

Public Document Pack



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Friday 24 March 2017

Notice of Meeting

Dear Member

Policy Committee

The **Policy Committee** will meet in the **Meeting Room 1 - Town Hall, Huddersfield** at **1.00 pm** on **Monday 3 April 2017**.

The items which will be discussed are described in the agenda and there are reports attached which give more details.

A handwritten signature in black ink, appearing to read "Julie Muscroft".

Julie Muscroft

Assistant Director of Legal, Governance and Monitoring

Kirklees Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair/Clerk of their intentions prior to the meeting.

The Policy Committee members are:-

Member

Councillor Rob Walker (Chair)

Councillor Andrew Cooper

Councillor Fazila Fadia

Councillor David Hall

Councillor James Homewood

Councillor John Lawson

Councillor Robert Light

Councillor Hilary Richards

Councillor John Taylor

Councillor Judith Hughes

Agenda

Reports or Explanatory Notes Attached

Pages

1: Membership of the Committee

This is where Councillors who are attending as substitutes will say for whom they are attending.

2: Minutes of Previous Meeting

1 - 4

To approve the Minutes of the meeting of the Committee held on 9 January 2017

3: Interests

5 - 6

The Councillors will be asked to say if there are any items on the Agenda in which they have disclosable pecuniary interests, which would prevent them from participating in any discussion of the items or participating in any vote upon the items, or any other interests.

4: Admission of the Public

Most debates take place in public. This only changes when there is a need to consider certain issues, for instance, commercially sensitive information or details concerning an individual. You will be told at this point whether there are any items on the Agenda which are to be discussed in private.

5: Deputations/Petitions

The Committee will receive any petitions and hear any deputations from members of the public. A deputation is where up to five people can attend the meeting and make a presentation on some particular issue of concern. A member of the public can also hand in a petition at the meeting but that petition should relate to something on which the body has powers and responsibilities.

6: Public Question Time

The Committee will hear any questions from the general public.

7: Member Question Time

To consider questions from Councillors.

8: Social Value

7 - 12

To consider a position statement on the work of the Policy Committee – task and finish group and plans for the completion of its report and recommendations.

Contact: Steve Copley 01484 221000

9: Policy Committee - Date for next meeting

To consider the date for a further meeting of the Policy Committee in early May 2017, to complete the outstanding reports from the task and finish groups.

Contact: Steve Copley 01484 221000

Contact Officer: Steve Copley

KIRKLEES COUNCIL

POLICY COMMITTEE

Monday 9th January 2017

Present: Councillor Rob Walker (Chair)
Councillor Andrew Cooper
Councillor Fazila Fadia
Councillor David Hall
Councillor James Homewood
Councillor John Lawson
Councillor Hilary Richards
Councillor John Taylor
Councillor Judith Hughes
Councillor Bill Armer

Observers: Councillor Martyn Bolt
Councillor Naheed Mather

1 Membership of the Committee

Apologies for absence were noted on behalf of Cllr Robert Light for today's meeting. Cllr Bill Armer substituted for Cllr Light.

Cllrs Martyn Bolt and Naheed Mather attended the meeting as observers.

2 Minutes of Previous Meeting

The minutes of the Policy Committee meeting on 28 November 2016, were approved as a correct record.

Cllr Rob Walker also provided a brief progress report on the work being undertaken by the members of the task and finish group on social value, prior to the completion of a formal report and recommendations for the Policy Committee in February 2017.

3 Interests

No interests were declared.

4 Admission of the Public

Today's meeting was held in public session.

5 Public Question Time

No questions were submitted.

6 Deputations/Petitions

No deputations or petitions were received.

7 Member Question Time

No questions were submitted.

8 Dealing with refuse and waste in Kirklees

Will Acornley, Head of Environment and Greenspace, and Lory Hunter, Commercial and Technical Development Manager, introduced a presentation on the “Strategy for dealing with waste in Kirklees”

The presentation highlighted:-

- What the council and its services currently have to do and provide in 2016/17, within the SITA PFI contract up to 2022/23
- The financial costs of the services at present, and the predicted changes in those costs, demands and volumes in the period up to 2023
- Kirklees and its performance when compared to other local authorities and their figures on the recycling and disposal of waste
- What we may have to pay in the future because of the impact of the growth in waste on future disposal costs from 2017/18 through to 2027/28
- The changes described within the Government 2025 vision for dealing with recycling and waste.
- Areas where the Policy Committee may be able to help with the development of the changes and any policy issues. For example helping to set the ‘vision’:
 - Do we want to prepare for the different options?
 - What recycling rates do we want to aim for?
 - Do we want a ‘sort ourselves out’ treatment solution or a wider regional vision?
 - Do we want to send our waste to regional treatment facilities?
 - Is the current site the right location?
 - Do we want to move our operations?

