

Merton Council

Cabinet Agenda

Membership

Councillors:

Ross Garrod (Chair)
Eleanor Stringer
Stephen Alambritis MBE
Billy Christie
Caroline Cooper-Marbiah
Brenda Fraser
Natasha Irons
Andrew Judge
Sally Kenny
Peter McCabe

Date: Monday 16 January 2023

Time: 7.15 pm

**Venue: Committee Rooms DE, Merton Civic Centre, London Road, Morden
SM4 5DX**

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact
democratic.services@merton.gov.uk or telephone [020 8545 3357](tel:02085453357).

All Press contacts: communications@merton.gov.uk, 020 8545 3181

Cabinet Agenda

16 January 2023

1	Apologies for Absence	
2	Declarations of Pecuniary Interest	
3	Minutes of the previous meeting	1 - 6
4	Merton Civic Pride Fund: Supporting the Voluntary and Community Sector 2023/26 - funding outcomes	7 - 24
5	Cost of Living Update	25 - 32
6	Working Better with Communities	33 - 40
7	Merton Adult Learning Strategy 2023 – 2026	41 - 58
8	Business Plan 2023-27	To Follow
9	November Financial Monitoring Report	To Follow
10	Microsoft Enterprise Agreement	59 - 62
11	Social Value	63 - 92
12	Exclusion of the public To RESOLVE that the public are excluded from the meeting during consideration of the following report(s) on the grounds that it is (they are) exempt from disclosure for the reasons stated in the report(s).	
13	Item 10 - Restricted Appendix	
14	Item 11 - Restricted Appendix	

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. For further advice please speak with the Managing Director, South London Legal Partnership.

Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at www.merton.gov.uk/committee.

CABINET

5 DECEMBER 2022

(7.16 pm - 7.48 pm)

PRESENT

Councillors Councillor Ross Garrod (in the Chair),
Councillor Eleanor Stringer, Councillor Stephen Alambritis,
Councillor Billy Christie, Councillor Caroline Cooper-Marbiah,
Councillor Brenda Fraser, Councillor Natasha Irons,
Councillor Andrew Judge, Councillor Sally Kenny and
Councillor Peter McCabe

Hannah Doody (Chief Executive), Adrian Ash (Interim Director,
Environment and Regeneration), Zara Bishop (Communications
Manager), Robert Cayzer (Interim Head of Cabinet Office),
Elizabeth Fitzpatrick (Assistant Director for Education and Early
Help), Roger Kershaw (Interim Executive Director of Finance
and Digital), John Morgan (Interim Director, Community &
Housing) and Louise Round (Interim Executive Director of
Innovation and Change), Ros Selby (Communications Officer)
and Amy Dumitrescu (Democracy Services Manager)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

No apologies were received.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes and the exempt minute of the meeting held on 7 November 2022 are agreed as an accurate record.

4 MERTON AS A BOROUGH OF SPORT (Agenda Item 4)

The Cabinet Member for Heritage and Sport presented the report providing an update on the work towards the administrations' priority of becoming a Borough of Sport. The Cabinet Member provided an overview of progress including investment in multi-use sports areas, current sporting activities within the Borough and events provided at the Boroughs libraries.

In response to questions, the Cabinet Member advised that all libraries were warm spaces and that all leisure centres also had warm spaces.

RESOLVED: That Cabinet noted the development of the Borough of Sport undertaken by officers and were advised of the forthcoming development work with

London Sport to create a strategy to deliver the council's ambition for the provision of physical and sporting activities in becoming a Borough of Sport.

5 RESPONSE TO SCRUTINY REFERENCE: HOUSING ENFORCEMENT (Agenda Item 5)

The Cabinet Member for Housing and Sustainable Development presented the report, noted that officers and members were working through the responses to the recommendations including the Tenants Champion role which was currently being undertaken by the Cabinet Member for Housing and Sustainable Development. IT was noted that the existing Housing Enforcement policy would be reviewed in line with best practice and guidance and a draft would be brought to Cabinet in 2023. The Cabinet Member advised that a series of regular 6 weekly meetings with senior officers from Clarion had been established to discuss operational issues. The Interim Director Adult Social Care, Integrated Care and Public Health advised members that following recent traffic events, enforcement and actions around mould in properties were being reviewed and a further paper on this would be brought to Cabinet.

In response to questions, the Cabinet Member advised that the Council was writing to every registered provider and looking to seek information from them on the prevalence of mould and related issues within their properties and the actions being taken. The Council would consider what further action to take once those responses had been received.

RESOLVED: That Cabinet noted the information contained in the report

6 BUSINESS PLAN 2023-27 (Agenda Item 6)

The Cabinet Member for Finance and Corporate Services presented the report noting the savings proposals and growth proposals for the following years budget. It was noted that there remained a £4.3million gap for the following year, although the £10m of additional inflationary costs had been budgeted for. Work was continuing to bring forward addition savings and income proposals and the Council was awaiting details of the financial settlement later in December 2022.

It was noted that the Business Plan would go through the Scrutiny panels in January.

RESOLVED:

1. That Cabinet considered and agreed the draft growth proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
2. That Cabinet considered and agreed the new savings proposals for 2023/24 to 2026/27 (Appendix 5) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
3. That Cabinet considered and agreed the new capital proposals for 2023/24 to 2026/27 and the draft Capital Programme 2023-2027 (Appendix 7) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.

4. That Cabinet agreed the proposed Council Tax Base for 2023/24 set out in paragraph 2.7 and Appendix 1.
5. That Cabinet noted that Equalities Impact Assessments for each saving, where applicable, will be included in the Member's Information Pack for consideration in future meeting

7 OCTOBER FINANCIAL MONITORING REPORT (Agenda Item 7)

The Cabinet Member for Finance and Corporate Services presented the report noting that the net overspend had decreased. The projected departmental overspend was being closely monitored and progress would continue to be reported at the next Cabinet meeting.

RESOLVED:

- A. That Cabinet noted the financial reporting data for month 7, October 2022, relating to revenue budgetary control, showing a forecast net adverse variance at 31 October on service expenditure of £0.989m when corporate and funding items are included.
- B. That Cabinet noted the contents of Section 5 and Appendix 5b of the report and approved the adjustments to the Capital Programme in the Table below:

	Budget 2022-23	Budget 2023-24	Budget 2024- 25	Budget 2025-26	Narrative
	£	£	£	£	
Corporate Services					
Works to Other Buildings- Boiler Replacement	(367,150)				Virement & Reprofiled in line with projected spend
Civic Centre - Comb. Heat and & Power System Replacement		450,000			Budget Relinquished as scheme will not provide value for money
Civic Centre - Absorption Chiller Replacement		275,000			Budget Relinquished as scheme will not provide value for money
Westminster Coroners Court	(273,260)				Virement in line with projected spend and increased by £106k
Community and Housing					
Libraries IT - Library Management System		(140,000)	140,000		Reprofiled in line with projected spend
Children, Schools and Families					
West Wimbledon- Schools Capital Maintenance	(18,610)				Virement & Reprofiled in line with projected spend
Wimbledon Chase- Schools Capital Maintenance	90,000				Virement in line with projected spend
Links- Schools Capital Maintenance	(32,850)				Virement & Reprofiled in line with projected spend
Singlegate- Schools Capital Maintenance	(40,000)				Virement in line with projected spend
St Marks- Schools Capital Maintenance	(50,000)				Virement in line with projected spend
William Morris- Schools Capital Maintenance	11,000				Virement in line with projected spend
Unallocated - Schools Capital Maintenance		65,750			Virement & Reprofiled in line with projected spend
Raynes Park- Schools Capital Maintenance	(11,000)				Virement in line with projected spend

Ricards Lodge- Schools Capital Maintenance	(6,410)				Virement & Reprofiled in line with projected spend
Rutlish- Schools Capital Maintenance	(7,880)				Virement & Reprofiled in line with projected spend
Mainstream SEN (ARP)- Raynes Park School Expansion 1	(15,000)	15,000			Virement & Reprofiled in line with projected spend
Perseid Lower- Perseid School Expansion	(50,000)	50,000			Virement & Reprofiled in line with projected spend
On Street Parking- P&D- -Pay and Display Machines	(106,780)	106,780			Reprofiled in line with projected spend
On Street Parking- P&D - ANPR Cameras Air Quality ...	(86,000)				Car mounted Cameras not cost effective post covid
Off Street Parking - P&D -Car Park Upgrades	(544,510)	544,510			Reprofiled in line with projected spend
Off Street Parking - Peel House Car Park	(700,000)	700,000			Reprofiled in line with projected spend
CCTV Investment- Dark Fibre		172,500			Reprofiled in line with projected spend- New Project 23-24
CCTV Investment- CCTV Business Continuity & Resilience	(172,500)				Reprofiled in line with projected spend
Fleet Vehicles - Replacement of Fleet Vehicles	(748,470)				Reprofiled in line with projected spend
Highways & Footways - AFC Wimbledon CCTV	(4,640)				Budget Relinquished - scheme finished
Highways & Footways - Vivacity Monitors	39,180				New S 106 Funding
Cycle Route Improvements - Cycle Access/Parking	34,000				Additional TfL Funding
Cycle Route Improvements - Cycling Improvements Residential Streets	125,000				Additional TfL Funding
Mitcham Area Regeneration- Rowan Park Community Facility Match Funding	(150,000)	150,000			Reprofiled in line with projected spend
Morden Area Regeneration - Morden TC Regen Match Funding		(2,000,000)		2,000,000	Reprofiled to 2025-26
Wimbledon Park Lake and Waters- Water Sports Fleet	10,000			(10,000)	Reprofiled in line with projected spend
Parks- New Wimbledon Park Water Play Feature			183,000		Reinstated Budget funded from SCIL
Total	(3,075,880)	389,540	323,000	1,990,000	

8 SECURE CHILDREN'S HOME FOR LONDON AND PAN-LONDON COMMISSIONING VEHICLE (Agenda Item 8)

The Cabinet Member for Children's Services presented the report which proposed a place of residence for all 32 London Boroughs to look after the needs of children with particularly complex needs including those at risk of serious harm. There was currently no appropriate placement in Borough and therefore children were being sent out of the Borough and often further afield. It was yet to be confirmed where it would be located.

Members thanked the Cabinet Member for the report and spoke in support of the proposal.

RESOLVED:

1.1 That Cabinet agreed that the Council becomes a member of a not-for-profit company, limited by guarantee, provisionally to be known as the Pan London Vehicle, to:

Recommendation A

- (i) Develop and then oversee the running of London's secure children's home provision for a five-year period from 1st April 2023 to 31st March 2028, with a break-point after three years once the refreshed business case has been developed as well as the service pricing structure, commissioning approach, operating model, practice model and the SCH's location is confirmed. Once the provision has launched, membership will be at a fixed annual cost of £20K (subject to inflation adjustment), unless an alternative model for funding the PLV, that does not require annual subscription, is agreed by members during the development phase and
- (ii) Collaborate with other PLV members on future joint commissioning programmes. Commits in principle to joint oversight and risk/benefit sharing of the secure children's home provision, through the PLV, for a five-year period to 31st March 2028 (with three-year break point), that includes the build, service development and service commissioning phases, subject to ratification after the revision of the SCH business case, and renewable on a ten yearly cycle thereafter, with break-point after five years.

Recommendation B:

Delegates authority to Executive Director for Children, Lifelong Learning and Families in consultation with the Director of Finance and the Council's Monitoring Officer to:

- (i) Finalise the legal documents required to set up, join and run the PLV and
- (ii) Make the final determination on the Council's membership of the PLV, following completion of the revised SCH business case and, if appropriate, enter into all the legal agreements, contracts and other documents on behalf of the Council required to implement and run any aspect of the PLV arrangements.

9 SUPPLY OF GAS TO LONDON BOROUGH OF MERTON (Agenda Item 9)

The Cabinet Member for Finance and Corporate Services presented the report, noting that since the Council had ended the previous contract with Gazprom, it had been on a short term contract. The report therefore proposed a longer term contract for gas provision for two years with the option to extended for two further periods of

two years. It was noted that procurement had been through all the usual processes and the successful bidder had scored well.

RESOLVED:

A. That Cabinet Awarded a 2+2+2-year contract to bidder A for the supply of gas to sites covered by the corporate utility contract, starting from 1st April 2023.

B. That authority to take up the 2 optional 2-year extensions on the contract was delegated to the Interim Director of Innovation and Change in consultation with the Cabinet Member for Finance and Corporate Services.

10 EXCLUSION OF THE PUBLIC (Agenda Item 10)

The Chair advised that the meeting was able to proceed entirely in public and therefore this item was not required.

Committee: Cabinet

Date: 16 January 2023

Wards: All

Subject: Merton Civic Pride Fund: Supporting the Voluntary and Community Sector 2023/26

Lead director: Louise Round, Executive Director of Innovation and Change

John Morgan, Executive Director of Adult Social Care, Integrated Care and Public Health

Lead officer: John Dimmer, Interim Head of Corporate Policy and Improvement, Corporate Services

Keith Burns, Interim Assistant Director, Commissioning, Community & Housing

Lead member: Councillor Eleanor Stringer, Deputy Leader and Cabinet Member for Civic Pride

Contact officer: Amanda Roberts; Policy, Strategy and Partnerships Officer
(020 8545 4685 / amanda.roberts@merton.gov.uk)

Heather Begg, Commissioning Officer, Adult Social Care
(020 8545 4515 / heather.begg@merton.gov.uk)

Recommendations:

1. That Cabinet note the allocation of 24 projects in the voluntary and community sector to receive Civic Pride Fund funding totalling £4,917,252.67.67 over the 2023 -2026 period.
 2. That Cabinet note the approach to selecting providers.
-

1 BACKGROUND

1.1 This report sets out the proposed allocation of £4,917,252.67 to the voluntary and community sector (VCS) organisations who applied for grant funding from the Merton Civic Pride Fund: Supporting the Voluntary and Community Sector 2023/26. A positive and significant increase of 35% more funding than the previous Strategic Partner Programme 2019-22.

1.2 With Nurturing Civic Pride being one of the new administration's key priorities for Merton, the funding programme has involved extensive engagement and collaborative working alongside the voluntary and community sector including benchmarking and researching into the national, regional and local context. Understanding how and where our residents need support reflects our commitment to restoring Civic Pride in our borough. We want people to feel proud to live, work and visit in Merton.

- 1.3 It was agreed by Cabinet in September that all core funding that goes to the voluntary sector and the local area should come under the overarching umbrella of a Merton 'Civic Pride Fund' (CPF). This reflects our commitment to investing in the local VCS infrastructure that supports our local communities.
- 1.4 Key headlines include:
- At almost £5 million, this combined grant programme is the largest contribution to support the voluntary and community sector for many years.
 - With 20 organisations being funded for 3 years, this is the largest amount of organisations funded via grants.
 - Out of the 20 organisations, 3 organisations haven't received this funding previously. This provides both stability within the sector, and opportunities to explore new projects
 - 28% of the total funding available is going to smaller groups/organisations.
 - Over £1 million to organisations that support older people.
 - Over £500,000 to organisations that support people with disabilities and impairments.
 - £203,962.00 to BAME Voice, a significant increase on the previous round of grant funding.
- 1.5 This report provides Members with details of the work to commission the council's Civic Pride Fund: Supporting the Voluntary and Community Sector and the process moving forward.
- 1.6 The whole process including the [prospectus](#)¹ was co-designed with the voluntary and community sector through extensive engagement and a collaborative working group, which was led by an independent chair.
- 1.7 The new fund has four pots of funding, which are aligned with the council's 'Working Better With Communities' framework – see separate report on this agenda. A total of forty applications were received. The following applications were received for each element:
- Services that provide help - 5
 - Services that grow strengths and capabilities - 13
 - Active, supportive communities - 20
 - An enabling system and place- 2
- 1.8 The Supporting the Voluntary and Community Sector fund brings together multiple funding pots under one single grants process.
- 1.9 The aims of the new 2023-26 Civic Pride Fund: Supporting the Voluntary and Community Sector are to:

¹ [Civic Pride Fund: Supporting the Voluntary and Community Sector | Merton Council](#)

- Invest in and support Merton’s local voluntary and community infrastructure.
- Nurture a strong sense of community and reduce inequalities.
- Bring together preventative services that provide information, advice and support in the community to strengthen Merton resident’s physical, social, emotional, and economic resilience.

2 DETAIL

- 2.1 Following approval by Cabinet on 22 September 2022, the grant opened for applications from 3rd October and ended on the 11th of November 2022, after a six-week period. A total of 40 applications were received.
- 2.2 To support smaller organisations through the application process online webinars, 1:1 support sessions and virtual workshops were facilitated by both Merton council and Merton connected. FAQs were developed, and organisations could contact the funders at any stage with queries.
- 2.3 A funding panel was convened on 29 and 30 November and 6 December to score applications against the weighted criteria, including the ways of working set out in the funding prospectus. The panel included representatives from the Council (including the Equalities Officer) and Southwest London Integrated Care Board.
- 2.4 Applications for each element were scored and ranked. Any that were found to fall below the minimum threshold of a weighted score of 60 or fell outside the scope set out in the Prospectus were automatically not eligible. Funding allocations were then considered for each theme based on ranking.
- 2.5 A decision report was prepared, and an Equality Analysis completed for the Chief Executive on the 30 December to approve recommendations on organisations to be funded. All applicants will be notified by letter of the decision on the 5 January 2023. Funding agreements and monitoring arrangements will be finalised in March 2023 and funding will commence from April 2023.
- 2.6 Out of 40 applications, 20 organisations were successful with funding, with 24 projects. Detailed below in 2.7 are a list of organisations that were successful and unsuccessful following evaluation and the amount agreed for 3 years following chief officer decision. For further details of the summary (including description and scoring), please refer to Appendix I, page 10.

2.7

1. **Services that provide help:** the services that provide emergency assistance to people in crisis and direct help to adults in need.

