

Date: 31st July 2020

Subject: Recovering from Covid-19 & Tackling Inequality: Social Value & Public Procurement

Report of: Cllr Allen Brett, Portfolio Lead for Co-operatives, Communities and Inclusion
Pam Smith, Portfolio Lead Chief Executive for Co-operatives, Communities and Inclusion, Brenda Warrington, Portfolio Lead for Equalities and Older People

PURPOSE OF REPORT

This report presents proposals for how Greater Manchester can build back better from the impact of Covid-19, including tackling inequality, by updating the city region's existing Social Value Policy with a refreshed set of priorities for the Social Value Framework, containing priority actions linked to public procurement.

RECOMMENDATIONS:

The GMCA is requested to:

1. Agree the refreshed Greater Manchester Social Value Framework
2. Endorse the link between the Framework and public procurement in Greater Manchester

CONTACT OFFICERS:

Steve Wilson, Treasurer, GMCA
steve.wilson@greatermanchester-ca.gov.uk

John Wrathmell, Director, Strategy, Research & Economy, GMCA
john.wrathmell@greatermanchester-ca.gov.uk

Anne Lythgoe, Principal – VCSE Accord Implementation, GMCA
anne.lythgoe@greatermanchester-ca.gov.uk

Nick Fairclough, Strategy & Policy Officer, GMCA
nick.fairclough@greatermanchester-ca.gov.uk

Equalities Implications

The proposed Social Value Framework will include actions that promote equality and address areas where discrimination might occur, particularly in employment, skills and training.

Climate Change Impact Assessment and Mitigation Measures

Addressing climate change is a fundamental facet of the Social Value Framework and this approach and the priorities listed have been endorsed by the GM Environment Plan Executive

Risk Management – none

Legal Considerations – This Framework will be embedded into social value considerations in CA commissioning and procurement exercises, and be used to guide compliance with the requirements of the Social Value Act

Financial Consequences – Revenue – none

Financial Consequences – Capital – none

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution (paragraph 14.2) or in the process (paragraph 13.1 AGMA Constitution) agreed by the AGMA Executive Board:		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report that mean it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?		No
GM Transport Committee	Overview & Scrutiny Committee	

1. INTRODUCTION

- 1.1. The COVID-19 pandemic has had an acute impact upon people and organisations across the public, private and voluntary, community & social enterprise sectors. It has led to dramatic challenges associated with health, the economy, employment, provision of essential goods and services, and public sector finances. The crisis has also occurred in an era of global climate emergency.
- 1.2. Many organisations have responded positively to these challenges. We have seen changes in the behaviour of large businesses as they seek to become more socially responsible; greater levels of cooperation between organisations across sectors; increased cycling and walking, with subsequent health and environmental benefits; cleaner air in our cities, and a growth in citizen activism, with a commensurate desire amongst communities to improve their places. As we move forwards and begin to look beyond the pandemic, there is an appetite not to return to the old ways of doing things, but instead to accelerate and augment these positive changes.
- 1.3. At the June 2020 meeting of the Combined Authority, Leaders agreed the process for the development of an initial one-year recovery plan, that will enable GM to achieve more, reduce risks, increase resilience and ultimately build back better. A key area for inclusion in the plan, highlighted in the June 2020 report, was 'Publication of GM high level framework for social value, and implementation including reviewing opportunities available in existing procurement systems' building on the existing Social Value Framework which has been developed and implemented in GM for several years. In response, and in association with local authority Heads of Procurement from across the city region, an initial proposal for the refresh of the existing Greater Manchester Social Value Framework in the light of the likely impacts of the Covid-19 pandemic has now been developed.
- 1.4. This refreshed framework will sit at the heart of work to tackle the widening inequalities which now exist, and to build back a better, fairer and greener economy in Greater Manchester. Social value can be everyone's business.

