

Divisions Affected – All

CABINET 24 February 2026

Draft Social Value Policy Report of Performance and Corporate Services Overview & Scrutiny Committee

RECOMMENDATION

1. The Cabinet is **RECOMMENDED** to —
 - a) Note the recommendations contained in the body of this report and to consider and agree its response to them, for inclusion within the Council budget papers, and
 - b) Agree that, once Cabinet has responded, relevant officers will continue to provide each meeting of the Performance and Corporate Services Overview & Scrutiny Committee with a brief written update on progress made against actions committed to in response to the recommendations for 12 months, or until they are completed (if earlier).

REQUIREMENT TO RESPOND

2. In accordance with section 9FE of the Local Government Act 2000, the Performance and Corporate Services Overview & Scrutiny Committee requires that, within two months of the consideration of this report, the Cabinet publish a response to this report and any recommendations.

INTRODUCTION AND OVERVIEW

3. The Performance and Corporate Services Overview and Scrutiny Committee considered a report on the draft of the Council's new Social Value Policy, which largely sought to bring much of the activity around social value in procurement in-house, at its meeting on 16 January 2026.
4. The Committee would like to thank Cllr Dan Levy, Cabinet Member for Finance, Property and Transformation, Martin Reeves, Chief Executive, Ian Dyson, Director for Financial and Commercial Services, and Max Button,

Commercial Excellence Lead, for attending the meeting and responding to questions.

SUMMARY

5. The Cabinet Member and Officers introduced the new Social Value Policy by outlining its purpose and the strategic direction it would set for Oxfordshire County Council. The policy sought to ensure the Council's procurement and commissioning activities delivered benefits that extended beyond strict financial return. It was intended to embed social value into all contracts so that local priorities, such as sustainability, inclusion, and economic development, were actively supported through public spending. By positioning social value at the centre of procurement, the Council aimed to strengthen community outcomes and promote long-term wellbeing for residents.
6. The Director for Financial and Commercial Services discussed how the policy would operate in practice. He explained that it would provide a clear framework for Officers, enabling consistent assessment and maximisation of social value within procurement processes. The policy was designed to ensure Officers had accessible guidance, measurable outcomes and transparent evaluation methods, so that consideration of social value became a routine element in decision-making. He noted that embedding these principles required sustained cultural change, supported through training and ongoing oversight.
7. The Commercial Excellence Lead added that the policy would strengthen the Council's ability to work constructively with suppliers and partners, encouraging innovation and collaboration. He highlighted that meaningful social impact depended on strong relationships and the ability to track, monitor and report on commitments. Building a cycle of continuous improvement was essential, ensuring that the policy delivered real change rather than becoming a procedural formality.
8. In response to the introduction, the Committee explored ideas around broadening the concept of social value beyond procurement, the size of contract the social value policy would apply to, enforcement powers of social value commitments, and the balance of social value outputs in the policy in regards to the Council's strategic objectives.
9. The Committee makes ten formal recommendations. Largely, they reflect the fact that to extract the greatest value from the Council's social value activity it must be aligned with other partners all pulling in the same direction: internally beyond simply procurement, and externally beyond simply the Council. In addition, the Committee makes a number of other suggested improvements.

RECOMMENDATIONS & OBSERVATIONS

Internal Alignment

10. The most fundamental comment by the Committee relates to the Council's approach to social value. The Committee appreciates that the Council has a responsibility to have a social value policy, which regulates how legislation over social value in procurement is delivered. The policy achieves that.
11. Nonetheless, what was much less clear to the Committee was how the Council intends to engage on developing social value and community wealth building in a cross-cutting, holistic manner of which procurement is simply one element. The remainder of this report picks up on a number of these issues, but in order to get the most social value and to contribute towards a fairer economy the Council's economic strategy, its transport policy, its partnerships, its use of data, and the way it uses its estate are all factors which must work in tune with one another. The Committee would like to see greater clarity over how the Council is coordinating these facets of its work to draw the maximum benefit available, and many of the recommendations following in this report illustrate areas which may wish to be touched on.

