

What are other local authorities doing around social value?

Background

Following the Public Services (Social Value) Act 2012, organisations – including local authorities – are required to consider how commissioned public services can also secure wider social, economic, and environmental benefits.¹ The act legally requires consideration of social value in commissioning cycles and local spending.² The Institute of Health Equity at University College London suggest that the Public Services (Social Value) Act 2012 can be used to reduce health inequalities by enabling action on the social determinants of health.

Coventry City Council has its own Social Value and Sustainability policy.³ The policy outlines: what social value and sustainability are; identifies a set of social value and sustainability outcomes; an internal toolkit to embed social value and sustainability policy into everyday council activities; and the monitoring and review of delivered social value and sustainability.

Following discussions between the Coventry Health Determinants Research Collaboration and the Economic Development team at Coventry City Council, it was decided that a rapid scoping review should be conducted to find relevant literature on:

- What are other local authorities doing around social value?
- How are social value initiatives being implemented by local authorities?

Methods

To find relevant literature on the two questions above, several searches were conducted. The first was searching “social value” on .gov.uk domain websites using the advanced search function on Google. The date range of 01/01/20220 – 22/05/2024 was used.

Further searches were completed on the websites of organisations who were known to have completed innovative social value work (Solihull Council), health-focused organisations (The King’s Fund and The Health Foundation), and local government focused organisations (Local Government Association).

¹ [https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources#:~:text=The%20Public%20Services%20\(Social%20Value,social%2C%20economic%20and%20environmental%20benefits](https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources#:~:text=The%20Public%20Services%20(Social%20Value,social%2C%20economic%20and%20environmental%20benefits). (accessed 02/04/2024)

² <https://www.instituteoftheequity.org/resources-reports/local-action-on-health-inequalities-using-the-social-value-act-to-reduce-health-inequalities-in-england-through-action-on-the-social-determinants-of-health> (accessed 02/04/2024)

³ <https://www.coventry.gov.uk/business-council/social-value-1> (accessed 02/04/2024)

Findings

Searching “social value” on .gov.uk domains from 01/01/2020 – 22/05/2024 returned ~17,300 results, which can be viewed by [clicking this link](#). Broadly, the results from this search highlight that most local authorities have an accessible social value policy, statement, or framework on their websites. These are similar to the statement and policy published on Coventry City Council’s website.⁴ Examples of this include: West Sussex County Council,⁵ Southampton City Council,⁶ and Solihull Borough Council.⁷

A search of “social value” on the Local Government Association website returned 794 results ([available here](#)) – searching without the quotation marks returned ~9,500 results ([available here](#)), so only the search with quotation marks was scanned. Like many local authorities, the Local Government Association has a definition of what social value is⁸ and a statement on their work on social value on their website – this statement also provides a template for councils to use for their own social value statement.⁹ Although not published with a date, the Local Government Association cite ‘a recent review’ of 343 Council websites that found around a quarter (23%) had a social value strategy published online, a third (32%) mentioned social value but had not published a strategy online, and 44% had no mention of social value on their websites. Together with The Social Value Portal, they have developed a [social value toolkit for district councils](#). Additionally on their website, the Local Government Association have a range of ‘TOMS’ (Themes, Outcomes and Measures) available to councils – included is a [general framework](#) and one specifically [relating to the climate change emergency](#).

Several local authorities are highlighted by the Local Government Association for social value provision:

- [Hammersmith and Fulham Council Social value statement](#) – on their website, the council discuss how social value has been successful in Hammersmith and Fulham and how it was implemented. Their social value work has centred on three themes: 1) Inclusive smart economy, 2) Happier kinder Hammersmith and Fulham, and 3) Climate and ecological emergency.
- [West Sussex County Council Social Value Framework](#) – discusses how they secure social value through procurement and contract management.
- [London Borough of Barking and Dagenham social value toolkit](#) – outlines their social value priorities (Investment in Local People, Investment in Local Economy, Environmental Sustainability), how they assess and evaluate social value, and signposts to a range of useful resources for prospective bidders.