2. BACKGROUND

- 2.1. The Public Services (Social Value) Act 2012 placed an obligation on local authorities and other public bodies to consider the social good and wider impact that could come from the procurement of services before they embark upon it. The effect of the Act has been to alter the commissioning and procurement processes by ensuring that councils give consideration to the wider impact. This requirement is reflected in the GMCA's Constitution, which requires the organisation to include considerations of social value in all purchasing and disposal procedures.
- 2.2. Greater Manchester was an early adopter of the Social Value Act. In 2014, GMCA published its first Social Value Policy, which set out how the Combined Authority would deliver social value through its commissioning and procurement activities. Greater Manchester's local authorities have used this policy to formulate their own arrangements, with adjustments

made to fit the locality and its unique characteristics or requirements. The city region is seen as one of the leading areas for social value in the UK, and recently hosted the national Social Value Leaders' Conference. The city region has won awards for its work around social value and several districts are acknowledged for their long-standing commitment to local supply chains, sustainable procurement and creating job opportunities for local people.

- 2.3. The Combined Authority has used the GM Social Value Policy across all its procurements since 2014, incorporating the existing objectives into procurements of large scale and diverse programmes such as the Adult Education Budget contracts and the GM Full Fibre programme. These contracts have realised new jobs, new opportunities for young people, enhanced the environment and supported work with voluntary, community and social enterprise sector partners.
- 2.4 In January 2020, the Greater Manchester Co-operative Commission's report 'A Co-operative Greater Manchester' called for all contracting authorities in the city region to consider the adoption of principles to place more emphasis on the added social value of a contract in their corporate strategies, so that they can then be used to inform commissioning and procurement practice.
- 2.5. At the current time, there is considerable interest in social value across the business and voluntary, community & social enterprise (VCSE) sectors, amplified by the COVID-19 crisis. An opportunity now exists to redefine and strengthen the way 'social value' is used in Greater Manchester, both through procurement and as part of a broader, more purposeful, outcomes-focussed and inclusive approach to operating and doing business for organisations across all sectors.
- 2.6 Furthermore, there also exists an opportunity to better align our Social Value Policy and Framework with the current Greater Manchester Strategy, Local Industrial Strategy and other relevant strategic and policy drivers which have been put in place since 2014.

3. STRATEGIC CONTEXT

- 3.1. The refreshed Framework is grounded in the Greater Manchester Strategy and the emerging recovery planning work. A long-term plan will be developed for each objective and specific and hard-edged measures and targets co-produced for Greater Manchester. This will enable organisations to build the priorities into their own policy-making and business planning. Public sector partners will be able to use the Framework to update their own procurement and commissioning strategies; looking for opportunities to embed the priorities across their work.
- 3.2. The Greater Manchester Local Enterprise Partnership (LEP) has been closely involved in the development of these proposals, ensuring that there are clear links between this work and the broader work to support the city region's economic recovery and efforts to build back better.

3.3. The Framework will continue to guide delivery of social value within public sector contracts across the GMCA, individual local authorities and NHS organisations. It will support commissioners to set out their procurement and contract management requirements to maximise relevant social value, and providers to develop and submit proposals.

4. AREAS FOR PROMOTION THROUGH THE FRAMEWORK

4.1. Whilst the COVID-19 pandemic has wrought significant damage across Greater Manchester, it has also presented the conurbation with opportunities to build back better than before and, in particular, to tackle some of the engrained inequalities, extant within our city region, that COVID-19 has so cruelly illuminated.

4.2. Good Employment

4.2.1. One area upon which the crisis has shone a particularly harsh light is the poor employment practices that have, in some cases, exacerbated the impact of COVID-19. As we emerge from the crisis, it will therefore be vital to reassert Greater Manchester's belief that higher employment standards improve productivity, reduce costs and are ultimately better for business.

