

Social Value – A Statement of Definition and Ambition

The concept of social value considers how an organisation can add or detract to the community and environment through the *way* they act, not just through *what* they deliver. In the UK public sector context, social value is often narrowly defined as set the out in Social Value Act 2012, which deals with additional value that can be delivered through procurement. The County Council is ambitious to consider how it can deliver social value more broadly across its operations. This statement sets out a definition for social value that looks beyond what is delivered through the existing procurement policy, acknowledging that the principles of social value can be translated into other areas of economic function within the council such as asset management, employment and market shaping. This statement sets out an ambition to encourage a more thoughtful consideration of how these economic functions can have a positive impact on residents and local organisations, and how, where feasible, additional positive impact can be leveraged.

The Social Value Act and procurement

The Social Value Act requires public sector organisations to consider the economic, social and environmental well-being of an area when they commission and procure services. In 2022 Oxfordshire County Council approved a Social Value Policy which outlines how the council is implementing the 2012 Social Value Act. For tenders above the £100,000 threshold, suppliers are required to demonstrate how their economic activities in Oxfordshire will contribute positively to local people or the local environment. When designing the Social Value Policy, the council was able to prioritise a set of categories for the types of social value activities that suppliers can commit to. The Social Value Policy acknowledges the power and potential held in how the council conducts its procurement and commissioning functions, by expanding what is meant by ‘value’ when considering how tenders are awarded. Since launching the social value portal in March 2022, the council has delivered £4,947,304 of social value (as of September 2024), which is a monetary approximation for the ‘value’ of the additional social good that suppliers have committed to. The social value policy has been a great success, and demonstrated that it is possible to think differently about the impact that the council’s economic functions have on our place. In line with our ambition to become a place-shaper of choice, it is important that the council is considering the economic, social and environmental well-being of Oxfordshire in all of our work.

This document outlines how learning can be applied from the Social Value Policy to other areas of the council’s economic function that sit outside of the legal definition of ‘social value’ which applies specifically to procurements above the £100,000 threshold.

What do we mean by ‘social value beyond procurement’?

This statement considers how we can go beyond the social value procurement policy, and ensure social value is considered in other areas of economic function, meaning the mechanisms that enable the council to deliver services, for example:

- Purchasing goods and services that fall below the Social Value threshold and identifying opportunities to build social value into contract specifications and tendering design

- Managing our assets
- Inclusive employment efforts
- Working with partners to maximise co-benefits and access to funding
- Market shaping and support for local businesses
- Influencing through partnerships and leading by example for improved social, economic and environmental outcomes in Oxfordshire

The Social Value Act provides a specific requirement for assessing social value over and above the main specifications of the contract. Similar frameworks are not in place for other areas of social value. In many cases, legislation requires the council to seek best value, narrowly defined, or otherwise sets strict requirements on how the council can act, for example in employment law. Nevertheless, there are significant opportunities to advance the Council’s agreed priorities through broader consideration of Social Value in the way it operates.

OCC Draft Social Value Priorities

The County Council’s Strategic Plan will inform what the Council will seek to achieve through social value. The council will produce further guidance and toolkits that will set out examples of what good looks like in terms of delivering social value in the way services are designed and delivered. Furthermore, this guidance will give an indication of how the council can measure progress against social value ambitions, in qualitative and quantitative terms.

The draft social value outcomes set out below focus on ways of working that promote asset-based community development, building partnerships that tackle inequalities and bringing investment and opportunities back to local people. These aim to align with the TOMs in the existing policy but made relevant beyond procurement.

Theme	OCC Strategic Plan Aims	Social Value Outcomes
Economic	Create opportunities for children and young people to reach their full potential	Improved employability of young people
	Work with local businesses and partners for environmental, economic and social benefit	New and improved skills for local people
		More local people in employment
		Crime and anti-social behaviour is reduced
		More investment and opportunities for local businesses, charities or socially-minded enterprises
		Support local businesses to embed social value and sustainability into supply chains
		Engage with our communities, develop strong ties and collaborate on projects to improve the local area together
Tackle inequalities in Oxfordshire	Minimise the impacts of businesses on our current and future environment, promoting circular principles and delivering sustainable growth	
	More opportunities for disadvantaged people	
Social	Prioritise health and wellbeing of residents	Increase and promote fair and equal pay and reduce pay gaps
		Improving staff wellbeing and mental health

		Addressing the causes of health inequalities
	Support carers and the social care system	Vulnerable people are helped to live independently
	Invest in an inclusive, integrated and sustainable transport network	Supporting access to active travel enablers such as bicycles or other equipment
		Support for public transport usage or infrastructure
	Play our part in a vibrant and participatory local democracy	Support for community-led or cooperatively owned business models that embed community power into our economic democracy
Environmental	Put action to address the climate emergency at the heart of our work	Carbon emissions are reduced
		Air pollution is reduced
		Resource efficiency and circular economy solutions are promoted
		Sustainable procurement is prioritised
	Preserve and improve access to nature and green spaces	Safeguarding the natural environment – protecting and enhancing the environment

Note: The social value outcomes listed serve as examples and are not exhaustive. Some outcomes will apply across multiple themes, and the Council would welcome social value contributions or collaborations that aren't listed above, but that do support progress towards the Council's key priorities.

