

## Health and Wellbeing Board

23<sup>rd</sup> March 2017

## SOCIAL VALUE CHARTER FOR SHROPSHIRE

### Responsible Officer

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### 1. Summary

1.1 The Public Services (Social Value) Act 2012 (the 'Act') places a statutory duty on public sector commissioning organisations to consider:

1. how what we propose to procure might improve social, economic and environmental wellbeing of the 'relevant area' (for example, for the Council this is the Shropshire Council area); and
2. through procurement, how we might go about securing those improvements.

1.2 'Social Value' means social, economic and environmental benefits or outcomes that have been created. The Act does not prescribe in detail the nature of the social, economic and environmental improvements to be secured, which means that there is flexibility for local areas to define the nature of such improvements based on local needs and requirements.

1.3 During the time of implementation of the Act we recognised that, as the principles of the Act apply to all public commissioning organisations, there was benefit in setting up a Social Value Group in order to develop a common approach to securing Social Value in Shropshire. The Social Value Group is comprised of representatives from Shropshire Council, Shropshire CCG, local Housing Associations, West Mercia Police & Crime Commissioner and NHS Commissioning as well as voluntary sector and provider representation.

1.4 The Social Value Group has developed a Social Value Charter for Shropshire (attached as Appendix A). Adopting the Social Value Charter is not a requirement of the Act but it does serve to demonstrate a commitment to 3 key, locally defined, principles to support improvements in social, economic and environmental wellbeing for Shropshire. These 3 key principles are:

1. Supporting the Shropshire economy
2. Promoting wellbeing in Shropshire
3. Shropshire is a great place to live

1.5 Public sector commissioning bodies which operate in Shropshire (Shropshire Council, Shropshire CCG, Housing Associations, Police & Crime Commissioner, NHS Commissioning) can become a signatory to the Charter through adopting the Charter via their approvals processes. Businesses, parish & town councils and community groups can also sign up to the Charter. Shropshire Council's adoption of a Social Value Charter will require a Cabinet recommendation to Council.

1.6 By adopting the Social Value Charter Shropshire Council, the public sector commissioning bodies are committing to:

- Embedding Social Value in their commissioning strategies and plans
- Incorporating appropriate and proportionate Social Value requirements which reflect the Charter in their procurement, contracts and grants documentation
- Capturing data and intelligence which demonstrates the Social Value generated through their commissioning and procurement activity

1.7 Shropshire Council adopted the Social Value Charter on 23<sup>rd</sup> February 2017 and Shropshire CCG adopted the Charter on 15<sup>th</sup> February 2017.

## **2. Recommendations**

2.1 That the Health and Wellbeing Board notes the implementation of the Social Value Charter for Shropshire.

## **REPORT**

## **3. Risk Assessment and Opportunities Appraisal**

### **3.1 Risk and Opportunities Assessment**

3.1.1 An engagement exercise was carried out for a 12 week period between September and December 2016. The exercise was primarily aimed at key stakeholder groups including the Voluntary & Community Sector, business groups, parish & town councils and provider organisations.

3.1.2 Feedback from this exercise established that adoption of a Social Value Charter would help to improve social, economic and environmental outcomes for Shropshire. In addition, by adopting the measures suggested in Appendix 2, there will be better coordination of Social Value outcomes between the public sector bodies and a more coherent demonstration of value generated.

### **3.2 Human Rights**

3.3.1 It is unlikely that there are any relevant Human Rights issues impacting this project.

### **3.3 Equalities**

3.3.1 An Equality and Social Inclusion Impact Assessment (ESIIA) was developed alongside the engagement exercise and has now been finalised. The ESIIA has determined that there will be no negative impacts on any of the protected characteristics groupings and a medium positive impact on the social inclusion grouping. This is due to the Charter principles supporting, amongst others, initiatives to address social and rural isolation, contributions to community infrastructure and keeping people connected.

