



## **AGENDA PAPERS FOR**

### **STOCKPORT, TRAFFORD AND ROCHDALE (STAR) JOINT COMMITTEE MEETING**

**Date:** Friday, 17 November 2017

**Time:** 2.00 pm

**Place:** Thomas de Trafford Conference Room B, 1st Floor, Trafford Town Hall, Talbot Road, Stretford M32 0TH

<b>A G E N D A</b>	<b>PART I</b>	<b>Pages</b>
<b>1. ATTENDANCES</b>		
To note attendances, including Officers and any apologies for absence.		
<b>2. CONFIRMATION OF THE JOINT COMMITTEE'S CHAIRMAN &amp; VICE CHAIRMAN FOR 2017/18</b>		
To confirm the Chairman and Vice Chairman of the Joint Committee for the 2017/18 Municipal Year.		
<b>3. MINUTES</b>		
To receive and if so determined, to approve as a correct record the Minutes of the meeting held on 12 August, 2017.		1 - 6
<b>4. DECLARATIONS OF INTEREST</b>		
Members to give notice of any interest and the nature of that interest relating to any item on the agenda in accordance with the adopted Code(s) of Conduct.		
<b>5. STANDING REPORTS</b>		
To consider the following reports of the Business Improvement Manager and the Director of STAR Procurement.		
(a) Risk Register		Verbal Report
(b) Finance		7 - 14

**6. LOCAL INVESTMENT**

To receive a report of the Head of Strategic Procurement (Professional). 15 - 18

**7. SOCIAL VALUE**

To receive a report of the Head of Strategic Procurement (Place). 19 - 24

**8. URGENT BUSINESS (IF ANY)**

Any other item or items which by reason of special circumstances (to be specified), the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.

**9. DATE AND TIME OF NEXT MEETING**

To confirm the arrangements for the next meeting(s).

**10. EXCLUSION RESOLUTION**

Motion (Which may be amended as Members think fit):

That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

**11. GROWTH PLAN**

To receive a verbal update of the Director of STAR Procurement. Para. 3 Verbal Report

**THERESA GRANT**  
Chief Executive

Membership of the Committee

Councillors A. Brett, P. Myers and D. Sedgwick.

Further Information

For help, advice and information about this meeting please contact:

Chris Gaffey, Democratic and Scrutiny Officer  
Tel: 0161 912 2019  
Email: [chris.gaffey@trafford.gov.uk](mailto:chris.gaffey@trafford.gov.uk)

**Stockport, Trafford and Rochdale (STAR) Joint Committee - Friday, 17 November 2017**

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This agenda was issued on **Thursday, 9 November 2017** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

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# Agenda Item 3

## STOCKPORT, TRAFFORD AND ROCHDALE (STAR) JOINT COMMITTEE

21 AUGUST 2017

### PRESENT

Councillor A. Brett (in the Chair).

Councillors K. Butler (deputising for Cllr D. Sedgwick) and L. Evans (deputising for Cllr P. Myers)

#### Also Present

Councillor Dylan Butt (Trafford)

#### In attendance

Lorraine Cox	- Director of Procurement, STAR
Nikki Bishop	- Chief Finance Officer, Trafford Council
Susan Wood	- Head of Management Accounting, Stockport Council
Nichola Cooke	- Head of Strategic Procurement (Professional), STAR
Elizabeth McKenna	- Head of Strategic Procurement (People), STAR
Chris Gaffey	- Democratic and Scrutiny Officer, Trafford Council

### APOLOGIES

Apologies for absence were received from Councillors P. Myers and D. Sedgwick

#### 1. **MEMBERSHIP OF THE COMMITTEE 2017-18, INCLUDING CHAIRMAN AND VICE CHAIRMAN**

As two of the Joint Committee Members had sent their apologies for the meeting, it was agreed that the confirming of the Chairman and Vice-Chairman would be deferred to the next meeting. Cllr Brett agreed to Chair the current meeting.

RESOLVED: That the Membership of the STAR Joint Committee for the 2017/18 Municipal Year, be noted:

Councillors Allen Brett, Patrick Myers and David Sedgwick.