Policy Committee - 9 January 2017

Members went on to discuss the concerns and issues raised by the presentation, which included:-

- The Government vision for 2025 and how we will deal with the new demands and targets for the collection and recycling of waste including the proposed collection of food waste
- An acknowledgement of the changes, demands and pressures which the council will have to address in the period from 2017-2023, to provide collection and recycling services
- Changes in the costs and markets for the collection and recycling of waste at a local, regional, national and international level
- The investment which the organisations in the public and private sector will have to make to deal with these challenges
- The location of any new homes and businesses in Kirklees, and how to deal with the extra demands which they will place on our collection and recycling facilities and services
- Selecting those areas of policy development e.g. awareness raising, promoting waste minimisation and new opportunities for the recycling of waste, where the Policy Committee may be able to help in 2017/18.

Resolved – Members of the Committee resolved that:-

- (1). Will Acornley and Lory Hunter be thanked for today's presentation
- (2). That further consideration of the issues raised by the presentation and today's discussion be picked up the Policy Committee, or through an informal task and finish group, from March 2017 onwards, to allow members to complete the current work on "Social value"
- (3). That Cllr Rob Walker, plus Steve Copley, Governance Team, share news of today's discussion and decisions with all members of the council, and to seek the names of any councillors that may want to participate in the proposed task and finish group from March 2017 onwards.

9 Passivhaus

Steve Copley, Governance Team, reminded members of the work undertaken by Cllr Andrew Cooper and a task and finish group on "Passivhaus" in 2015/16, news of which was shared with the Policy Committee on 12 September 2016.

It was noted that the work of the group, plus their work on a draft policy statement, had generated a number of requests for supplementary information and meetings, to try to help complete the document and work.

Policy Committee - 9 January 2017

Cllr Andrew Cooper agreed to share the information which he had obtained along with an invite for any members of the committee and the task and finish group to meet to consider this before the next meeting of the Policy Committee on 20 February 2017, in order to try to complete a formal report and final version of the policy statement.

Resolved – Members of the Committee resolved that:-

(1). Today's progress report be received and noted.

(2). Cllr Andrew Cooper to share the information which he has obtained and an invite for any members of the committee and the task and finish group to meet to consider this before the next meeting of the Policy Committee on 20 February 2017 in order to try to complete a formal report and final version of the policy statement.

KIRKLEES COUNCIL					
COUNCIL/CABINET/COMMITTEE MEETINGS ETC					
DECLARATION OF INTERESTS					
Policy Committee					
Name of Councillor					
Item in which you have an interest	Type of interest (eg a disclosable pecuniary interest or an "Other Interest")	Does the nature of the interest require you to withdraw from the meeting while the item in which you have an interest is under consideration? [Y/N]	Brief description of your interest		

Signed: Dated:

NOTES

Disclosable Pecuniary Interests

If you have any of the following pecuniary interests, they are your disclosable pecuniary interests under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.

Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.

Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -

- under which goods or services are to be provided or works are to be executed; and
- which has not been fully discharged.

Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.

Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.

Any tenancy where (to your knowledge) - the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -

- (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
- (b) either -

the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

Policy Committee Update – March 2017

Social Value – Task and Finish Group Position Statement

Context

The Kirklees Social Value Policy of 2013 goes beyond the scope of the Social Value Act of 2012 (Policy Statement appended). There is concern that the Kirklees Social Value Policy is not effective enough in terms of the practical outcomes it delivers. It was therefore decided it would be timely to review policy and practice to ensure they align strongly to New Council. For these reasons, Policy Committee established a Task and Finish Group to explore how this could be improved.