4.2.2. One clear mechanism by which the city region can promote these values is the Greater Manchester Good Employment Charter, which was launched in January 2020. Employers can become supporters of the Charter, by committing to improving their practice, or Charter members by demonstrating excellent practice across seven characteristics of good employment:

- Secure Work
- Flexible Work
- Real Living Wage
- Engagement & Voice
- Recruitment
- People Management
- Health & Wellbeing

4.2.3. Already, 111 Greater Manchester employers, employing almost 185,000 people, have signed up as supporters of the Charter, and 11 Supporters' Network events and webinars have been held.

4.2.4. In the wake of the COVID-19 pandemic, work is now being undertaken to reflect on how the Good Employment Charter criteria operate in a different employment environment and how they can contribute to Greater Manchester's long-term aspirations to build back better.

4.2.5. Links to public procurement have been a key priority in the development of the Charter development and the refreshed Framework will allow these to be made clear. The ambition will be that GMCA buys goods, works and services from organisations which was demonstrate high standards of employment practice. Membership of the GM Good

Employment Charter will be a way of demonstrating social value through high employment standards across a range of areas in a straightforward way for employers.

4.3. **Green Recovery**

- 4.3.1. COVID-19 has also provided opportunities to reassess what actions can be taken in Greater Manchester to improve air quality and play our part in mitigating the global climate emergency.
- 4.3.2. During the pandemic, we have seen a notable drop in air pollution and a significant increase in the use of active travel modes (walking and cycling). As the crisis begins to subside, Greater Manchester will need to maintain these changes wherever possible as we seek to become a greener city region.
- 4.3.3. The refreshed Framework therefore asks employers to play their part in keeping Greater Manchester's air clean and making their own organisations greener, for example, by putting in place an action plan to reach carbon neutrality by 2038 and putting in place green business travel options.
- 4.3.4. This approach and the environmental priorities listed within the Framework have been endorsed by the GM Environment Plan Executive

4.4. **Bridge GM**

- 4.4.1. Bridge GM is a network of Greater Manchester businesses, education leaders and careers professionals working to develop the city region's young people and support them to learn the skills that they will need later in their working life.
- 4.4.2. COVID-19 has highlighted significant inequalities and disparities across our city region. By becoming part of Bridge GM, employers can support efforts to develop skills in all communities of Greater Manchester and help young people from all backgrounds to access the city regional labour market. Simultaneously, this will help to develop a strong and effective talent pool in the region for their businesses.
- 4.4.3. Engagement with Bridge GM is therefore a suggested measure by which organisations can demonstrate their delivery of social value.

4.5. **Community Action**

- 4.5.1. The pandemic has also seen a significant community response, with individuals and businesses alike offering support to their communities.
- 4.5.2. Over the course of the COVID-19 outbreak, there has been a notable increase in volunteering with local VCSE organisations, which have played a key role in delivering Greater Manchester's humanitarian response to the crisis.

- 4.5.3. Businesses too have provided vital support: many have manufactured and/or donated personal protective equipment to public services, whilst others have provided significant donations of food to VCSE organisations within the conurbation.
- 4.5.4. Not only do these actions demonstrate the public spirit that exists within much of Greater Manchester society, they are also good examples of the delivery of social value. As it develops, the Framework will build on these strong foundations and look to engage people and businesses across the city region.

5. THE REFRESHED SOCIAL VALUE FRAMEWORK

- 5.1. The refreshed Social Value Framework aims to take a high-level, systematic approach to the delivery of social value and sits at the heart of building a movement for change in Greater Manchester. Grounded in the UN Sustainable Development Goals, the Greater Manchester Strategy and Local Industrial Strategy, it is not a benchmarking scheme or just a procurement tool, but a driver of actions aimed at making a difference in the post-COVID period.
- 5.2. **VISION:** *As we rebuild our economy in Greater Manchester following the crisis caused by COVID-19, we will seek to use social value to make the economy impact-focussed, fair and sustainable. We will encourage every organisation in Greater Manchester to carry out its primary activity, managing the resources that it controls and drawing in investment, in such a way that it encourages them to tackle inequalities and create lasting benefits to society and the economy, whilst making positive impacts (or at least minimising damage) on the environment.*
- 5.3. The refreshed framework is built around six objectives:
- Provide the best employment that you can
 - Keep the clean air in Greater Manchester
 - Create the employment and skills opportunities that we need to Build Back Better
 - Be part of a strong local community
 - Make your organisation greener
 - Develop a local, GM-based and resilient supply chain

