GMCA Social Value Policy
November 2014

Version	Date	Summary of Changes	Issued
1.0	Nov 2014	Version approved by GMCA – 28th November 2014	PRS

Social Value Policy for the GMCA

1.0 Purpose

The aim of this Policy is to set out how the Greater Manchester Combined Authority (and its members) will deliver social value through their commissioning and procurement activities and to set the Authority's priorities in relation to social value.

2.0 Background and Scope

The Public Services (Social Value) Act 2012 came into force on 31st January 2013*. It is now a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark upon it. The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, councils give consideration to the wider impact of the services delivery. It allows authorities, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community. It could be argued that this type of approach has been adopted as good practice across Greater Manchester Authorities before the Act came into force. However, together the Act and this policy provide an opportunity to deliver a cohesive yet flexible and innovative approach to generating social value through public procurement.

Statutory requirement of the Act only apply to public service contracts above European Union thresholds, however in order to incorporate the good practice associated with Social Value into mainstream commissioning and procurement practice, it is the intention of the Combined Authority to embed this policy and associated Great Manchester Social Value Framework within all commissioning and procurement activity wherever proportionate and practicable. This policy statement sets out the Combined Authority's aims in this regard. In particular it seeks to:

- Set out a definition of Social Value for Greater Manchester
- Sets out the policy context for Social Value in Greater Manchester
- Set out the priority policy objectives
- Sets out a Greater Manchester Social Value Framework

3.0 Defining Social Value

The Act does not define what is meant by 'social value'. Therefore the Combined Authority will adopt the definition of social value as set out by the Sustainable Procurement Taskforce. Social Value is defined as:

A process whereby organisations meet their needs for good, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and economy, whilst minimising damage to the environment.

4.0 Policy Context

The Greater Manchester Strategy 2013-20 – 'Better Together' sets the overarching strategic framework for this policy.

The strategy recognises that despite the recession, Greater Manchester's economy has been shown to be more robust than most of the rest of the UK economy. Greater

Manchester generates £48 billion GVA, a 4% share of the national economy. However, given the size of the GM economy, it is recognised that we should be achieving more. The Strategy outlines that we are currently a 'cost centre' for the UK, requiring £22 billion of public spending but only generating £17 billion in taxes. The aspiration is for Greater Manchester to close and then eliminate that £5 billion deficit to become a net contributor to the national economy.

This Public Service Reform agenda sets out a collaborative and ambitious programme with two linked aims:

- to re-design public services to build the independence and self-reliance of GM's residents; and,
- to collaboratively invest in public service interventions to help all GM partners sustainably reduce demand for their services.

These reforms are expressly designed to encourage families, individuals and communities to lead more productive and fulfilling lives. This Social Value Policy, the Greater Manchester Social Value Framework that supports it and the Social Value activities that it generates will form a key element in the delivery of Public Sector Reform.

5.0 Objectives

The objectives of this policy reflect the Combined Authority's definition of Social Value (set out in Section 3.0) and are as follows:

- promote employment and economic sustainability – tackle unemployment and facilitate the development of skills
- raise the living standards of local residents – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester
- promote participation and citizen engagement - encourage resident participation and promote active citizenship
- build the capacity and sustainability of the voluntary and community sector– practical support for local voluntary and community groups
- promote equity and fairness – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough
- promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources

Theme	Outcomes: What are we trying to achieve?	What could this mean for suppliers? What could they deliver (Examples Only – this is NOT and exhaustive list)	Case Studies / the art of the possible – ideas to initiate discussions / innovations
a) Promote Employment & Economic Sustainability	Outcome 1: More local people in work	• Create x number of new jobs in the local economy • Create x number of traineeships (including apprenticeships) for local residents • Provide x number of days of meaningful work experience for local residents • Support x number of people back to work by providing career mentoring for job clubs, including mock interviews, CV advice, and careers guidance • Supporting young people into work by delivering employability support (e.g. CV advice, mock interviews, careers guidance) to x number of school and college students • Employ x number of ex-offenders (or other group of people who typically face additional challenges in competing in the labour market	
	Outcome 2: Thriving local businesses	• Support x number of new business start-ups by running practical workshops with enterprise clubs • Support the local economy by spending x% of total expenditure in the local supply chain - this could be measured with tools such as LM3 • Support the local supply chain by spending x% of total expenditure in a xx-mile radius of / within Greater Manchester	

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	Outcome 3: Responsible businesses that do their bit for the local community	• Attract £x worth of inward investment into the borough • Secure positive profile for the Greater Manchester through x number of positive stories in the national media • Support the Fairtrade status by ensuring that x% of food products in the supply-chain is Fairtrade • Secure £x-worth of investment in, or in-kind contributions to, fuel poverty initiatives in Greater Manchester	
b) Raise the living standard of local residents	Outcome 4: A Local workforce which is fairly paid and positively supported by employers	• Work towards paying staff the Living Wage • Increase rates of pay for lowest-paid staff by x% • Improve the skills levels of existing staff by training x% of the workforce to Level 2/3/4 (for example) • Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff • Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date	
c) Promote Participation and Citizen Engagement	Outcome 5: Individuals and communities enabled and supported to help themselves	• x% of service users supported to self-help • Coordinate and run a befriending scheme to reduce social isolation (and thus prevent the consequences of social isolation) for x number of older people	

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d) Build capacity and sustainability of the Voluntary and Community Sector	Outcome 6: An effective and resilient third sector	• Contribute x number of hours of business planning support / financial advice / legal advice / HR advice to community and voluntary organisations through an Employer-Supported Volunteering scheme • Provide facilities for use by community and voluntary organisations for x number of hours per year • Work with community and voluntary organisations to create x number of new volunteering opportunities in the Greater Manchester • Support local third sector organisations through the supply chain by spending x% of total expenditure with community and voluntary sector providers based in Greater Manchester	
e) Promote Equity and Fairness	Outcome 7: A reduction in poverty, health and education inequalities.	• Work towards paying staff the Living Wage • Increase rates of pay for lowest-paid staff by x% • Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff • Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date • Supporting young people into work by delivering employability support (e.g. CV advice, mock interviews, careers guidance) to x number of school and college students	

Theme	Outcomes: What are we trying to achieve?	What could this mean for suppliers? What could they deliver (Examples Only – this is NOT and exhaustive list)	Case Studies / the art of the possible – ideas to initiate discussions / innovations
	Outcome 8: Acute problems are avoided and costs are reduced by investing in prevention.	• x% overall spend disinvested from acute interventions and reinvested in prevention • Support prevention by running education and publicity campaigns with specific targets (e.g. support x number of staff / residents / service users to stop smoking / increase their physical activity / access money advice)	
f) Promote Environmental Sustainability	Outcome 8: We are protecting our physical environment and contributing to climate change reduction.	• Reduce the amount of waste generated by x% compared to previous contract • Reduce the amount of waste sent to landfill by x% compared to previous contract • Reduce carbon emissions by x% per year • Reduce overall energy consumption / water consumption by x% per year • Increase the use of renewable energy / community generated renewable energy as a proportion of total energy consumption by x% over the lifetime of the contract (without increasing overall energy consumption) • Support x number of households to better manage their energy demands through improvements in the fabric of their homes, bringing them out of fuel poverty and contributing to climate change goals	