### **3.4 Communities**

3.4.1 It is likely that the Social Value Charter will have a positive impact on Shropshire communities.

### **3.5 Environment**

3.5.1 One of the 3 Social Value strands is around environmental benefits and it is likely that the Social Value Charter will have a positive impact in this area

## **4. Financial Implications**

4.1 Organisations adopting the Charter will commit to the locally defined principle of supporting the Shropshire economy which includes support for the local supply chain, local jobs, skills development and inward investment. It is anticipated that there will be indirect

financial benefit to the local economy arising from adoption of the Charter, although this will be difficult to quantify.

## **5. Background**

5.1 The Public Services (Social Value) Act 2012 made it a legal requirement for any public body (councils [but not town or parish councils], Clinical Commissioning Groups, Police and Crime Commissioners, Housing Associations) to consider how it may improve social, economic and environmental outcomes in its area and how it might secure this through its procurement activity.

5.2 Social Value is a measure of additional benefits that can be generated for the local area through the way that the public sector commissions, and contractors deliver, services or works. For example a care provider may provide value through promoting care provision as a positive career choice in schools or colleges which in the longer term will assist with local recruitment to the sector; or a building contractor may commit to the creation of local employment and training opportunities and extend this into the supply chain; or an advice services provider may provide volunteering opportunities.

5.3 In Shropshire a Social Value Group was formed prior to the legislation going live in 2013 in order to consider a coordinated approach across the county's commissioners. The group is chaired by Cllr Lee Chapman and consists of representatives from:

- Shropshire Council
- Shropshire CCG
- NHS Midlands & Lancashire Commissioning Support Unit
- Office of the West Mercia Police & Crime Commissioner
- Shropshire Voluntary & Community Sector Assembly
- Housing via Severnside Housing
- Provider organisations via Shropshire Providers' Consortium

5.4 The Social Value Group developed a Social Value Commissioning and Procurement Framework in 2014. The framework is designed to guide Council officers and members on how to embed Social Value into the council's commissioning and procurement activity. The framework sets out what Social Value means to the council, how it can help us to deliver on our outcomes and priorities and how we will apply it in practice. In addition, the framework sets out how we will ensure, through our commissioning and procurement activity, that we achieve the greatest possible impact on behalf of Shropshire's residents. It identifies how customer outcomes are linked to the council's priorities and suggests measures, milestones or specific indicators by which Social Value can be demonstrated.

5.5 The Social Value Charter was developed from work undertaken with Social Enterprise UK and the Institute for Voluntary Action Research. The work identified the need for a common understanding of Social Value across the public sector partners, common outcomes and a need to raise the profile of Social Value more generally. Other local authority areas have implemented Social Value Charters as a way to achieve these aims.

## **6. Additional Information**

6.1 The Social Value Charter will be launched on 9<sup>th</sup> March 2017. The launch of the Social Value Charter gives an opportunity to raise the profile of Social Value in Shropshire and there are some practical steps that will need to be taken. These will be:

1. Development of a Shropshire Social Value logo
2. Launching the Social Value Charter:
  - a. media briefing (2<sup>nd</sup> March) – Lee Chapman
  - b. press release and photo-opportunity on 9<sup>th</sup> March at a meeting of the Social Value Group

- c. circulate through existing networks including SALC, VCSA, SPIC and other provider networks, Business Board, Cogs procurement group
- d. intranet and internet, staff newsletter, members' briefing
- 3. Further development of the Social Value website on [www.shropshire.gov.uk](http://www.shropshire.gov.uk)
- 4. Ability for organisations to 'sign-up' online through a simple registration process
- 5. A database of organisations which have signed up

6.2 In terms of embedding Social Value in commissioning practice the key will be to simplify and further embed Social Value thinking in commissioners' activity and to make information and resources available. Information is available to commissioners on Shropshire Council's intranet and external website and we will be developing a Social Value module on the new Learning Pool training resource. Reminders and updates will be issued periodically using the intranet and staff newsletter.

