

CABINET

Date of Meeting	17 th January 2023
Report Subject	Social Value Progress Update
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities, including Social Value and Procurement
Report Author	Chief Officer Social Services
Type of Report	Operational

EXECUTIVE SUMMARY

Generating social value from the Council's commissioning and procurement activities is the largest contributor to increased social value and remains a key area of focus for the Council.

This report outlines performance data for the full financial year 2021/22, as well as the first six months of 2022/23.

The report also outlines the next steps for implementing the recommendations made and endorsed by Cabinet earlier this year.

RECOMMENDATIONS

1	Cabinet notes the positive performance achieved in relation to generating social value during 2021/22, as well as the first six months of 2022/23.
2	Cabinet consider and support the next steps proposed.

REPORT DETAILS

1.00	EXPLAINING THE LATEST PROGRESS FOR SOCIAL VALUE																		
1.01	<p>Social Value Annual Performance 2021/22 and Quarters One and Two of financial year 2022/23</p> <p>Generating increased social value is a corporate priority for the Council.</p> <p>For 2021/22 and the first six months of 2022/23 the main area of focus has remained, which has been, to increase social value from the Council's commissioning and procurement activities. During this reporting period achievement against target has been high.</p>																		
1.02	<p>The targets set for social value for 2021/22, as contained within the Council Plan, were as follows:</p> <ul style="list-style-type: none"> • 69 contracts supported per financial year to include social value • £2,854,266 social value generated from awarded contracts <p>For 2022/23, the target for contracts supported per financial year to include social value has been reduced to 60. This reduced target was approved by Cabinet at their meeting in February 2022, based on available resource and the desire to ensure other elements of the social value work programme could be progressed.</p>																		
1.03	<p>Table 1 below shows the actual performance achieved in year 2021/22.</p> <p>Table 1 – Social Value Performance 2021/22 NB: financial values have been rounded up/down to the nearest whole pound.</p> <table border="1" data-bbox="336 1205 1401 1453"> <thead> <tr> <th></th> <th>Quarter 1 Apr-Jun 2021</th> <th>Quarter 2 Jul-Sept 2021</th> <th>Quarter 3 Oct-Dec 2021</th> <th>Quarter 4 Jan-Mar 2022</th> <th>Total 2021/22</th> </tr> </thead> <tbody> <tr> <td>Contracts supported</td> <td>15</td> <td>47</td> <td>25</td> <td>26</td> <td>113</td> </tr> <tr> <td>£s of social value generated</td> <td>£231,444</td> <td>£1,378,877</td> <td>£97,590</td> <td>£1,521,521</td> <td>£3,229,432</td> </tr> </tbody> </table> <p>As the data captured in Table 1 above demonstrates, the targets for social value in 2021/22 were exceeded, with an additional 44 contracts supported to include social value and circa £375k of additional social value generated from awarded contracts.</p>		Quarter 1 Apr-Jun 2021	Quarter 2 Jul-Sept 2021	Quarter 3 Oct-Dec 2021	Quarter 4 Jan-Mar 2022	Total 2021/22	Contracts supported	15	47	25	26	113	£s of social value generated	£231,444	£1,378,877	£97,590	£1,521,521	£3,229,432
	Quarter 1 Apr-Jun 2021	Quarter 2 Jul-Sept 2021	Quarter 3 Oct-Dec 2021	Quarter 4 Jan-Mar 2022	Total 2021/22														
Contracts supported	15	47	25	26	113														
£s of social value generated	£231,444	£1,378,877	£97,590	£1,521,521	£3,229,432														
1.04	<p>Table 2 below shows the actual performance achieved in quarters one and two of 2022/23.</p> <p>Table 2 – Social Value Performance for Q1 and Q2 2022/23 NB: financial values have been rounded up/down to the nearest whole pound.</p> <table border="1" data-bbox="336 1848 1401 2067"> <thead> <tr> <th></th> <th>Quarter 1 Apr-Jun 2022</th> <th>Quarter 2 Jul-Sept 2022</th> <th>Total 2022/23</th> </tr> </thead> <tbody> <tr> <td>Contracts supported</td> <td>32</td> <td>22</td> <td>54</td> </tr> <tr> <td>£s of social value generated</td> <td>£1,267,646</td> <td>£1,888,607</td> <td>£3,156,253</td> </tr> </tbody> </table>		Quarter 1 Apr-Jun 2022	Quarter 2 Jul-Sept 2022	Total 2022/23	Contracts supported	32	22	54	£s of social value generated	£1,267,646	£1,888,607	£3,156,253						
	Quarter 1 Apr-Jun 2022	Quarter 2 Jul-Sept 2022	Total 2022/23																
Contracts supported	32	22	54																
£s of social value generated	£1,267,646	£1,888,607	£3,156,253																

The first six months of data for 2022/23, highlighted in Table 2 above, indicate that 90% of the target for the number of contracts supported to include social value in this financial year has been achieved in this reporting period. Moreover, the Council Plan target for the number of pounds of social value generated has already been surpassed.