These objectives align strongly with the Greater Manchester Strategy, but have been lifted out as being relevant and achievable as ‘social value’, backed up by accessible brokerage and support, and having increased priority as a result of the coronavirus pandemic. The following image shows how the Social Value Framework might be presented.

BUILD BACK BETTER - GREATER MANCHESTER SOCIAL VALUE FRAMEWORK

VISION: As we rebuild our economy in Greater Manchester following the crisis caused by Covid-19, we will seek to use social value to make the economy impact-focussed, fair and sustainable. We will encourage every organisation in Greater Manchester to carry out its primary activity, managing the resources that it controls and drawing in investment, in such a way that it encourages them to tackle inequalities and create lasting benefits to society and the economy, whilst making positive impacts (or at least minimising damage) on the environment.



Each priority action will be supported by:

- Clear theory of change
- Guidance for all on how to do it
- Guidance for public sector procurement
- A source of mutual support, training and discussion via GMSVN
- A robust measurement / evaluation system
- A clear description of the support that is available locally.

Provide the best employment that you can

Suggested Actions:

- Get involved in the [GM Good Employment Charter](#)
- Secure work [Real Living Wage](#)
- Inclusive recruitment (incl. post Covid-19 via [Employ GM](#))
- Employee health and wellbeing (including [GM Moves](#) [Employers' Toolkit](#) and [www.mentalhealthatwork.org.uk/toolkit/](#))
- Flexible work
- Engagement and voice
- People management
- Signpost your employees and volunteers to local housing and financial advice, including access early help via [Citizens Advice GM](#)

Be part of a strong local community

Suggested Actions:

- Encourage your employees and members to take part in organized volunteering via your [local volunteering centre](#)
- Develop organizational partnerships with your local [VCSE sector](#) - offer professional support via [Business in the Community](#) National Business Response Network
- Support the [GM Age-friendly Neighbourhoods Challenge](#)
- Provide an opportunity for [Our Pass](#)
- Enable employees, members and volunteers to take part in volunteering to improve the local environment with [Nature GM](#) or activities which reduce social isolation

Help keep the clean air in GM

Suggested Actions:

- Put in place green business travel options for all employees and volunteers
- Implement [Cycle to Work](#) and [salary sacrifice](#) for Ultra Low Emission Vehicles (ULEV) schemes for your staff
- Install cycle racks at your workplace, Electric Vehicle charging points and transition your fleet to ULEV
- Encourage home working and digital solutions – use online communication, webinars and video conferencing
- Get involved in physical exercise programmes via [GM Moves](#)

Make your organisation greener

Suggested Actions:

- Put in place an operational plan for your organisation to be carbon neutral by 2038 with the support of [Green Growth GM](#)
- Organise [carbon literacy](#) training for all employees so that they can understand how to reduce their own carbon footprint
- Maximise energy efficiency and local low carbon energy generation in your workplace – ensure new build maximizes eco standards, or [retrofit](#) your offices and buildings
- Build climate change resilience measures into your risk management and investment plans
- Help enable a [Plastic-free GM](#) - Re-use (or stop using) single use plastic
- Create less waste – with support from [Recycle GM](#)
- Manage any green spaces at your workplace for wildlife and promote environmental volunteering days for your employees

Create the employment and skills opportunities that we need to Build Back Better

Suggested Actions:

