

Cabinet

9 September 2021

Warwickshire County Council Social Value Policy

Recommendation

That Cabinet approves the Warwickshire County Council Social Value Policy

1. Executive Summary

- 1.1 As a public sector body WCC has duties regarding social value as set out in the Public Services (Social Value) Act 2012. This predominantly relates to ensuring that social value is considered within procurement activity.
- 1.2 In June 2021, a Procurement Policy Note from the Cabinet Office was issued placing a requirement on contracting authorities to have regard to the national strategic priorities in exercising their functions relating to procurement.
- 1.3 The national priorities and high-level requirements for each one are:
 - **Social value:** all contracting authorities should consider the following national priority outcomes alongside any additional local priorities in their procurement activities:
 - creating new businesses, new jobs and new skills
 - tackling climate change and reducing waste
 - improving supplier diversity, innovation and resilience
 - **Commercial and procurement delivery:** all contracting authorities should consider whether they have the right policies and processes in place to manage the key stages of commercial delivery identified in this statement, where they are relevant to their procurement portfolio.
 - **Skills and capability for procurement:** All contracting authorities should consider their organisational capability and capacity, with regard to the procurement skills and resources required to deliver value for money.
- 1.4 The Policy Notice also references the Government's intention to bring forward legislation requiring contracting authorities to publish procurement pipelines and to benchmark our procurement capability.
- 1.5 WCC has identified that social value could be a powerful tool to achieve the objectives set out in the Council Plan. However, in order to do this and to

demonstrate the impact of our social value activity it is recognised that a more coordinated and coherent approach is required.

- 1.6 The Council's COVID Recovery Plan references social value and the role it plays in maximising the benefit of our activity for Warwickshire's communities. Embedding social value across all our activity could be used as a measure of success in Warwickshire's recovery.
- 1.7 Whilst many social value policies relate predominately to procurement, WCC has expressed a wish to have a more comprehensive and holistic approach to social value to ensure that we maximise the impact delivered through all our strategies, procurement, delivery and activity.
- 1.8 Business and Customer Services were tasked with developing this holistic approach across the whole Council, working closely with the Commissioning Support Unit who would lead the development of social value within procurement.
- 1.9 Whilst these services have led the co-ordination of the work, the ambition to embed this approach across the whole Council meant that the wider involvement of all service areas in its development has been key. To achieve this, a Social Value Task and Finish Group was established. This group was chaired by the Assistant Director Business and Customer Services, with representatives from across the Council, including the Portfolio Holder for Customer and Transformation and Portfolio Holder for Environment, Climate & Culture.
- 1.10 The Task and Finish Group identified that a corporate Social Value Policy would be key to ensuring a consistent approach across the Council. They identified the key elements required within the policy based on examples from other organisations and best practice.
- 1.11 In developing the WCC Social Value Policy, draft versions have been shared widely for internal consultation, including: the three Directorate Leadership Teams (DLTs); through representation on the Social Value Task and Finish Group; and through 1:1 discussions with key internal stakeholders. A significant level of feedback, support and enthusiasm have been received on all elements of the Policy and the overall concept.
- 1.12 A final draft was endorsed by Corporate Board in June 2021, with the recommendation that the Policy be adopted by Cabinet.
- 1.13 The final draft of the WCC Social Value Policy is attached as Appendix A.

2. Financial Implications

- 2.1 The key financial considerations in approving this Social Value Policy are as follows:

- there are not expected to be any additional costs in terms of contracted spend;
 - maximising social value will benefit Warwickshire and WCC which may have indirect social, economic, environmental and financial benefits;
 - the cost of overseeing delivery of social value has been factored into the work of the Council's Communities and Partnerships and Contract Management and Quality Assurance Teams.
- 2.2 Capturing social value provides an opportunity to quantify the value of work that may otherwise be hard to measure, including the impact and benefits realised, reflecting the wider value of activity alongside the financial cost of delivering it.
- 2.3 A reprioritisation of how we secure social value from our contracts, including aligning our procurement processes to match our social value ambitions, should ensure that the maximum benefit is derived from our third party spend. In this way social value should demonstrate a benefit to the provider, WCC and / or Warwickshire's communities.
- 2.4 To ensure this policy is delivered within existing resources, effective care and planning is critical. This will include:
- provision of appropriate support to potential and current suppliers
 - training and awareness raising (internally and externally)
 - collaboration with our strategic partners
 - a new or refined ethos embedded within the culture of the organisation
 - all parts of the Council contributing to the delivery of our Social Value Policy
- 2.5 The Delivery Plan will specifically reference the need for this to ensure that the benefits offered by social value activity outweigh any associated costs.
- 2.6 Any costs must be accurately identified and monitored to ensure they deliver the necessary added value. Penalties for the non-delivery of social value benefits through contracted delivery will be considered.