#### 2. **AMENDMENT OF DELEGATION AND JOINT COMMITTEE AGREEMENT**

The Joint Committee received a report of the Business Improvement Manager addressing a matter in respect of nominated substitutes attending STAR Joint Committee meetings and their voting rights in the absence of Executive Members.

RESOLVED: That the changes be endorsed by the Joint Committee and the report be referred to the three Local Authorities for their consideration.

#### 3. **TERMS OF REFERENCE**

RESOLVED: That the Joint Committee's Terms of Reference be noted.

**4. MINUTES**

RESOLVED: That the Minutes of the meeting held on 2 May 2017, be approved as a correct record and signed by the Chairman.

**5. DECLARATIONS OF INTEREST**

No declarations of interests were made by Members.

**6. FINANCE OUTTURN REPORT 2016-17 & Q1 FINANCE OUTTURN REPORT 2017-18**

The Joint Committee received a report of the Head of Strategic Procurement providing an update on both the STAR final financial position for 2016-17 and the Quarter One Finance Report for 2017-18.

Members discussed the current level of reserves, and whether these should be reinvested. The recommendation previously made by Chief Officers was to allow the Director of STAR Procurement, who came into post earlier in 2017, the opportunity to assess whether proposals were needed for any reinvestment. It was noted that a discussion was required to agree the appropriate level of reserves.

The Chief Finance Officer, Trafford Council discussed the headings of the table in appendix 1 of the report, stating that the term 'forecasted' should be replaced with 'actual', and questioned why months 3-9 were not included.

RESOLVED: That the report be noted.

**7. STAR RISK REGISTER**

The Joint Committee received a report of the Business Improvement Manager providing an update on the Corporate Risk Register for STAR Procurement. The report also advised Joint Committee Members of movement in risk items, as well as any risk items added to, or proposed to be removed from, the register.

It was noted that risk P007 had been downgraded, and options in relation to new STAR partners continued to be explored. Members were advised that a cost plus model would be used when considering new partners to ensure founding partners adequately benefited from the process.

RESOLVED:

- 1) That the report be noted.
- 2) That the changes to the Risk Register, as recommended in the report, be agreed.

**8. BALANCED SCORECARD 2016-17 (Q4)**

The Joint Committee received a report of the Head of Strategic Procurement, providing an update on the 2016/17 outturn position for STAR Procurement in respect of the balanced scorecard performance measures. Following the successful achievement of the finance target for 2016/17, it was noted that the target had been revised to £4.2m for 2017/18.

In an attempt to improve the percentage of signed contractual documents filed on The Chest (C3), the Chief Finance Officer suggested that contract documents only be signed by STAR after they have been signed and returned by the successful bidder.

The Director of STAR Procurement confirmed that a model to challenge the social value outputs of contracts was currently being developed, and would be presented to the Joint Committee when available. It was also noted that the 'simplify' campaign was ongoing in an attempt to address some concerns raised by suppliers about the amount and type of paperwork required to be completed as part of the tender process.

RESOLVED: That the report be noted.

#### **9. DELIVERY PLAN 2017-18 - Q1 HIGHLIGHT REPORT**

The Joint Committee received a report of the Head of Strategic Procurement, providing an update on the Quarter 1 activity on the Delivery Plan 2017-18, as well as advising Members of the priorities for Quarter 2.

A further discussion around social value took place, highlighting the importance of ensuring that this aspect of awarded contracts was achieved. Members also discussed the impending joint commissioning arrangements at Trafford, set to begin in April 2018, and how this might affect the procurement process. Officers agreed to keep Members updated on how joint commissioning arrangements might affect STAR going forward.

RESOLVED: That the report be noted.

#### **10. PROCUREMENT STRATEGY 2017-20**

The Joint Committee received a report of the Head of Strategic Procurement (Professional), seeking approval for STAR to publish the harmonised Procurement Strategy for 2017-20 on its website and update the copies published locally by each STAR Council.

