



P R O C U R E M E N T

Report to: STAR Joint Committee
Date: 17th November 2017
Report for: For Information
Report of: Head of Strategic Procurement

Report Title

Social Value delivered by STAR

Summary

- The purpose of this report is to:
1. Demonstrate what STAR is doing to measure impact and outcomes of Social Value;
 2. Provide a summary of what Social Value is currently delivered by STAR personally;
 3. Provide an update on Social Value developments.

Recommendations

The recommendation of this report is that the Joint Committee notes the content of this report.

Contact person for access to background papers and further information:

Name: Andrew White
Phone: 07773216483

Background

Financial Impact:	Social Value delivered is aimed to achieve a social, economic, environmental benefit to the local area.
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

Consultation

No public consultation required.

1. Impact and Outcomes of Social Value

1.1 Social Value underpins all 10 Building Blocks of STAR's Business Plan to support social, environmental and economic benefits to the local areas. In particular however the following 3 workstreams are key drivers for social value delivery.

1.2 Go Local:

1.2.1 The objective of the Go Local workstream is to achieve greater local and SME spend for our partner authorities through simpler procurement processes (Risk Based Sourcing) and earlier engagement with local businesses;

1.2.2 Go Local specifically supports the delivery of social value (economic benefits) by identifying influential spend that is currently being placed with businesses outside of GM that could be placed with businesses inside GM and importantly within Stockport, Trafford and Rochdale;

1.2.3 The Federation of Small Businesses claims that for every £1 spent by a local authority with local SMEs generates an additional 63p of benefit for their local economy. Other benefits include cost reduction, efficiencies through better use of resources, identification of new local businesses to target spend with, and savings;

1.2.4 STAR will be capturing the outcomes and success stories through continued analysis of spend, case studies from businesses and reporting on social value through our 5-STAR measures.

1.3 Contract Management:

1.3.1 The Contract Management workstream aims to identify quick-win savings, longer term cost reduction and social value through existing Council contracts;

1.3.2 The STAR Councils currently spend approximately £700m per annum on contracts. This provides a huge potential to influencing social value through existing contractual relationships. One key objective of the workstream is to identify those contracts which could start to deliver immediate social value benefits and begin to work with key stakeholders during 2018 to deliver them;

1.3.3 The key to ensuring social value is delivered through contracts is to ensure contract management is applied relevant and appropriate to each contract. STAR is exploring better ways to support contract managers and provide clear reporting requirements to suppliers when social value outcomes are achieved.

1.4 Category Management:

1.4.1 The objective of the Category Management workstream is to provide a clear strategy for each key area of spend and a plan on how procurement will deliver social value within that spend category;

1.4.2 The category managers have already started to understand the various challenges of delivering social value within different sectors of the market and have started to plan how they can improve this. Better market engagement, clearer guidance, and support through the bidding process (particular to consortia), are just some of the improvements already started. These will be captured as case studies and through the 5-STAR measures;

1.4.3 Training is being delivered by category managers to commissioners at Trafford on how to assess social value that is relevant and proportionate to their service. This training will focus on practical examples, how to structure a question, how to assess a bid, and contract management to ensure outcomes are delivered and reported. This will be then be rolled out to Stockport and Rochdale.

2. **Social Value delivered by STAR personally**

2.1 Staff Volunteering:





2.1.1 Here are some examples of social contributions from staff at STAR:

- Providing natural healing therapy one night a week to a community group.
- Acting as secretary to a charity which owns and manages a community facility, 15 hours a month.
- Support to a local community group on developing their web-site, newsletter and helping with fundraising activities, 5 hours a month.
- Volunteering 5 days per year at a local annual Literature and Ideas Festival.
- Volunteering and organising fund raising events for a local youth football team.

2.2 STAR Social Value Pilot:

2.2.1 At the beginning of 2017, STAR developed a pilot project with the aim of assessing the social, environmental and economic impact by adopting a more flexible working pattern across our 3 partner authorities. Staff were encouraged to operate from the nearest place of work in relation to their home, with business requirements continuing to take precedence.

2.2.2 A review was conducted during January and February 2017 to understand the impact on travel time, transport costs, expenses incurred and CO2. The results are as highlighted below:

Car Mileage	Time spent travelling	Expenses	CO2
 22%	 30%	 10%	 0.60T

2.2.3 One member of staff quoted that her new working pattern has allowed her to spend more time with her children in the morning instead of dropping them off at breakfast club, whilst also reducing her travel time to work.

3. Social Value Developments

- 3.1 The GMCA Social Value Policy is currently under review in line with the recent publication of the new Greater Manchester Strategy 'Our People, Our Place'. The principles of the policy are intended to remain, but the outcomes are to be revised where appropriate to reflect the new Greater Manchester Strategy priorities. It is intended that the revised policy be ready for publication in 2018.
- 3.2 The Director of STAR has been invited to attend and speak at the National Social Value Conference in Birmingham on Tuesday 14th November 2017. STAR is an active participant in the National Social Value Taskforce Group and has been recognised at both a sub-regional and national level for the developments and outcomes delivered on social value, especially through the integrated healthcare programme. The Director will be explaining why procurement is the vehicle for change and what are the key components to enabling social value to be delivered in a devolved environment.
- 3.3 Through the introduction of STAR's Business Plan, we are aiming to embrace Social Value in all procurement. Through our developments in category and contract management, training to commissioners, social value network groups, and our drive to 'buy local', we are beginning to remove some of the barriers that have often stood in the way of achieving greater outcomes.
- 3.4 Two Greater Manchester authorities have already mandated 20% social value weighting within all tenders. STAR on average are achieving the target of 10% in all tenders, but we are aiming to exceed that through continuous development and training with both commissioners and suppliers. Through assessing social value opportunities at the pre-procurement stage that are relevant and proportionate, this is not only providing a clear guide to suppliers bidding for contracts, but also stimulating innovation. This will be measured through the development of case studies and our 5 STAR Measures.

4. Recommendations

- 4.1 It is recommended that the Joint Committee notes the contents of this report.