Successful Applicants

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
Power Centre Church	£65,200.00	£38,073.00
Commonside Community Development Trust	£36,927.00	£36,927.00
Merton Vision	£30,945.00	£30,945.00

Unsuccessful Organisations

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
Faith in Action - Merton Homelessness Project	£90,000	No funding
Inner Strength Network	£120,000	Not eligible

2. **Services that grow strengths and capabilities:** the services that provide good quality information, support and non-accredited advice, accredited advice and casework and specialist and/or legal representation where necessary.

Successful Applicants

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
Age UK Merton	£1,557,087.07	£530,581.20
Association for Polish Family	£163,000.00	£163,000.00
Citizens Advice Merton and Lambeth	£1,616,504.00	£1,293,203.20
Commonside Community Development Trust	£98,439.00	£78,751.20
Merton Centre for Independent Living	£148,248.00	£148,248.00
Merton Mencap (AF1)	£68,466.00	£54,772.80
Merton Vision (AF2)	£73,882.00	£59,105.60
South West London Law Centres	£228,724.00	£228,724.00
Springfield Advice and Law Centre	£190,300.00	£190,300.00
Wimbledon Guild	£148,293.00	£148,293.00

Unsuccessful Organisations

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
Alzheimer's Society	£153,494.00	No eligible
Home-Start Merton	£58,980.00	Not eligible

South London Refugee Association	£134,259.59	No funding
----------------------------------	-------------	------------

- 3. Active, supportive communities:** the services that co-design support and solutions with people and communities to help grow their relationships and connections and increase their level of activity. This will include low level preventative activities and Healthwatch Merton.

Successful Applicants

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
AFC Wimbledon Foundation	£211,150.00	£0* ²
Age UK Merton (AF1)	£314,029.41	£0*
Attic Theatre Company	£38,514.00	£38,514.00
Commonside Community Development Trust (AF1)	£142,574.00	£142,574.00
Friends In Helier	£178,000.00	£150,410.00
The Merton and Morden Guild of Social Service	£144,500.00	£122,102.50
Merton Community Transport	£52,031.03	£43,966.22
Merton Mencap	£68,520.00	£68,520.00
Merton Mencap (AF2)	£56,706.00	£0*
Merton Mencap (AF3)	£48,300.00	£0*
Merton Mencap (AF4)	£41,865.00	£0*
Merton Vision	£182,664.00	£154,351.08
North East Mitcham Community Association	£16,083.87	£13,590.87
Wimbledon Guild (AF1)	£102,696.00	£0*
Merton Connected (AF1)	£375,000.00	£375,000.00

Unsuccessful Organisations

Organisation	Amount Requested 2023-2026	Funding Amount 2023-2026
Accoutre Centre for Learning	£30,000	Not eligible
Ethnic Minority Centre Ltd	£49,989.00	No funding
South Mitcham Community Association	£122,938.00	No funding
Unique Talent CIC	£370,740.00	No funding
Jigsaw4u	£132,107.00	Not eligible

² * As preventative activities had a large number of strong applications, far exceeding the funding available, the panel made the decision to discuss alternative funding arrangements with four organisations. These organisations have agreed to withdraw their funding applications and are in ongoing conversations with the Council to confirm future opportunities. This has enabled a wide a reach as possible for preventative activities, making best use of available funding.

4. **An enabling system and place:** the services that help to support an enabling system and place. This will include voluntary and community sector infrastructure support and the provision of small grants.

Successful Organisations

Organisation	Funding Amount Requested 2023-2026	Funding Amount 2023-2026
BAME VOICE	£203,962.00	£203,962.00
Merton Connected	£807,300.00	£603,338.00

- 2.8 We will ensure that as part of the equality analysis, organisations that were eligible but low scoring will be supported by the council and Merton Connected to identify alternative funding opportunities.

3 NEXT STEPS

- 3.1 New funding agreements for the Supporting the Voluntary and Community Sector programme will begin on 1 April 2023, for all allocated funding.
- 3.2 Following key decision approval, letters will be sent to all organisations by the 5 January 2023, the Council website will be updated with the outcomes and a communications plan will be developed, which will include an article in My Merton.
- 3.3 There are no current Strategic Partners who applied for funding who were unsuccessful in their applications. However, there are some organisations that have not applied for grant funding (including Imagine Independence, DeafPlus and Asian Elderly Group of Merton). There is no provision in the Civic Pride budget for any transitional arrangements for organisations who will no longer be funded in the next financial year. However, ongoing conversations with four organisations that withdrew their applications (following discussions with the Council) will continue to explore other opportunities in partnership with the Council. The overall budget will be kept under review as part of the approach to balancing the budget over the medium-term.
- 3.4 To further support and develop Merton's small, volunteer and community led organisations, including diversity-led groups, the Civic Pride Fund: Supporting the Voluntary and Community Sector, will allocate funding for smaller groups to build in opportunities and address challenges around infrastructure and capacity. This will be administered via Merton Giving to the value of £50,000pa for the next 3 years (starting in April 2023).

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 A number of engagement activities have informed this fund.
- 4.2 Transforming How We Work with Communities project, and as part of this the listening and engagement work to shape the working better with communities framework.
- 4.3 Your Merton engagement and findings report.

- 4.4 VCS community response monthly steering group.
- 4.5 Covid-19 Impact reports for people with dementia and their carers, people with a learning disability and their carers, people from black and minority ethnic communities and young people.
- 4.6 Merton Connected ‘State of the Sector’ report.
- 4.7 The outcomes of the Big Conversation for people with a learning disability.
- 4.8 A large online engagement event facilitated by Collaborate CIC took place on the 27 April 2022 attended by over 50 people. At the event, initial ideas were sought on the principles underpinning the work, the process, the vision, and the proposed outcomes of the programme. Delegates were invited to continue to co-produce the whole programme through Collaborative Working Group, which met 5 times.
- 4.9 The formal consultation on the prospectus was open from 21 July to 16 August.
- 4.10 Conversations with commissioners within the council and beyond have taken place throughout this process. The early proposals were taken to a commissioner’s workshop on 24 May 2022.

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1 The following table details the confirmed funding available which can be met within existing core budgets for four key themes in Civic Pride Fund (CPF): Supporting the Voluntary and Community Sector:

Civic Pride Fund: Supporting the Voluntary and Community Sector	Annual amount	3 years 2023-2026
Services that provide help		
Services that provide emergency assistance to people in crisis	£25,000	£75,000
Services that provide direct help to adults 18+ in need	£55,000 (£10,315 has been allocated)	£165,000 (£30,945 has been allocated) The surplus £134,028.67 funding was transferred to preventative activities
Services that grow strengths and capabilities		
Telephone/digital/face to face information, advice, accredited advice, casework and specialist and legal representation	£964,993	£2,894,979 Of this funding, £1,232,679 is allocated specifically for adults in need and the remaining funding for all ages
Active, supportive communities		
Preventative activities for adults 18+ in need	£200,000	£600,000* In addition to this funding, £134,028.67 was transferred from

		services that provide help
Healthwatch	£125,000	£375,000
An enabling system and place		
Infrastructure support	£269,100	£807,300
Total (New Allocation)	£1,639,093	£4,917,279

6 LEGAL AND STATUTORY IMPLICATIONS

- 6.1 The council has legal duties to provide information and advice, in particular under the Care Act 2014 (Part 1 Section 4) and the Homelessness Reduction Act 2017 (Section 2). Furthermore, the council has the power under the Localism Act 2011 (known as the general power of competence) to do anything an individual may do, unless specifically prohibited. This includes the power to make grants and thus the Localism Act 2011 enables the council to provide the funding to cover the strategic themes that have been identified in the report.
- 6.2 In adopting an outcomes-focused commissioned grants approach, care must be taken to ensure that the outcomes identified are not such that a funding agreement is in reality a contract for the provision of services, which would be subject to the Public Contracts Regulations 2015 and the council's Contract Standing Orders.
- 6.3 Care should also be taken that the giving of a grant does not amount to a subsidy falling under the subsidy control regime. As such the council should ensure that prior to award of grant a declaration is made by the organisation.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 7.1 When decisions are made as to which voluntary organisations will continue to be funded and which are not to be funded, regard will need to be had to the public sector equality duties and decision-making will be informed by equality analysis.
- 7.2 The range of services recommended for funding will ensure equal access to all members of the community and can be targeted at those people and areas with the highest levels of need.
- 7.3 Any potential negative impact for voluntary and community sector organisations that have not met, or who were not eligible to reach the more detailed criteria we used to decide who our Strategic Partners will be mitigated through the actions outlined in the attached Equality Analysis Improvement Action Plan.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1 None specific to this report. The proposals in this report do not have a direct crime and disorder impact, however, they will contribute to an inclusive and cohesive society and improve the resilience of vulnerable residents. Overall, this should have a positive impact on the factors that contribute to crime and disorder and reduce the likelihood of vulnerable residents becoming victims of criminal behaviour.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 9.1 Two of the council's key risks relate to equalities and to partnership working. The proposals set out in this report will mitigate risks in relation to both key risks.

10 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1: Successful and unsuccessful applicants for Civic Pride Funding: Supporting the Voluntary and Community Sector 2023-2026.

11 BACKGROUND PAPERS

- 1 Cabinet report – Merton Civic Pride Fund: Supporting the Voluntary and Community Sector 2023/26 – commissioning requirements 19/09/2022 - [Final Cabinet report 19 September Civic Pride VCS.pdf \(merton.gov.uk\)](#)
- 2 CMT report - Merton Civic Pride Fund: Supporting the Voluntary and Community Sector 2023/26 - commissioning requirements 16/08/22
- 3 CMT report - Strategic Partner Programme 2023-2026 12/05/2022
- 4 Key Decision Report - Strategic Partner Programme 2019/22 25/02/2019 <https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=714>
- 5 Key Decision Report - Strategic Partner Programme 2019/22 18/12/2018 <https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=687>
- 6 Cabinet report – Strategic Partner Programme 2019/22 commissioning requirements 17/09/2018 - <https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=629>
- 7 Cabinet report – Future Funding of the Strategic Partner Programme – 03/07/2017 - <https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=47>

Appendix I Supporting the Voluntary and Community Sector fund 2023/26 – Scoring and recommended funding

Theme 1 Successful Applications

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
Power Centre Church	To build capacity to be better able to assist vulnerable residents living in the deprived area of East Merton through extending foodbank, offering information and advice, refer to other organisations and further train volunteers.	Meets Requirements: 3 Value for Money: 2 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 60	£65,200.00	£38,073.00
Commonside Community Development Trust	To provide emergency/crisis support to residents of Pollards Hill.	Meets Requirements: 3 Value for Money: 4 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 72	£36,927.00	£36,927.00
Merton Vision	Direct outreach support to residents with a visual impairment who are isolated and/or struggling with the cost of living.	Meets Requirements: 4 Value for Money: 4 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 80	£30,945.00	£30,945.00

Theme 1 Unsuccessful Organisations

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
Faith in Action - Merton Homelessness Project	To provide support via a drop-in service to people who are homeless or vulnerably housed.	Meets Requirements: 3 Value for Money: 2 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 56	£90,000	No funding

Inner Strength Network	To enhance prevention activity for women and girls by funding administration, budgeting, monitoring, staff support, room space and training programme to professionals.	Meets Requirements: 1 Value for Money: N/A Track Record: N/A Addressing Inequalities: N/A Weighted Score: N/A	£120,000	Not eligible
------------------------	---	---	----------	--------------

Theme 2 Successful Applications

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
Age UK Merton	Proposal to put in place an integrated Community Support Service (CSS), bringing together established Information and Advice and Living Well services, to further grow strengths and capabilities for older clients in Merton.	Meets Requirements: 3 Value for Money: 2 Track Record: 3 Addressing Inequalities: 4 Weighted Score: 60	£1,557,087.07	£530,581.20
Association for Polish Family	Provide support for the Polish and EE communities in Merton mainly through the provision of information, support, and non-accredited advice, including outreach sessions.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 68	£163,000.00	£163,000.00
Citizens Advice Merton and Lambeth	Provide a range of information, advice, casework and specialist support services to people across the borough relating to social welfare law. Service will include further enhanced Merton Adviceline, and face-to-face information support and advice provision.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 64	£1,616,504.00	£1,293,203.20
Commonside Community Development Trust	Provide an enhanced 'Step Forward' programme to provide advice and support to residents in the East Mitcham area.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 64	£98,439.00	£78,751.20

Merton Centre for Independent Living	Increasing the capacity of the Information and Advice service through an accredited caseworker support for Deaf and Disabled residents in Merton relating to welfare benefits, social care, concessionary travel, housing, grant applications and health.	Meets Requirements: 4 Value for Money: 3 Track Record: 3 Addressing Inequalities: 4 Weighted Score: 72	£148,248.00	£148,248.00
Merton Mencap (AF1)	Provide a Community Facilitator service which supports adults with learning disabilities and/or autism to live to more independently and achieve positive life-goals.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 64	£68,466.00	£54,772.80
Merton Vision (AF2)	Expansion of current specialist one to one and counselling service and Benefits and Welfare support services to a new client group (Hard of Hearing/Deaf people).	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 4 Weighted Score: 64	£73,882.00	£59,105.60
South West London Law Centres	Expansion of current legal casework and representation services in Merton, providing a new Merton-based Housing and Welfare Benefits Caseworker and a Crisis Navigator, based in the community, providing early triage and crisis navigation support.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 68	£228,724.00	£228,724.00
Springfield Advice and Law Centre	Provide a legal advice service for mental health services users, offering advice and casework representation in debt and welfare benefit matters, including expanded advice outreach sessions.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 68	£190,300.00	£190,300.00
Wimbledon Guild	Provide a preventative, strengths-based Wellbeing Support service, offering a holistic assessment and 1:1 support for vulnerable, isolated older people with limited connections in the community.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 72	£148,293.00	£148,293.00

Theme 2 Unsuccessful Organisations

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
Alzheimer's Society	To provide a Community Development Worker to lead on work with people from ethnic minority backgrounds who are living with or affected by dementia or experiencing memory difficulties across Merton.	Meets Requirements: 1 Value for Money: N/A Track Record: N/A Addressing Inequalities: N/A Weighted Score: N/A	£153,494.00	No eligible
Home-Start Merton	Provide support to parents to help promote positive parenting through 1:1 home visiting support, extended family support group service and counselling service.	Meets Requirements: 1 Value for Money: N/A Track Record: N/A Addressing Inequalities: N/A Weighted Score: N/A	£58,980.00	Not eligible
South London Refugee Association	Provide an advice and casework service for refugees, asylum seekers and other vulnerable migrants in Merton. Caseworker to provide advice around issues including immigration, welfare benefits, training and health.	Meets Requirements: 3 Value for Money: 2 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 56	£134,259.59	No funding

Theme 3.1 Successful Organisations

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
AFC Wimbledon Foundation	To employ a health activator and sports coaches to deliver sporting activities across the borough for older and more vulnerable adults and carers.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 76	£211,150.00	£0 Please refer to 2.11 in Decision Report

Age UK Merton (AF1)	To expand preventative activities for older people targeting older men and residents from ethnic minorities and other marginalised communities to attend.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 72	£314,029.41	£0 Please refer to 2.11 in Decision Report
Attic Theatre Company	To provide two weekly singing groups and in addition a dance and movement workshop for people with Dementia and their carers.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 68	£38,514.00	£38,514.00
Commonside Community Development Trust (AF1)	To provide a drop-in community café, a range of activities for older and vulnerable residents in Pollards Hill and a hot two-course meal Monday to Friday.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 68	£142,574.00	£142,574.00
Friends In Helier	To provide a range of activities, outreach support and outings for older people to socialise, join in with activities and eat a hot meal together.	Meets Requirements: 3 Value for Money: 2 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 60	£178,000.00	£150,410.00
The Merton and Morden Guild of Social Service	To provide 16 (growing to 20) preventative activities per week for older people in Merton.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 60	£144,500.00	£122,102.50
Merton Community Transport	To provide an excursion club (two trips per month) supporting members of the community struggling with loneliness and isolation to places of interest.	Meets Requirements: 3 Value for Money: 2 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 60	£52,031.03	£43,966.22

Merton Mencap	My Life My Community Saturday Hub for adults with a learning disability and/or Autism.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 72	£68,520.00	£68,520.00
Merton Mencap (AF2)	My Life My Community Independent Travel Training service to support adults over the age of 25 with a learning disability and/or Autism to become safe, independent travellers.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 72	£56,706.00	£0 Please refer to 2.11 in Decision Report
Merton Mencap (AF3)	My Life My Community Friendship Club for adults with high-functioning Autism called Aces 2.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 72	£48,300.00	£0 Please refer to 2.11 in Decision Report
Merton Mencap (AF4)	My Life My Community Merton Sings inclusive community choir for people with a learning disability and/or Autism living in Merton.	Meets Requirements: 3 Value for Money: 3 Track Record: 4 Addressing Inequalities: 3 Weighted Score: 64	£41,865.00	£0 Please refer to 2.11 in Decision Report
Merton Vision	A range of support and activities based at the Merton Vision community centre, including volunteer support, preventative activities, building travel confidence, communication support, low vision and lighting advice and social interaction.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 60	£182,664.00	£154,351.08

North East Mitcham Community Association	To provide a range of activities for older people which includes a lunch club, falls prevention group, breakfast club and fish and chips lunch club.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 60	£16,083.87	£13,590.87
Wimbledon Guild (AF1)	To employ a male outreach worker to develop a range of activity and volunteering options for older male residents 50+ at risk of frailty and isolation.	Meets Requirements: 4 Value for Money: 3 Track Record: 4 Addressing Inequalities: 4 Weighted Score: 76	£102,696.00	£0 Please refer to 2.11 in Decision Report