⁴ <https://www.coventry.gov.uk/socialvalue> (Accessed 03/06/2024)

⁵ <https://westsussex.gov.uk/business-and-consumers/supplying-wssc-with-goods-or-services/social-value-framework/> (Accessed 03/06/2024)

⁶ <https://www.southampton.gov.uk/business-licensing/supply-council/social-value/> (Accessed 03/06/2024)

⁷ <https://www.solihull.gov.uk/business/social-value> (Accessed 03/06/2024)

⁸ <https://www.local.gov.uk/our-support/financial-resilience-and-economic-growth/procurement/social-value-achieving-community> (Accessed 03/06/2024)

⁹ <https://www.local.gov.uk/social-value-statement> (Accessed 03/06/2024)

- A series Local Government Association produced resources on social value are [available here](#).

There is also local academic expertise in the domain of social value. Dr Hayley Beer (Warwick Business School, University of Warwick)¹⁰ led the social impact evaluation of the Coventry City of Culture 2021. Particular expertise includes consideration of social value creation and measurement in the cultural sector,¹¹ complementing the expertise available on the Local Government Association website.

Examples from the West Midlands: Sandwell and Solihull

Sandwell

Sandwell have a [section on their website dedicated to social value](#). They assess social value across four pillars: employment & skills, community engagement, local spend, and environment. They accept that not all contracts can deliver social value across all four pillars but like to see what a contractor can realistically offer depending on the size, duration, and type of contract. Social value delivery plans are developed for larger contracts.

In addition, on their website there are several articles on the new [Sandwell Aquatics Centre](#), which is highlighted as an example of ‘social value’ through its construction, ongoing management, and employment opportunities provided for local people. Social value formed part of their [corporate plan for 2021-2025](#). Social value is also explicitly mentioned in the following Sandwell Council reports:

- [Corporate Climate Change Action Plan 2022-2025](#)
- [Viability assessment, by Aspinall Verdi](#), of the Sandwell Local Plan
- [Green Spaces Strategy Implementation and Business Plan 22/23-25/26](#)

Solihull

The results from searching “social value” on the Solihull Metropolitan Borough Council are [available via this link](#) – there were 101 reports retrieved. As with most council websites, they defined what social value is, how it is included in their contracts, and what their approach to social value is.¹² They measure and evaluate social value created from their contracts using the National TOMS framework (their framework is [available here](#)). A detailed [Social Value Policy](#) was published in October 2023. Two examples published on their website may be of particular interest:

- A [case study of a demolition project](#). The contracted demolition group exceeded their social value target by: 1) employing a large percentage of local residents,

¹⁰ <https://www.wbs.ac.uk/about/person/haley-beer/> (Accessed 03/06/2024)

¹¹ https://warwick.ac.uk/research/partnerships/place-based-research/impact-value/ahrc-uk-cities-of-culture-project/futuretrendseries/social_value_creation_and_measurement_in_the_cultural_sector/fts_paper_2.pdf (Accessed 03/06/2024)

¹² <https://www.solihull.gov.uk/business/social-value> (Accessed 04/06/2024)

- 2) subcontracting to local small and medium enterprises, 3) hired a local security firm to ensure crime in the area would remain low, and 4) voluntarily resurfaced the car park of a local football club.
- Published a [report completed via the Social Value Portal](#) of a project where a Copper Beech Play partnered with a primary school to talk about wildlife and habitat preservation, and produced a wildlife mound.