1.05

In addition to the above performance reporting, the Council's Procurement Services also capture information on estimated contract award expenditure from procurement activities. This data includes the number of awarded contracts for the reporting period, which include social value as a contractual requirement. Further details for 2021/22 can be found in Table 3 below, with the in-year to date information 2022/23 provided in Table 4, under point 1.06 following.

Table 3: Procurement Performance Data for 2021/22

NB: financial values have been rounded up/down to the nearest whole pound.

	Quarter 1 Apr-Jun 2021	Quarter 2 Jul-Sept 2021	Quarter 3 Oct-Dec 2021	Quarter 4 Jan-Mar 2022	Total 2021/22
Total estimated contract award value for contracts over £25k including contracts awarded through an exception	£2,168,287	£2,128,905	£2,464,593	£14,768,810	£21,530,595
Total No. contracts awarded over £25k	19	13	14	17	63
Proportion of contracts awarded over £25k which were supported to include social value	11 (58%)	12 (92%)	8 (57%)	13 (76%)	44 (62%)
Proportion of contracts awarded over £25k which were not supported to include social value	8 (42%)	1 (8%)	6 (43%)	4 (24%)	19 (27%)

1.06	<p>Table 4: Procurement Performance Data for Q1 and Q2 2022/23 NB: financial values have been rounded up/down to the nearest whole pound.</p> <table border="1"> <thead> <tr> <th data-bbox="336 185 588 277"></th> <th data-bbox="592 185 892 277">Quarter 1 Apr-Jun 2022</th> <th data-bbox="895 185 1160 277">Quarter 2 Jul-Sept 2022</th> <th data-bbox="1163 185 1401 277">Total For Q1 and Q2 22/23</th> </tr> </thead> <tbody> <tr> <td data-bbox="336 282 588 510">Total estimated contract award value for contracts over £25k including contracts awarded through an exception</td> <td data-bbox="592 282 892 510">£3,228,134</td> <td data-bbox="895 282 1160 510">£3,012,356</td> <td data-bbox="1163 282 1401 510">£6,240,490</td> </tr> <tr> <td data-bbox="336 515 588 607">Total No. contracts awarded over £25k</td> <td data-bbox="592 515 892 607">9</td> <td data-bbox="895 515 1160 607">20</td> <td data-bbox="1163 515 1401 607">29</td> </tr> <tr> <td data-bbox="336 611 588 808">Proportion of contracts awarded over £25k which were supported to include social value</td> <td data-bbox="592 611 892 808">7 (78%)</td> <td data-bbox="895 611 1160 808">15 (75%)</td> <td data-bbox="1163 611 1401 808">22 (76%)</td> </tr> <tr> <td data-bbox="336 813 588 1041">Proportion of contracts awarded over £25k which were not supported to include social value</td> <td data-bbox="592 813 892 1041">2 (22%)</td> <td data-bbox="895 813 1160 1041">5 (25%)</td> <td data-bbox="1163 813 1401 1041">7 (24%)</td> </tr> </tbody> </table>		Quarter 1 Apr-Jun 2022	Quarter 2 Jul-Sept 2022	Total For Q1 and Q2 22/23	Total estimated contract award value for contracts over £25k including contracts awarded through an exception	£3,228,134	£3,012,356	£6,240,490	Total No. contracts awarded over £25k	9	20	29	Proportion of contracts awarded over £25k which were supported to include social value	7 (78%)	15 (75%)	22 (76%)	Proportion of contracts awarded over £25k which were not supported to include social value	2 (22%)	5 (25%)	7 (24%)
	Quarter 1 Apr-Jun 2022	Quarter 2 Jul-Sept 2022	Total For Q1 and Q2 22/23																		
Total estimated contract award value for contracts over £25k including contracts awarded through an exception	£3,228,134	£3,012,356	£6,240,490																		
Total No. contracts awarded over £25k	9	20	29																		
Proportion of contracts awarded over £25k which were supported to include social value	7 (78%)	15 (75%)	22 (76%)																		
Proportion of contracts awarded over £25k which were not supported to include social value	2 (22%)	5 (25%)	7 (24%)																		
1.07	<p>Please note, the contracts data provided in Table 1 and Table 2 above include procurement activity where ongoing support is being provided to include social value, but where the contract may not have yet been awarded. This measure has been provided to illustrate a more accurate reflection of the workload rather than just including the procurement spend data, as captured in Table 3 and Table 4, which only includes contracts that have been awarded.</p>																				
1.08	<p>In addition to the social value and procurement performance highlighted above, the following local outcomes were achieved for the financial year 2021/2022:</p> <ul style="list-style-type: none"> • £2,197,562 of local spend. • 101 apprenticeship training weeks completed. • £11,938 of in-kind community funding donated. • 364 volunteering hours donated to support local communities. • 24 local people employed full time equivalent. • 49 hours invested to support educational initiatives with local schools and colleges. • 39 weeks of work experience placements provided to residents. 																				
1.09	<p>More recently, the local outcomes that have been achieved for the first six months of 2022/23 include:</p> <ul style="list-style-type: none"> • £2,884,026.66 of local spend. • 200 apprenticeship training weeks completed. • 190 trainee training weeks completed. • 135 volunteering hours donated to support local communities. 																				