Theme 3 Unsuccessful Organisations

Organisation	Summary of Service	Score	Amount Requested 2023-2026	Funding Amount 2023-2026
Accoutre Centre for Learning	To provide 'Keeping yourself healthy' lessons, assemblies and round table discussions to children and young people.	Meets Requirements: 1 Value for Money: N/A Track Record: N/A Addressing Inequalities: N/A Weighted Score: N/A	£30,000	Not eligible
Ethnic Minority Centre Ltd	To provide three activities to BAME communities including swimming (and lunch afterwards), massage and knitting	Meets Requirements: 3 Value for Money: 2 Track Record: 3 Addressing Inequalities: 2 Weighted Score: 52	£49,989.00	No funding

South Mitcham Community Association	Employ a community engagement officer to develop a range of activities to adults 18-65 who suffer from multiple indices of deprivation that impact on mental health and well-being.	Meets Requirements: 3 Value for Money: 2 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 56	£122,938.00	No funding
Unique Talent CIC	To provide a peer professional out of hours telephone service, 1-1 holistic support and group work programme for predominantly the BAME community in mainly the East of the Borough.	Meets Requirements: 2 Value for Money: 2 Track Record: 3 Addressing Inequalities: 2 Weighted Score: 44	£370,740.00	No funding
Jigsaw4u	To provide a tenancy support service to work with 18-25 year old young people who are in the process of leaving the care system.	Meets Requirements: 1 Value for Money: N/A Track Record: N/A Addressing Inequalities: N/A Weighted Score: N/A	£132,107.00	Not eligible

Theme 3.2 Successful Organisations

Organisation	Summary of Service	Score	Funding Amount Requested 2023-2026	Funding Amount 2023-2026
Merton Connected (AF1)	To deliver a Healthwatch Merton service, providing an effective voice for local people in Merton, influencing and shaping Health and Social Care services to meet the needs of children, young people and adults.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 60	£375,000.00	£375,000.00

Theme 4.1 Successful Organisations

Organisation	Summary of Service	Score	Funding Amount Requested 2023-2026	Funding Amount 2023-2026
BAME VOICE	To build the capacity of BAME organisations in Merton, through the provision of good quality advice, specialist training and on-going support.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 4 Weighted Score: 64	£203,962.00	£203,962.00
Merton Connected	To support, enable and champion the voluntary, community and faith sectors in Merton, through the provision of good quality advice and guidance to VCS organisations; learning and sharing insight to improve trust, relationships and the quality of VCS services; investing in community support to create an environment for volunteering to thrive, and: inspiring, mobilising, connecting and growing relationships.	Meets Requirements: 3 Value for Money: 3 Track Record: 3 Addressing Inequalities: 3 Weighted Score: 60	£807,300.00	£603,338.00

Committee: Cabinet

Date: 16th January 2023

Agenda item:

Wards: All

Subject: An update on the Cost of Living crisis and development of further proposals relating to the Cost of Living Emergency Support Fund.

Lead officer: Louise Round, Interim Executive Director, Innovation and Change

Lead member: Councillor Billy Christie, Cabinet Member for Finance and Corporate Services

Contact officer: John Dimmer, Head of Corporate Policy and Improvement, ext: 3477, Octavia Lamb, Policy and Scrutiny Manager, ext: 4721

Recommendations:

- A. Note the progress in implementing the proposals for the first £1million from the Cost of Living Emergency Support Fund agreed by Cabinet in September 2022.
- B. Note the work on the Cost of Living to date, carried out by the council and its partners
- C. Agree the proposed way forward to develop the council's relationship with the Credit Union as at 3.20
- D. Agree the outlined Cost of Living Action Plan, the ongoing development of this Action Plan as laid out in 3.26 – 3.32, and that a proposal on the remaining allocation of the Cost of Living Support Fund will come to Cabinet in March 2023.

-
- 1.1. This report sets out the progress of the £1million first tranche of the Cost of Living Support Fund as agreed by the Cabinet on 22nd September 2022.
 - 1.2. The report also details the work to date on the Cost of Living emergency carried out by the council and its partners.
 - 1.3. This report also outlines a Cost of Living Action Plan – A cross-council boroughwide approach to supporting residents in Merton.

2 BACKGROUND

- 2.1. Since the council declared a Cost of Living Emergency in July 2022, measures have been undertaken by the council and its partners to identify and support people in need.
- 2.2. The cost of living has become a national crisis affecting millions, with low-income families some of the hardest hit as food and energy bills rise.
- 2.3. The rise in the Cost of Living is combining with existing disadvantage and vulnerability in our communities, inequalities which already existed and had recently been exacerbated by the pandemic. Many households are now at

greater risk of immediate hardship and of reduced opportunity and wellbeing.

- 2.4. The council is uniquely placed to work with partners to identify needs and deliver services and support to protect people against higher costs, targeting help at those facing the most complex challenges.
- 2.5. A Cost of Living Support Fund of £2million was agreed by the Cabinet on 22nd September 2022. Allocations have already been agreed for the first £1 million, focusing on crisis support and addressing immediate challenges. Details of the allocations of this tranche of the fund are in Section 3.
- 2.6. The council has held regular resident events at borough libraries, attended by more than 1200 people, expanded the Warm & Well programme, set up warm spaces, and held a Merton Partnership Cost of Living Summit attended by key partners. Details of these are in Section 3.
- 2.7. There are strong mechanisms in place for engaging with voluntary sector and other key partners, including the Community Response Steering Group and its Fuel Poverty Subgroup, plus the Food Response Network and the Cost of Living Communications Campaign Working Group. These provide an opportunity for discussions on key issues affecting residents.
- 2.8. In addition, a cross-council Cost of Living Working Group has been established which will draw together and build on the various strands of work being done to address the cost of living crisis by sharing knowledge on the changing scale and nature of residents' cost of living needs, both short and long term. As the council develops its response to the cost of living crisis, this group will develop and oversee the implementation of a Cost of Living Action Plan setting out activities, timescales and ownership. Details are in Section 3.
- 2.9. The work of the council and its partners is in addition to government support that is and has been available to people in recognition of the Cost of Living crisis – see table below

Government scheme/discount	Value	Recipients
Energy Bill Discount	£400	All households
Cost of Living payment	£650	Recipients of low income benefits and tax credits
Disability Cost of Living payment	£150	Recipients of disability benefits
Pensioner Cost of Living payment	£100-£300	Those eligible for Winter Fuel Allowance
Warm Home Discount credit	£150	For eligible households

- 2.10. The Household Support Fund, to be distributed between 1st October 2022 to 31st March 2023. Allocations of this fund towards cost of living initiatives are detailed in Section 3.

- 2.11. Thames Water has a 50% Water Help discount for those with a household income under £20,111.
- 2.12. In addition, the GLA runs a Warmer Homes Grant Scheme with grants of between **£5,000** and **£25,000** are available to eligible low income homeowners and private tenants, with funding amounts depending on your existing energy efficiency rating, your tenure and your current fuel type.

3 DETAILS

- 3.1. A Cost of Living Support Fund of £2million was agreed by the Cabinet on 22nd September 2022. Allocations were agreed for the first tranche of £1million, and detail of these allocations follows.
- 3.2. An allocation of £100,000 was agreed to support arrangements in the voluntary and community sector for delivering emergency assistance to residents.
- 3.3. Following a short and simple application process, 10 bids were submitted, evaluated and confirmed to support residents in financial need with emergency assistance.
- **WDP:** Capital Card pop-up essential items shop for 361 Merton service users of local drug and alcohol services: £5000
 - **Commonside Trust:** To provide infrastructure support for law centre drop in, specialist training, support with travel and crisis cards for residents of Pollards Hill: £6426
 - **CDARS:** To support the cooking, provision and delivery of hot meals to Merton Service users of the mental health crisis cafe: amount TBC
 - **Wimbledon Foodbank:** To provide additional support to deliver food parcels, and provide supermarket vouchers where required: £12,000
 - **Dons Local Action Group:** To fund additional staff to meet increased need to manage daily running of the operations to deliver individual food parcels and delivery of provisions to partners: £10,000
 - **Inner Strength Network:** Provide small grants and financial assistance to women and children in refuges, volunteer expenses and supervision and training costs for volunteers: £5000
 - **Power Church Mitcham:** Funding for 6 months to help fund additional food, toiletry supplies and volunteer expenses and electricity costs to Mitcham residents in need: £8060
 - **Happy Family Support:** Provide freshly cooked meals and access to day services to members South Asian Merton Community who would otherwise be unable to attend due to the cost of living: £1000
 - **Faith in Action:** To support additional capacity for Wednesday and Friday drop in, in South Wimbledon: amount TBC
 - **Carers Support Merton:** An 'emergency fund' to be able to give carers in financial crisis a small grant to help cover basic living costs, such as food/provisions, goods, vouchers to provide short-term support: £5000
- 3.4. An allocation of £100,000 to Sustainable Merton and partners was agreed to support the Community Fridge Network in order to grow capacity in accordance with increasing need:

- A grant of £50,000 to Sustainable Merton, working with Merton Community Transport will increase in the supply of food through a campaign (Clear out your cupboards), Increase links with businesses who can supply surplus food, additional capacity for management and co-ordination of fridge, transportation costs, Warm Wednesdays initiative with Morden Baptist Church, insurance and storage costs for an ebike/trailer.
 - A grant of £25,000 to Commonsense Community Development Trust for essential food items for cooking surplus food, provision of additional hot meals, transport assistance, co-ordination of café and additional sources of surplus food or donations/funding, employ an Inspirational Cook.
 - A grant of £25,000 to Polish Family Association to double the weekly provision of food boxes to support new arriving Ukrainians and members from Polish and EE communities, to purchase essential food if the provision is not enough, offer delivery to families unable to collect due to illness, disability etc.
- 3.5. An allocation of £400,000 to initiatives that reduce heating costs was agreed.
- 3.6. As part of the Warm and Well Programme, the council currently funds 'Thinking Works' to carry out home energy efficiency visits to low-income households. From the £400,000, we are looking to expand this programme to include partner organisations such as Thinking Works, Wimbledon Guild and Age UK Merton.
- 3.7. Details are being finalised with the Warm and Well partners and wider stakeholders (including the ICB) on an implementation plan that increases capacity and provides a tiered level (crisis, short term, medium-longer term support) of information, advice and practical support. This includes increasing:
- Information and advice about income maximisation and energy efficiency
 - More Energy Efficiency assessments
 - Increased handyperson and heating repair support
 - Support to make small adjustments and items to help a household stay warm
- 3.8. An allocation of £200,000 was agreed for Citizens Advice Merton and Lambeth to expand its debt advice service for Merton residents, with a focus on in-person advice given in a community setting.
- 3.9. An Information/Assessor will facilitate outreach drop-in sessions, answer/support initial queries, provide advice support up to advice assessments, schedule appointments including for debt and other and liaise with clients re paperwork/documentation/appointments; a full-time Debt Adviser will provide dedicated debt advice support (including debt, financial capability, budgeting, income maximisation, etc). Pre-booked appointments including outreach venues; a part-time (2 days a week) Generalist adviser who will support residents, Assessor and Debt Adviser focusing on non-debt areas including for example housing, benefits, etc. Where needed, the adviser will be utilised to support drop-in sessions.
- 3.10. An allocation of £200,000 was agreed to be combined with £454,000 of the Household Support Fund to distribute individual payments of £60 by Post

Office voucher to residents in receipt of Council Tax Support. These have all been sent out and should all reach recipients before Christmas.

- 3.11. In addition, Cabinet agreed to commit £630,000 of the Household Support fund to free school meal vouchers for the period October 2022 to March 2023.
- 3.12. The Cabinet agreed that allocations for the second tranche of £1million of the Cost of Living Support Fund be considered in January 2023. The work of the Cost of Living Working Group includes collating and considering proposals for this second tranche in line with the proposed Cost of Living Action Plan. The Action Plan and proposals will be taken to the 20 March 2023 Cabinet meeting.
- 3.13. The council has run a series of free cost of living events for residents in Merton's libraries and the Civic Centre.
- 3.14. A total of five cost of events have taken place since July in Morden, Mitcham, Wimbledon, Colliers Wood and Pollards Hill, with a further dedicated energy saving event taking place in Morden in November. There were around 17 stalls at each event, staffed by council teams and a range of partners. Each household attending events received a free £10 supermarket voucher on the day. All the events have proved extremely popular with nearly 1,200 people attending in total. Feedback from residents has been very positive.
- 3.15. Two cost of living events were also held for Merton Council employees in October and November.
- 3.16. All of Merton's libraries have been set up as warm spaces and are available to all residents. They are continuing to increase their events offer and linking in with partners to deliver cost of living themed events. Libraries have also recently expanded their Health & Wellbeing offer with new Health and Wellbeing Zones set up and more health-related activities being delivered including exercise classes, yoga and medical checks delivered by partners.
- 3.17. A web page on the council website has been set up to promote all of the warm spaces in Merton along with the resources available at them including those set up by community and faith groups. The continuing promotion of warm spaces encourages more organisations to sign up and promote their offer.
- 3.18. To respond to the increasing rates of people taking on new debt, getting into further debt, seeking debt advice and, in the direst circumstances, taking on debt via payday lenders or illegal loan sharks, the council seeks to strengthen its relationship with CroydonPlus, the Credit Union for Merton, Sutton and Croydon.
- 3.19. There are several options for how best to enable CroydonPlus to increase their presence in Merton and their accessibility for the people of Merton.

Option 1: Include signposting to CroydonPlus on Council website

Option 2: Make referrals to Council clients during benefits appointments

Option 3: To explore providing the Credit Union with space in council premises eg the Civic Centre or libraires on a temporary pop-up basis

- Option 4: To consider a portion of the Cost-of-Living Support Fund as a grant for CroydonPlus to expand further into Merton
- Option 5: To consider a voucher scheme similar to the supermarket vouchers that have been issued at the cost-of-living events. With a £10.00 voucher, residents could be encouraged to set up Saver or Junior Saver Accounts
- 3.20. When considering a possible way forward in working with CroydonPlus, the council must give priority to any option which will ensure that Merton residents are benefitting from the CroydonPlus service. Therefore, it is recommended to agree exploring all of the above options.
- 3.21. A cost of living webpage has been set up at www.merton.gov.uk/costofliving, providing up to date information and advice for residents, including details of forthcoming events. It is widely shared by partners and regularly updated.
- 3.22. The council's Communications team is working with council colleagues and voluntary partners on formulating a Cost of Living Communications Campaign to ensure information and advice is getting to the right people as widely as possible.
- 3.23. The Merton Community Hub, set up during the Covid-19 pandemic by the council working in partnership with Merton Age UK, Wimbledon Guild and Merton Connected, has pivoted to providing assistance and support to residents in response to the cost of living crisis. Residents are able to get in touch either online, or, crucially, by phone.
- 3.24. Similarly, the Community Champions, volunteers at the hearts of Merton's communities, established in response to the pandemic, have become vital links for the council into the community, to help spread information about support available, and to feed back to the council about changing needs.
- 3.25. Updates on the cost of living work being undertaken by the council and its partners have been given to the Faith and Belief Forum, the Community Champions, and the Joint Consultative Committee with Ethnic Minority Organisations. These also proved invaluable in terms of hearing first-hand how the crisis is affecting the communities they represent.
- 3.26. In November, the council convened the Merton Partnership Summit on *Cost of Living: Meeting Needs and Building Resilience*, which was attended by more than 80 delegates from across the council and the voluntary and community sector.
- 3.27. Workshops at the Summit were run under five themes which have been identified as the priority themes through which to consider actions that will best tackle the cost of living crisis.
- 3.28. These themes also underpin the framework of the Cost of Living Action Plan being drafted for consideration by Cabinet in March.
- 3.29. The five themes are Food Insecurity/Poverty; Energy Efficiency and Homes; Finance, Benefits and Debt; Jobs and Skills; The Next Generation.
- 3.30. There are two strands of consideration underpinning these themes: meeting immediate needs and building resilience for the future.
- 3.31. The guiding principles for this work are Reaching People, Understanding Changing Need, Joining Up Working.

- 3.32. The *Cost of Living Action Plan – A cross-council boroughwide approach to supporting people living in Merton*, will set out a two year plan to ensure the council is responding to the cost of living crisis in the most effective and collaborative way possible by identifying and fully utilising means of support and funding across different areas, and by identifying and responding to the real needs of our residents.

4 ALTERNATIVE OPTIONS

- 4.1. There are other approaches, but the above is recommended by the Cost of Living Working Group as the clearest way forward.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. There has been ongoing engagement with a range of partners at the Summit and Merton Partnership Exec Board around the medium to longer term planning.
- 5.2. Updates were taken to the Community Response Steering Group and Fuel Poverty Sub-Group (mainly VCS partners) regarding the spending of the first million.

6 TIMETABLE

- 6.1. The Cost of Living Action Plan - A cross-council boroughwide approach to supporting residents in Merton, will go to Cabinet in March 2023
- 6.2. A set of proposals for the allocation of the second tranche of the Cost of Living Support Fund will go to Cabinet in March 2023

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The progress in this report amounts to £1million of the Cost of Living Support Fund
- 7.2. Proposed work in this report is not explicitly linked to the remaining £1million of the Cost of Living Support Fund.
- 7.3. Proposals for this remaining £1million will be made in a future report.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. None specific to this report.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. None specific to this report

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. None specific to this report.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. None specific to this report

12 BACKGROUND PAPERS

- 12.1. None

Committee: Cabinet

Date: 16 January 2023

Wards: All

Subject: Working Better With Communities Framework and Approach

Lead Director: Jane McSherry, Executive Director of Children, Lifelong Learning and Families and Louise Round, Executive Director of Innovation and Change

Lead member: Councillor Eleanor Stringer, Deputy Leader and Cabinet Member for Civic Pride

Contact officer: Keith Shipman, Social Inclusion Manager and Anthony Hopkins, Head of Library, Heritage & Adult Education Service

Recommendations:

That Cabinet:

- A. Formally adopt the 'Working Better with Communities' Framework and ways of working.
- B. Note the proposed process for embedding the Framework into the way in which the council operates.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

Purpose of report

- 1.1. This report sets out the approach to developing and implementing a new bespoke 'Working Better with Communities' Framework and approach within all of Merton Council's service planning. This Framework provides a toolkit for services to use to work collaboratively with communities. Cabinet is requested to formally adopt the 'Working Better with Communities' Framework for Merton Council.
- 1.2. Having the ability to understand how and where our residents need support, including through working collaboratively with the Voluntary and Community Sector (VCS), reflects our commitment to putting Civic Pride at the heart of our borough. The new framework aligns with the overarching aim of the council to 'build a better Merton together' and the core value of being a council embedded in the community.
- 1.3. With Nurturing Civic Pride being one of the new administration's key priorities, this report also outlines the proposed next steps to successfully embed the new 'Working Better with Communities' framework and ways of working into Merton Council's standards and service planning, to further enhance how connected the council is to its local communities.