Members discussed the current situation in relation to AGMA, and how STAR now took the lead on the majority of their procurement. It was suggested that the Leader of Trafford Council, as the Vice-Chair of AGMA, should raise the issue at one of their meetings. Cllr Laura Evans, Trafford Council, agreed to discuss this with the Leader.

RESOLVED:

- 1) That the Procurement Strategy 2017-20 be approved.
- 2) That publication of the Procurement Strategy 2017-20 on the STAR Procurement website be approved.
- 3) That circulation of the Procurement Strategy 2017-20 to the three STAR Councils for their policy repositories / local publication, be approved.

#### **11. NEW STAR PROCUREMENT PERFORMANCE MEASURES (5-STAR)**

The Joint Committee received a report of the Head of Strategic Procurement (People) providing the 2017-18 Q1 performance measures for STAR Procurement. It was noted that 57% of the annual cash savings target had already been achieved, and Members congratulated the team on this achievement. The Director of STAR Procurement agreed to circulate a list detailing these savings to attendees of the meeting. The Board also discussed engagement with sole traders and small businesses, and how this could be improved. Members noted the importance of advertising The Chest.

RESOLVED: That the report be noted.

#### **12. DATE AND TIME OF NEXT MEETING**

It was confirmed that the next meeting of the STAR Joint Committee would be at 2:00pm on Wednesday 1 November, 2017 at Stockport Council.

RESOLVED: That the time and date of the next meeting be noted.

[It was subsequently agreed outside of the meeting that the next STAR Joint Committee meeting would be at 2:00pm on Friday 17 November, 2107 at Trafford Town Hall]

#### **13. EXCLUSION RESOLUTION**

RESOLVED: That the public be excluded from this meeting during consideration of the remaining item of business because of the likelihood of disclosure of "exempt information" which falls within Paragraph 3 of schedule 12A of the Local Government Act 1972, as amended.

#### **14. GROWTH PLAN**

The Joint Committee received a verbal report of the Director of STAR Procurement providing information relation to STAR's Growth Plan. The Board discussed the intended growth strategy and how this would be implemented. Discussions had taken place with potential new partners, and it was suggested that the Leader of Trafford Council, as a Member of the AGMA Board, could promote STAR to other Authorities. Members discussed STAR's capacity going forward, as well as potential changes required to governance arrangements with the addition of any new partners.



It was noted that the Plan would be discussed further at the next STAR Board meeting in September, and a report would be brought to the Joint Committee for their consideration in due course.

RESOLVED: That the update be noted.

**15. SPEND LOCAL WORK STREAM - BUSINESS CASE**

The Joint Committee received a report of the Head of Strategic Procurement (Professional) seeking approval to implement a Spend Local work stream across the three STAR Councils on a phased approach. The Joint Committee discussed the implications of such a work stream, and how this had been successfully implemented at another Local Authority by the Director of STAR Procurement.

RESOLVED:

- 1) That the business case for the Spend Local work stream be approved.
- 2) That no target be set for year one of the scheme.
- 3) That the proposed phased approach for implementation be approved.

**16. RISK BASED SOURCING WORK STREAM - BUSINESS CASE**

The Joint Committee received a report of the Head of Strategic Procurement (Professional) seeking approval to implement a Risk Based Sourcing work stream across the three STAR Councils. The Joint Committee discussed the implications of such a work stream and the requirement for Members to agree to a short term waiver of the STAR Councils' Contract Procedure Rules for its implementation.

RESOLVED:

- 1) That the business case for the Risk Based Sourcing work stream be approved.
- 2) That a short term waiver of the STAR Councils' Contract Procedure Rules be approved, and that the report be referred to each respective Authority for their approval through the appropriate channels.
- 3) That no target be set for year one of the scheme.

**17. URGENT BUSINESS (IF ANY)**

(a) Meeting attendances

[The Chairman agreed to accept this item as a matter of urgent business to allow a timely update on the situation to Board members]

The Director of STAR Procurement noted the difficulty with confirming both Member and Officer attendances at STAR meetings, with many being unavailable

**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**21 August 2017**

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or sending apologies. The Director of STAR Procurement asked that this be fed back to all three Authorities in an attempt to improve attendance at Joint Committee meetings going forward.

