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**To: Scrutiny Board 1**

**Date: 13<sup>th</sup> March 2019**

**Subject: Delivery against the Social Value Policy**

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## **1 Purpose of the Note**

- 1.1 The Social Value Policy was adopted by Full Cabinet on the 11<sup>th</sup> February 2014 and incorporates the Public Service (Social Value) Act 2012 that came into force on 31<sup>st</sup> January 2013. This briefing note details progress/delivery against the Social Value Policy and the outcomes that have been achieved.

## **2 Recommendations**

- 2.1 That Finance and Corporate Services Scrutiny Board

- 1) Note the contents of the report
- 2) Make any relevant recommendations to the Cabinet Member.

## **3 Information/Background**

- 3.1 There has been progress in a number of areas against the social value policy since the last report to Scrutiny Board on 18<sup>th</sup> April 2018. In particular, there has been significant success in driving Social Value through conditions placed on planning applications.
- 3.2 There are 16 case studies on the Council's website that emphasise and identify why and how social value can be delivered in many different forms. With an ever reducing budgets and increasing demand for services there is an ever greater need to be innovative and creative in the way in which services are delivered to our local communities to ensure that we get maximum return on investment when spending our scarce resources. The case studies show the different approaches that have been taken across a wide range of areas.
- 3.3 Local authority standard contracts already have an impact on social value in that they include clauses which are intended to ensure that contractors are operating in a way that impacts favourably on society. These clauses can include the avoidance of modern slavery, counter terrorism, safeguarding, equalities, health and safety, data protection, tax avoidance, sustainable supply chains and payment of sub-contractors within 30 days.
- 3.4 Consideration of additional Social Value requirements within the specifications and/or weighting the contract award criteria is now standard in the City Councils tender activity. Social Value specified within specifications is based on a balance of potential additional cost incurred against benefit delivered and need to be proportionate to the value of the Contract. Most contracts have a social value weighting of 5%+ built into the award criteria, and the use of this criteria encourages Suppliers to bid with the inclusion of Social Value elements without passing on the cost to the Local Authority.

- 3.5 The Head of Procurement sits on the West Midlands Social Value Task Force group which was founded in November 2016 in order to establish, share and promote the integration of the Public Services (Social Value Act) 2012 ('Act') into public-sector commissioning and procurement within the area.

It is an open network and welcomes any organisation that wishes to get involved and who wishes to share good practice. The group aims to bridge the gap between public and private sectors recognising that it is only through collaboration and partnership that success will be achieved. The group recognises that Community (Society) is at the centre of everything that we do and participants are encouraged to share their successes (and failures) in order to build our collective knowledge and strengthen the uptake of the Act across all sectors of society. The West Midlands Combined Authority has now developed its' Social Value Policy which has utilised the best practice and key principles contained in each of the Metropolitan Authorities within the region.

- 3.6 The Head of Procurement also sits on the National Social Value Taskforce which has developed a number of tools that support the delivery. Following trials and the experience of others, Coventry is currently exploring the use of the National TOM's (Themes, Outcomes, Measures) framework. This framework gives a standard and transparent approach to the measurement of Social Value, based around 5 key themes:

- Promoting Skills and Employment: To promote growth and development opportunities for all within a community and ensure that they have access to opportunities to develop new skills and gain meaningful employment.
- Supporting the Growth of Responsible Regional Businesses: To provide local businesses with the skills to compete and the opportunity to work as part of public sector and big business supply chains.
- Creating Healthier, Safer and More Resilient Communities: To build stronger and deeper relationships with the voluntary and social enterprise sectors whilst continuing to engage and empower citizens.
- Protecting and Improving our Environment: To ensure the places where people live and work are cleaner and greener, to promote sustainable procurement and secure the long-term future of our planet.
- Promoting Social Innovation: To promote new ideas and find innovative solutions to old problems.

The Social Value Portal are supporting us, and others within the West Midlands, in the use of this on-line solution that allows organisations to measure and manage the contribution that their organisation and supply chain makes to society. By fully adopting this platform, we will be better able to demonstrate our Social Value work and objectively compare bid submissions and to effectively manage Social Value commitments made as part of ongoing Contract Management activity.

- 3.7 The Head of Procurement chairs a City Council Social Value Working Group. The group as seen a number of changes in personnel over the last 12-18 months but it is

planned that there will be more consistency in 2019. Officers with expertise in sustainability, environmental issues, economic development, planning, employment, public health and care will work together to maximise the social benefits generated through contracting.

3.8 The corporate Peer challenge in October 2018 included additional areas for the review team to focus on, specifically chosen on the basis that they would benefit from some external challenge and feedback on both current and future delivery plans. One of these areas was to explore how we make the most of our Social Value in Capital projects. The peer review team report included the following comments:

- The Coventry Charter for Social Responsibility is well known and respected
- Businesses feel positively held to account for delivering this – both by officers and elected members – and it is seen as a key part of the planning conditions
- The City has strong anchor organisations with a genuine commitment to social value and responsibility
- There is a strong council commitment to using social value to deliver an enhanced corporate parenting role
- A link could also be made between corporate social responsibilities and community needs, going beyond social value
- Local business knowledge and approaches can play a role, e.g. social value calculators being used for specific Coventry objectives
- Shout about the successes being achieved and the sustained impact being delivered

The Peer Challenge delivery group will continue to monitor progress against the peer team recommendations.

3.9 In July 2019 Public Health are holding the ‘Public Health’ awards, with a ceremony at St Marys Guildhall targeted at the public Health commissioned service providers. The purpose of the event is to recognise, acknowledge and promote best practice in Public Health work with one of the awards being the ‘Social Value Contributor’. This award will recognise the social, economic and environmental benefits which Coventry gains by the way local services are delivered. For example, organisations may recruit local people, pay the living wage, promote active travel among staff, attract additional funding or reduce its carbon footprint.

3.10 The closer working with public sector partners established through the council’s Marmot work (reducing health inequalities) continues to deliver real results through harnessing initiatives like “making every contact count”. Under this initiative, all public services meeting individuals on the front line don’t just check that the individual’s needs have been met from their employing organisation’s perspective, they also check their general wellbeing, alerting public sector partners when additional needs are identified. For example, the Fire Service now not only check homes for fire risks they conduct “safe and well” checks as they are one of the most trusted public services when entering people’s homes.

3.11 Coventry as a Planning Authority has been a lead Authority in the inclusion of Social Value themes in planning conditions on major planning applications which are managed via skills and employment plans. Within the year January to December 2018, a total of 13 planning applications have had conditions applied bringing the total number of planning applications that have had conditions applied since the authority began this approach to 40 applications

In 2019 we have already requested the inclusion of skills and employment conditions on six applications and have started the engagement with 13 local developers to ensure the implementation of the associated skills and employment plans. Part of this engagement includes the introduction to BAM shared apprenticeship scheme, which provides young people with the valuable work experience to support their college work. Two apprentices have started their placements and a further nine have been secured.

3.12 The following gives a summary of what has been achieved through skills and employment plans up to December 2018.

- 91 local businesses have benefitted from supply chain opportunities from major developments in the City
- 1310 local people have been employed on the sites
- Over 2000 apprenticeship weeks have been worked by apprenticeships generated on major developments, with a total of 158 apprentices
- Over 2760 young people have attended site visits to major developments or received careers talks by developers

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