The terms of reference of the group were agreed as follows:

- To examine best practice from other local authorities with favourable reputations for their social value programmes and to learn of the latest developments in the social value field from organisations such as the Centre for Local Economic Strategies (CLES), to understand how social value in Kirklees could be improved.
- To explore the extent to which all council functions consider social value in terms of their impact on the third sector, particularly local third sector organisations who are contributing to our Early Intervention and Prevention objectives; and how this could be improved – e.g. the impact of charging or cost recovery.
- To examine the Council commissioning and procurement process in light of information derived from the work described above; assess how changes to commissioning and procurement can stimulate local social value and contribute to growth which enhances the delivery of the social and economic practices of the Council

Progress and Update

A report on “Social value” was presented to the Policy Committee on 28 Nov 2016, which led to the creation of an informal task and finish group. All councillors were asked to express an interest if they wished to be involved. The final substantive membership consists of Cllrs Judith Hughes, Robert Light, Hilary Richards, John Taylor and Rob Walker (Chair). Cllr Shabir Pandor has also attended various meetings. At the initial meeting, the group agreed five key objectives to guide this work. Below is a summary of the progress made with each objective:

1. To learn from best practice and external research

- The group received a presentation from the Chief Executive Neil McInroy of the Centre for Local Economic Strategies (CLES) on “Kirklees council and social value” in January. The presentation introduced the idea of progressive economics and how to make social progress even when the economy is struggling. Central to this idea is the importance of what CLES termed the public economy, which CLES estimated would be around 40% of the total economy for an area such as Kirklees. CLES made the point that the question of inequality was becoming more and prevalent in mainstream economics.

- Neil then detailed the work of CLES on social value and procurement and the importance (as far as social value is concerned) of not framing procurement purely in terms of cost and efficiency. The presentation continued to look at the importance of ensuring that at least some of the public spend (over which the local authority has direct influence) is spent with local suppliers and the effect this can have on a local area.
- Details were then given on how local authorities can procure with social value in mind whilst adhering to the legislative framework surrounding procurement and an example social value procurement framework and baseline.
- In terms of desktop analysis, there are numerous examples of local authorities adopting various charters and social value policies (Doncaster, Oldham etc) but very little on implementation and delivery. This is an area which requires further work.
- CLES also talked about working with 'local anchor businesses' to build community wealth. This fits with the Leeds City Region's work on inclusive growth and using large public sector organisations as 'anchors' to lead change.
- The presentation concluded with a series of recommendations, namely;
 - Ensure social value is considered as a matter of course
E.g. social value part of contract management
 - Develop a process for continuous monitoring of social value
 - Explore leakage out of the Kirklees economy
 - Influence the behaviour of the supply chain
 - Provide signposting for suppliers

2. To explore the impact of work and potential barriers created by the council for the Third Sector when delivering social value and early intervention and prevention objectives

- The meeting on the 15th March was unfortunately cancelled; further work is required on how we engage with the 3rd sector and small businesses.
- A report by the University of Huddersfield from 2012 titled 'Understanding the experience of bidding for Kirklees Council Contracts' does have some useful anecdotal evidence from a wide variety of businesses across Kirklees.
- The Food for Life Partnership is a good example of where a council/third sector organisation partnership can bring major benefits with regards to social returns

3. To examine and understand the Social Value element in commissioning and procurement processes, and recommend (if necessary) changes; assess how these processes can stimulate local growth

- There has been a series of meetings with colleagues in procurement and commissioning in order to get a clear picture on the current position in Kirklees and to start to understand how social value can be incorporated into our everyday business.
- The meeting with Richard Parry ([Director for Commissioning, Public Health and Adult Social Care](#)) highlighted that certainly in terms of social care social value is at the heart of commissioning the delivery of services, which is evidenced by the high number of local providers in this sector. However, the

meeting raised the issue of how well social value is been applied internally within all council services.

- Following a couple of meetings with Procurement, there are a number of barriers and issues that have arisen, namely:
 - i. Based on the last figure from 2014/2015 local spend was at 31% compared with 28% now but there are concerns that this figure is incorrect. Further clarity is required on producing a 'baseline'.
 - ii. We need clear parameters about what we are including and what we aren't from SAP and the feeder systems so that any future reporting is a like-for-like comparison
 - iii. A clear definition of what local spend means i.e. Kirklees Postcode, West Yorkshire etc?