(b) Growth Strategy

[The Chairman agreed to accept this item as a matter of urgent business to allow a timely update on the situation to Board members]

A Member requested that a Growth Strategy be provided for the Joint Committee's consideration. The Director of STAR Procurement would look to provide a report on this at a future meeting.

The meeting commenced at 9.10 am and finished at 11.00 am



**Report to:** STAR Joint Committee  
**Date:** 17<sup>th</sup> November 2017  
**Report Title:** Finance Update (2017-18 6-month review)  
**Report From:** Head of Strategic Procurement

**Report Title**

**Finance Update (2017-18 6-month review)**

**Summary**

The purpose of this report is to update the STAR Joint Committee on the 6-month review of STAR finances in terms of:

1. Reserves
2. Staffing/Running Costs
3. Income

**Recommendations**

The recommendation of this report is that the Joint Committee notes the contents of the report

**Contact person for access to background papers and further information:**

Name: Elizabeth McKenna  
 Phone: 07811 983687

**Background**

Financial Impact:	The contents of the report discusses STAR Procurement’s budget and financial position at the half-year point
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

As requested by the Joint Committee, STAR Procurement ("STAR") has undertaken a 6-month review of the finances to reflect the mid-year outturn for reserves, staffing/running costs and income.

### **1. Reserves**

1.1 The history of STAR reserves is detailed in Appendix 1 – STAR Reserves. STAR current reserves total is £169,000.

### **2. Staffing/Running Costs**

2.1 STAR budget is £1,304,000 made up of a £434,666.66 management paid by each STAR Council.

2.2 The STAR staffing costs budgeted as at 1<sup>st</sup> April 2017 was £1,240,540. The staffing costs include 2 Procurement Officer Posts established in 2016-17 at a cost of £77,958 by the previous Director of Procurement, with STAR Board approval. This cost is included in the above budget along with other increased costs at 1<sup>st</sup> April 2017 e.g. additional members joining the pension scheme and salary increment increases.

2.3 The two other elements of the STAR budget cover running costs (£65,000) and support costs (£105,000). Based on an outturn estimate, the STAR budget for 2017-18 will be £106,540 over spent. STAR will offset this pressure from income in-year.

2.4 STAR Board approved in-year (2017/18) staffing changes to enable the resource to be augmented due to recent resignations. Staffing changes are shown in Appendix 2 - Staffing/Running Costs.

2.5 Following these changes the revised staffing costs are £1,213,506; resulting in a £27,034 staffing cost reduction, which in turn will reduce the forecasted overspend to £79,506. This equates closely to the cost of the two additional posts outlined above (£77,958) thus demonstrating STAR is operating within budget, using additional income to cover these two posts each year.

### **3. Income**

- 3.1 The forecast income for STAR in 2017/18 is £315,000; a breakdown of which is provided in Appendix 3 – Income.
- 3.2 The actual income confirmed to date is £263,000, due to the following:
- 3.2.1 Link4Life SLA had a £17,000 income target set in the budget by Finance Department. Rochdale Council reduced their management fee by this sum with the assumption STAR receive this income from Link4Life. The STAR SLA with Link4Life is actually £14,000 and so results in STAR having a £3,000 shortfall/pressure in budget. So we have recorded -£3,000 on the income total.
- 3.2.2 Schools income forecasted at £32,000 is deducted from the management fee by each STAR Council at source. So this income benefits the three Councils directly, rather than STAR itself. There was an income target set at the beginning of 2017-18 with the assumption that this income would go to STAR. This puts a further pressure on STAR as this sum will not be realised, i.e. received by STAR, directly.
- 3.3 Details of the committed expenditure from the income raised by SLAs is provided in Appendix 3 – Income and is summarised as follows:
- 3.3.1 £79,506 staffing cost shortfall (2 additional permanent posts);
- 3.3.2 £15,000 agency staffing for the Work & Health Programme (part-year costs as the agency staff member secured a permanent post with STAR on 1<sup>st</sup> October 2017);
- 3.3.3 £87,000 transformation funding from the Learning Disability & Autism Programme to be utilised in full in-year; nett nil SLA income.
- 3.4 Total forecast income surplus for 2017/18 is £81,494 following deduction of these commitments.
- 3.5 The STAR Board meeting on 2<sup>nd</sup> October 2017 approved the STAR recruitment of two additional fixed-term posts to support the growth plan and additional activity incurred while current SLAs are being delivered. This should be within the income surplus in year.