Recommendation 1: That any policy on supporting social value through procurement should form part of a wider policy on generating social value and supporting community wealth building across all the Council's functions, and that the Cabinet should commit to a holistic approach and next year produce a social value report which goes beyond procurement.

12. The Committee is pleased to see that the Council is reviewing and improving on its existing Social Value policy in its new draft. Although social value is fundamentally rooted in the needs of a particular place and must be bespoke, there are lessons to be learned by those who have developed and implemented impactful social value policies elsewhere.
13. The Durham Pound initiative has reported £15.5m worth of spending on local skills and employment, seen £21.8m spent within the county, and reduced car miles in their contracts by 90,000.¹ Preston, probably the most famous in this arena, has seen local spend increase by £75m in a little over a decade and was declared 'Most Improved City' in 2018.² The Manchester Social Value policy has seen the establishment of the Good Employment Charter, and the Council has adopted the socio-economic duty as a lens through which to judge all of its decision-making.³
14. If the Council is to emulate the scale of these successes, the Committee encourages it to learn from those who have trodden this path before, as well as the work it itself previously commissioned from the Centre for Local

¹ [Microsoft PowerPoint - Agenda Item 7 - Durham County Council Social Value Annual Report 2023-24 COSMB Final.pptx](#)

² [A new approach to social value launched by Preston City Council - Preston Partnership](#)

³ [Appendix 1 - 2025 Social Value Policy.pdf](#)

Economic Strategies which promotes a more holistic community wealth building approach.⁴

Recommendation 2: That in developing and implementing its new social value policy, the Cabinet should draw on the experience of best-practice councils including Durham, Manchester and Preston, as well as the 2023 commissioned report from the Centre for Local Economic Strategies.

15. One area of feedback relates to the degree to which the draft policy presented to the committee gave as much priority to environmental concerns as the Council does in its strategic plan. It was claimed in the report submitted to the committee that the draft plan 'supports climate and sustainability ambitions through priorities that can drive environmental sustainability and local regeneration outcomes, consistent with the council's Climate Action Framework.' On questioning by the Committee, the only example which could be provided was a criterion which related to sustainable regeneration. The Committee is far from against sustainable regeneration, but it is clear that this should not be the singular environmental output of the Council's social value policy. The Committee would like to see development of additional Themes, Outcomes, and Measures (TOMs) to broaden the environmental responses to climate change made through the social value policy.

Recommendation 3: That the Cabinet considers, when developing a new set of Themes, Outcomes, and Measures (TOMs) for application in Oxfordshire, how these reflect its commitments to putting climate change at the heart of everything it does as well as safeguarding the wellbeing of future generations.

16. The following recommendation is an illustration of what the Committee seeks when it argues in favour of leveraging a more bespoke approach and integrating with other aspects of the Council's work. The Council has done very detailed, positive work and engaged with a broad variety of stakeholders to develop its Local Nature Recovery Strategy. This has mapped biodiversity priorities, identified the species most under threat, and outlined what actions could be taken to have the greatest impact on protecting and restoring the county's natural environment.

Recommendation 4: That the Cabinet considers how its new social value policy can support delivery of the Council's Local Nature Recovery Strategy.

17. The recommendation above also illustrates another issue the Committee wishes to raise: the importance of having ready-made projects with proven impacts relating to the Council's priorities around social value.
18. As referenced above, with all the best will in the world, the primary purpose of many organisations is not social value but to run a business and it is unfair to

⁴ [CLES Report - https://mycouncil.oxfordshire.gov.uk/mgConvert2PDF.aspx?ID=71841&ISATT=1#search=%22CLES%22](https://mycouncil.oxfordshire.gov.uk/mgConvert2PDF.aspx?ID=71841&ISATT=1#search=%22CLES%22)

expect that small and medium enterprises (SMEs) would have a strong understanding of what activities should be delivered or how best they can be. The Council, on the other hand, holds vast amounts of information about the needs of the area and its residents, and is in a far better position to take an informed view on the interventions which would make a particular difference locally.

