

# SOCIAL OUTCOMES



## Manchester City Council

### Creating a social value ecosystem

Building on a deep-rooted history of progressive socio-economic action, Manchester City Council began investigating sustainable procurement in the mid-2000s – many years before the introduction of the Social Value Act. By 2016, we were one of the first local authorities to apply a 20% weighting to social value in our tenders, and in 2021, we introduced an additional 10% environmental weighting. With over 60% of our spending going to local organisations, Manchester is rightly recognised as an innovative leader in social value. Still, today, we are again asking ourselves – how can we do more?

#### Our Manchester: putting residents first

'Our Manchester - Forward to 2025' is the current 10-year strategy for our city. It provides an overarching framework for everything we do and is underpinned by what our diverse residents have told us. It guides all our work towards making Manchester fairer, sustainable, and more inclusive. Different interconnecting priorities flow from this strategy, one of which is maximising the impact of social value across the whole Council, in our supply chains, and with our wider partners.

#### Social value as a strategic mechanism

Manchester City Council does business with companies who give something back to the city and we are proud of our sustainable procurement practices. Our Integrated Procurement and Commissioning Team also play an important role in training staff and developing systems for social value.

However, we recognise that the social value conversation needs to happen beyond tendering. As such, we have a Social Value Governance Board where senior cross-



People-centred councils driving social innovation putting people first departmental colleagues (including Executive Members and the City Treasurer) coordinate social value work across the Council. This allows us to see social value as a broader mechanism which can respond to strategic priorities and locality needs. For example, our recent Anti-Poverty Strategy and Economic Strategy both explicitly consider the role of social value in 'transitioning to a zero carbon and resilient economy', and 'including more people in economic opportunities'.

#### Working with partners on bespoke initiatives

As well as having strategic objectives for social value, we create bespoke initiatives that respond to specific opportunities - three examples are given below.

#### (1) Incentivising employment: Our Town Hall

Social value can be a catalyst to drive inclusive growth through major capital investment programmes. On the Our Town Hall project, a core objective was to maximise employability opportunities for residents.

Eighteen employability KPIs<sup>1</sup> were designed within an incentivisation model. This model was considered pre-procurement, integrated from the outset, and monitored through an active cross-sector working group.

The incentivisation model simply means that if suppliers underdeliver against their social value commitments they pay a fee, and if they overachieve, they will receive a retrospective payment. Five years into the Town Hall transformation, the model is thriving - suppliers are over-performing on 14 of the 18 KPIs, including the creation of 239 new jobs against a target of 45.



Tracey Cartledge, of Mosaic Restoration Company, working on the Manchester Our Town Hall restoration.

<sup>&</sup>lt;sup>1</sup> Key Performance Indicators



#### (2) <u>Highways: cleaner transport and robust reporting</u>

The Manchester City Council Highways Team self-manages a large range of procurement activities and adopted the Social Value Portal as a pilot in 2020. They developed a suite of KPIs that incorporate traditional outcomes (e.g. apprenticeships), address Manchester priorities (e.g. digital inclusion), and tackle Highways-specific needs (e.g. safer and cleaner transport).

They established a social value supplier sub-group and supported organisations to evidence their impact through the portal. Since 2020, Highways contracts have generated a demonstratable £40,434,487 of social and local economic value. This includes; 294 jobs for Greater Manchester residents, over 1,700 weeks of apprenticeships, 83.67 tonnes of reduced waste, and over £20k spent locally.

#### (3) Championing inherent social value: PaSH Partnership

Manchester City Council values the expertise of the third sector and the importance of having resilient VCFSE partners that can address some of the biggest challenges facing our communities. We also appreciate that having rigorous social value asks within bids can create a barrier for some organisations.

The PaSH Partnership (Passionate about Sexual Health) is a collaboration between three local charities who were jointly commissioned to meet the needs of people living with HIV. By coming together, they can deliver interventions to scale across Greater Manchester whilst maintaining their specialisms.

Social value should be proportional, and PaSH is a relatively small contract. The agreed social value commitments focused on their strengths (volunteering and community engagement) and recognised the inherent social value these organisations hold. For example, they co-produce services with communities and have leading employment practices that support colleagues who represent diverse and often marginalised communities in Manchester.

#### What's next?

The Manchester City Council Social Value Governance Board has set ambitious priorities for 2024-2026, including a focus on brokerage models and evidencing systems. These will be progressed through our cross-team Task and Finish Groups. We have also appointed a new Social Value Programme Lead who sits at the centre of the organisation, in Strategy and Policy, to further embed our social value work.

Most importantly, we will keep our social value focus on residents. We will continue to work collaboratively so that social value creates lasting benefits for the people of Manchester, improves the local economy, and looks after our environment.

#### For further information contact:

**Dee Lowry** Social Value Programme Lead - Manchester City Council dee.lowry@manchester.gov.uk |<u>www.manchester.gov.uk</u>