#### **4. Recommendations**

- 4.1 It is recommended that the Joint Committee notes the contents of the report.

#### **Report Appendices**

1. STAR Reserves
2. Staffing/Running Costs
3. Income

Report to: STAR Joint Committee  
 Date: 17th November 2017  
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 Report From: Head of Strategic Procurement

**Appendix 1 - STAR Reserves**

Year	C/F Balance	Accumalative Total	Comments
13/14	0	0	STAR formation February 2014 (13/14)
14/15	136,000	136,000	14/15 – staff turnover allowing underspend - £75k staffing underspend, £61k running costs underspend. <b>Net £136,000 transferred to reserves</b>
15/16	-5,000	131,000	15/16 – £49k additional staffing budget from reserves (mid year), £5k additional support costs from reserves (mid year), £49k running costs underspend at year end. <b>Net of £5k drawn from reserves</b>
<b>16/17</b>	<b>38,000</b>	<b>169,000</b>	16/17 – income of £47K (£9K used to balance books/offset agency for SLA)

Report to: STAR Joint Committee  
 Date: 17th November 2017  
 Report Title: Finance Update (2017-18 6-month review)  
 Report From: Head of Strategic Procurement

**Appendix 2 - Staffing/Running Costs**

		<b>£ 1,304,000</b>		<b>STAR Budget</b>	<b>£ 1,304,000</b>
<b>Staffing Costs Reduced 17/18</b>	<b>£ 27,034</b>		<b>Staffing actual (inc 17/18 In year changes (as per approved business case)</b>		<b>£ 1,213,506</b>
		<b>£ 1,240,540</b>			
		£ 1,258,591	Staffing		£ 1,231,557
		-£ 44,051	1 VF		-£ 44,051
		£ 21,000	Professional Training		£ 21,000
		£ 5,000	Staff Advertising		£ 5,000
				<b>Budget - Other</b>	<b>£ 170,000</b>
			Running costs		£ 65,000
			Support Service Costs		£ 105,000
				<b>Total</b>	<b>£ 1,383,506</b>
				<b>Shortfall</b>	<b>-£ 79,506</b>



Report to: STAR Joint Committee  
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### Appendix 3 - Income

	Planned Income (2017-18)	Actual Income (Sept 17)	Committed Expenditure:	Comments
			-£79,506	Annual shortfall for 2 additional PO posts authorised by Board
			-£45,000	2no. FTE Procurement Officer Posts (Board Approval, 2nd October 2017)
SSK	£5,000	£5,000		£20k income target
Link4 Life	£17,000	-£3,000		Rochdale reduced their management fee by £17k; STAR only received £14k
Schools	£32,000	£0		Each STAR Council reduced its Management Fee for 1/3 of this sum; STAR cannot class this as additional income
NW Libraries Consortium	£26,000	£26,000		
Work & Health	£67,500	£67,500	-£15,000	£15k for agency staff (Grace Power)
Dunham Massey	£4,000	£4,000		
Stockport Together	£8,000	£8,000		
Trafford Youth Trust	£3,500	£3,500		
HMR CCG	£25,000	£25,000	-£87,000	Carried from 2016-17 for LD Ethical Procurement. Spent in-year on agency (£45k), The Chest, Engagement etc.
NM CCG	£20,000	£20,000		
SMCCG	£20,000	£20,000		
Trafford CCG	£22,000	£22,000		
Warrington	£5,000	£5,000		
Tameside	£60,000	£60,000		
<b>Totals</b>	<b>£315,000</b>	<b>£263,000</b>	<b>-£226,506</b>	

Predicted Income (from above): £263,000  
 Committed Expenditure (from above): -£226,506