- 1.4. This framework will also sit alongside proposals for a more resident-facing approach to community engagement, which are due to be presented at a future Cabinet meeting.

Executive Summary

- 1.5. This Framework was born out of our experience during the Pandemic and the desire to harness and build on the community spirit that brought the borough together.
- 1.6. The Framework was co-designed with local partners, including the VCS. It is unique to Merton and reflects the approach that residents want to see us take to developing community partnerships. It provides a toolkit for services to use to work collaboratively with communities.
- 1.7. It provides a set of principles and practical ways of working - some new, some building on existing good practice. We have gathered from our learning to date, that working in this way can help people to think and act differently, and that this can build trust and relationships, unlock resources and create better solutions.
- 1.8. It also sets out how the council can take action at different levels to mobilise all the assets in the borough and to create the connectivity and community resilience needed to ensure that everyone gets help when they need it.
- 1.9. Merton Council already has a strong track record of working collaboratively with the VCS and its local communities. This Framework intends to formalise the processes to ensure that this way of working is encouraged across a wider variety of projects in the council. The positive response from working in this way can already be seen through feedback from partners below.
- Covid Community Champions - “It worked because it was done with partners and we had all parts of the system in the room. It wasn’t Council champions, it was Merton champions.”
 - Detached youth work - “Working closely with other Council teams has improved information sharing and removed barriers to joint working.”
 - Covid health inequalities - “The organisations involved had a fabulous reach and were trusted by their communities. It improved the Council’s relationship with these communities and it has begun to build trust.”
 - Covid Community Response Hub - “We have a long history of working with the VCS in Merton, but this rapid mobilisation took the relationship to a new level. VCS partners were front and centre of the offer and they were recognised as equal partners who are able to bring specialist knowledge and expertise.”
 - Ofsted Children’s Services report – “A critical aspect of mitigating the impact of the COVID-19 pandemic has been that of effective proactive action, working together with key partners to keep children safe and to support all staff in their work with children and families”
- 1.10. Early testing of this Framework and ways of working has involved two pilot projects and utilising the Framework to reconfigure the council’s new Civic

Pride Fund: Supporting the Voluntary and Community Sector, as outlined in this report.

- 1.11. A further update will be provided to a future Cabinet meeting on the future progress in embedding this new approach for Merton.

2. BACKGROUND

- 2.1. The way Merton pulled together during the Pandemic proved that by working collaboratively and at pace both the Council and its communities could work together to deliver better outcomes for residents. The council worked closely with voluntary organisations to mobilise volunteers to support our most vulnerable residents. Many of our voluntary groups have commented that the level of trust and partnership working was a scale different to other London boroughs they worked in.
- 2.2. In recent years we have seen a clear shift from a traditional 'paternalistic' relationship to a genuine partnership approach with the voluntary and community sector in Merton, as evidenced through the last Strategic Partner Programme, models such as Social Prescribing and through the creation of the Merton Community Hub as part of the wider Covid response. We have been able to draw on these resources to support the local Ukraine response.
- 2.3. In addition, the Your Merton engagement findings evidenced how much residents value and take pride in Merton's community spirit and a desire to be engaged at a micro level on the development of initiatives and decisions that affect the things that matter to them e.g. high streets and green spaces.
- 2.4. Building on the experience we have had working with many different partners in our community during the Pandemic and before, we intended to develop a longer-term strategic approach to community support that would be delivered within communities. Working in this way can help people to think and act differently, and can build trust and relationships, unlock resources and create better solutions.
- 2.5. We wanted to capture all this learning to transform how the council works with communities going forward. In early May 2021 we commissioned Collaborate CIC to support us in our new 'Transforming How we Work with Communities' (THWWWC) project. Collaborate are experts in supporting services, systems and places that want to collaborate to deliver better outcomes for residents and they worked with us on this project through to end of June 2022.
- 2.6. Having previously worked with other council's including Brent, Oldham and Kirklees, Collaborate have extensive practical experience supporting collaboration between people, organisations and systems for the public good. Their focus is to enable councils to realise the potential of place, and working through all the local assets – residents, the community and voluntary sector, anchor institutions such as places of worship, and all parts of the public sector.
- 2.7. As part of the initial 'discovery' phase, Collaborate reviewed local evidence and intelligence, as well as key learning from other places. They also

undertook diagnostic interviews and a series of workshops and focus groups with a range of stakeholders, including VCS colleagues, to gather partner insights and perspectives and scope out the potential for a holistic model. Drawing on this evidence and learning it was clear that there was scope for the council to be much more intentional and ambitious in the way it works in partnership with Merton’s residents and communities.

- 2.8. As part of the project Collaborate CIC worked with the council and partners to co-design a new ‘Working Better with Communities’ framework/approach, which was specifically designed for Merton. This was very much a co-production approach and Collaborate spent time understanding not just how the Council might work better with communities but also, how a new approach might be introduced and embedded across the council.
- 2.9. The Framework can be found below in Figure 1 and further details are included in the Collaborate CIC Final Learning Report Executive Summary at Appendix I. This framework sets out how the council can take action at different levels to mobilise all the assets in the borough and to create the connectivity and community resilience needed to ensure that everyone gets help when they need it.

Figure 1 – the working better with communities framework



3. DETAILS

- 3.1. To initially test the Framework, collaborative pilot groups were set up across two focus areas which consisted of council officers, public health

and the VCS. These groups tested its resilience to the complex ways of working across the individual sectors and ability to support the delivery of services across the council.

- 3.2. Having partners in the room who may not usually work alongside one another proved useful when links were made between services and the full customer journey. From the pilots smaller projects developed, and new relationships were formed.
- 3.3. Building on the early work supporting the speech, language and communication pilot, the Early Years Service has recently been successful in two bids to the DfE: the Family Hubs Transformation Fund to facilitate the transition and transformation of Merton's approach to a Family Hub model and a smaller Family Hubs Behavioural Insights project which seeks to improve uptake of family services by vulnerable groups using a community development approach. The Working Better With Communities Framework was integral to these bids, and will be fully considered in the planned activity.
- 3.4. On completion of the piloting phase, it became evident that this new way of working could be applied to a wider variety of council led projects and initiatives.
- 3.5. The Framework has most recently been used to shape the approach for the 'Supporting the Voluntary and Community Sector' element of Merton's Civic Pride Fund: formerly the Strategic Partner Programme.
- 3.6. The recommissioning of this central voluntary and community sector grants funding programme had provided a valuable opportunity to put this Framework into practice. The fund was structured around the four key Framework themes, which are specifically focused around areas where people may find help and support in Merton. It is evident that if we want to enable people to thrive, we need to think about all of these places and ways in which people can be supported. Organisations in Merton were able to apply for funding against one or more of the themes.
- 3.7. In addition, officers also worked with a Collaborative Working Group of voluntary sector representatives and service commissioners to develop a set of commissioning requirements that form the basis of the draft Funding Prospectus that were used to invite bids for funding from the voluntary sector.
- 3.8. Working collaboratively enabled the funding programme to target the current issues faced by Merton's communities. The Collaborative Working Group were also able to work closely with the council officers to create solutions which would not only impact them directly as organisations but their direct service users who are in need.
- 3.9. Further to the pilots and development of the new Civic Pride Fund, the project team has convened a new Commissioning Group, to consider good practice in relation to this Framework. The group is developing new council commissioning guidance setting out best practice at different stages of the commissioning cycle, drawing on the Framework. Going forward, the group will continue to look at opportunities to embed the

Working Better with Communities approach in future commissioning opportunities.

- 3.10. Collaborate CIC produced a final report which outlined recommendations for the short term (next 6 months) as well detailing suggestions for the longer term (the next 12 – 18 months). The full list of recommendations can be found in the Executive Summary document at Appendix I.
- 3.11. Proposals for a more resident-facing approach to community engagement are also in development and will align with the wider approach to working with communities set out in this report. Following the findings from the Your Merton engagement programme there was a clear desire from participants to see improvements in how the Council engages with them on decisions that affect their community.

4. ALTERNATIVE OPTIONS

- 4.1. Cabinet can choose not to adopt this Framework and the council can continue to work as it currently does with communities. However, the evidence from this project and other community and resident engagement has told us that communities want to be more involved in the way that decisions affect them. The Framework would offer the opportunity for a more consistent approach to working with communities across different parts of the council. The risk of not following this approach is that we would continue to be a top-down organisation that doesn't get most out of its residents.

5. CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. We have taken a co-production approach to developing the framework and toolkit for Merton. A range of stakeholders, including staff, partners and community groups have been engaged in the early discovery phase and subsequent phases of the project.
- 5.2. All that work is captured in the Framework. Collaborate reviewed local evidence and intelligence, as well as key learning from other places. They also undertook diagnostic interviews and a series of workshops and focus groups with a range of stakeholders to gather partner insights and perspectives.
- 5.3. The workshops and focus groups included representatives from Merton's Mental Health Forum, Merton's Youth Partnership, The Community Response Steering group, Joint Consultative Committee - Equalities group, Frontline workers, Merton Partnership Executive Board and local businesses.
- 5.4. In addition to the initial diagnostic phase interviews pilot focus groups took place with workshops involving front line staff in public sector and VCS, organisations representing young people, seldom heard groups, business representatives and local commissioners and place-shapers.
- 5.5. A Commissioners Group was set up with those who Commission across the council. These meetings were to understand how the framework can be applied to assist with collaborative commissioning across the council.

- 5.6. A range of consultation and engagement has been undertaken as part of the Civic Pride Fund recommissioning, including an early engagement event co-designed with Collaborate CIC and subsequent Collaborative Working Group. We have taken a co-design approach to developing the draft funding Prospectus.
- 5.7. The Voluntary and Community Sector organisations involved in the Framework development and pilots actively contributed to joint learning on equalities issues. They brought stories of lived experience of inequalities to inform, challenge and influence the decisions being made for the framework.
- 5.8. As the project and pilots progress, it is imperative that we share our journey with wider stakeholders to keep them informed and up to date. For example, a newsletter was included in the last edition of the Merton Together partnership e-magazine outlining the journey of the project so far and the future direction and has been shared more widely with stakeholders.

6. TIMETABLE

- 6.1. To ensure the successful embedding of the Working Better with Communities Framework, project officers will work closely with council departments to identify and explore current initiatives which are taking place across the council which would benefit from a more collaborative approach.
- 6.2. Using the Framework and toolkit as guidance departments will be able to take the necessary steps to engage and involve communities in a wider range of projects. It is intended that through collaboration and earlier involvement in decision making, communities will feel pride in the work and changes taking place across the borough.
- 6.3. The end of project learning report produced by Collaborate recommends that to support the delivery and governance of this approach, the council should consider recruiting a Community Co-ordinator. The role of the Working with Communities Coordinator would be to gather and disseminate learning about how the Framework is being adopted, what is being learnt from using it and what the outcomes are, to further inform the approach. The council may wish to consider recruiting to this role once the Framework is fully embedded.

Outline next steps:

- Engaging individual DMTs – take the draft framework to each DMT and asking them to identify two or three ideas for how to use it
- A session with the council's Leadership Network to update them and ask them to identify opportunities to embed the framework.
- Set up new Stewardship Group to oversee future governance.
- Embedding framework – training, communications, service planning.
- Working with Merton Connected to increase the capacity in the voluntary sector to support the framework.

7. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The total allocation for this work to £179k across 2021/2022 and 2022/23, all funded via the Recovery and Modernisation programme fund (via OCPB reserves). Of this, £157,500 was spent in 2021-22 and the remaining £21,500 in 2022-23.
- 7.2. As part of this funding, CMT approved a budget of £50,000 for a Merton Connected transformational resource element of this work. This funding was paid to Merton Connected in March 2022 to assist with building the capacity within the voluntary sector to support the 'Transforming How We Work With Communities' way of working. Some of this resource was specifically allocated to help support bid writing for the Civic Pride Fund and for a longer-term resource to be created which groups can continue to utilise.

8. LEGAL AND STATUTORY IMPLICATIONS

- 8.1. None specific to this report.

9. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. One of the key elements of the framework is focused on how we address inequality. The next steps outlined in this report aim to have a positive impact in terms of the council's statutory duties.

10. CRIME AND DISORDER IMPLICATIONS

- 10.1. None specific to this report.

11. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. Two of the council's key risks relate to equalities and to partnership working. The proposals set out in this report will mitigate risks in relation to both of these.
- 11.2. The proposals in this document work in conjunction with wider recovery plans for the council.

12. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- 12.1. Appendix I – Collaborate CIC Final Learning Report – Executive Summary

13. BACKGROUND PAPERS

- 13.1. [Your Merton Report](#)

Committee: Cabinet

Date: 16 January 2023

Wards: All

Subject: Merton Adult Learning Strategy 2023 - 2026

Lead officer: John Morgan; Interim Director of Community & Housing Department

Lead member: Councillor Sally Kenny; Cabinet Member for Education & Lifelong Learning

Contact officer: Anthony Hopkins; Head of Library, Heritage & Adult Education Service

Recommendations:

-
1. That the Merton Adult Learning Strategy 2023 – 2026 is reviewed and adopted by Merton Council
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report outlines the strategic objectives and priorities of Merton's Adult Learning Service for the next four years. A delivery plan of the activity to meet the strategic objectives has been included in Appendix 1.
- 1.2. The new Adult Learning Strategy plays an important role in delivering the Council's priorities of:
 1. Civic Pride;
 2. Building a sustainable future;
 3. Borough of sport.
- 1.3. As part of the refresh of the Cabinet priorities the following activities have been identified where Adult Learning will play a key role:
 1. Achieving good or outstanding education for all.
 2. Develop a green skills course offer.
 3. Increase the number of residents from low pay into good well-paid jobs.
- 1.4. The London Borough of Merton is committed to providing high quality and sustainable adult learning to improve the social, economic, health and wellbeing outcomes of our residents. We will deliver this through a strategic investment approach: commissioning provision to the best providers in the field and by developing sophisticated evidence based approaches to what we deliver.
- 1.5. We aim to reduce inequalities across the borough by focussing a significant proportion of our investment on those most socially and / or economically disadvantaged whilst providing a broad range of learning opportunities to develop all of our resident's skills.
- 1.6. A refreshed set of strategic objectives for the service were previously agreed by Cabinet on 27 January 2020 and the new strategy developed has more emphasis on progression opportunities into better paid employment along

with developing new curriculum areas such as green skills. There is also a renewed focus on improving residents key skills in areas such as English, Maths and digital skills.

2 DETAILS

2.1. Background

2.2. Since August 2016 Merton's Adult Learning Service has been operating in a commissioning model. The strategic rationale for moving to a commissioning model was to ensure that education grants received maximised investment in Merton residents, supporting them to develop new skills and improve their life chances. The change also ensured that the service could be managed within the funding allocation received to ensure the sustainability of adult learning in the borough.

2.3. In October 2019 Merton Adult Learning Service was subject to a full inspection by Ofsted under the new Education Inspection Framework (EIF) and were the first borough in London to be inspected under the new framework. The inspectors noted the good progress made since the previous inspection and awarded the service 'Good' in all six judgment areas. The Ofsted inspectors noted that, *"Leaders and managers ensure that learners benefit from high quality courses. They pay close attention to planning a curriculum that meets the social, economic and health priorities of the borough."*

2.4. Since the last strategy the Adult Learning Service has continued to move forward with evolving its curriculum offer. It responded well to the challenges of moving a significant proportion of its delivery online during the pandemic and developing new methods to engage with learners to help them achieve and progress.

2.5. In the last complete academic year (2021/22) 1,836 learners enrolled on 362 courses.

2.6. Established partnerships have helped the service to overhaul its curriculum offer. The flexibility in the model has meant that the service has been able to quickly adapt to changing resident demands for training and skills. It has also been successful in applying to the Greater London Authority (GLA) for additional funds and unlike some other authorities it has continued to see its core grant increase. This investment has been used to commission additional courses in priority subjects and develop new provision.

2.7. As a commissioning service the model has evolved since the last strategy and 11 providers are currently engaged in delivering adult learning in the borough. Within this provision there is a particular emphasis on delivery in the east of the borough and engaging with those furthest from learning.

2.8. Mayor's Academies Quality Mark

2.9. The Mayor of London has recently launched an accreditation scheme to recognise high quality training provision across London. Merton Adult

Learning have been successful in achieving the Mayor's Academies Quality Mark for their Digital Skills provision.

2.10. The Quality Mark identifies and celebrates high-quality skills provision and is part of a London-wide programme to help cement the economic recovery across the capital. Merton Adult Learning are one of the first adult learning providers to receive this recognition. The service had to show that their training provision was industry relevant, was closely aligned with employers' needs and promoted and supported the creation of good work opportunities.

2.11. **Skills for Londoners Strategy**

2.12. Merton Adult Learning is fully funded via a grant from the Greater London Authority (GLA) along with a smaller grant funded by the Education and Skills Funding Agency (ESFA) for learners who do not live in a London borough. The GLA have been administering the main part of the grant since 2019 as part of the government's plans around devolution.

