

# **Social Value Policy and the Voluntary, Community and Social Enterprise Sector**

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**Response to Bristol City Council's consultation on  
Draft Social Value Policy**

**A Voscur report on behalf of Bristol's  
Voluntary, Community  
and Social Enterprise Sector**

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**December 2015**

**#BristolSocialValuePolicy**

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## Social Value and the Voluntary, Community and Social Enterprise Sector

### Executive Summary

Social Value is important to the Bristol's Voluntary, Community and Social Enterprise (VCSE) sector. Voscur has worked with Bristol City Council (BCC) over the last few years to develop Bristol's response to the Public Services (Social Value) Act. Voscur has contributed to BCC's Social Value Working Group, which has led to the consultation on draft Social Value Policy and Toolkit.

Most recently, Voscur/Compact/Bristol City Council held a consultation event where many representatives of diverse VCSE organisations discussed the draft policy. This report includes feedback from the sector as well as a response from Voscur, which draws from VCSE sector feedback about commissioning and procurement from recent years.

In general, there is much support for BCC's approach to social value. Many comments, questions and suggestions have been raised with the intention of improving the policy and toolkit prior to implementation. These comments are presented in the following themes:

- Small and local
- Outcomes and measurement
- Bid candy<sup>1</sup>
- Readiness / capacity building
- Cultural change and leadership
- Long term and political influence
- Definitions
- Partnerships and collaboration
- Costs and resources
- Equalities

The following specific **recommendations** are made.

- 1: Add a new principle of 'including local'.
- 2: Clarify the 25% SME/VCSE target, particularly its rationale and baseline, scope and definitions, and timings for achievement.
- 3: Clarify the 10% weighting target, particularly its ambition (is it enough?), the approach to evaluation, the split between Quality and Cost, risks in implementation, and protection of social value vs price/costs considerations.
- 4: Define what is meant by the terms local, micro, small and medium, working with provider representatives; publish the current baseline of contracts by provider type (for example, % to small providers, % to medium).
- 5: Define: social value measures and outcomes; the means of selecting outcomes in specific contracts; the assessment of outcomes aspects of proposals/bids; the ongoing performance management of outcomes throughout contracts.
- 6: Define: the council's expectations of values/behaviours in relations between providers (pre-bidding and in contract); the council's policy of positive action to ensure the inclusion of smaller providers in all stages of commissioning/procurement.

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<sup>1</sup> Defined as 'a small respected organisation (such as a charity's) reputation is referenced for the purpose of enhancing a bid, that the lead bidder then reneges on an agreement' Bristol City Council, July 2015.

- 7: Support and develop social value (including understanding, approach, practice) in providers, with an emphasis on smaller providers. A clear action plan needs to be co-developed with Voscur.
- 8: Incorporate cultural change into the Social Value implementation/training programme – ensure inclusion of cross-sector perspectives and discussion of sector-specific considerations.
- 9: (a) Reassure providers that social value will have (political) longevity; (b) Describe the longer term impact / measurement of social value, particularly relating to contract duration.
- 10: Clarify commissioners' expectations of collaborations / partnerships; consideration needs to be given to providers' support needs in collaborating.
- 11: Develop guidance for commissioners on how much to spend on ensuring local providers can access the process (linked to savings that could be expected); monitoring to include an assessment that can 'monetise' social benefits of contracts issued to local providers and adds this to any material savings made.
- 12: Develop guidance for commissioners to use Award Criteria, as a default position, and to ensure that rationale for the proposed assessment method is included in the consultation of each commissioning plan.
- 13: Expand the scope of the Social Value Policy to all council spend, including on services/goods/works provided by public (in-house), private and VCSE providers.
- 14: Include definitions of target providers, a breakdown of current spends with those provider groups (the baseline) and a differentiated plan to address any inequalities in current spend and equality in achieving the 25% target. The target needs to include a reference to time (when the target will be achieved).
- 15: Include a requirement for a proportion of larger contracts to be delivered by the target providers ("small to medium businesses, social enterprises and voluntary / community organisations").
- 16: Develop guidance for commissioners to integrate, as a default position, a high Quality:Cost ratio for all services to the person and services to the community.
- 17: Update the Decommissioning Policy and Guidance to include social value considerations.
- 18: Establish an independent, cross-sector group which includes provider representation, to evaluate the impact of the policy.