- Support your employees / members / volunteers to become a mentor to a young person through the [Bridge GM](#) and develop links with the wider Bridge community to support young people
- Support re-skilling in sectors heavily impacted by Covid-19
- Reach out and share the skills that you have in your organization into the wider business sector and with VCSE organisations
- Offer apprenticeship, experience / internships and other opportunities for young people and schools via [GM Apprenticeship and Careers Service](#)
- Digital inclusion - careers support / work experience / mentoring to build digital skills

Develop a local, GM-based and resilient supply chain

Suggested Actions:

- Use your procurement practices to [maximize social value](#) – buy local, sustainable and ethical goods and services
- Open up your buildings and green spaces for community / VCSE use
- As far as is feasible, purchase goods, services and works from GM-based organisations – think about 'total life cost' not just immediate financial cost
- Consider how to [innovate your business](#) to deliver more sustainable goods and services
- Adhere to the [Fair Tax Marks](#) standards – ensure that your organisation pays the right amount of tax which funds vital public services and goods

Building connections, planning, and action for people, planet and prosperity - Underpinned by good data, effective support and brokerage

6. NEXT STEPS

6.1. It is proposed that the Social Value Framework will be presented using a web-based portal, structured around the six objectives, with links through to a range of suggested actions and sources of support and guidance. Each objective will have a tile on the home page behind which will sit:

- An overview of the objective, its drivers, suggested actions and projected outcomes
- Links to named GM programmes and initiatives which any organisation can join or receive support (e.g. GM Good Employment Charter or Bridge GM)

A basic introduction to the concept of 'responsible business' / 'social value' will also be provided. In order to make social value part of 'business as usual', this Framework should be free to use and easy to implement.

6.2. The following products will be developed to support the refreshed Framework:

- **Policy** - Public sector partners will use the Framework to develop their own procurement and commissioning strategies, looking for opportunities to embed the priorities contained in the Framework across their work.
- **Measurement** - Measurable objectives will be set out to enable a robust evaluation criteria within the procurement process
- **Promotion** – Key to the success of the Framework will be that organisations are aware of it and understand its purpose and content. A communications plan will be required to support the launch of the refreshed Framework.
- **Brokerage** – The web portal will not be static and, as new projects, programmes and initiatives come on stream, they will be added to the website. As far as possible, the

actions described in the Framework should be easily achievable, with support provided and a mechanism for taking action in place. It is anticipated that, as opportunities allow, further brokerage arrangements will be developed to make the strong and sustainable connections, which add resilience to the economy.

- **Support** – It will be important that training and support are available for people and organisations to better understand social value, how they can maximise it from their actions, how to embed it into business, commissioning or procurement strategies, or how to measure and account for the difference that the activities are making.

- 6.3. Formed in 2015, the **Greater Manchester Social Value Network** has several hundred members across GM and nearly 1,000 followers on Twitter. This community of practice has been involved in the development of the draft Framework and has indicated their full endorsement. They will play a key role in promoting, embedding and refining the Framework.

The Network offers:

- A repository of good practice through its own website www.GMSVN.org.uk, including case studies, stories, blogs and practice notes
- Training, workshops, webinars, and a Network to share learning
- A community of experts
- Access to wider networks and sources of training and support

GMSVN has driven forward the Social Value agenda in Greater Manchester and has a vision that Social Value should be at the heart of everything that Greater Manchester does, whether that be the contents of the GM Strategy and the activities of the Mayor, the process of procurement, the behaviour of business, or the activities of people.

- 6.4. Initial work to develop and publish this Framework can be contained within the existing resources of the Combined Authority. However, additional arrangements and systems for monitoring, promotion, training and brokerage may carry an added requirement for funding. Every effort will be made to work with partners to realise the resources required.
- 6.5. A report with further detail and future proposals to accompany the Framework will be brought to a future meeting of the Combined Authority.

7. RECOMMENDATIONS

- 7.1. Recommendations are included at the front of this paper.