2.13. Since administering the grant the GLA have established a strategy for how the funding should be used, which fall under 3 key priority areas:

1. Empower all Londoners to access the education and skills to participate in society and progress in education and work;
2. Meet the needs of London's economy and employers now and in the future;
3. Deliver a strategic city-wide technical skills and adult education offer.

2.14. **Merton Adult Learning Strategy 2023 - 2026**

2.15. The London Borough of Merton is committed to providing high quality and sustainable adult learning to improve the social, economic, health and wellbeing outcomes of our residents. We will deliver this through a strategic investment approach: commissioning provision to the best providers in the field and by developing sophisticated evidence based approaches to what we deliver.

2.16. We aim to reduce inequalities across the borough by focussing a significant proportion of our investment on those most socially and / or economically disadvantaged whilst providing a broad range of learning opportunities to develop all of our resident's skills.

2.17. To deliver our strategy, the following objectives have been developed:

1. Further develop our evidence-based approach to commissioning to ensure the fullest return on investment.
2. Further develop collaboration and partnerships across the employment, voluntary and health sectors to embed the work of adult learning in the community.
3. Deliver a significant proportion of our courses in priority areas in the borough to address inequalities.

4. Increase the range and quality of courses in employability and ensure that a thread of employability and life skills is weaved into all courses.
 5. Adapt courses to address employer's future workforce needs and progress more residents into good work including skills for the green economy.
 6. Embrace technological developments and support residents through the delivery of courses that increase digital opportunities and enable residents to get online safely and confidently.
 7. Deliver courses to improve the health and wellbeing of our residents and reduce social isolation.
 8. Provide popular courses and continue to develop our curriculum to fit the skills needs of residents.
 9. Deliver provision for families to encourage intergenerational learning.
 10. Provide targeted courses for adults to improve literacy and / or numeracy skills to enable learners to participate more fully socially and / or economically.
 11. Further develop the range of courses for learners with learning difficulties and / or disabilities to enable them to live as independently as possible to improve their wellbeing and life chances.
 12. Tailor the learning journey for all learners from beginning to end so that they progress onto new opportunities.
 13. Deliver excellent teaching and learning that is learner focussed and enables residents to progress.
 14. Work collaboratively with providers to ensure that best practice is shared and embedded in course provision.
- 2.18. Underpinning our objectives are the following core values for delivering adult learning:
1. Provide a broad range of accredited and non-credited courses to meet market demand and based on evidence and intelligence of future needs.
 2. Make full use of national, regional and local data to understand, target and track the delivery of our services to different parts of the resident population to ensure the widest reach of adult learning.
 3. Ensure all courses are delivered in the borough.
 4. Courses are delivered in an inclusive and welcoming environment in high quality venues that are easy for people to access whilst ensuring the safeguarding of all our learners.
 5. Embed appropriate assessment and selection processes to ensure that course criteria matches learner needs and they progress appropriately following course completion.

6. Learn from, and contribute to, best practice around the country in the field of adult learning and actively seek to embrace new approaches.
 7. Continue to improve the quality of education and develop enhanced systems to manage quality and improve feedback from our learners.
 8. Clear pathways are established, recorded, and monitored to enable progression of learners onto new courses, employment opportunities and / or improved health and wellbeing as appropriate.
 9. Market our services to the community through a variety of different methods and ensure a strong thread of localism is embedded into our course offer.
- 2.19. Areas for development in the new Adult Learning Strategy focus on an increase in the delivery of key work skills courses including English, Maths, digital skills and ESOL. The curriculum also includes new subjects such as green skills to provide training to equip residents for careers in the green economy, an area of employment that is expected to significantly increase over the next ten years. The action plan in Appendix 1 outlines the core work programme for the next four years.
- 2.20. The London Borough of Merton pays all its employees above the London Living Wage. It has recently pledged its commitment to becoming an accredited London Living Wage employer. As part of the accreditation process it is working with its contracted providers to achieve London Living Wage for all their employees.
- 2.21. This is an important commitment for the borough and shows an example of the Council leading in terms of identifying and championing good work opportunities. This commitment sits well with the new Adult Learning Strategy as the service increases its work with employers and will work with residents who are currently in low skilled and / or low paid roles to support them into pathways to good work.
- 2.22. Strengthening partnerships with other training providers and educational facilities, including further and higher education, is also a priority so that a more joined up approach is taken to improving residents' skills for employment and personal development. The Adult Learning Service will support the council to better utilise its apprenticeship levy.

3 ALTERNATIVE OPTIONS

- 3.1. The London Borough of Merton undertook an extensive consultation process before deciding upon its commissioning model. All options of delivery were considered and the new model has achieved financial sustainability and a more developed curriculum to better meet the needs of Merton residents. The model has also seen the quality of the provision significantly increase with all areas of provision judged as 'Good' in the last Ofsted inspection and with the service continuing to strive for 'Outstanding' in all areas.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Feedback and evaluation is gathered from all learners. Learner feedback is very high with 96% of learners rating teaching and learning as good or above.
- 4.2. The service is working to improve the information it records to track learners' progression onto new courses or onto new employment opportunities and more details regarding activity are included in the delivery plan.

5 TIMETABLE

- 5.1. The attached Adult Learning Strategy Delivery Plan (Appendix 1) outlines the key projects to be undertaken to achieve the strategic aims with dates and milestones. Key actions from the Strategy will be incorporated into the annual service planning exercise and will be published in the Merton Council Business Plan.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Merton Adult Learning relies solely on external grants to provide its provision. From the 2019/20 academic year most of the grants are now administered by the GLA and their allocation for Merton for 2022/23 is £1,515,718. An additional grant has also been received under the Multiply initiative to increase basic maths provision and the allocation for 2022/23 is £73,752. A smaller grant for out of London learners is administered by the ESFA of £38,221.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The main statutory basis for the adult learning service is section 15B of the Education Act 1996. This section empowers local authorities to secure the provision for their area of full-time or part-time education suitable to the requirements of persons who have attained the age of 19, including provision for persons from other areas. It includes power to secure the provision of training, including vocational, social, physical and recreational training, and of organised leisure time occupation which is provided in connection with the provision of education or training. The authority may do anything which appears to them to be necessary or expedient for the purposes of or in connection with the exercise of their functions under this section. In exercising their functions, the authority must in have regard to the needs of persons with learning difficulties or disabilities.
- 7.2. The authority does not therefore have a statutory duty to maintain an adult education service but must in considering whether to provide a service and what service to provide take account of the needs of people with learning difficulties or disabilities.
- 7.3. Whilst there are no specific legal issues or risks arising from the changes outlined in this report in relation to commissioning, Merton must continue to have regard to our overall responsibilities at paragraph 7.2 when deciding on the content of provision being commissioned.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. A significant proportion of Adult Learning’s investment is for those most socially and / or economically disadvantaged whilst providing a broad range of learning opportunities to develop all resident’s skills. Focussed programmes are developed that identify priority needs and use a wide range of sources to inform commissioning principles.
- 8.2. All providers have targets around attracting learners from priority areas of the borough and detailed marketing plans have been developed to address this.
- 8.3. Equalities data shows that women and people from black and ethnic minority backgrounds are most likely to participate in adult learning courses.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. No implications identified for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. No implications identified for the purpose of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 – Merton Adult Learning Strategy Delivery Plan

This page is intentionally left blank

Merton Adult Learning Strategy 2023 – 2026 Delivery Plan

Objective 1 - Further develop our evidence-based approach to commissioning to ensure the fullest return on investment.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Continue to develop data systems relating to key borough employment and demographic data to inform curriculum decisions.	Data driven approach to commissioning and evidencing of decisions. Better understanding of curriculum development by providers.	Complexity of data to easily draw conclusions. Economic uncertainty around job projections.	MAL team and providers, Merton Hub and GLA.	Ongoing
Embed new management information system (MIS) so that more informed and real time information is provided on the progression and destination of learners.	Timely collection and presentation of data. Data covers new performance areas identified in the Service Plan.	Capacity within team and MIS provider to deliver required works. Ability of providers to collect additional data.	MAL team and providers. MIS system provider.	July 2023
Objective 2 - Further develop collaboration and partnerships across the employment, voluntary and health sectors to embed the work of adult learning in the community.				
Review the governance of the Merton Advisory Panel to ensure that there is good cross borough representation in key areas.	Improved community representation and sector specific knowledge on the advisory panel.	Capacity of representatives to be able to attend and contribute.	MAL team, providers and advisory panel members.	July 2023
Further develop partnership and collaboration agreements with key partners.	Improved pathways into employment and better signposting/referrals onto other services.	Capacity of team and partners to actively engage. Ensuring that objectives and priorities are shared.	MAL team, providers and partners.	Ongoing

Improve relationships with further and higher education organisations to improve progression routes	Improved pathways into employment and better signposting/referrals onto other services	Capacity of team and partners to actively engage. Ensuring that objectives and priorities are shared.	MAL team, providers and partners.	Ongoing
Objective 3 - Deliver a significant proportion of our courses in priority areas in the borough to address inequalities.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Commission new contracts to focus on key skills delivery in the east of the borough.	Increase number of learners attending courses from the east of the borough. Increased course delivery in the east of the borough.	Availability of venues and take up by learners.	MAL team and providers.	Ongoing
Work with main provider to increase participation of residents in courses from priority areas.	Increase number of learners and enrolments from designated deprived wards.	Learner demand, effective marketing and venue location.	MAL team and main provider.	Ongoing
Ensure that all contracts have built in requirements for providers to deliver in priority areas.	Increased take up of courses amongst priority groups.	Learner demand and enrolment numbers.	MAL team.	Ongoing
Objective 4 - Increase the range and quality of courses in employability and ensure that a thread of employability and life skills is weaved into all courses.				
Commission new courses in priority areas using economic data.	Informed data driven commissioning decisions. Increased take up on courses.	Suitability and availability of economic data.	MAL team.	Ongoing
Commission new green skills provision.	Provide a range of green skills courses that support	Green skills provision still new.	MAL team and providers.	Commencing from October 2022

	learners into employment in the sector. Develop curriculum to address gaps in employment.	Ability of providers to adapt to changes in the market. Employment opportunities.		
Objective 5 - Adapt courses to address employer's future workforce needs and progress more residents into good work including skills for the green economy.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Increase engagement with key employers to help feed their workforce requirements into curriculum development.	Development of partnerships with key stakeholders. Establishment of a referral pathway into good employment.	Ability to be able to engage and identify good employers.	MAL team and providers. Job Centre Plus. Employers.	Ongoing
Deliver job outcomes in green skills and health & social care to meet South London Partnership objectives.	South London Partnership (SLP) job outcomes targets met. Increased number of learners moving into employment in these sectors.	Suitable employment pathways via providers. Employers commitments to paying London Living Wage.	MAL team, Job Centre Plus, SLP.	July 2025
Establish baselines and performance measures to demonstrate the impact of how learners are moving into good work.	Establish definition of good work and baselines. Increase % of learners moving into good work.	Comparable data to be able to measure and define 'good work'. Quality of information provided by providers.	MAL team and providers.	July 2025
Objective 6 - Embrace technological developments and support residents through the delivery of courses that increase digital opportunities and enable residents to get online safely and confidently.				
Increase the breadth of digital skills courses.	% increase in number of courses and learners.	Customer demand.	MAL team and providers.	Ongoing

Continue to develop the Connecting Merton project to ensure that all residents have the equipment and support to confidently go online.	Increase number of residents accessing Connecting Merton service. % of residents who report that they can confidently use computers and the Internet as a result of the scheme.	Customer demand. Reach into the community and reluctance within some groups to engage with IT.	MAL team, Libraries and providers.	Ongoing
Objective 7 - Deliver courses to improve the health and wellbeing of our residents and reduce social isolation.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Ensure that health & wellbeing is fed into all courses.	Health & wellbeing elements to be covered during assessment and classes and measured via monitoring visits.	CPD delivered adequately to tutors. Monitoring systems in place to track progress.	MAL team, health partners and providers.	Ongoing
Continue to develop course offer to support residents to improve their health and wellbeing.	Engage with health services to assist in developing curriculum. Measure health outcomes of learners on courses. Case studies.	Customer demand.	MAL team, health partners and providers.	Ongoing
Work collaboratively with health and social care partners to respond to emerging themes and promote services available to learners.	SLP job outcomes in Health & Social Care. Increase partnerships with employers to support learners into employment. Further develop health & wellbeing support and signposting for learners via providers.	Suitable employment opportunities. Engagement from health and social care partners.	MAL team, providers and health and social care partners.	July 2025

Objective 8 - Provide popular courses and continue to develop our curriculum to fit the skills needs of residents.				
Embed employability skills into all courses.	Evidenced employability thread in all course plans. Improved links to employers and improved job outcomes.	Learner interest in changing career or moving into the job market.	MAL team, providers and employers.	Ongoing
Where applicable courses to provide training on starting your own business and independent trading.	% of learners moving into self-employment. Case studies.	Learner interest in this subject area.	MAL team, business start up centres and providers.	Ongoing
Objective 9 - Deliver provision for families to encourage intergenerational learning.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Embed new family learning course offer.	Increase number of learners and courses for family learning. Increase venues where family learning is delivered. Provide a diverse offer that attracts families from mainstream and non-mainstream educational settings.	Learner interest. Course suitability.	MAL team and provider.	July 2025
Work collaboratively with schools, family centres and libraries to deliver more provision in the community.	Increase number of courses delivered in the community. Increase numbers of learners. Increase % of learners from deprived wards.	Venue suitability. Learner demand.	MAL team and providers.	July 2025

Objective 10 - Provide targeted courses for adults to improve literacy and / or numeracy skills to enable learners to participate more fully socially and / or economically.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Launch new provision of Multiply courses to provide more entry level maths courses in the community.	Increase number of maths courses. Increase number of learners attending. Achievement rates on courses and progression data.	Learner demand. Suitable community venues. Grant funding.	MAL team and providers.	July 2025
Continue to develop more entry level courses for learners in maths and English.	Increased number of courses and learners. Increase breadth of course offer.	Learner demand. Grant funding.	MAL team and providers.	Ongoing
Continue to increase ESOL provision and respond to new demands.	Increase number of courses and learners. Amend curriculum offer to meet demands.	Learner demand.	MAL team and providers.	Ongoing
Continue to develop the Learn English in Merton (LEIM) service and web portal to better signpost ESOL learners onto appropriate provision.	Number of assessments undertaken per year. Web visits to LEIM portal. Number of learners.	Learner demand. Suitable pathways established and provider availability. Venue suitability.	MAL team and providers.	Ongoing
Objective 11 - Further develop the range of courses for learners with learning difficulties and / or disabilities (LLDD) to enable them to live as independently as possible to improve their wellbeing and life chances.				
Commission new contractor to deliver LLDD services.	Increase number of LLDD learners and courses. Value for money. Further development of curriculum offer.	Limited provider market. Venue suitability for proposed courses. Learner demand for courses.	MAL team and provider working with Mencap, carers groups	New contract to start August 2023

			and Adult Social Care.	
Work with Council Transitions and Children's Services teams to increase the proportion of young learners on courses.	% of 19 – 25 year olds attending LLDD courses.	Competition from other services. Parents/carers wishes.	MAL team, provider and Council teams.	July 2026
Embed more digital skills training so that learners have access to high quality learning wherever they are.	Deliver some remote online courses in LLDD. All learners to have access to IT to learn remotely should they need to.	Skills of learners to be able to learn remotely. Availability and suitability of IT equipment.	MAL team and provider.	March 2024
Objective 12 - Tailor the learning journey for all learners from beginning to end so that they progress onto new opportunities.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Implement new progression and destination reporting with providers.	% of learners moving onto new learning or job opportunities. Improved reporting of learner progression in their courses.	Timeliness of reporting by providers.	MAL team and providers	March 2023
Improve links between providers and employers that leads more learners moving into good work.	% of learners moving into good work. Increase number of partnerships with employers.	Definition of good work and how this is recorded in data systems. Partnerships with employers.	MAL team, providers and employers.	March 2024
Objective 13 - Deliver excellent teaching and learning that is learner focussed and enables residents to progress.				
Achieve 'Outstanding' status at next Ofsted inspection.	Achieve overall rating of 'Outstanding' at next Ofsted inspection.	Continual improvement of providers and embedding of areas identified in Quality	MAL team and providers.	December 2024

		Improvement Plans (QIPs).		
Monitor and implement actions arising from the annual Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) plans.	All actions completed in QIP within suitable timeframes. Embedded SAR and QIP process with all providers.	Delivery of improvement actions completed in a timely fashion. Capacity.	MAL team and providers.	Ongoing
Move more residents into 'good work'.	London Borough of Merton pledge to London Living Wage. Define measurements for good work. % of learners moving into good work.	Quality of data intelligence to inform what good work is. Engagement with employers.	MAL team, providers and employers.	Ongoing
Continue to be accredited in the Mayor's Skills Academy in Digital Skills and apply for accreditation in a minimum of one other area.	Mayor's Skills Academy accreditation for Digital Skills. Achieve accreditation in at least one other service area.	Capacity and quality of provision.	MAL team and providers.	Ongoing
Objective 14 - Work collaboratively with providers to ensure that best practice is shared and embedded in course provision.				
Activity	Outcomes	Risk Factors	Stakeholders	Target Date
Further develop the Merton Advisory Panel as a platform for sharing best practice.	Review terms of reference on an annual basis. Ensure that representation is reflective of all key areas. Embed best practice sharing systems in meeting structure.	Participation and representation in Advisory Panel.	MAL Advisory Panel.	Ongoing

Attend sector specific network and training events and ensure information is cascaded to providers.	Representation at all relevant sector specific training events. Knowledge to feed into all the objectives highlighted in this plan. Cascade systems in place for providers.	Capacity. Provider engagement.	MAL team and providers.	Ongoing
Further develop the Advisory Panel sub-group for providers to share best practice.	Improve number of learner case studies. Increase sharing of best practice.	Capacity. Provider engagement.	MAL team and providers.	Ongoing

This page is intentionally left blank

Committee: Cabinet

Date: 16 January 2023

Wards: All

Subject: Microsoft Enterprise Architecture Licencing

Lead officer: Mark Humphries – Assistant Director Infrastructure and Technology

Lead member: Councillor Billy Christie – Cabinet Member for Finance and Corporate Services

Contact officer: Richard Warren – Head of IT Service Delivery/Gareth Prandle – IT Contract manager

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within this appendix and it is therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the appendix.