Many in Bristol's VCSE sector are keen for the policy to be comprehensively implemented so that the social value of Bristol's organisations is acknowledged in commissioning processes. Voscur will continue its work to support this important development.

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For more information about Voscur's work on social value, please contact Mark Hubbard:  
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**Acknowledgements**

Thanks to our partners for working with us on this event: Bristol City Council and the West of England Civil Society Partnership (CVS South Gloucestershire, Quartet Community Foundation, Social Enterprise Works, Knightstone Housing, The Care Forum, Voscur, Voluntary Action North Somerset, West of England Rural Network, West of England Sport Trust) and Compact Voice.

Thanks to the speakers at the event: Marc Hole (Office of the Avon & Somerset Police Crime Commissioner), Julie Kell (North Somerset Clinical Commissioning Group), Cllr Tim Malnick (Bristol City Council), Ruth Pickersgill (Voscur Board member), Kay Russell (Bristol City Council – Policy), Alison Slade (Bristol City Council – Procurement).

## 1. Background

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### 1.1. Rationale

The Public Services (Social Value) Act was passed in January 2012 and was intended to level the playing field for social enterprises in the world of commissioning and procurement. Many in the Voluntary, Community and Social Enterprise Sector (VCSE) thought that the Act represented potential for a shift in VCSE experiences of commissioning and procurement, so that VCSE organisations would win public service contracts and deliver benefits for their beneficiaries in the community.

Some issues became apparent quickly: the Act was light on detail – it was just three pages and, more importantly, it contained no definition of social value. In fact, its requirement was simply for the consideration of how what is being “procured might improve the economic, social and environmental well-being” and how that might be secured.

The lack of definition and detail, coupled with major changes in local authorities, meant that progress was slow or sluggish from the outset. Many local authorities have struggled to implement and realise social value. There is some good work across the country – Birmingham, Manchester, Croydon are held up as useful examples.

Several local authorities have taken the opportunity of social value to improve their outcomes-based commissioning practice and help the shift away from counting things to affecting real change for people and communities.

In that context, Voscur has been working hard behind the scenes to keep social value on the agenda. We know that the VCSE in and around Bristol already delivers much social value – in social outcomes, by working with volunteers, by leveraging additional resources, and more. Voscur wants those contributions to be recognised and, most importantly, valued in commissioning /procurement processes so that VCSE organisations win more public contracts and continue to have impact with people and communities. We believe that VCSE organisations are best placed to deliver and that social value is a means to help that happen.

Voscur has worked with commissioners on a roundtable discussion (January 2014) and an event December 2015. Comments and suggestions from VCSE participants have been used in Voscur’s work on social value on behalf of the sector.

In April this year, Cllr Tim Malnick (Bristol City Council) convened a successful Inquiry Day where three of Voscur’s VCSE Advocates (Alistair Dale, Youth Moves; Dom Wood, 1625 Independent People; Peter Walker, ARA) presented their experiences of commissioning/procurement and contributed to the inquiry. Since then, Voscur’s Compact Liaison Officer has been active in a Social Value Working group that has developed the draft Policy and Toolkit.

The consultation on the draft policy and toolkit started 12 October. Voscur, in partnership with Bristol City Council, Bristol Compact and the West of England Civil Society Partnership<sup>2</sup>, held a

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<sup>2</sup> CVS South Gloucestershire, Quartet Community Foundation, Social Enterprise Works, Knightstone Housing, The Care Forum, Voscur, Voluntary Action North Somerset, West of England Rural Network, West of England Sport Trust

consultation event on 21 October 2015 at Broadmead Baptist Church, Bristol. The events aims were to:

- produce a VCSE sector response to the draft policy and toolkit
- consider how this policy could be used wider in and around Bristol

### **1.2. Participants at the consultation event**

A great range of Bristol's VCSE organisations was represented at the event, including

- Small organisations with few staff and lots of volunteers.
- Larger organisations with 50+ staff.
- Organisations that focus on specific localities and those that work city-wide and throughout West of England.
- Organisations that focus on specific equalities groups – BME, women, young people and older people.
- Organisations that serve communities of practice – homeless people, carers, people experiencing domestic abuse, teenage parents, people with drug/alcohol misuse, ex-offenders, poverty, people with mental health difficulties, unemployment and more.