	<ul style="list-style-type: none"> • 3 weeks of work experience placements provided to residents. • £491 donated to support local green infrastructure initiatives. • 1,474 hours donated to support young people (under 24 year olds) into work i.e. CV advice, mock interviews and careers guidance. • 10 hours invested to support educational initiatives with local schools and colleges. • 6 weeks of staff upskilling delivered as part of training opportunities and comprehensive upskilling programmes.
1.10	From a more qualitative perspective these achievements are further supported by a case study, which can be found at Appendix 1.
1.11	Flintshire County Council continues to be recognised for its work in social value, this is demonstrated by the Social Value Development Officer repeatedly being invited to attend conferences and events as a key panel speaker on social value. The Council also continues to support regional and national work to enhance social value in public services through engagement in appropriate working groups and forums.
1.12	<p>Next Steps</p> <p>In February 2022 a social value report, with recommendations to secure a sustainable programme of work for social value was presented to and endorsed by Cabinet.</p> <p>Since then further work has been undertaken to draw up an action plan to achieve the recommendations. The action plan, which is still evolving, covers areas of policy and process that will be reviewed with a view of making improvements, for example simplifying the social value commissioning and procurement process; developing new ways of working that embed social value across the organisation; and developing resources to support commissioning officers and contract managers.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The targets for social value have been reduced, as outlined under 1.02 above, to enable the social value action plan to be developed and implemented. This work will support the sustainable achievement of social value in future years, with greater resilience for the programme.
2.02	Options are being explored for securing a sustainable budget to cover the support requirements for the social value programme, i.e. systems and data collection/reporting.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	An impact assessment has not been completed as this report provides an update on operational performance. Should any policy changes result from the work identified under 1.12 then an Integrated Impact Assessment will be completed, as required.

3.02	<p>Risks affecting the delivery of the programme and associated Council Plan targets include: COVID-19, Brexit and now also the energy and the cost of living crisis.</p> <p>Supply chain partners continue to face challenges in meeting contractual social value commitments as a result and given the current economic climate, this risk is likely to increase for the remaining financial year.</p>
------	--

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>This report was considered by the Corporate Resources Overview and Scrutiny Committee on Thursday 12th January 2023. Feedback from this meeting will be shared with Cabinet.</p>

5.00	APPENDICES
5.01	<p>Appendix 1 – Social Value Case Study, Castell Alun High School</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Social Value – report presented to Cabinet in February 2022, available online: https://committeemeetings.flintshire.gov.uk/ieListDocuments.aspx?CId=391&MIId=5075&Ver=4&LLL=0</p>

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Olivia Hughes – Social Value Development Officer Telephone: 07552 254532 E-mail: Olivia.hughes@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
	<p>Commissioning Officer - An individual Officer responsible for procuring goods, works or services on behalf of the Council.</p> <p>Social Value - A broad term used to describe, the social, economic, environmental and cultural impact of our collective decision making and business operations.</p> <p>Flintshire County Council define social value as: <i>A way of thinking about how scarce resources are allocated and used. It involves looking beyond the price of each individual contract when procuring and looking at what the collective benefit to community is when a public body chooses to award a contract.</i></p>

<p><i>Every time we spend £1 on the delivery of services we will consider whether we can achieve additional collective well-being benefits from that £1 to the wider community.</i></p>