6.3 In addition to developing the commitments set out in the Charter, we have developed a set of measures to assist commissioners, initially for 'Supporting the Shropshire economy', which can be incorporated into contract and contract monitoring documentation where appropriate. This will allow us to start to build a profile of value created. Additional measures relating to the Charter commitments of 'Promoting wellbeing in Shropshire' and 'A great place to live' will be developed and added during 2017.

## 7. Conclusions

7.1 A Social Value Charter will provide a focus for improving social, economic and environmental outcomes for Shropshire residents and communities. Measures adopted to support the Charter aims will assist with demonstrating what, and how much, Social Value is generated as a result of procurement activity undertaken by all public sector bodies in Shropshire.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b>
<b>Cabinet Member (Portfolio Holder)</b>
<b>Local Member</b>
<b>Appendices</b> <b>See below Appendix A – A social value charter</b>

## Appendix A



# A Social Value Charter for Shropshire

**The Social Value Charter for Shropshire sets out how public sector commissioners, service providers, voluntary, community & social enterprise organisations and businesses will aim to improve the social, economic and environmental wellbeing of Shropshire.**

The Social Value Charter aims to clearly communicate the Social Value priorities for Shropshire and to create a framework within which commissioners, providers and other stakeholders will operate.

These principles have been developed by the Shropshire Social Value Group which consists of representatives from the Local Authority, Health, Police & Crime Commissioner's Office, Housing and the Voluntary & Community Sector.

The Charter is aligned to the Shropshire Council Social Value Commissioning & Procurement Framework, the Cogs Shropshire Procurement Charter and other related frameworks.

Charter signatories will commit to the Charter principles and must demonstrate either how they are currently delivering Social Value in accordance with these principles or how they plan to achieve compliance in accordance with a timetabled plan.

It is our long-term aspiration that future commissioning and contracting decisions made by signatory organisations will take full account of the principles of this Charter by being formally incorporated into new contracts and procurement policies.

### **Commissioners will:**

- Embed Social Value in their commissioning strategies and plans
- Incorporate appropriate and proportionate Social Value requirements which reflect this Charter in their procurement, contracts and grants documentation
- Capture data and intelligence which demonstrates the Social Value generated through their commissioning and procurement activity

### **Contracted Providers will:**

- Operate in a way which maximises the Social Value generated through their activities
- Provide clear evidence and data to commissioners which demonstrate the Social Value they generate through their contracted activities

### **Other Charter Signatories will:**

- Operate in a way which maximises the Social Value generated through their activities

By signing up to this Charter signatories commit to the following principles, either by fully adopting the Charter at the time of signature or alternatively making a commitment to full adoption within a clear timetable.

The Charter principles are as follows:

1. Supporting the Shropshire economy:
  - a. Supporting / purchasing from the local supply chain where possible
  - b. Supporting or creating the conditions for growth in the Shropshire economy
  - c. Developing education, skills and training opportunities within the Shropshire economy
  - d. Employment opportunities for local people
  - e. Good conditions of employment and fair wage rates and structures
2. Promoting wellbeing in Shropshire:
  - a. Keeping people connected and maximising use of community infrastructure
  - b. Initiatives to address social and rural isolation
  - c. Supporting people and communities to be self-reliant, resilient, safe and mutually supportive
  - d. Addressing the social, economic and environmental factors which contribute to poverty and inequality (prevention)
  - e. Residents are involved in the design and delivery of integrated and accessible quality services
3. A great place to live:
  - a. Support or contribution to community initiatives
  - b. People are able to contribute through volunteering opportunities
  - c. People have a good, decent and appropriate place to live
  - d. People are proud to live in Shropshire and have a stake in their communities
  - e. A green and sustainable county

### **Implementation of the Charter**

Charter signatories will commit to supporting the three principles set out above. Measures to demonstrate how signatories to the Charter are delivering on their commitments will be implemented in stages linked to these three principles.