A full list of organisations can be found in Appendix A.

## **2. Responses to specific elements of the policy/toolkit**

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After presentations about the draft policy and toolkit, participants worked in small groups to discuss specific parts of the policy. The facilitated discussions included the following consultation questions.

- What are your thoughts about the Principles?
- What are your thoughts about the Aims and Objectives?
- What would help your organisation in implementing this policy?
- What are the risks and how might they be reduced?

Comments were captured and are set out below (section 2) under headings that relate to specific parts of the Social Value Policy. Where comments were similar, they have been grouped and included under sub-headings with the verbatim comments shown in the bullet points. Recommendations are included.

### **2.1. Comments on the Principles (page 5 of the Social Value Policy)**

There were several positive and general comments about the principles, including:

- Good principles – how to ensure they are delivered / acted upon is key.
- Principles are fine but have to be embedded in everything: Planning; Corporate planning; Care Act and **all** of the acts.
- Principles: these aren't due to lack of outcomes
- Inclusion could do with being there, otherwise – fine.
- I think the principles are broad and comprehensive to the development and implementation of the Social Value Policy.
- Overall the group felt the document was good.

#### **Principle: Creativity**

- Creativity – necessity due to budget constraints and how organisations operate.
- There is a tension between 'creativity' and guaranteed results. Will organisations have room to fail and find creative solutions to that failure?
- Creativity – not just for the sake of it! Sometimes what works is what works.
- How long can you hold on to "creativity" when there are issues monitoring and reporting on this?

#### **Principle: Flexibility**

- Flexibility is needed in service delivery as well as procurement.
- Flexibility is more important in statutory service delivery than in commissioning and procurement, e.g. co-delivery to save money, appointments with statutory services barrier to progress 'clients'.

#### **Principle: Collaboration** [see also thematic comments on Partnership and Collaboration, page 19]

- Collaboration – helped and a growing trend but complicated by need to reduce funds etc.
- Collaboration: how do we keep it going? We can only do this as much as the council allows us the opportunity!
- Collaboration in objectives? To develop and help smaller small companies.

### **Principle: Leadership**

- Leadership – needs more definition and explanation – how would it be assessed? (in bid and monitoring)
- Leadership: who is the leader? What is strong? How is the culture to change?
- Unsure about definition of ‘leadership’ – concern that VCSE sector will be told what to do (“key messages are effectively communicated”).

### **Principle: Sustainability**

- Sustainability: the process – funding has not allowed micro organisations to reach a stage to become sustainable.
- Looking wider than the principles, in service delivery there may be unexpected social value. It is not always possible to say how it will materialise in the future. There needs to be a more fluid approach throughout service delivery. Social Value is not something you ‘put in a box’ by identifying it at the start of a tender process and it stops. It’s a living thing throughout the contract delivery.

### **New principle: Local**

- Could there be a principle about involvement of local people throughout?
- Need to include “local” in the principles.
- Consider principle for most needy areas? E.g. neighbourhood renewal funding supported the areas only that needed the money the most.
- We all know local leads to more income use in Bristol.
- Listening to local voice and acting on it.

## **Recommendation 1: Add a new principle of ‘including local’.**

### **2.2. Aim. “We will set a target to achieve at least 25% of the Council’s total procurement spend with small to medium businesses, social enterprises and voluntary / community organisations and will be ambitious in our endeavour to improve on that figure.” (page 6 of the Social Value Policy)**

The number and range of comments on this aim indicate the level of interest in this target. Most comments relate to clarification with the underlying intention that this target is meaningful and achievable.

#### **Rationale and baseline for the 25% target**

- What was the previous total procurement spend? Will it increase?
- Aims: Is it 25% what they’re already doing?