A Community Wealth Building approach to social value

The council has recently concluded a piece of work to develop a set of independent recommendations that outline how we can develop an approach to economic activities and economic development function that is informed by Community Wealth Building (CWB). Community Wealth Building represents a broader based approach to economic development, aiming to reshape conventional economic systems to enhance the flow and wealth and opportunity for local residents and communities. CWB provides a framework around five key pillars of activity:

- Economic development
- Spending and procurement
- Land and property
- Employment and skills
- Social Economy

By strategically deploying financial resources, employment practices, and assets such as land and property, organisations such as OCC and our partners can significantly influence the prosperity and well-being of local communities. CWB is a broad approach, with social value being one of the key ways in which we can deliver our wider Community Wealth Building aspirations. CWB provides a helpful framing and healthy challenge for the council to understand the extent of our economic power, and how we can be leveraging maximum benefit from that power.

The council has identified some priority CWB actions for this year, and will be developing a strategy based on learning from delivering the actions planned for this year. Oxfordshire as a place has a strong base of community wealth building initiatives and opportunities with solid examples already delivering within the Council and among its partners. The draft action plan in development includes investment in training and resources that will support officers to learn from examples of 'doing things differently' that have brought mutual benefit to residents, the local economy and the council.

Definition and principles

To provide greater clarity for the organisation, and avoid confusion around technical and non-technical meanings, this document will provide definitions for social value in different contexts:

- **Social Value** - any additional economic, social or environmental benefit generated in any areas of activity carried out by OCC in the way it conducts business, rather than in the specific services it delivers
- **Social Value as defined in the Social Value Act** - additional economic, social or environmental benefit generated through the procurement of goods, works or services from the Council's suppliers and the supply chain as a direct requirement of the Social Value Policy and the Social Value Act 2012

Generating social value is not something that can easily be reduced to a set of processes that the council can follow, and to do so may limit the possibilities of what we can achieve. This definition statement does not, therefore, set out a specific methodology for generating social value. The generation of social value will complement the priorities of the council, as set in the corporate plan and the budget. Building wealth and resilience within communities sits at the heart of how the council operates, and is encapsulated in strategies such as the Oxfordshire Way. When talking about generating social value, the definition must accommodate for the diversity of opportunities that will require individualised approaches, led by the council and community partners involved. Officers will be supported by training to consider social value when designing how to deliver a service or project, as well as considering the elements required to achieve the necessary outcome.

Much of the council is already engaging in the creative thinking that can generate additional social value. The Delivering The Future Together (DTFT) values have started to empower the council with the confidence to do things differently. The council will develop guidance and training that will support colleagues to put this social value statement into practice. The principles outlined below will add strength to a developing culture of innovation at Oxfordshire County Council:

Open to collaboration and doing things differently

- Be open to taking opportunities to collaborate with local organisations where feasible, this might include creative thinking around opportunities and challenges.

- The council's ambitions to make Oxfordshire healthier, greener and fairer will only be achieved through collaboration as these objectives cannot be achieved by one service area, or independently of each other.

Balanced evaluation

- Any efforts to generate community value should be carefully considered, ensuring that any future impact on the council's budget, or on the sustainability of projects has been evaluated.
- This is part of taking responsibility for the decisions that the council makes and ensuring that our commitment to supporting additional community value doesn't have a negative impact on our ability to carry out statutory services.
- The council's new Commercial Strategy draws a strong link between innovation in revenue generation, and fulfilling our social and environmental ambitions for Oxfordshire

Trust and transparency

- It is essential to build trust into how we operate, not only between the council and community groups, but also within the council between colleagues.
- New ways of working that generate community value, or support communities to develop their own resilience are more iterative and messy meaning that all parties have to trust one another to enable the necessary flexibility.
- Sometimes the most effective role the council can take is not the leading role, and to trust that local communities have the expertise to shape the support they need.

Listening and learning

- When doing things differently and working in new ways, the council will make mistakes. We will need to be prepared to learn quickly and to change our approach in response to feedback.
- Officers will be encouraged to share learning from projects that have gone well, to increase the confidence of colleagues to also work in this way.
- Always learning also applies to listening and feedback – the council needs to listen to the experience and feedback of residents and partners and to use this a constructive criticism.
- This may be particularly relevant when considering the accessibility of some of our economic functions, for example employment, grant-making, procurement.

Strengths-based thinking

- Collaborations work more effectively when all participants are doing what they are good at. Strengths-based thinking encourages the council to consider how the strengths of local people and organisations can be incorporated into how we deliver services.
- This approach is central to the Oxfordshire Way and provides a methodology for reaching sustainable and positive solutions.