<b>Predicted Surplus:</b>	<b>£36,494</b>
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**Report to:** STAR Joint Committee  
**Date:** 17<sup>th</sup> November 2017  
**Report for:** For Information  
**Report of:** Head of Strategic Procurement

**Report Title**

**Local Investment Update - 'Spend Local' and 'Risk-based Sourcing' Work Streams**

**Summary**

The purpose of this report is to:

1. Provide a brief summary of the Local Investment project
2. Set out the actions and progress to date
3. Provide next steps
4. Detail the indicative plans for further roll out in Rochdale, Stockport and Trafford

**Recommendations**

The recommendation of this report is that the Joint Committee notes the contents of this report.

**Contact person for access to background papers and further information:**

Name: Nichola Cooke  
 Phone: 07711 454555

**Background**

Financial Impact:	The project provides a mechanism through which the STAR Councils can achieve greater local and SME spend.
Legal Impact:	Harmonised CPRs have been amended by Rochdale Council on a trial basis. Work to progress changes to Stockport Council and Trafford Council CPRs to re-harmonise is underway. Work stream activity will not contravene the Public Contracts Regulations 2015.

## **Background (continued)**

Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	Addressed as part of the Business Cases
Health and Safety Impact:	None

## **Consultation**

No public consultation required.

## **Reasons for Recommendation(s)**

Since the approval of the two Business Cases by the STAR Joint Committee, work has progressed at pace. This report provides a summary of this progress and is for information only.

### **1. Summary of Local Investment Project**

1.1 Spend Local and Risk Based Sourcing are both workstreams under STAR Business Plan 2017-2020. The Business Cases for these work streams were approved by STAR Joint Committee on 9<sup>th</sup> August 2017. Implementation was agreed to be a phased approach and therefore the initial roll out has been for Rochdale Council.

### **2. Progress to Date**

	<b>Progress to date</b>	<b>Future work planned</b>
<b>Communications Plan</b>	<ul style="list-style-type: none"><li>• Detailed communications plan has been developed with input from Rochdale council Communications Team.</li><li>• Development of the 'Local Investment' branding.</li><li>• Internal communications at Rochdale Council through intranet updates, posters, newsletters and support of Wider Leadership Team.</li><li>• External communications campaign commenced focussed on promotion of the 'Match Fit sessions</li></ul>	<ul style="list-style-type: none"><li>• Continue to implement Communications Plan</li><li>• Continue to develop plans to engage with businesses that have not traditionally engaged with the existing business forums e.g. BME businesses.</li></ul>

	<b>Progress to date</b>	<b>Future work planned</b>
<b>Internal Briefings</b>	<ul style="list-style-type: none"> <li>Presented at Rochdale Informal Cabinet 5<sup>th</sup> September 2017 to update them on the project and implementation.</li> <li>The STAR Procurement Team fully briefed about the new approach.</li> <li>14 briefing session were set up for all budget holders in Rochdale Council to attend. The briefing sessions were delivered by STAR Procurement and were well attended and positive feedback received.</li> <li>A pop up stall was also in the reception of the Number 1 Riverside for the week commencing 25<sup>th</sup> September 2017.</li> </ul>	<ul style="list-style-type: none"> <li>A few session 'mop up' sessions are established for those budget holders who could not attend the previous briefings</li> </ul>
<b>New Risk-Based Sourcing Approach</b>	<ul style="list-style-type: none"> <li>New approach and methodology has been developed.</li> <li>New Procurement Initiation Document (PID), which has been simplified and streamlined, launched.</li> <li>A short term waiver to the CPR's for Rochdale Council has been approved.</li> </ul>	<ul style="list-style-type: none"> <li>A short term waiver to the CPR's for Trafford Council and Stockport Council is being progressed.</li> </ul>
<b>Business Engagement</b>	<p>STAR procurement have been attending and presenting at a number of existing business events to promote the project and explain the next steps.</p> <ul style="list-style-type: none"> <li>Greater Manchester Chamber Action 4 Business - 14/09/17</li> <li>Rochdale Business Expo – 20/09/17</li> <li>Health &amp; Wellbeing Alliance, Rochdale CVS – 28/09/17</li> <li>Rochdale RUFC Business Club – 02/10/17</li> <li>Rochdale AFC Business Club – 17/10/17</li> <li>Recharge Rochdale – 20/10/18</li> <li>Molesworth Business Breakfast – 01/11/17</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of the Match-Fit sessions</li> <li>The sessions are now nearly fully booked so further session to be arranged</li> </ul>