#### **Clarification of scope and definition**

- Aims – assume the Social Value Policy is for all £330m spend. Not just the 25% SME/VCSE. This is not clear!
- A&Os – 10% of what? 25% - how measured? Size e.g. numbers of beneficiaries – impact.
- Clearer guidance about the 25% to SM business. Better definition of how that is counted and whether it may go against partnership working.

- Is there a split in the 25% spend between medium (50-250 employees), small (10-49), and micro (0-9)?
- Does the 25% spend mean SMEs being the lead contractor or named within larger consortium bids as sub-contractors?

### Clarification of timings

- 25% - over what time period (5 years)?
- What's the timescale for 25% target?
- Define timescales – i.e. short term costs versus long term gains/sustainability and define balance of priority between costs now and costs later.
- Is the 25% time-lined? At what point will they have achieved this target?

### General

- Is 25% clean and would the value of that 100% go completely to SMEs and VCSE organisations, or not?
- 25% too low – why isn't it higher? Will it move up once achieved?
- Target of 25% - how was it set/determined?

**Recommendation 2: Clarify the 25% SME/VCSE target, particularly its rationale and baseline, scope and definitions, and timings for achievement. [see also Recommendation 4 and page 23]**

**2.3. "1. Include social value outcomes in our contracts and apply a 10% weighting to social value during the tender process. Our contracts will each be considered on their own merits." (page 6 of the Social Value Policy)**

### Is 10% enough?

- The policy quickly becomes out of date because of the low 10% social value factor. Needs to be more aligned with the objective of 25% small organisation contract delivery.
- 10% is probably not enough. If you want to get to 25% for these small organisations this 10% will probably not be enough.
- Social value should represent at least 20%
- 10% - how meaningful is this amount?
- What is the timescale for achieving 10%?
- There is a contract £ ceiling – price protected. Why not value to social value with a higher percentage? 50%, 30% and reduce the weighing to price.

### Clarification of evaluation

- Will the 10% be spread across all questions or just a few?
- More specific indication on the application of 10% weighting.
- It would be helpful to understand how this will be evaluated when we submit bids. If contracting a completely new service the social value may be speculative so how will this be assessed as being realistic and achievable?
- How will 10% weighting for social value be added to contracts/measured during procurement?
- A&Os – 10% of what? 25% - how measured? Size e.g. numbers of beneficiaries – impact.

## Quality:Cost

- Where in the evaluation will the 10% be captured? Ideally it is 10% of the total marks available across both cost and quality and not 10% of just quality.
- 10% is there a quality weighting and price or should it be included on both?
- What is the balance of SOCIAL VALUE and money in the procurement process?
- “Quality” and “Price” – by putting them in different pots suggests immediately they are pulling different ways. If quality is given a value (e.g. SOCIAL VALUE), then couldn't quality and price come into the same pot? Risk if they still separate and weighting between the two can be changed then SOCIAL VALUE becomes less important.

## Risks in implementation

- The 10% - risks it'll be complex and/or vague so risky to implement transparently and fairly.
- 10% - how can it be workable for both large and small organisations? Risk VCSE sector will end up with crumbs.
- Is 10% social value weighting target enough to counteract the financial focus to tender process?
- Skilled organisations that are not committed to delivering social value but good at writing bids may pull wool over the eyes of evaluators so could be mitigated by site visits and references.
- Would the council consider training volunteers from the VCSE sector to assess bids, e.g. N Somerset CCG and the care services contract?

## Protecting social value (threats of focus on price/cost)

- As it stands on slides 10% < 10% and will decrease over time @current trajectory.
- Price versus quality weighting – how to ensure social value is not diminished.
- Protecting 10%: How is a quality X%, price Y% SOCIAL VALUE 10% or put SOCIAL VALUE in price as there is a price ceiling anyway.
- 10% is helpful but what % is the weight on price as this could be subsumed by need to come in on cheapest bid...

## General

- If an incumbent was at risk of entering the market and taking unique social value with it, could the incumbent have that considered in the evaluation?
- What about explicit mention of social impact versus outcomes?