4. Examine the area of asset transfers and social value – particularly around the challenge of PRP meeting their income targets, set against the need to protect third sector groups who meet the councils EIP objectives (and who may be saving the council money by providing a specific service)

- The Task & Finish Group met with colleagues from Assets on the 20th February to examine the area of asset transfers and social value. In the context of New Council and different ways of working with community groups, alongside budget pressures, this is a critical area which needs consideration.
- At the time of the meeting, the Council have successfully completed 10 Asset transfers through to legal completion. There are also 6 which have been approved at Cabinet for an Asset Transfer but have not yet legally completed. To put that into context, the Council has approximately 260 corporate assets but not all are eligible for asset transfer.
- Cabinet approved a revised Community Asset Policy on the 7th March 2017 which includes a clear definition of what the Council considers a Community Asset Transfer and the types of assets that could be transferred.
- The Community Asset Policy requires much clearer criteria for measuring social value when assessing a transfer proposal. What weighting is social value given against other outcomes?
- The Group were also concerned about the future sustainability of building that had being transferred and what the Council's role should be once a building had been handed over. What further support should we be offering? How far should the monitoring go? It must also be noted that there are significant resource implications relating to future monitoring and support.
- How do we promote social value with organisations once a transfer has been completed?

5. Establish how social value can be embedded into the Kirklees Economic Strategy

- In terms of high-level strategy, social value should be seen as a key part of the inclusive growth agenda which is currently gathering momentum both here and at the Leeds City Region level.
- Inclusive Growth is broad-based growth that enables the widest range of people and places to both contribute to and benefit from economic success. Its purpose is to achieve prosperity alongside greater equity in opportunities and outcomes. Social value is a key component.

- The interest in inclusive growth has arisen along with an increasing concern about the consequences of widening inequality and doubts that economic growth does not automatically benefit all levels of society.
- Kirklees Council is a signatory to the Inclusive Growth in Cities Campaign. In 2016 the Leader received a personal invite to join a global network of leaders – known as ‘Champion Mayors for Inclusive Growth’ – who are committed to advancing an inclusive growth agenda and bridging the gaps between national and local efforts to fight inequality.
- The Leeds City Region LEP and West Yorkshire Combined Authority (WYCA) have a joint vision for economic growth which is “to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone”. This is set out in the Leeds City Region Strategic Economic Plan (SEP).
- The principle of ‘Good Growth’ is central to the vision and reflects the aspirations of the LEP Inclusive Growth Working Group that is looking at how to achieve broad based growth that enables the widest range of people and places to both contribute to and benefit from economic success.
- In November 2016, WYCA and the LEP Board agreed a project to position the city region at the forefront of the Inclusive Growth agenda. The project aims to better enable the city region to capitalise on new opportunities and achieve the SEP’s outcomes. As a first stage it seeks to:
 - Provide analysis of intelligence and data to inform priorities for action, establishing strengths and gaps in current work;
 - Undertake an audit of current activities across the WYCA geography, and draw out best practice;
 - Determine collective priorities, and engage widely with local members, businesses and community groups on what good growth means to them; and,
- It will be important for Kirklees to capitalise on opportunities afforded by the Inclusive Growth agenda as the basic premise of is consistent with our stated ambition to ensure that our two core strategies – The Kirklees Economic Strategy and the Joint Health and Wellbeing Strategy – are connected and complementary. Social value is a key part of this.

Next Steps/recommendations

The Policy Committee is asked note the progress and issues highlighted in this position statement and to come to a view on the following:

- There is widespread agreement that the policy is good but there are significant challenges relating to its implementation.
- Baseline figures and evidence base - this requires further work to ensure we have the correct data and a sustainable way of consistently gathering the right information. There is also the need for clarity on certain definitions i.e. local spend and our approach to temporary contracts etc
- There is the potential to commission CLES to carry out a ‘social value diagnostic’ including analysis and clarity on our current position.
- In terms of implementation, can we highlight practical examples within the Council where the social value policy is embedded and being implemented?

Is there potential to develop a pilot project with an area of service delivery that covers data collection and embedding the social value policy?

- Further engagement with the business and 3rd Sector Leaders to establish better working links on a more regular basis. The initial focus should be on the barriers currently being experienced by partners in relation to social value as well as a response to the recommendations from the Task & Finish Group. Is there an opportunity for peer learning with business/third sector?
- How are other 'anchor' institutions from both the public and private sector across Kirklees approaching social value? Is there opportunity for a joint social value charter and subsequent action plans for delivery?
- In terms of Asset Transfer, how far should we go in ensuring the social value policy is met? What should be the Council's role once an asset has been transferred?
- How can we benefit from the inclusive growth initiative being led by the Leeds City Region? Social value is a key part of inclusive growth, how could this help us deliver our outcomes?
- Explore further opportunities with Yorkshire Purchasing Organisation (YOP) with regards to social value
- On-going research into how other local authorities are developing and delivering social value policies. We already have anecdotal evidence from Oldham and Doncaster but it's very much focused on producing a policy, not the implementation.

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