	<b>Progress to date</b>	<b>Future work planned</b>
	A series of 'Match-Fit' sessions have been arranged for businesses. The aim of these sessions is to provide information about the Local Investment project, explain how to win Council contracts, and how to respond and deliver social value.	
<b>Spend Analysis</b>	This work is being progressed by STAR Category Managers who are working with service leads to review both off-contract spend and outside-GM spend.	

### **3. Further Roll out**

- 3.1. Significant internal resources have been used to deliver this project to date in Rochdale, with further work planned between now and the end of the financial year. It will also be important to keep the momentum going and reinforce the message throughout the year. This is included in the Communications Plan.
- 3.2. The roll out to Trafford and Stockport will take place in 2018. Before the roll out is progressed, a review of the approach used in Rochdale will be undertaken to ensure we capture any lessons learnt and what worked well, so we can modify our approach accordingly. Roll out cannot be progressed until the waiver to the CPR's has been actioned.
- 3.3. STAR Procurement have begun discussions with other large public sector organisations in Rochdale to try and align our approaches and provide consistency and simplicity for any local business or SME wanting to do business with the public sector in Rochdale. This is supported by the Rochdale Stronger Together initiative. STAR procurement attended the working group on 6<sup>th</sup> October and shared the details of the Local Investment project and what is planned for the future. We are meeting the Rochdale Boroughwide Housing (RBH) Management Team to discuss a shared approach.

### **4. Recommendations**

- 4.1. It is recommended that STAR Joint Committee note the contents of this report.



**Report to:** STAR Joint Committee  
**Date:** 17<sup>th</sup> November 2017  
**Report for:** For Information  
**Report of:** Head of Strategic Procurement

**Report Title**

**Social Value delivered by STAR**

**Summary**

- The purpose of this report is to:
1. Demonstrate what STAR is doing to measure impact and outcomes of Social Value;
  2. Provide a summary of what Social Value is currently delivered by STAR personally;
  3. Provide an update on Social Value developments.

**Recommendations**

The recommendation of this report is that the Joint Committee notes the content of this report.

**Contact person for access to background papers and further information:**

Name: Andrew White  
 Phone: 07773216483

**Background**

Financial Impact:	Social Value delivered is aimed to achieve a social, economic, environmental benefit to the local area.
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required.

### **1. Impact and Outcomes of Social Value**

1.1 Social Value underpins all 10 Building Blocks of STAR's Business Plan to support social, environmental and economic benefits to the local areas. In particular however the following 3 workstreams are key drivers for social value delivery.

#### 1.2 Go Local:

1.2.1 The objective of the Go Local workstream is to achieve greater local and SME spend for our partner authorities through simpler procurement processes (Risk Based Sourcing) and earlier engagement with local businesses;

1.2.2 Go Local specifically supports the delivery of social value (economic benefits) by identifying influential spend that is currently being placed with businesses outside of GM that could be placed with businesses inside GM and importantly within Stockport, Trafford and Rochdale;

1.2.3 The Federation of Small Businesses claims that for every £1 spent by a local authority with local SMEs generates an additional 63p of benefit for their local economy. Other benefits include cost reduction, efficiencies through better use of resources, identification of new local businesses to target spend with, and savings;

1.2.4 STAR will be capturing the outcomes and success stories through continued analysis of spend, case studies from businesses and reporting on social value through our 5-STAR measures.