**Recommendation 3: Clarify the 10% weighting target, particularly its ambition (is it enough?), the approach to evaluation, the split between Quality and Cost, risks in implementation, and protection of social value vs price/costs considerations.**

**2.4. “2. Ensure the involvement of local people, communities, businesses and organisations in determining how social value outcomes can be achieved by beginning engagement and/or consultation with local people, communities, businesses and organisations at the earliest possible opportunity in a commissioning process.” (page 6 of the Social Value Policy)**

- Who is going to begin the engagement? Only council or large contractors.

- ‘Ensure involvement’ of local people – **must** be all local people – including equalities groups, housebound, not on the internet, other languages, disabilities...
- How will you deliver Objective 2?

**2.5. “3. Minimise the negative impact on the environment by considering environmental impact and sustainability as part of the tender process and performance management, and seek to procure ethically sourced and produced goods and services.” (page 6 of the Social Value Policy)**

- There is a mention of negative **impact** but not positive impact.
- 3, Principles: “Bid Candy” – will this be even more of an issue?

**2.6. “4.Undertake targeted work with diverse suppliers to promote their engagement in procurement exercises.” (page 6 of the Social Value Policy)**

- Micro-organisations precluded under Objective 4.

**2.7. “5. Maximise the opportunities for employment and development of learning and skills by ensuring our commissioning processes value these outcomes when relevant and proportionate to the contract.” (page 6 of the Social Value Policy)**

- Good clause but what about including social/financial inclusion still are not the only barrier to seeking employment e.g. transport is a big issue too. Plus can it be amended to refer specifically to local people, i.e. Not people brought in from elsewhere.

**2.8. “6. Promote the local economy by maximising the opportunities for economic gain within Bristol.” (page 6 of the Social Value Policy)**

- How is this balanced? Weighting for local organisations? How local is local in terms of economy? Bristol? WoE? Economics crosses local authority boundaries as do communities.

**2.9. “7. Nurture the assets within our communities; the people, their skills and the places.” (page 6 of the Social Value Policy)**

- All of the table felt there was a focus on aims and objectives. That the thinking in the strategy was very much a ‘silo’ approach – e.g. it’s in the commissioning thinking and in the tender. But that if we are to embrace social value there needs to be a way that it can be continued to be monitored and recorded throughout the service delivery period of a contract. It does not stop it is ongoing and there should be an expectation that a provider continues to contribute social value throughout the contract, and a mechanism to record Social Value that is expected and unexpected Social Value. Social Value needs to be a part of the service delivery journey.
- Nurture of assets – what does this mean?

### **3. Thematic responses**

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In addition to the comments above, many other comments/questions/suggestions were captured. These have been grouped into several themes, including:

- **Small and local**
- **Outcomes and measurement**
- **Bid candy<sup>3</sup>**
- **Readiness / capacity building**
- **Cultural change and leadership**
- **Long term and political influence**
- **Definitions**
- **Partnerships and collaboration**
- **Costs and resources**
- **Equalities**

Comments were captured on cards and are set out below. Where comments were similar, they have been grouped and included under sub-headings with the verbatim comments shown in the bullet points. Recommendations are included.

#### **3.1. Theme: Small and local**

##### **Local / national**

- Local based offices versus national organisations (e.g. a national charity that works locally). Bristol based staff numbers may be under 50, so are they classed as small or based on national number of employees?
- Social Value definition: we question the process of large organisations – levelling down for the sake of small organisations.

##### **Risks /concerns – small organisations not involved / excluded**

- Small organisations not getting involved or understanding.
- My question that there wasn't time to answer: How do we avoid the risk of ignoring the very small or micro organisations that have big impact but are very small? Shouldn't the 25% focus on organisations that have a certain amount of impact rather than their size?
- Introduction rather than reduction of hurdles for small/micro businesses.
- Small organisations will be locked out by the demands on larger partner to carry an unrealistic level of risk of contract failure.
- What is risk? Competitive tendering – will it be easier? Or will it add another level? "My social value is better than your social value..." We need not to lose the experience/knowledge of smaller firms who may not be commissioned.
- Contract risk: micro/small organisations represent higher risk.
- Risk: Locality and history of existing organisations – outside contractors appearing on the scene.
- Risk: The reluctance to define local in the commissioning process.