Recommendations:

- A. That Cabinet approves that the Contract for the Microsoft Enterprise Architecture Licences is awarded to Supplier A
- B. That Cabinet approves that the Microsoft Azure Hosting Cloud Solution Provider (CSP) is bundled with the contract award to Supplier A.

Purpose of report and executive summary:

- 1.1. The London Borough of Merton uses Microsoft (MS) technology upon which it, IT infrastructure is built to maintain security, connectivity, and general user services.
- 1.2. MS products and services are therefore required to maintain the overall IT functionality that underpins the delivery of the Council's services to both internal and external users.
- 1.3. This report outlines the steps that officers have taken to ensure that effective competition has been achieved in order to select the Large Account Reseller (LAR) that the Council will engage with to purchase MS Licences.

2 DETAILS

- 2.1. MS technology is fundamental to the IT Infrastructure and day to day operation of the Council.

- 2.2. The cost of licences is set directly by MS who offer various levels of discount against set prices to marketplaces such as education, not for profit and Government sectors.
- 2.2.1 As recommended by the Commercial Services Team, we have utilised the Crown Commercial Services Framework RM3808 – Aggregated Winter 2022 Competition which effectively bundles multiple MS License requirements for Local Government, NHS & Blue Light Services into periodic auctions with pre-approved suppliers.
- 2.3. The pre-approved suppliers have been vetted for competency and all have the same base price for the licences from MS. Therefore, the element of competition is on the margin that the Large Account Reseller (LAR) will charge in top of the MS set price.
- 2.4. For the Aggregation that Council participated in, the successful LAR is Supplier A as detailed in the Appendix.
- 2.5. A list of known MS Licence requirements for the forthcoming 3 years was submitted to CCS, which included the current expenditure on Azure Hosted services from MS. The Azure hosted service costs were not previously included directly as part of the Councils previous EA contracts. This report proposes to pull all these associated operating costs together within the EA to maintain all of the Councils MS spend with the same LAR.
- 2.6. The licence requirements also included an upgrade from the current E3 specification licence platform to E5. This upgrade provides additional functionality for integration, security and additional MS products which will help to deliver operational efficiencies such as the move from Skype to Teams for external calling.
- 2.7. The Council achieves further MS licence discounts through an Education Licence Programme purchased via a CSP. The academic licence costs are estimated to be £37,370 per annum.
- 2.8. The Education CSP is currently maintained with the incumbent LAR. Renewal of the Education CSP would also move to Supplier as part of this award to ensure all MS products and licences are maintained by the same LAR.
- 2.9. The CCS Aggregation has delivered estimated annual costs of £816,181 per annum based on our expected products and volumes. This also includes the ramp from E3 to E5 licences and the associated benefits that come with that upgrade.
- 2.10. Generally, MS licence usage across the Council will fluctuate throughout the agreement and so it is normal for annual true ups/downs to change the usage figures and cost each year.
- 2.11. MS Azure hosting was added to the requirements of the Aggregation Exercise. Azure hosting effectively provides server services that can run other Council software functionality including the Council's website services and new digital transformation programmes, from the 'Cloud' as opposed to running these services on-premises.
- 2.12. Current costs for Azure hosting are approximately £25k per month - £300k per year. The Aggregation competition did not deliver any direct savings on Azure hosting. The winning provider, Supplier A, has indicated that they will not make

any margin on the provision of Azure hosting, so savings on this element of the new contract would be virtually impossible.

- 2.13. It is important to note that the Councils current Azure Hosting costs will increase in future years as the transformational projects currently under development will all utilise hosted technology and increase our operating costs. It is difficult to accurately forecast the likely increase at present because it will be driven by several factors, but it is estimated to be in the region of £150k for 2022/23 but is dependent on how much data we consume when the new systems go live.

3 ALTERNATIVE OPTIONS

- 3.1. The agreed IT Strategy of “Cloud First” means that bringing services in house would not align to the IT plan.
- 3.2. Officers therefore feel there is little true alternative to MS Enterprise Architecture and associated licence costs without significant disruption
- 3.3. An open Tender without using the CCS framework Aggregation is also unlikely to have delivered better results and would have taken significantly more officer time.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. There is no requirement for Consultation on this matter.

5 TIMETABLE

Milestone	Target Date
DPG Approval	1 December 2022
Procurement board Approval	13 December 2022
Cabinet	16 January 2023
Members call in	23 January
Award	End Jan 2023
Order placed/ Contract Starts	Feb 2023

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The estimated annual value of the contract is summarised below

	Estimated Annual Contract Value
Microsoft EA*	£816,181
Current Azure Hosting	£300,000

Future Azure Hosting Cost	£150,000
Microsoft Education Licence Costs	£37,370
	£1,303,551

- 6.2. The contract value over the three years is therefore estimated at £3,910,653. This will be funded from the existing annual revenue provisions of £1,153,551. A growth bid has been submitted for the additional estimated funding requirements of £150,000 per year. Actual costs will depend on user numbers and Azure Consumption costs.
- 6.3. A credit check was carried out for the intended supplier and the report indicates recommended contract value is £30 million.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. This report refers to a contract above the threshold at which the Public Contracts Regulations 2015 require a compliant procurement. The framework referred to in the report is available for the council to call off.
- 7.2. The procurement as described is from a central purchasing body and the method of aggregated procurement is a method of procurement available under the framework as required by Contract Standing Order (CSO) 12.
- 7.3. Once the contract has been awarded the Council should update the corporate register under CSO 13.4 and publish the result of the procurement on Contracts Finder in accordance with regulation 108 of the PCR.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1 None for the purposes of this report.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1 None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Officers do not believe there are any direct implications in this area however without correct licences there is considerable risk of Cyber threat. Without operational IT systems the Council's ability to operate efficiently would be severely hampered.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix A – Exempted information

12 BACKGROUND PAPERS

- 12.1 None for the purposes of this report.

Committee: Cabinet

Date: 16th January 2022

Wards: All

Subject: Social Value

Lead officer: Louise Round, Interim Executive Director Innovation and Change

Lead member: Cllr Billy Christie, Cabinet Member Finance and Corporate Services

Contact officer: Dawn Jolley / Nathan Brennan

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within appendix C and it is therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the appendix.

Recommendations:

- A. That Cabinet notes the progress made with the opportunities available to London Borough of Merton through the Public Services (Social Value) Act 2012.
 - B. Any relevant observations or actions following discussion of this report be recognised or undertaken by Commercial Services with further updates given to CMT/LSG quarterly or as requested.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To update Cabinet on the council's compliance with the Public Services (Social Value) Act 2012, and the benefits gained through the creation and introduction of a bespoke Social Value Measurement Charter (SVMC).
- 1.2. To provide a snapshot of the current Social Value landscape around the country and how the council compares to other local authorities.
- 1.3. To outline the further improvements and value-adding opportunities that Commercial Services' Social Value strategy can achieve, and in particular, its links with improved contract management in LBM.

2 DETAILS

- 2.1. The Public Services (Social Value) Act 2012 requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract and consider how the services they commission and procure might improve the economic, social and environmental well-being of an area.
- 2.2. As a centre-led procurement function, Commercial Services is best placed to take responsibility for the council's Social Value strategy and implementation. A toolkit and guidance documents have been available to all staff since 2015. Following

the Commercial Services redesign, Social Value policy, toolkits, resources and bidder guidance were updated and further improved in 2018.

Social Value Measurement Charter (SVMC)

- 2.3. Although compliant with the Social Value Act 2012 and achieving initial aims, this approach was not conducive to maximising the opportunities available through procurement projects. As such, further improvements were made in 2020 through the creation, piloting and introduction of a bespoke Social Value Measurement Charter (SVMC).
- 2.4. The SVMC uses recognised National Themes, Outcomes and Measurements (TOMs). Please see **Appendix A** below for background information on the TOMs.
- 2.5. The Social Value Portal is the company which produces and updates the National TOMs. This is done by continually asking for ideas and feedback on the National TOMs from hundreds of industry stakeholders, such as Local Authorities, via the [National Social Value Taskforce](#) and engagement surveys.
- 2.6. A blank copy of the latest SVMC can be found at **Appendix B**.
- 2.7. Following a successful pilot and consequent approval at Procurement Board in August 2021, the SVMC is now issued to all bidders (potential suppliers to LBM) in procurements where spend is over £100,000. For projects below this spend level the Social Value Toolkit suggests alternative, proportionate ways where Social Value can be obtained through procurements.
- 2.8. Alongside the introduction of the SVMC, Commercial Services updated the Social Value training offering which is available to all LBM officers. This training takes place roughly six times a year and has been attended by around 40 employees to date. The next session is scheduled for 10th November 2022.
- 2.9. The publication of the latest (2022) National Themes, Outcomes and Measurements (TOMs) gave Commercial Services the opportunity to renew the LBM bespoke SVMC, and a Version 2 was introduced this month (October 2022).
- 2.10. Refreshing the SVMC has allowed Commercial Services to better align it with overall corporate and the Administration's objectives, and to stay on top of any new legislation. Future updates will be particularly vigilant with any new public procurement regulations being enshrined in law (probably during 2023).
- 2.11. An example of closer Cabinet alignment is the strengthening of the 'Environmental' themes within the new SVMC, reflecting the Climate Emergency declaration. There are now eight themes in this area as opposed to five from the 2021 version, and a plastics reduction measurement is now included for the first time.
- 2.12. There is also a measurement specifically for suppliers offering T-Levels as a result of the contract (the new vocational alternative to A-Levels), as well as a measurement to incentivise the narrowing of gender pay gaps.
- 2.13. Departmental objectives have also been considered in the build of the new SVMC. In August the Category Manager (Place) met with Public Health colleagues to discuss where more specific objectives could be included and

following discussions, Child Healthy Weight objectives have now been expressly named in suggested wellbeing initiatives within the charter.

- 2.14. Commercial Services remain open to discussions with all departments to find ways in which the SVMC can assist in a similar way to the point above, to help achieve corporate or departmental objectives.
- 2.15. Bidder guidance and staff training has also been improved following the launch of Version 2 of the SVMC.

Social Value Offered-up Through Tendering

- 2.16. The SVMC allows for a monetised, quantitative measurement of Social Value which in turn gives an objective evaluation on each bidder's tender submissions.
- 2.17. The way in which Commercial Services records the value gained from procurement exercises was updated, to reflect the recommendations of H.M. Treasury's Green Book. With the approval of LBM's Head of Accountancy, any Social Value contractually promised from a winning bidder can now be recorded as quantifiable value gained.
- 2.18. The table below outlines all Social Value commitments captured from winning bids during the first year of operation of the SVMC, with the total being £1,488,657 worth of community value.

Procurement Project	Total Contract Value	Contract Term	Winning Bidder	Winning bidder SV monetary submission
School Meals Catering	£18,000,000	3+1+1	Caterlink Limited	£641,445
Educational Occupational Therapy	£1,989,500	2+2	The London Children's Practice	£42,898
Investment Strategy & Deep Dives	£286,418	12m	Grant Thornton UK LLP	£7,524
Building Services: Lot 1 (Fabric)	£2,468,838	4+2+1	Close Brothers	£55,868
Building Services: Lot 2 (M&E)	£2,858,128	4+2+1	BTU I&M	£3,859
Building Services: Lot 3 (Air Conditioning)	£451,389	4+2+1	BTU I&M	£616.40
Building Services: Lot 4 (Legionella)	£985,016	4+2+1	H2O Nationwide	£21,582
Building Services: Lot 5 (Fire services)	£442,690	4+2+1	Amalgamated	£2,851
Building Services: Lot 6 (Data Centre)	£307,529	4+2+1	Corrigenda Ltd	£2,007
Supported Living	£5,987,351	3+2	Three Cs	£589,614
Schools Cleaning	£10m	3+2	Julius Rutherford & Co Ltd	£109,510

- 2.19. **Appendix C - CONFIDENTIAL** contains a case study (Merton's school meals contract) giving examples of the type and value of Social Value commitments given by a winning bidder. ***[This appendix contains commercially sensitive information].***

- 2.20. Whereas traditionally the weighting element for Social Value within a tender was part of the 'quality' element (where 'quality' and 'price' were the two scoring factors), following the SVMC introduction Social Value has had a standalone weighting (*in addition to* quality and price factors).
- 2.21. The current recommended weighting to officers for Social Value in tender submissions in LBM is 5%. However, it is likely that in the next financial year (22/23) Commercial Services will recommend that this is raised.
- 2.22. Following benchmarking, it was found that most London boroughs weight their Social Value element in tenders at either 5% or 10%, but there is a trend towards the upper figure. Barnet and Islington councils use a 15-20% weighting guidance and Hammersmith & Fulham have indicated that during 2023 they will raise their SV weighting to 20% of tenders.
- 2.23. Furthermore, the Supply Management journal suggests that there is a strong business case for setting a weighting for at least 10% of tenders, as is currently the mandated case for central government in the UK. A copy of the article can be found at **Appendix D**.
- 2.24. Appendix D also explains the importance of embedding Social Value principles and practices across an organisation, as well as highlighting some of the potential pitfalls and ways we can work better with suppliers. Each of these issues are areas of continuous improvement that Commercial Services remain focused on.

Ensuring Social Value Offered Is Obtained During the Life of The Contract

- 2.25. An area of discussion which procuring officers and Procurement Board have taken particular interest in, is the way in which the winning bidders' promised measurements within the charter can be measured, tracked and reported on.
- 2.26. Social Value which is offered in bidders' Charters become a part of their contractual obligations should they go on to be the successful (winning) bidder.
- 2.27. Therefore, ongoing contract management is extremely important to ensure that the Council receives the benefits of Social Value it agreed when it accepted the offer from the supplier.
- 2.28. It is important that bidders are requested to identify how and when elements of their Social Value offers will be delivered and using their 'comments' section on the SVMC they should clarify how (and at what stage during the lifetime of the contract) they are going to meet their commitments.
- 2.29. The contractor should also be asked by the LBM contract manager to provide evidence during contract delivery that the SV offer has been delivered. This helps the LBM contract manager to keep on track on an annual (or more frequent basis) whether offers have been delivered.
- 2.30. To complement the introduction of the SVMC, Commercial Services created a new approach to Contract Management which aims to strengthen the contract and supplier relationship management skills of all LBM officers. A new handbook, tools and templates are available and training, available to all officers, is regularly offered.
- 2.31. Further to this, Commercial Services are investigating further solutions to enable more robust approaches to realising contract management aims (with Social Value capture very much in mind). A demonstration of the tool developed by

Social Value Portal was given to the team in September 2022 and cost/benefit discussions are ongoing.

- 2.32. Also, it is likely that following recent CMT approval for funding, Commercial Services will be creating and recruiting into new roles which will add further resource to the continued evolution of both our Social Value and contract management offerings.
- 2.33. Commercial Services are confident that the SVMC remains the best way to capture additional value and opportunities in contracts. A solicitor-level bidder challenge was successfully overcome (July 2022) as we were able to demonstrate that the charter is fair to all bidders, transparent in its approach and fully compliant with public contract regulations.

3 ALTERNATIVE OPTIONS

- 3.1. Following extensive benchmarking and research, the current LBM approach to Social Value can be considered accepted, compliant and developed.
- 3.2. An alternative approach to capturing Social Value would be to revert back to the capture of Social Value within the 'quality' questions in tender responses. This would be a retrograde step. Furthermore, bidders across the UK have become familiar with the importance of Social Value elements within their bids and are now well used to using tools such as our SVMC. As such this option is not recommended.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The development of Social Value policy as well as the introduction and evolution of the SVMC has been undertaken by consulting with board members of all four Operational Procurement Groups (OPGs) as well as Procurement Board.

5 TIMETABLE

- 5.1. This paper was presented to CMT on 18 October 2022.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Commercial Services continue to hold full responsibility for the Social Value policy in LBM and the application of the SVMC. By definition (CSOs) the threshold for Commercial Services personnel involvement with procurements is on all spend above £100,000, which is the same level at which the SVMC should be used.
- 6.2. Therefore despite extensive training available to all officers, Commercial Services team members will ensure that the SVMC is properly implemented on each procurement project, so there are currently no resource implications on purchasing colleagues in other departments.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. Other than the continued compliance with the aforementioned Social Value Act, there are no legal implications arising from the content of this report.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. Suggested measures within the SVMC serve to improve each of these, for example the gender pay gap (See Appendix B).

9 CRIME AND DISORDER IMPLICATIONS

9.1. Suggested measures within the SVMC serve to improve each of these, for example the rehabilitation of ex-offenders (See Appendix B).

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. Risks are mitigated by the continued scrutiny of the policy and SVMC by departmental OPGs and Procurement Board, each of which contain SLLP representation as well as colleagues from Finance.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

APPENDIX A – BACKGROUND TO SV NATIONAL TOMS (*please see below*)

APPENDIX B – SOCIAL VALUE MEASUREMENT CHARTER V2.1

APPENDIX C – CASE STUDY OF SV COMMITMENTS FROM A WINNING BIDDER

APPENDIX D – ARTICLE FROM SUPPLY MANAGEMENT JOURNAL

12 BACKGROUND PAPERS

None

Appendix A – Background to National TOMs

The National Social Value Task Force sponsored by the Local Government Association (LGA) and supported by Social Value Portal developed and published the National Social Value Measurement Framework (National Themes Outcomes and Measurements, or TOMs) in 2017.