#### 1.3 Contract Management:

1.3.1 The Contract Management workstream aims to identify quick-win savings, longer term cost reduction and social value through existing Council contracts;



1.3.2 The STAR Councils currently spend approximately £700m per annum on contracts. This provides a huge potential to influencing social value through existing contractual relationships. One key objective of the workstream is to identify those contracts which could start to deliver immediate social value benefits and begin to work with key stakeholders during 2018 to deliver them;

1.3.3 The key to ensuring social value is delivered through contracts is to ensure contract management is applied relevant and appropriate to each contract. STAR is exploring better ways to support contract managers and provide clear reporting requirements to suppliers when social value outcomes are achieved.

#### 1.4 Category Management:

1.4.1 The objective of the Category Management workstream is to provide a clear strategy for each key area of spend and a plan on how procurement will deliver social value within that spend category;

1.4.2 The category managers have already started to understand the various challenges of delivering social value within different sectors of the market and have started to plan how they can improve this. Better market engagement, clearer guidance, and support through the bidding process (particular to consortia), are just some of the improvements already started. These will be captured as case studies and through the 5-STAR measures;

1.4.3 Training is being delivered by category managers to commissioners at Trafford on how to assess social value that is relevant and proportionate to their service. This training will focus on practical examples, how to structure a question, how to assess a bid, and contract management to ensure outcomes are delivered and reported. This will be then be rolled out to Stockport and Rochdale.

## 2. **Social Value delivered by STAR personally**

### 2.1 Staff Volunteering:





2.1.1 Here are some examples of social contributions from staff at STAR:

- Providing natural healing therapy one night a week to a community group.
- Acting as secretary to a charity which owns and manages a community facility, 15 hours a month.
- Support to a local community group on developing their web-site, newsletter and helping with fundraising activities, 5 hours a month.
- Volunteering 5 days per year at a local annual Literature and Ideas Festival.
- Volunteering and organising fund raising events for a local youth football team.

### 2.2 STAR Social Value Pilot:

2.2.1 At the beginning of 2017, STAR developed a pilot project with the aim of assessing the social, environmental and economic impact by adopting a more flexible working pattern across our 3 partner authorities. Staff were encouraged to operate from the nearest place of work in relation to their home, with business requirements continuing to take precedence.

2.2.2 A review was conducted during January and February 2017 to understand the impact on travel time, transport costs, expenses incurred and CO2. The results are as highlighted below:

<b>Car Mileage</b>	<b>Time spent travelling</b>	<b>Expenses</b>	<b>CO2</b>
 22%	 30%	 10%	 0.60T

2.2.3 One member of staff quoted that her new working pattern has allowed her to spend more time with her children in the morning instead of dropping them off at breakfast club, whilst also reducing her travel time to work.

### **3. Social Value Developments**

- 3.1 The GMCA Social Value Policy is currently under review in line with the recent publication of the new Greater Manchester Strategy 'Our People, Our Place'. The principles of the policy are intended to remain, but the outcomes are to be revised where appropriate to reflect the new Greater Manchester Strategy priorities. It is intended that the revised policy be ready for publication in 2018.
- 3.2 The Director of STAR has been invited to attend and speak at the National Social Value Conference in Birmingham on Tuesday 14<sup>th</sup> November 2017. STAR is an active participant in the National Social Value Taskforce Group and has been recognised at both a sub-regional and national level for the developments and outcomes delivered on social value, especially through the integrated healthcare programme. The Director will be explaining why procurement is the vehicle for change and what are the key components to enabling social value to be delivered in a devolved environment.
- 3.3 Through the introduction of STAR's Business Plan, we are aiming to embrace Social Value in all procurement. Through our developments in category and contract management, training to commissioners, social value network groups, and our drive to 'buy local', we are beginning to remove some of the barriers that have often stood in the way of achieving greater outcomes.
- 3.4 Two Greater Manchester authorities have already mandated 20% social value weighting within all tenders. STAR on average are achieving the target of 10% in all tenders, but we are aiming to exceed that through continuous development and training with both commissioners and suppliers. Through assessing social value opportunities at the pre-procurement stage that are relevant and proportionate, this is not only providing a clear guide to suppliers bidding for contracts, but also stimulating innovation. This will be measured through the development of case studies and our 5 STAR Measures.

### **4. Recommendations**

- 4.1 It is recommended that the Joint Committee notes the contents of this report.

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