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<sup>3</sup> Defined as 'a small respected organisation (such as a charity's) reputation is referenced for the purpose of enhancing a bid, that the lead bidder then reneges on an agreement' Bristol City Council, July 2015.

- Contract risk: larger organisations sub-contracting to smaller organisations and expecting them to take all the risks.

### Questions

- Might the focus on 'local' reduce creativity and innovation?
- How do we lock in 'local' to weighing procurement scoring?
- It's already happened that 'local employees' clauses have been legally blocked. How will that be combatted?
- Legal compliance e.g. local people favoured?
- How does a really small organisation deliver a big impact?
- What value is placed on organisations that are run by local people as opposed to a national VCSE organisation?
- What is local? May live in one area, work in another. Equalities boards are city wide, not local. Solution – decide city wide or local.
- Importance of local knowledge: How are you going to 'know' this? Paper-based? Track record? Experienced?

### Differences across the city

- Risk of 'localism' taking over – fairness across a city/region/wider. Postcode lottery?
- We mustn't lose fairness across the city by going local – some areas like Southville have a middle class who are socially active so people benefit – whereas other areas will lose out, so we need a city-wide strategy.
- Many organisations offer city-wide services as well as local. Will there be conflict with other local service providers. Transport is both local and city-wide.

### Suggestions

- Promote "buy local, buy social"
- Listening to local voice and acting on it.
- It would be useful to have a means of forcing large organisations to actively seek small/local organisations to work with – rather than VCSE organisations having to pitch to larger organisations.
- Risk that small organisations could be tokenistic partners receiving very little of the benefits of the partnership. Make it a requirement of lead organisations to work with user/local community-led organisations with a minimum amount of the money going to them, e.g. 50% for smaller contracts or 60% of annual turnover when involved in a large contract.

**Recommendation 4: Define what is meant by the terms local, micro, small and medium, working with provider representatives; publish the current baseline of contracts by provider type (for example, % to small providers, % to medium).**

## 3.2. Theme: Outcomes and measurement

### Positive

- The sense that outcomes focus is the key, underpinning principle behind the city council's procurement and commissioning process.

### Questions / defining Social Value outcomes

- Who will define the social value outcomes?
- Providers to have relationship with commissioners to identify existing social value.
- Who and how will objectives be monitored?
- We already have a robust system in social impact – we measure ours. How are the council going to measure it?
- Outcomes – where fits? Measurement of evidence.
- How we would demonstrate social value benefits.

### Risks / concerns

- Recording qualitative information is always difficult.
- ‘Woolly’ measures make it harder to enforce/promote good practice – define social value!
- How measure non-financial benefits?
- What standards will be expected to demonstrate social value – will it be indicators or ‘hard’ evidence?
- Measures that are not appropriate for some sources which are more difficult to measure (i.e. info and advice).
- Measurement: How can you measure a nebulous thing which hasn’t been defined?
- Wasting valuable time in yet more monitoring (red tape) instead of doing important work with service users.
- Social value is added but in a very different manner than agreed within any contract – how will this be monitored and valued?
- What about work that isn’t easy to evidence?! E.g. why a client engages with ‘x’ service and not ‘y’ service.

### Risk: social value is just about employment / jobs

- Sustainable employment: social value is about whether the jobs created are sustainable over time.
- That the social value elements will end up just being about training and jobs and community benefit elements will diminish.

### Suggestions

- It would help if the council recognised the intangible.
- Outcome-based measurement: Use existing “measurement” (e.g. our current measurement system for social impact)
- Don’t have more bureaucracy.
- Outcome measures need to link to principles.
- Social return on investment. It would be good for us to have the calculators for SROI, i.e. 1 person into work = £11,000, 1 person volunteering = ??? etc.
- Support measurement/evaluation tools to promote our social value.

**Recommendation 5: Define: social value measures and outcomes; the means of selecting outcomes in specific contracts; the assessment of outcomes aspects of proposals/bids; the ongoing performance management of outcomes throughout contracts.**

### 3.3. Theme: Bid candy

Bid candy is defined as ‘a small respected organisation (such as a charity’s) reputation is referenced for the purpose of enhancing a bid, that the lead bidder then reneges on an agreement’ Bristol City Council, July 2015.

