

Cabinet

11 June 2014

Durham Social Value Taskforce Report



Report of Corporate Management Team

Ian Thompson, Corporate Director Regeneration and Economic Development

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Councillor Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

1. The purpose of this report is to inform Cabinet of the work of the Durham Social Value Taskforce, the first of its kind in the North East, and to recommend that the County Council approves the report and action plan produced by the Taskforce.

Background

2. In Summer 2013, Durham County Council and the Federation of Small Businesses (FSB) agreed to launch a Durham Social Value Taskforce to look at ways to help small businesses and social enterprises win more contract opportunities, whilst at the same time delivering better value to the local authority. Chaired by Councillor Neil Foster, Portfolio-holder for Economic Regeneration, it was agreed that the Taskforce would run from September 2013 to January 2014 to consider and recommend ways that the Public Services (Social Value) Act 2012 might be used to help grow the local economy.
3. The Social Value Act came into force in January 2013 and places a duty on public bodies to consider social value before procuring goods and services. This means that public bodies must consider how what is being procured can help improve the economic, social and environmental well-being of the area.
4. The County Council has already made good progress in helping businesses in the County to access contract opportunities. In 2012/13, 54.4% of the Council's spend was with County Durham suppliers, and 55.6% of this amount was paid to SMEs in the County (a total value of £286.6m spent in the local economy of which £159m was spent with SMEs).

5. Establishing the Durham Social Value Taskforce provided an opportunity to build upon the good work the Council has already done and to learn from best practice elsewhere in the country to further improve opportunities for businesses in County Durham.
6. As well as representatives from Corporate Procurement, Business Durham, Economic Development, and Children and Adults Service, the Taskforce also included representatives from the Federation of Small Businesses, NEPO, County Durham Economic Partnership, Social Enterprise UK, PwC and experts on social accounting.
7. A copy of the report produced by the Taskforce is attached as Appendix 2. The report, which includes a number of case studies (highlighted) summarises the progress that the County Council has made so far in implementing the Social Value Act, identifies key points from best practice elsewhere, and includes an action plan setting out what the Council will do next to further embed social value and improve opportunities for small businesses.
8. The recommendations in the report are as follows:
 - i) Durham County Council to approve the report and agree to the implementation of the action plan
 - ii) Durham County Council to share the report with members of the County Durham Partnership, and encourage other public bodies in the County to look at how their approach to social value can help to stimulate economic and business growth
 - iii) Social Value Taskforce to continue to meet during the next 12 months to monitor progress in implementing the action plan, and continue to identify best practice to inform this work.
 - iv) Durham County Council to publish case studies to share examples of approaches being taken with partners and stakeholders.
 - v) Social Value Task Force to produce annual report of progress made and actions taken, and communicate this to partners including representatives of the public, private, social enterprise, voluntary and community sectors. This will be led by Corporate Procurement.
9. The action plan identifies a series of detailed actions, many of which will be delivered as 'business as usual' by Corporate Procurement, working closely with Business Durham where appropriate.
10. Subject to Cabinet consideration, the Taskforce proposes to hold an event in late June to launch the report. The FSB and NEPO have approached the County Council regarding the possibility of a business briefing event for businesses and social enterprises to raise awareness around the Social Value Act, to be held jointly with Sunderland City Council. Discussions are at an early stage but such an event could provide an

appropriate platform to launch the report and achieve a high profile for the work the Taskforce has undertaken.

Recommendations and reasons

11. Durham County Council was the first Council in the North East to establish a Social Value Taskforce in conjunction with the Federation of Small Businesses, and is recognised as one of the leaders in the region on this agenda. The report that the Durham Social Value Taskforce has produced identifies actions that the Council can take to further improve opportunities for small businesses whilst also delivering better value for the County Council. Approval and launch of the Taskforce's report will provide an opportunity to keep the Council at the forefront of this important agenda.
12. It is recommended that:
 - a) Cabinet approves the report and action plan produced by the Durham Social Value Taskforce.
 - b) Cabinet approves the proposal for an event to be held to formally launch the report.
 - c) An update on progress will be provided in 12 months' time.

Background papers

Appendix 2 - Durham Social Value Taskforce Report

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Appendix 1: Implications

Finance –

Delivery of the actions identified within the report will have no impact on the MTFP and will be met from within existing approved budgets.

Staffing –

No impact.

Risk –

No impact.

Equality and Diversity/Public Sector Equality Duty –

The Social Value Task Force will promote equality and diversity.

Accommodation –

Not applicable.

Crime and Disorder –

Not applicable.

Human Rights –

Not applicable.

Consultation –

Internal consultation has taken place with the Corporate Procurement Manager, the Head of Commissioning - Children and Adults Service, the Economic Development Manager, and the Portfolio Holder for Economic Regeneration, all of whom have been involved on the Social Value Taskforce.

Procurement –

The Public Services (Social Value) Act 2012 came into force in January 2013 and places a duty on public bodies to consider social value before procuring goods and services. The work which is the subject of this report will help the County Council to meet its duty under the Act whilst also to helping to grow the local economy.

Disability Issues –

Not applicable.

Legal Implications –

None specific with this report.