Results from health-focused organisations

The websites of health-focused think tanks (The King's Fund and The Health Foundation) were searched with the term "social value". Results on The King's Fund website focused on the role of the NHS as an anchor institution and its resulting impact on social value.¹³ For example, since 2022 there is a mandatory 10 per cent weighting in all NHS procurement.¹⁴ During Covid, the Government amended The Social Value Model "around supporting organisations and businesses to recover and improving workforce conditions and health"^{15,16}

The Health Foundation similarly highlights the role of NHS organisations as anchor institutions and their impact on social value through procurement.^{17,18} Challenges to incorporating social value into procurement are highlighted; often, procurement rules prioritise cost and efficiency meaning that social value is difficult to deliver – especially with regards to local suppliers.¹⁹ Smaller suppliers may have less experience than larger suppliers in fulfilling social value as part of their contracts, so could be disadvantaged when applying for contracts.²⁰ Providing toolkits for prospective suppliers can partially overcome this limitation.

The Health Foundation also highlight how several NHS trusts use their role as an anchor institution in instilling social value into the community.^{21,22} This involves procurement, using their spaces for the community, and offering employment opportunities (particularly to those not in employment, education, or training). Examples include:

¹³<https://www.kingsfund.org.uk/insight-and-analysis/blogs/nhs-england-tackling-inequalities-times-changing> (Accessed 03/06/2024)

¹⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940826/Social-Value-Model-Edn-1.1-3-Dec-20.pdf (Accessed 03/06/2024)

¹⁵As 10

¹⁶<https://www.kingsfund.org.uk/insight-and-analysis/long-reads/anchor-institutions-and-peoples-health> (Accessed 03/06/2024)

¹⁷<https://www.health.org.uk/news-and-comment/newsletter-features/anchored-in-the-local-community-nhs-organisations> (Accessed 03/06/2024)

¹⁸<https://www.health.org.uk/publications/long-reads/anchors-in-a-storm> (Accessed 03/06/2024)

¹⁹As 14

²⁰<https://www.health.org.uk/funding-and-partnerships/programmes/evaluating-and-embedding-social-values-in-procurement> (Accessed 03/06/2024)

²¹<https://www.health.org.uk/publications/reports/building-healthier-communities-role-of-nhs-as-anchor-institution> (Accessed 03/06/2024)

²²<https://www.health.org.uk/news-and-comment/news/nhs-should-contribute-more-to-the-prosperity-of-local-communities> (Accessed 03/06/2024)

- [The Queen Elizabeth Hospital Kings Lynn NHS Foundation Trust](#) developing a **plan for the most deprived communities to access employment opportunities across the workforce.**
- [Mid and South Essex NHS Foundation Trust](#), together with the local housing associations, voluntary and community organisations, and the police, developed a project to provide pre-employment opportunities for young people in Mid and South Essex – with a focus on those from deprived backgrounds.
- [East London NHS Foundation Trust](#) conducted a **process evaluation of the implementation of its social value priorities in procurement**, which identified best practice and opportunities for improvement.
- [Blackpool Teaching Hospitals NHS Foundation Trust](#) completed a project with community researchers²³ to develop a framework to allow it “to contribute to the economic, environmental and social fabric of the Fylde Coast and reduce health inequalities.”

Likely the most relevant example to Coventry City Council highlighted by The Health Foundation is that of [Leeds City Council](#). They worked with an academic partner to lead “The Leeds Inclusive Anchors Network”, which is “a consortium of 13 organisations who share a commitment to using their place-based economic, human and intellectual power to better the long-term welfare of their local communities. The Network has worked to ensure the workforce of the largest publicly-funded organisations in the city are more representative of their communities and improve economic and social benefits to the city’s disadvantaged neighbourhoods”.²⁴ This anchor alliance suggests that there could be positive impacts of Coventry City Council collaborating with other councils (such as Solihull Council and the West Midlands Combined Authority), businesses, the voluntary sector, and businesses around social value.

Produced by Dr Jack Birch, Coventry Health Determinants Research Collaboration, June 2024.

²³ <https://www.youtube.com/watch?v=O6JZAgVfIWk&t=2216s>

²⁴ <https://www.health.org.uk/funding-and-partnerships/programmes/increasing-opportunities-to-tackle-health-inequalities-in-leeds> (Accessed 03/06/2024)