#### Questions

- Can social value eradicate Bid Candy?
- Bid candy: how will this policy protect small, local groups being used to win tenders?

#### Risks / concerns

- The 25% - How will it be implemented? Risk that local organisations “written in” to larger bids and will lose out – sub contracting.
- Small organisations being used as “bid candy” by national/large organisations, needs to be managed.
- Small organisations will be locked out by the demands on larger partner to carry an unrealistic level of risk of contract failure. Insufficient capacity building amongst smaller organisations – commit to budget and be more specific about what support is going to be provided.

#### Suggestions

- It would be useful to have a means of ensuring resources go to smaller partners (tackle bid candy).
- Risk that small organisations could be tokenistic partners receiving very little of the benefits of the partnership. Make it a requirement of lead organisations to work with user/local community-led organisations with a minimum amount of the money going to them, e.g. 50% for smaller contracts or 60% of annual turnover when involved in a large contract.
- A requirement for larger organisations to work in partnership with user/local community led smaller groups with a minimum amount of the finance required to go to them, e.g. 50% of contract (or minimum of 60% of small organisation’s turnover when talking about larger contracts).
- It would be useful to have a means of forcing large organisations to actively seek small/local organisations to work with – rather than VCSE organisations having to pitch to larger organisations.
- Emphasis on the larger partner undertaking to develop partnership working rather than smaller organisations with few resources having to go hunting.

**Recommendation 6: Define: the council’s expectations of values/behaviours in relations between providers (pre-bidding and in contract); the council’s policy of positive action to ensure the inclusion of smaller providers in all stages of commissioning/procurement.**

### 3.4. Theme: Readiness / capacity building

#### Smaller

- Insufficient capacity building amongst smaller organisations – commit to budget and be more specific about what support is going to be provided.

- Investing in enabling small organisations to take part, e.g. CCG's investment in Voscur/Care Forum for commissioning mental health – not perfect, but helpful.
- Financial support to implement (training, developing bidding partnerships).
- Skills for process to apply.
- We have to get better at building our evidence base.

### **Risks / concerns**

- Not turning aims into achievable outcomes through lack of support (training / financial) when setting up.
- Not clarifying clearly what the measureable social values are – currently there are a myriad of different social value measures out there.

### **Risk: smaller organisations less ready than larger**

- What [illegible] for small organisations to get up to capacity in order to deliver services, or to direct resources accordingly? Bigger organisations in better position to deliver right away.

### **Suggestions**

- Money to enable us to measure the impact of what we are already doing. There are ways and models, but need investment to do it!
- Training for staff in VCSE/small business.
- Help to measure and monitoring outcomes.
- Support to measure social value.
- BCC to collect examples of social value ideas for potential providers to consider.
- Implementing: assisting local organisations now before tendering process so local organisations embed and measure social value before a tender process.
- Support in the current contract term to audit and confirm the social value that incumbents offer (by commissioners), so they know at re-tender how what they put forward is likely to be received.

**Recommendation 7: Support and develop social value (including understanding, approach, practice) in providers, with an emphasis on smaller providers. A clear action plan needs to be co-developed with Voscur.**

## **3.5. Theme: Cultural change and leadership**

### **Concerns about social value not being enabled by BCC's culture**

- How are you going to get VCSE groups that have experienced difficulties and lost trust to want to be part of this... and even believe anything will change? An example: innovation fund. Experience.
- Where are the explicit commitments to seeing a change in the city towards the way it works?
- Everything says 'consider' – where is the check on whether, having considered, it is acted upon?
- How are the objectives going to be embedded across a council that's not used to social value/understanding social value?