19. The Committee's view is that there is great benefit in having the Council be responsible for establishing and (potentially, but not necessarily) delivering meaningful social value interventions for organisations to participate in, rather than time limited interventions by organisations themselves. Not only does this maximise the effectiveness of the resources put towards social value, but it also improves the accessibility for businesses by reducing the bureaucratic burdens on them. A further benefit is that the Council can create targets based on its priorities, and have greater influence over where resources are deployed by creating more opportunities in top-priority areas over lesser-priority areas.

Recommendation 5: That the Cabinet should set targets and make available to organisations proven, impactful projects which focus on the key priorities the Council would like to address in relation to social value

20. Community Asset Transfer and the leasing of buildings to the Voluntary and Community Sector is a topic which the Committee considered in November 2024.⁵ The CLES report stated its view that the Community Asset Transfer at the Council policy was 'under-utilised'. The report submitted in November 2024 stated that demand for leased buildings, previously the preferred option, had fallen significantly, with no new requests since Covid. Whilst the report made clear that few suitable buildings were available, the paucity of demand suggests a possibility that the Council may not be identifying or promoting the opportunities that do exist well enough. Given the changes in governance with Local Government Reorganisation, Council finances via the Fairer Funding Review, as well as policies initiatives such as the Marmot Place and the grant funding for the revitalisation of children's centres, the needs of the county and its social sector are evolving. The Committee encourages the Cabinet to review how land disposals may be used to meet these changing requirements.

Recommendation 6: That the Cabinet specifically considers the opportunities to support social value through the disposal of land and property and ensure policy is developed around this, especially around Community Asset Transfer.

Alignment with Partners

21. As an institution, the level of the Council's expenditure marks it as one of the most significant organisations in the county. However, when pitted against the

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<https://mycouncil.oxfordshire.gov.uk/documents/s73313/20241105%20CAT%20and%20VCS%20Lease%20-%20PCSOCS%20v3.5.pdf>

combined expenditure of other anchor institutions such as the NHS trusts and ICB, universities and colleges, armed forces, and major private employers such as the Mini factory and Unipart its contribution is fairly modest. There are a number of reasons why this relative lack of scale is important, and why it is important to partner with other anchor organisations to maximise collective impact.

22. The first is simply coverage. It does take time, effort and possibly money for companies to understand, consider and integrate social value to the way that they deliver their contracts. The Council having a unilateral policy will mean that to access its contracts businesses must give thought to its priorities. There are, however, a huge volume of other contracts available which don't reflect these priorities. This means there is less impetus to make the investment in knowing how to be socially valuable. A multilateral, common policy between partnering anchor institutions on the other hand forms a significantly greater portion of local work, and therefore would encourage organisations who otherwise might not feel it is worth their while to engage with the process. (A shared policy also makes it easier for them to do so, a point raised in the CLES report where feedback from suppliers described the local procurement landscape as 'siloed' and 'fragmented').
23. In addition to this, a risk of not being one of the largest-spending anchor institutions trying to pursue its own policy is that if companies have to choose between multiple options, they will likely choose those with the highest potential returns. If a company is going to invest in optimising its social value credentials in order to maximise the likelihood of winning a contract, the gravitational pull of NHS budgets make their visions and processes around social value the ones most likely to be accorded to, and not the Council's.
24. Working in partnership with fellow anchor institutions is therefore critical if it is to increase competition between companies over social value metrics, and to avoid the pitfalls of having a non-aligned social value policy. The Council may not be one of the largest spenders, but it has influence through its convening powers and existing partnerships, particularly now that the role of the Local Enterprise Partnership has come in-house. The Committee would like to see the Council taking a lead in this area particularly.

Recommendation 7: That the Cabinet should work alongside fellow anchor institutions in the public and private sector to align their policies to maximise social value generation and their collective impact on the wider Oxfordshire economy through their purchasing power.

Other Improvements

25. The threshold for contracts at which the social value policy becomes live is £100k, and the Committee understands that there are good reasons for that: an increase in the cost of monitoring for smaller returns, and putting bureaucratic barriers on the small, local employers who are the types of

business the social value policy would want to support. Nonetheless, when looked at from a purely numerical perspective, £50k is still a lot of money, let alone £99k, and for a Council seeking to maximise its social value impact for there to be no consideration whatsoever of wider social benefits from such contracts does potentially leave some beneficial outcomes unrealised. By way of comparison, Preston has a lower threshold at £74,999.⁶ The Committee does appreciate that the level set is a very nuanced judgement, but it is of the view that the current level may not leverage the Council's position as a major procurer locally to its maximum potential. The Cabinet is asked to review whether lighter-touch social value requirements for smaller contracts could realise greater social value overall.