The National TOMs were the culmination of over 18 months consultation with over 40 separate public and private sector stakeholders designed help organisations to identify and measure the Social Value being delivered through a contract.

The aim of the National TOMs Framework is to provide a minimum reporting standard for measuring Social Value. For Councils such as LBM, it provides an easy-to-use solution that has been approved by the LGA's National Advisory Group for Procurement, is immediately available, has been tested successfully by other LAs, is free to use and may be applied to any project.

The TOMs are structured so that a supplier can provide value in addition to the delivery of the core service that they are being engaged for. Typically, this might mean jobs for those furthest from the job market, spend with local SMEs, opportunities for voluntary organisations, environmental improvements (particularly important following the 2020 Climate Emergency declaration) and volunteering in the community. Each opportunity is given a value that reflects the fiscal and economic benefits for the community, and this allows organisations to report their total contribution to society through the contract they are delivering.

The principal benefits of using the National TOMs as a reporting standard are that it:

- **Provides a consistent approach to measuring and reporting Social Value**
- **Allows for continuous improvement**
- **Provides a robust and transparent solution for assessing and awarding tenders**
- **Allows LBM to compare our own performance by sector and provides industry benchmarks to understand 'what good looks like'**
- **Reduces the uncertainty surrounding Social Value measurement, allowing us to make informed decisions based on robust quantitative assessments**

The National TOMs Framework has been designed to help organisations in four principal business activities:

- **Measurement and valuation of social value**
- **Procurement and bid evaluation**
- **Bid submissions**
- **Contract Management**

The National TOMs are a free resource.

The National TOMs are supported by a set of 'Proxy Values' that allow users to assess the financial impact that the measures will have on society in terms of fiscal savings and local economic benefits. It is of course recognised that social value is not all about 'money' but nonetheless this is an important metric to help understand the scale and breadth of impact that a measure can make. Importantly, it allows procuring bodies to compare tenders in a way that is proportional and relevant to the bid, and to better justify a procurement decision.

The National TOMs Framework is not a static tool and has to evolve to reflect changing needs and pressures in society. They are therefore updated on an annual basis. Work on the National TOMs each year starts immediately following release of that year's edition, ready for consultation over the summer and publication in the winter of each year. Any organisation can make representations for additional Outcomes and Measures to be included and these will be debated and analysed by a research advisory board before final approval by the LGA's Social Value Taskforce.

This page is intentionally left blank

Appendix B – Social Value Measurement Charter

(This extract is taken from the original Excel spreadsheet version and placed into PowerPoint format for ease of visibility in Cabinet)

Social Value Measurement Charter – Jobs Outcomes

Outcome	Measures
More opportunities for disadvantaged people	1 Number of full time equivalent employees (FTE) hired on the contract who are long term unemployed (unemployed for a year or longer)
More opportunities for disadvantaged people	2 Number of full time equivalent employees (FTE) hired on the contract who are NOT in Employment, Education, or Training (NEETs)
More opportunities for disadvantaged people	3 Number of full time equivalent employees (FTE) aged 18+ years hired on the contract who are rehabilitating or ex offenders
More opportunities for disadvantaged people	4 Number of full time equivalent disabled employees (FTE) hired on the contract
Improved skills	5 Number of staff hours spent on school and college visits supporting pupils e.g. delivering career talks, curriculum support, literacy support, safety talks (including preparation time)
Improved skills	6 Number of weeks of training opportunities (BTEC, City & Guilds, NVQ, HNC - Level 2,3, or 4+) on the contract that have either been completed during the year, or that will be supported by the organisation until completion in the following years
Improved skills	7 Number of weeks of apprenticeships or T-Levels (Level 2,3, or 4) provided on the contract (completed or supported by the organisation)
Improved skills for disadvantaged people	8 Number of hours of 'support into work' assistance provided to unemployed people through career mentoring, including mock interviews, CV advice and careers guidance
Improved employability of young people	9 Number of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)
Improved employability of young people	10 Meaningful work placements that pay Minimum or National/London Living wage according to eligibility - 6 weeks or more (internships)

Social Value Measurement Charter – Growth Outcomes

Outcome	Measures
More opportunities for local MSMEs and VCSEs	11 Provision of expert business advice to Merton-based VCSEs and MSMEs (e.g. financial advice / legal advice / HR advice / HSE)
More opportunities for local MSMEs and VCSEs	12 Number of voluntary hours donated to support Merton-based VCSEs (excludes expert business advice)
Improving staff wellbeing and mental health	13 Equality, diversity and inclusion training provided both for staff and supply chain staff
Reducing inequalities	14 Number and type of initiatives to be put in place to reduce the gender pay gap for staff employed in relation to the contract (describe and document initiatives)
Ethical procurement is promoted	15 Initiatives taken throughout the local and global supply chain to strengthen the identification, monitoring and reduction of risks of modern slavery and unethical work practices occurring in relation to the contract (i.e. supply chain mapping, staff training, contract management)

Social Value Measurement Charter – Social Outcomes

Outcome	Measures	
Creating a healthier community	16	Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc.) or wellbeing initiatives in the community, including physical activities for adults and children
Vulnerable people are helped to live independently	17	Initiatives to be taken to support older, disabled and vulnerable people to build stronger community networks (e.g. befriending schemes, digital inclusion clubs)
More working with the community	18	Donations and/or in-kind contributions to specific local community projects (£ and materials)
More working with the community	19	Number of hours volunteering time provided to support local community projects

Social Value Measurement Charter – Environmental Outcomes

Outcome	Measures
Carbon emissions are reduced	20 Savings in CO2e emissions on contract achieved through de-carbonisation (i.e. a reduction of the carbon intensity of processes and operations, specify how these are to be achieved) against a specific benchmark
Carbon emissions are reduced	21 Carbon emissions reductions through reduced energy use and energy efficiency measures - on site
Air pollution is reduced	22 Car miles saved on the project as a result of a green transport programme or equivalent (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)
Safeguarding the natural environment	23 Volunteering time for environmental conservation & sustainable ecosystem management activities
Safeguarding the natural environment	24 Resources (on the contract) dedicated to creating green spaces, improving biodiversity or helping ecosystems
Safeguarding the natural environment	25 Total volume of reduced plastics against a relevant benchmark
Resource efficiency and circular economy solutions are promoted	26 Hard to recycle waste diverted from landfill or incineration through specific recycling partnerships (e.g. Terracycle or equivalent)
Resource efficiency and circular economy solutions are promoted	27 Reduce waste through reuse of products and materials

Social Value Measurement Charter – Innovation

The SVMC has an ‘Innovation’ tab which allows bidders to submit their own ideas which don’t fit into the suggested measures.

Social innovation to create local skills and employment	28	Innovative measures to promote local skills and employment to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.
Social innovation to support responsible business	29	Innovative measures to promote and support responsible business to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprints from initiatives etc.
Social innovation to enable healthier, safer and more resilient communities	30	Innovative measures to enable healthier, safer and more resilient communities to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.
Social innovation to safeguard the environment and respond to the climate emergency	31	Innovative measures to safeguard the environment and respond to the climate emergency to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.

The case for social value

Procurement is no longer just about delivering on costs but delivering on value – are you ready to take on a whole new relationship with the public?

What does social value mean to your business?

A robust, resilient and functional world economy requires equally healthy communities as it's the people – the workers and consumers – who keep our supply chains operating. Now it's down to procurement to make those deep investments into a rewarding future.



Ceri Jones
Editor - Supply
Management

Social value is often viewed as a relatively new topic for businesses to address, and yet the concept has been present for many years in various guises – for instance, the indigenous inclusion initiatives in Australia and New Zealand, in-country value programmes in the Middle East and public sector service legislation in the UK brought in more than a decade ago.

However, social value is not simply a worthy cause with an added expense; whether it is defined as supplier diversity or public good, it yields very real and measurable positive impacts for businesses and communities. Following a series of extreme global disruptions over the past two years, which have affected all aspects of life, from industry to personal wellbeing, many leaders now see social value as the key to rebuilding the world economy. Because you can't have a robust, resilient business landscape that brings long-term stability without equally healthy workforces, consumers and populations to support that journey.

Just consider the relatively quick shift from expansive global supply chain models to nearer, more localised operations at the outset of the Covid pandemic, and how this restructure uncovered the benefits of factoring local economies and regions into business investment portfolios. We are still in the midst of a financially challenging period; the cost of doing business and cost of living challenges added to high inflation are dampening growth. So then why invest in social value projects now?

Here we explore the benefits of social value investments and how they affect financial buoyancy, investor interests, talent appeal and more. We access core areas of social value, including diversity of suppliers, the different considerations for different business types, and how to help more organisations work with you to enhance stability. We also look at ways to define and measure social value, having those difficult conversations with suppliers to maximise impact, and crucially, embedding change in the culture of an organisation to ensure efforts and their benefits continue to be felt in the long term.



The business case for social value investments

Social credentials have become a difficult balancing act for organisations, as they aim to work more closely and sensitively with communities they operate in. But can such initiatives also create true stakeholder value?

Words **Lawrie Holmes**

Society is increasingly demanding that business acts as a force for good. It's no longer sufficient for companies to address issues through traditional corporate social responsibility (CSR) activities alone, as CSR remains important but is often limited in both its reach and intentions. By contrast, the social value movement has come to represent far more proactive and, crucially, measurable courses of action.

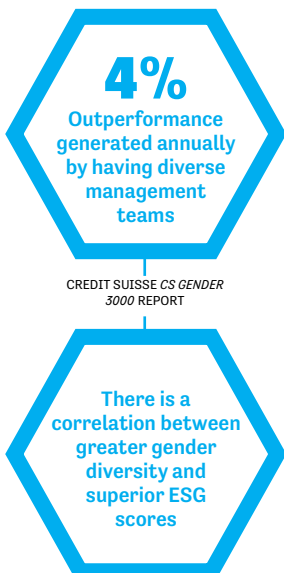
The definition of the trend is open for interpretation, but is generally considered to be “the positive value and outcomes organisations create for the economy, communities, society and the environment,” according to Deloitte UK social value lead, Helen Longfils, or as KPMG puts it, “the tangible benefit to society that results from the interventions that are proactively adopted”.

However, while these positive trends are important, organisations must still report to shareholders and stakeholders in terms of profit and loss. As such, more businesses are questioning how to reframe the perception of value, to present these “tangible benefits” to society in the same light as long-term returns on investment. Or to put it another way, can social value programmes become business value drivers?

Using social value as business value creation

PwC social value leader and partner, Nancy Park, says: “If companies exist in a well-balanced ecosystem, then customers are more likely to be employed and therefore able to afford their products. The company will have access to the skills they need and a motivated, diverse workforce that brings a range of perspectives and reflects the society they serve or people who purchase from them.”

She added that PwC has witnessed numerous examples of clients implementing circular supply chains, turning waste into resource, making supply chains more reliable, environmentally friendly and lowering operating costs, as waste is moved from an operating expenditure to a revenue source. “This helps tackle the climate emergency as well as making good financial sense. And decoupling growth from emissions is not only important for the environment, but it can be a matter of business continuity and continued investment,” she adds.



10%

- the minimum social value weighting for central government

20%

The social value suppliers are increasingly asked for by public bodies

But when it comes to hard evidence of how the social elements create tangible value, it is necessary to assess the growing body of research available. For example, the 2019 Credit Suisse *CS Gender 3000* report stated that increased diversity coincided with superior share price performance. “Companies with more diverse management teams have generated sector-adjusted outperformance approaching 4% a year, compared to those displaying below the average,” it states.

In the aftermath of several global supply chain disruptions, the situation does not appear to have changed. A recent example is Deloitte’s 2022 report *The future of financial services in the United States* which considered whether people-centric programmes could create value in the long run, and came to the conclusion that they could. The analysis said: “Firms will need to prepare for the inevitable shocks that arise over the next 10 years. However, if they embody the principles of a higher bottom line – placing people on par with profits, and actions over intent – financial services can lead the way to a more inclusive, educated, sustainable, collaborative, and profitable future.”

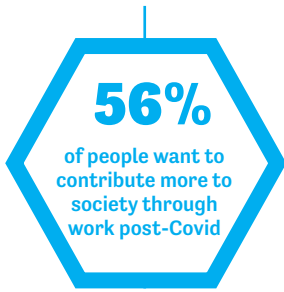
When it comes to actual initiatives, those that combine public and private objectives appear to provide the best possible routes to value creation for the companies participating in them. In Australia, the Public tenant employment programme - an initiative of the Department for Families, Fairness and Housing (DFFH) – service providers the Victoria state government sought to meet companies’ staffing needs with public housing tenants.

It said: “This is an opportunity to use local labour to meet your staffing and skills needs, and play an important role in the economic development of our local communities. Public housing residents helped into employment prove to be committed, reliable and talented [...] The programme can help you find competent, trained staff, particularly in areas where there are skills shortages.”

In the UK, companies that supply to the government are now compelled to adopt social value programmes through the government’s Social Value Model (SVM) which was launched in its current incarnation in January 2021, building on the 2012 Social Value Act. And it doesn’t stop there, as countries including the Netherlands, Canada and some kingdoms in the Middle East have seen government-mandated approaches to amplifying the positive impact of procurement and to influence supplier behaviour. Mandating change is simpler for the public sector bodies, but change is also filtering into the private sector.

Deloitte said it is seeing more and more tenders from private sector companies which include a range of social value considerations – this especially the case in the financial services and consumer sectors’ tenders. “These often show up as questions on sustainability, corporate responsibility, supply chain and people management policies. We see this as a positive move which reflects broader trends towards sustainable consumerism, ESG measurement and reporting and purpose-driven businesses,” the consultancy said.





GARTNER'S 2022 ARTICLE:
EMPLOYEES SEEK PERSONAL
VALUE AND PURPOSE AT WORK. BE
PREPARED TO DELIVER.

Prepare for implementation

When it comes to implementing socially motivated strategies, it may involve stepping away from the past business autonomy and towards more meaningful, actionable conversations with stakeholders. Park says: “Social value should be at the heart of an organisation’s purpose and their mission should not just relate to their product offering or service but also to wider society. They should look at their whole value chain and the actual and potential negative impacts that they have on the environment, people and communities and the economy.

“It’s important for companies to listen to their people and collaborate with them, as well as with their suppliers, customers and communities and purchasing strategies must reflect and drive this social value within a company’s purpose. Since social value also relates to people and communities, it should inform HR strategy across the whole cycle, from attracting talent, recruitment through contracts, coaching and training, appraisal, reward, retention and promotion.”

Social value leaders should also be enablers, according to management consultancy Gartner’s March 2021 report *Designing a social supply chain*. It calls for chief supply chain officers and leaders of strategy to empower people to work together more effectively by breaking down hierarchies in organisation structures. They should build robust supply chain communities by clearly defining cultural behaviours, actively fostering networks, and building DEI, it said.

It further recommends that organisations leverage multiple forms of technology to enable social connections across a remote and hybrid workforce as a priority, as well as building community connections intentionally, developing rules of engagement for different online community venues, whether they are knowledge-based, decision-making forums, innovation or social.

Gartner advises the building of individual skills that emphasise working in a social organisation. “These include collaboration, networking, relationship building and team building. Encourage people to join networks that enhance their individual employee experiences.” And it also calls on CSCOs and strategy leaders to motivate employees by defining purpose, moving beyond objectives, goals and incentives to connect employees to the higher level outcomes they are working toward. It added: “Acknowledge that objectives, goals and incentives will never be perfectly aligned, and work with leaders and staff to understand the trade-offs that must be made in order to achieve higher-order purposes.”

“Individual skills required to work in a social organisation include collaboration, networking, relationship building and team building”



Case study

How social value can deliver when enshrined in law

Words **Guy Battle**

As countries manage their recovery from the Covid-19 pandemic, the climate emergency and a cost-of-living crisis, there has never been a more urgent need to target social value. So ensuring that commitments are not only made but met is crucial. In the UK, it is 10 years since the implementation of the Public Services (Social Value) Act; in that time both the public and private sectors have made great strides to acknowledge and embed social value into procurement processes as standard.

By joining the social value movement, the private sector benefits from a stronger position to win work, meeting the aspirations of ethical investors and becoming a force for good in the communities in which it operates. In practice, this is likely to change from one project or contract to the next, as different communities have different needs, therefore procurers have varied priorities. Whether seeking a supplier to provide training for local people in an area where unemployment is high or someone that prioritises a local supply chain, thus reducing emissions, it is down to procurement professionals to understand and deliver on social value.

The changing expectations of social responsibility

Social value weightings in public procurement have increased in recent years. Where there used to be a standard 10% weighting, public bodies are increasingly asking suppliers for a 15% or even 20% weighting. Following the pattern of social value adoption suggests the private sector will follow suit – with some larger organisations already showing signs of increasing their social value weightings.

Perhaps because of this, we are seeing more organisations, particularly in local government, including remedies for poor delivery of contracts, which includes liquidated damages clauses. It is not common and when it does happen there is often a good reason, but remedies must be put in place and fully understood by all parties at the outset. In line with these changes, the new Procurement Bill, which is currently going through UK parliament, is expected to formalise awarding contracts based on social value and will undoubtedly change the landscape again.

Measuring, evaluating and reporting social value

The UK has developed a measurement framework that provides a minimum reporting standard and is free to download. Called National TOM, it is a widely recognised and efficient way to capture and report social value. Though based on non-financial data it enables organisations to put a monetary value against



the social value contribution, reflecting the fiscal and economic saving to society. From a procurement perspective, having such clear, reportable frameworks has made it far easier to compare supplier bids on the non-financial aspects of a tender, helping to level the playing field for organisations in different sectors of the country.

