previous 12 months for all procurements in the period;
  - the list of social value commitments;
  - the monetary value of the Social Value Fund relating to those contracts where Social Value has not been delivered;
  - recommendations of which Social Value commitments should be supported by the Social Value Fund
- Member development sessions will be held during the year to monitor implementation and review progress.

## Governance and Monitoring

Brent Social Value Commitments, delivery and the Social Value Fund will be monitored by the Commissioning and Procurement board who meet on a monthly basis. In addition to this:

## Training and Review

Brent council will review its Social Value Policy on an annual basis coinciding with the annual report to Cabinet. In doing so, it will take account of any changes in legislation pertaining to the Public Services (Social Value Act) 2012, the Local Government Act 1999, EU Regulations and any changes to the Borough Plan. It will also set out the annual training plan to ensure Social Value continues to be embedded within the council.



# Ethical Procurement Policy

# Ethical Procurement Policy

## 1. Introduction

The council is committed to ensuring a high standard of ethical trade practices, across its commissioning and procurement activities. 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 ensuring and where necessary improving ethical practices locally and globally.

Brent council expects its suppliers to maintain high standards of integrity and professionalism in their dealing and practices, adhering to the laws of the countries where they operate. These are not normally included explicitly in the subject matter of the contracts as most are governed by employment law and as such are legal requirements which if breached would be grounds for excluding the supplier from further contracts for non-compliance.



## 2. Ethical Procurement Principles

### Acting with integrity and transparency

- Procurement processes are conducted in a transparent and honest way.
- There is transparency in spending public money.
- Suppliers have systems and processes in place to ensure high standards of correctness which makes sure public money is used for the purpose it is intended.

# Ethical Procurement Policy

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## Working Conditions are safe

- Operate appropriate health and safety policies and procedures overseen by a senior manager responsible for compliance and monitoring and ensuring employees have the necessary training and health and safety equipment.
- Provide hygienic working conditions with clean toilets and water suitable for drinking and washing.
- Adequate steps are taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training and such training shall be repeated for new and reassigned 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.



## 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.
- Provide clear, easily understood disciplinary, grievance and appeal procedures that are lawful and appropriate. Any disciplinary measures should be recorded and suppliers should not seek to deprive employees of their legal or contractual rights.

# Ethical Procurement Policy

## Wages and Contracts

- Provide wages and benefits at rates that meet at least national legal standards. Wages should be monetary and not in kind (e.g. goods, vouchers) with no deductions made unless permitted under national law of that country or agreed by the employee, without duress.
- Brent council has been a member of the London Living Wage Foundation since 2013 and supports the London Living Wage (LLW) in meeting many of its social, economic and environmental objectives, including:
  - Ensuring that wages in London can sustain families and individuals;
  - Attracting and retaining motivated employees, thereby reducing the impact of staff turnover;
  - Helping to underpin a thriving economy.
- In accordance with council's aspirations and objectives we commend the adoption of the LLW to our suppliers.
- Provide employees with an easy to read contract of employment clearly explaining wage levels and other benefits. Where employees are unable to read, the contract should be explained to them by a union representative or another appropriate third party.



## Regular employment is provided.

- To every extent possible work performed must be on the basis of recognised employment relationship through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through use of labour-only contracting, sub-contracting, or home working arrangements, nor shall any such obligations be avoided through the excessive use of fixed term contracts of employment.
- 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.

# Ethical Procurement Policy



## 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

- Provide clear and accessible processes for resolving disputes with employees.

## No discrimination, being inclusive and embracing diversity

- In relation to age, disability, gender reassignment, marriage/civil partnership, pregnancy and maternity, race and religion or belief, sex and sexual orientation, 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 taken shall be in the best interest of the child and conform to the provisions of the International Labour Organisation (ILO).
- 'Child' refers to any persons less than 15 years of age, unless local legislation on the minimum age stipulates a higher age shall apply as defined by the ILO.
- Ensure no children and young persons (over the age of a child, as defined above, but under the age of 18) are employed at night or in hazardous conditions, as defined by the ILO.



# Ethical Procurement Policy

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## Safeguarding employees – No inhuman treatment allowed

- Prohibit physical abuse or coercion, the threat of physical abuse, sexual or other harassment and verbal abuses 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.
- On an annual basis, we will invite a small number of suppliers to share good practice and case studies and identify initiatives for continuous improvement.

## 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

## Equality Act 2010

The Equality Act 2010 is designed to help tackle discrimination and inequality.

Under the Equality Act the Council has a “Public Sector Equality Duty” requiring it in exercise its functions to have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Public Sector Equality Duty will apply directly to council contractors where they exercise public functions under a contract on behalf of the Council. In all other cases, the Council will require contractors to comply with their own obligations under the Equality Act.