Recommendation 8: That the Cabinet considers having a light-touch set of social value requirements for smaller contracts

26. The balance of weightings in a procurement are an expression of the Council's priorities, and are a response to the competing requirements that a contract must fulfil. The product or service must be of sufficient quality to do the job it is intended to do, it must be delivered at the lowest cost to local tax-payers, and the way the contract is delivered align with and contribute towards broader social value goals. This is a difficult balance to strike; the level of the lesser-weighted areas must be sufficient that they meaningfully impact the overall result (and thus contractor behaviour), but not at greatly increased cost or risk of poor-quality outcomes. The Council nor its residents are well-served by well-meaning companies delivering an expensive or poor service.
27. Recognising this challenge, the Council has set its weighting at 10%, which is the statutory minimum. If the Council seeks to be ambitious in changing the behaviour of suppliers to increase the social value of its contracts, the Committee finds it incongruous that this is best delivered by assigning it the minimum legal weighting it can; Manchester and Preston, social value exemplars, have standard levels of 20%.⁷ The Committee seeks that the Cabinet review this to ensure that the level it is set at accurately reflects its priorities.

Recommendation 9: That the Cabinet reconsiders the proposed social value weighting which is currently set at the statutory minimum of 10%.

28. The Performance and Corporate Services Overview and Scrutiny Committee has shown an ongoing interest in the Council's development of its approach to social value, having considered it twice in the last three years. Indeed, the new policy before Cabinet reflects a number of the Committee's previous recommendations – that social value should become more tailored and be delivered in-house.

⁶ [A new approach to social value launched by Preston City Council - Preston Partnership](#)

⁷ [Appendix 1 - 2025 Social Value Policy.pdf](#) and [A new approach to social value launched by Preston City Council - Preston Partnership](#)

29. One of the previous recommendations made which has not been adopted concerns the forms of ownership of organisations delivering contracts on behalf of the Council. It is the view of the Committee that the ownership structure of an organisation has inherent social value. Whilst not determinative on its own, a co-operative structure, for example, with its democratic decision-making and shared ownership is more liable to take a broader, social view than one in private ownership. Likewise, social enterprises, which are established with the intention of delivering social value alongside profit are also more likely to show higher levels of social value added. The draft policy recognises this, giving an exemption from social value requirements where 'The project is seeking quotes solely from Voluntary, Charity, or Social Enterprise (VCSE) organisations who, by their nature, deliver inherent social value to the local communities that they serve.'
30. It is the view of the Committee that this exemption is too narrow, in that it does not recognise other inherently valuable forms of ownership, nor does the exemption provide any benefit when inherently beneficial types of organisation are competing against less-beneficial forms of enterprise. The Committee encourages the Cabinet to ensure that its design of social value measures incentivises the more social and inclusive forms of ownership.

Recommendation 10: That the Cabinet should ensure that its choice of social value measures incentivises inclusive forms of ownership, including co-operatives and social enterprises.

FURTHER CONSIDERATION

31. The Committee appreciates that Cabinet is making its decision at the same meeting as these recommendations are presented. Should Cabinet wish to do so, the Committee would welcome further informal engagement on how to implement its ideas and maximise the value of the Council's position as a local anchor institution.

LEGAL IMPLICATIONS

32. Under Part 6.2 (13) (a) of the Constitution Scrutiny has the following power: 'Once a Scrutiny Committee has completed its deliberations on any matter a formal report may be prepared on behalf of the Committee and when agreed by them the Proper Officer will normally refer it to the Cabinet for consideration.'
33. Under Part 4.2 of the Constitution, the Cabinet Procedure Rules, s 2 (3) iv) the Cabinet will consider any reports from Overview and Scrutiny Committees.

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Annex: Pro-forma Response Template

Background papers: None

Other Documents: None

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