Protecting an organisation's reputation

Today, procurement sits at the heart of improving standards, safeguarding reputations and delivering societal gains. Setting clear expectations on social value at the contract stage is therefore critical to the delivery of a successful relationship and project. For the best outcome, the main considerations when addressing social value in legal documentation are:

- Define what the organisation means by social value, eg. by using the National TOMs methodology (see above) and be clear on the importance of this to the organisation through the evaluation weightings applied (central government has a minimum of 10%)
- Support bidders by providing sufficient information to ensure they understand social value and have the capabilities to deliver eg. pre-tender engagement and training
- State expectations regarding regular reporting of social value deliverables during the contract delivery phase
- Set out key performance indicators for benchmarking results
- Identify who in the contractor's organisation is responsible for the delivery of agreed social value initiatives and what the arrangements are should things go wrong
- Include remedies for poor delivery of social value objectives.

These points will help ensure the contract and, more importantly, the contractual relationship with the contractor is positive. It is not only about the end results, it is also about creating a mutually beneficial, open and clear working relationship that will deliver on current goals and potentially generate more positive outcomes through repeat business.



How to benchmark social value efforts

When it comes to increasing social value through supply chain management, the primary question for procurement executives has become “how” rather than “whether” or not to do so. Then what’s the best approach to take?

Words **Andrew Allen**

Using social principles in tendering may have been an idealist task a hard-pressed manager could set aside at one time, but now, even small or under-resourced teams are feeling the pressure – and seeing the potential rewards – of initiating change. Local governments and authorities are increasingly taking social value into account on long-term projects with deep investments, even embedding this into policy and legislation in places.

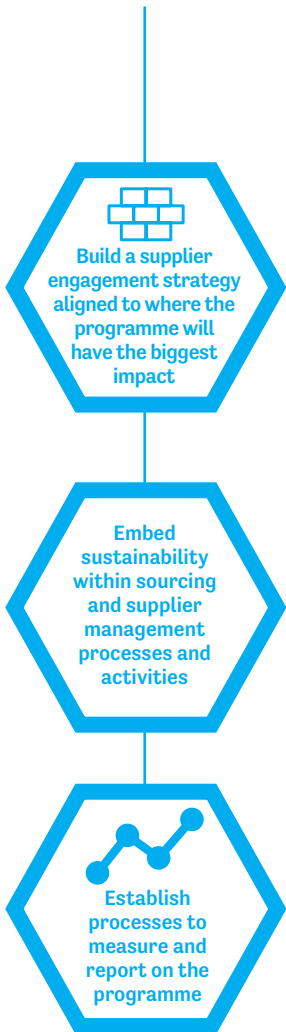
In the UK, this had been a consideration for at least a decade but in 2021, stricter rules were introduced which required that social value be “explicitly evaluated in all central government procurement”, rather than simply considered. The legislation mandates social value to account for a minimum weighting of 10% of the total score in all government tenders. As a result, many private sector organisations are finding their investors and stakeholders increasingly pushing them to follow suit.

For procurement teams, business goals can be as wide-ranging as the meaning of social value, and as such may be intimidating initially. For instance, while one government may advise organisations to focus on country-wide factors, such as economic inequality or Covid-19 recovery, another may target the public and wellbeing elements and equal opportunities. But as a rule, the primary stage should be to establish a specific definition of the value being created and to tailor goals according to factors including whether it is a private, public or charity organisation, and the needs present in the operating location. In some countries, for instance, social value is often seen as synonymous with broader environmental issues, or more specifically, as “the S in ESG”, says Nic Walden, senior director, procurement and P2P advisory, UK programme leader at the Hackett Group.

“In this context, social value will include topics such as supporting and addressing human and labour rights, workplace conditions, modern slavery, child labour, conflict minerals, poverty, hunger, health, sanitation and supplier diversity,” he says. In contrast, in the Middle East, the focus is not on the individual or population but economic health to create greater in-country value; while in Australia and New Zealand, indigenous social initiatives are especially important, says Heath Jess, managing director of Sydney-based consultancy Procurement Co.

THE CORE PRINCIPLES OF CREATING A SOCIAL VALUE STRATEGY





Beware of potential pitfalls

One professional, who asked to remain anonymous, told *Supply Management* that unfocused or excessive zeal from procurement teams can be just as challenging for healthy supplier relationships as foot dragging when it comes to social value. Many procurement departments place the responsibility for implementing change onto suppliers, he says, but without a shared strategy this is a risky decision. It could lead to scenarios where one day suppliers are asked how they intend to create equal opportunities within the workforce, and on another about their plans to support people with disabilities, or to facilitate community engagement. Such an approach can lead to supplier burnout and even frustration, as vendors attempt to respond to the varied and disjointed demands as they arise.

This approach can also make it difficult for a supplier to formulate an overarching and effective strategy of their own if they are pushed into tackling one particular area of social value, and therefore fragmenting their plans. Melissa Bell, sustainable procurement manager at advisory company YPO, makes a similar point: “If you are asking something of your suppliers that is not feasible for them or beyond their scope, it is likely that they would need to increase their costs to be able to fulfil that, or that they would not be able to meet expectations.” She notes that the point of social value legislation and guidance is to get procurers to think about how they interact with the communities they connect with, of the benefits they can deliver alongside supply partners, not simply demanding that suppliers take on additional work.

Working alongside suppliers

Change consultants generally agree that the best way to avoid putting too much pressure too quickly onto suppliers is by employing a process of clarity, two-way communication, and by maintaining a consistent focus on an area of social value suppliers can align with. Neil Amos, policing and justice lead at PA Consulting, recommends procurement to work with suppliers to set a clear strategy about how they can help deliver social value objectives and to be upfront about the strategy, goals, pathway and expectations.

The need to formulate an overall social value strategy before seeking results via individual tenders is of the utmost importance. “Social value should not be an afterthought. It should form part of the procurement process from the beginning and be a key focus throughout conversations and decision-making,” says Bell. For many organisations the range of choices on offer can be confusing, such as whether it’s better to switch to local or diverse sourcing.

To support decision-making, Amos advises leaders to select a path “consistent with the organisation’s mission – the more closely aligned, the greater the impact”, such as a department of justice aligning with offender rehabilitation programmes to provide local jobs, or an agricultural authority focusing on a lighter environmental impact on neighbouring communities and habitats. “A banking tender is much more likely to be able to run budgeting courses for young people and children than installing a fence in local community spaces,” Bell says.



Once the organisation's priorities have been defined, it is then possible to identify known suppliers or to seek out new suppliers with aligned objectives, says Guy Battle, CEO of the Social Value Portal, a company that helps measure social value. "For instance, if your organisation has committed to helping those furthest from the job market, using a supplier that actively offers ex-offenders an opportunity to get back into the workplace will form a link in the supply chain that significantly counts towards meeting your social value objectives," he says.

Procurement can then ask potential suppliers to compete not only on price, but also on quality and on what they would contribute to society if they were to win those contracts. It is not intended to penalise non-compliant organisations, but to encourage them to work towards change as part of the local, national and global movement.

Be realistic and patient

Suppliers' constraints can increase the challenge of pursuing social value in a given area. Managing director at Australian buyer-supplier matching platform Matchboard, Sharon Melamed, says that in Australia many buyers wish to support indigenous suppliers as part of their procurement strategy but find there are not enough indigenous-owned businesses to meet demand. "I have heard it directly from procurement leaders at large organisations, who may have a 2% or even 5% indigenous spend target and just can't find ways to spend these amounts," she says.

Jess suggests buyers can address such difficulties by offering more than one way to work with a chosen group, such as employing indigenous people as a percentage of a workforce or by funding indigenous initiatives. He also advises contributing by offering pro bono support to indigenous businesses or charities and avoiding 'yes/no' response requirements in tender documents, which might make it harder for indigenous-owned businesses to win contracts.

And when it comes to measuring outcomes, again, there are many options and no definitive front-runner – a situation that many social value advisers recognise makes benchmarking difficult. "Often, it's left to the supplier to say how they are going to measure it," says Amos. "This makes comparing like for like difficult."

However, an increasingly popular measuring standard – and one recommended by Walden – is the National TOMs (themes, outcomes, measures) framework developed by SVP in conjunction with the National Social Value Taskforce in the UK. Based on non-financial data, the framework enables an organisation to put a monetary value against the contribution an organisation makes to society, SVP's Battle explains.

“Having a clear, reportable framework makes it far easier to compare supplier bids on the non-financial aspects of their tender”



“From a procurement perspective, having a clear, reportable framework makes it far easier to compare supplier bids on the non-financial aspects of their tender,” he adds. This helps to level the playing field – especially important in the public sector, but also relevant to the private sector. Amos advises keeping measurement efforts in proportion with the size of the project and concentrating measurement efforts on longer-term, larger projects. “Try to align it behind the strategic objectives of that organisation, using industry-standard metrics. This provides a better chance of coming up with a set of common measurements that suppliers can use consistently,” he says.

Regardless of the specifics of a social value project, the majority of consultants advise procurement to focus on delivery; the importance of delivering results and not good intentions. This inevitably includes exercising patience and employing thorough communications in any new social value initiative to ensure suppliers are not left shouldering the burden of change. “Everyone is learning,” says Amos. “I think the more dialogue between supplier and customer about the best way collectively to deliver social value, the better.”



The challenge to embed cultural change long-term

It could be argued that implementing and benchmarking a social value programme is straightforward and it's more challenging to embed cultural and behavioural change to ensure the approach becomes part of the organisation's DNA.

Words **Katie Jacobs**

“Social value is culturally ingrained when it is practised by an organisation at all levels,” says Vaishali Baid, senior consultant and social value lead at Action Sustainability. But practically, how do you go about making a social value approach integrate and even match with existing organisation culture, to become a topic everyone internally and within the value chain understands?

As previously discussed, defining social value is critical when creating a strategy, but it is also a fundamental aspect of communicating expectations and behaviours with staff; defining what it means in the context of the organisation and new priorities, rather than sharing various acronyms such as ESG, CSR or SDGs without further information. “The starting point is having clear direction and ambition around creating social impact and outlining within policies, systems and working practices a business’s ultimate intent of its actions,” says Angela Halliday, who is social impact director at food services and facilities management firm Sodexo UK & Ireland.

Creating and communicating that vision needs to come from the top, with leaders demonstrating they are fully behind and embodying this new approach. “To truly embed social value requires senior leadership to communicate its strategic importance, but also to promote the set of behaviours that work in tandem with any social value policy,” says Andy Daly, head of corporate partnerships at Social Enterprise UK. “Leaders need to paint the big picture of the positive contribution their organisation can make to society and the environment through social procurement. They also need to work with staff on making that vision happen.”

For Halliday this involves creating opportunities for employees to bring the social value vision “to life” with a coherent agenda, clear measurement, robust governance and celebration of success. Once employees truly understand the vision they can act as advocates, says Baid, and can subsequently articulate the importance of social value in their interactions with clients, suppliers and partners.

Storytelling is a powerful tool, he adds, with the qualitative impact as important as hard metrics. “Social value is all about having a positive impact on people’s lives, and relying only on objective measures will not help to take the agenda forward.

TOP TIPS FOR SUCCESSFULLY EMBEDDING CULTURAL CHANGE:



Work with HR on how social value approaches could be tied into policies and reward mechanisms to drive desired behaviours

Equip and empower staff at all levels to act as advocates for social value

Focus on powerful, real stories as much as hard metrics

Organisations need to share the stories beyond quantitative measures with their staff and external parties to showcase the differences they are making.”

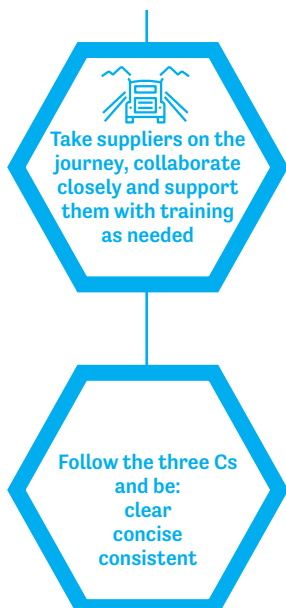
Tying social value approaches into policies and processes can also help make it real for people in the organisation, and to drive behavioural change. “Policies need to have clear, actionable objectives that tie to broader organisational objectives, as well as tangible examples of how these should be used in practice,” says Daly, adding that social procurement goals could be written into team and individual KPIs. Halliday agrees, suggesting that employees should be rewarded for living the organisation’s social value purpose. Collaborating with colleagues in HR can help embed social value into policies.

What about creating lasting change outside the organisation? How can procurement teams best work with suppliers to shift cultures and behaviours? “The most successful business relationships are built when parties are aligned on corporate values, and it is important to make your strategic supply chain partners aware of your commitment to social value,” says Daly. “Where there is a shared outlook on social value, this awareness-raising exercise may be enough to lay the groundwork for success. In other cases, there may be an opportunity to educate and inspire some of your suppliers to join you on the journey.”

However, taking your supplier network on the journey with you can be more complex than it first appears, particularly as some smaller businesses with scarce resources may view it as an additional or even preventative burden despite the best of intentions. Baid advises communicating clear and consistent approaches to suppliers, with expectations that this is cascaded down the supply chain.

“Simplify the overall social value measurement process and enable them by providing training to implement it,” he adds. As with any culture change process, transforming an organisation’s attitude won’t happen overnight, and this should not be expected. “It’s okay to start small and scale up,” Halliday says. “By being clear, concise and consistent, the plan will resonate and ultimately lead to making a difference to society, the planet and local communities.”





Case study

Putting social value into practice

Words **Katie Jacobs**

While environmental initiatives are becoming easier to measure, such as carbon emissions reductions, the social aspect of sustainability is less tangible. But L’Oréal China has worked with its partner GEP to outstrip its goals for an ambitious social impact project around supplier diversity. The project, known as Solidarity Sourcing, aims to enhance social inclusion throughout its business ecosystem. As a subsidiary of global beauty giant L’Oréal Group, L’Oréal China has the potential to create a sea change of positive social change through its actions. The initiative, which won the prestigious CIPS Asia Excellence in Procurement Award for the “best initiative to build a diverse supplier base” has enabled people from underprivileged and minority communities to be a part of L’Oréal China’s broad supplier network. The original target was to provide 500 full-time equivalent (FTE) jobs across supplier sites in 2021, providing employment opportunities to underrepresented groups.

By taking a strategic approach, developing an appropriate operating model and implementing process flows, the programme ended up exceeding that goal by 27%, giving more people access to secure employment which would have otherwise been out of their reach, as well as diversifying L’Oréal China’s supply base. Any such ambitious project requires careful change management and effective communications to be successful.

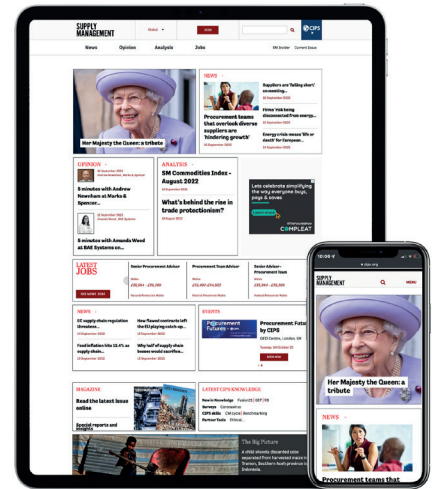
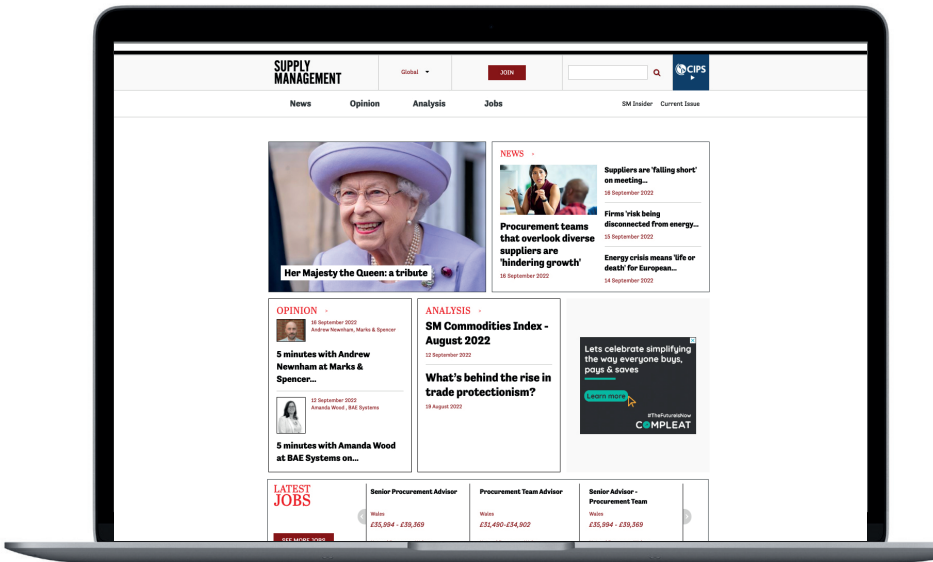
All stakeholders needed to be aligned on the importance of ESG before the project was rolled out. The procurement team conducted workshops and training sessions for both internal stakeholders and suppliers, to explain and localise the strategy and translate it into actionable tasks. A constant drumbeat of communications, alongside workshops and roadshows, helped to raise awareness among the existing supplier base.

“The key to success is L’Oréal is relentlessly engaging and encouraging their suppliers to evaluate how they can give more jobs to underprivileged people and communities,” says Michael Seitz, vice-president, GEP Consulting, China. “Communication is ongoing. Importantly, suppliers are rewarded for contributing to the programme.” L’Oréal China also assigned one dedicated resource to act as a central knowledge centre within the indirect procurement team, to ensure any queries could be handled efficiently.

And the success of the 2021 implementation resulted in a high level of motivation and engagement around the programme. The project shows how a large business such as L’Oréal can “use its purchasing influence to provide better accessibility to underprivileged communities across China”, says Seitz. “L’Oréal is showing how a procurement function contributes to making a positive social and societal impact.”



Visit the *Supply Management* website at cips.org/supply-management for all the latest news, features and analysis



This page is intentionally left blank