3. Environmental Implications

- 3.1 At Council on 25 July 2019 a motion declaring a climate change emergency was agreed. The impact of environmental changes on society is reflected within the concept of social value and this policy offers a tangible way of measuring the impact of this work to mitigate climate change.
- 3.2 The choice of social value measures (using the National Themes Outcomes and Measures (TOMs)) within procurement activity will focus on ensuring suppliers are taking active steps to minimise their impact on the environment and to make improvements where possible.

4. Supporting Information

- 4.1 WCC is connected to social value networks at a regional and national level.
- 4.2 Regionally, WCC is represented on the West Midlands Social Value (WMSV) Taskforce which brings together different organisations (predominately public sector) from across the West Midlands region and offers an insight into different approaches and examples of good practice. The Taskforce is attended by national social value support organisations who provide information, guidance and expertise.
- 4.3 The WMSV Taskforce has a Terms of Reference and is developing an Action Plan which sets out key priorities for the region. The group is exploring opportunities to collectively capture the level and impact of social value activity across the membership and is developing content for a regional webpage as part of the national website. The Taskforce is keen to play an active role in the National Social Value Conference which will take place in March 2022.
- 4.4 All the regional Task Force groups feed into the National Social Value Task Force. The role and significance of the regional groups is increasingly important to help embed the principles of social value more broadly across the public, private and VCSE sectors.
- 4.5 Nationally, WCC has expressed an interest in becoming part of the National Social Taskforce discussions. Representation is still to be confirmed, however, it is proposed that WCC should consider Associate Membership in the first instance, with further input offered through the working groups.
- 4.6 The national working groups are currently under review, but three new groups are proposed, which have specific interest for WCC:
 - Social Value Maturity Index
 - Climate Change
 - Procurement Best Practice
- 4.7 Further information about the National Social Value Task Force can be found here: <https://www.nationalsocialvaluetaskforce.org/>
- 4.8 WCC has also developed connections with other Social Value Networks. External support from both Social Value Portal and Human Engine provided “critical friend” input into the development of the WCC Social Value Policy and associated proposals around communications and engagement.
- 4.9 Social Value Portal are also the creators of the National Social Value Measurement Framework (or Nationals TOMS for short). The TOMs will provide WCC with a measurement framework for capturing the value in procurement activity.

- 4.10 Both Social Value Portal and Social Value UK have been part of WCC's social value journey, providing input into early discussions at the Warwickshire Third Public and Private Sector Partnership Conference in November 2019 and an internal WCC Social Value staff workshop in May 2020.
- 4.11 Social Value UK offer a range of membership packages for individuals and organisations, along with accredited training programmes to enhance learning and good practice in the embedding and delivery of social value activity. The benefits to WCC from this include the opportunity to build in-house expertise and skills in an area identified as achieving and delivering on the Council's vision and priority outcomes.
- 4.12 Further information about Social Value UK can be found here:
<https://socialvalueuk.org/>

5. Timescales associated with the decision and next steps

- 5.1 The following suggestions represent the initial steps to move the Policy from development phase to implementation phase:
- Complete the Social Value Maturity Index self-assessment (and potentially use this as a basis for an initial Warwickshire County Council Social Value Statement)
 - Continue work with Marcomms to develop a suite of communication resources to support the engagement of key stakeholders (including a visual representation of the Policy and a short animation/video)
 - Identify key WCC case studies to start building a portfolio of Social Value stories to bring the Policy and its implementation to life
 - Identify and agree the corporate social value measures (using the National TOMs framework) to be used within procurement processes. Develop an assessment framework for measuring social value impact across all WCC activity
- 5.2 Our integrated approach to the Council Plan and MTFS development for this year (Cabinet July 2021) provides the framework that will ensure social value is built into the way we plan and work as an organisation and with partners. The timing presents a great opportunity to build social value into the refresh of both the strategy and performance management framework alongside other cross cutting themes relating to health, community and equality.
- 5.3 There is a crucial link between social value and the COVID Recovery Plan, in particular the fourth priority "to harness the power of our communities to tackle inequality and social exclusion". Positioning community power at the heart of the Council's work reflects and builds on the learning from the COVID pandemic, where the role of Warwickshire's voluntary, community, and social enterprise sector has been instrumental and impactful.

- 5.4 There is also a synergy with other Council workstreams such as Start with Strengths as well as the recommissioning of the Council's voluntary and community sector contracts for equalities, advice and VCSE support.
- 5.5 To ensure the successful delivery of the Social Value Policy within all service areas, business functions and behaviours of Warwickshire County Council, a new Social Value Project Group will be established to report into the Commercial Delivery Group and connecting with other core groups from across WCC as required
- 5.6 Once the Policy has been fully adopted the associated Engagement and Communication Plan and the Delivery Plan will evolve and start to be delivered.

Appendix

Social Value Policy

Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): None

Other members: Councillors Clarke, Chilvers, Fradgley, D'Arcy, Warwick, Singh Birdi, Philipps, W.Roberts and Boad