- How can non-experts in social value lead a culture change to promote social value?
- Creativity and flexibility – not usually qualities associated with procurement process, so need to standardise that process to accommodate those principles in future.
- BCC staff culture change crucial to support these principles.
- There needs to be a clear understanding from commissioners of social value.
- Everybody in the council knowing about this policy (full training for all commissioning officers and managers).
- Would help officers to learn as well.
- Risk: Understanding – knowledge.
- Perverse incentives – through the dysfunction of the process you incentivise people [officers and providers] to do the wrong things

### **Social value needs to be joined up with strategy/policy/departments**

- Principles are fine but have to be embedded in everything: Planning; Corporate planning; Care Act and all of the acts.
- Some joined-up thinking and info/support in which 'social value measures' to use. No good if all use different measures. BCC/Voscur needs to advise/train/support on this. It's about having the confidence to quote figures, etc.
- Objectives linked to planning and corporate strategy to have a linked up approach.
- Legal:
  - Risk of legal challenge in tendering process (e.g. local employment clauses) – could be managed by BCC legal team?
  - \*Table 1 also expressed concern with the 10% figure for social value and asks you to reconsider this point. Our question is linked to this in that progress in this area will not happen unless the council's legal department are educated in this area. They have a history of being highly risk averse regarding commissioning.

### **Suggestions**

- Risks need to be mentioned in the policy and toolkit. E.g. risk to council of managing more contracts and with new measurement/more evaluation.
- Someone in the council with responsibility for implementing and sustaining the policy – i.e. not just seeing it as a time-bound 'project'.
- Statutory groups must adjust the way they work in order to gain the maximum benefit from the work being done by the VCSE sector – whether there is any contract / commissioning in place or not.

**Recommendation 8: Incorporate cultural change into the Social Value implementation/training programme – ensure inclusion of cross-sector perspectives and discussion of sector-specific considerations.**

## **3.6. Theme: Long term and political influence**

### **Risk: lack of political will / political influence**

- Will the brave and difficult decisions be taken when being elected is key?

- Social value benefits in future (i.e. 10 years) – new government? New priorities, relevance?
- Short term political leadership means good intentions change.
- How will ‘longer term’ benefits fit with funding and political cycles? Will the bottom line change?
- Social value = long term. Politics isn’t! Councillors only for 5 years.
- What happens when political cycle changes? Will there be a focus on this in 5 years?
- Risk of not measuring impact of value from the beginning of the journey.
- Risk that political/cuts mean skills and resources lost, which counter to long-term / sustainable aims in this policy.
- Political landscape that often dictates and can be a risk.

### **Social value is long term**

- Not looking long term.
- Future proof.
- Up-front costs are seen, but long term benefits are not. Need a means of linking the two together (and quantifying the benefits).
- What about 10 year ‘in principle’ contracts to allow change, learning and embedding/requirement of social value?
- Measurements within (for example), 2 years are already difficult – for BCC not just the organisations!
- 2 year grant funding – as soon as we have one pot, we are working on how to prepare to get next pot/measurement etc. Need time **do** the work delivering the impact!

**Recommendation 9: (a) Reassure providers that social value will have (political) longevity; (b) Describe the longer term impact / measurement of social value, particularly relating to contract duration.**

### **3.7. Theme: Definitions**

#### **Social value**

- Define “social value”.
- Define social value/how will you measure impact?
- Social Value – ‘value for money’ – how are these two to be genuinely combined into defining ‘value’?

#### **Size**

- Issues about definition, re. employee numbers/small organisation criteria. Does this include volunteers, or could an organisation have 20 staff but use 50 volunteers to deliver a service?
- If they change the definition of small organisations so that it is not defined by the number of staff, but by the impact, outcomes and reach of an organisation. Not to ignore the very small organisations who may still be delivering the services even if the slightly bigger organisations might get the contract.

#### **Value**

- Values versus value

- What is value?
- Value for money (VFM) – if it means investing more in council staff to manage the contracts...?
- VFM definition – quality versus price (Dom’s question). Trends in weighting. What was the 10% historically (trends)?
- Define social value [separately] within: (a) Commissioning process – valuing local knowledge/current skill set; (b) Delivery process and outcomes monitoring/evaluation. Avoid bundling both together.

### 3.8. Theme: Partnerships and collaboration

- Can collaboration be accepted with statutory services? Does it have to be with other agencies within the sector? Could collaboration be with a private sector partner?
- In collaboration with other organisations you will need to write into contracts where the risks lie and what their requirements and duties are.
- Partners you have collaborated with can’t deliver their part of the service.
- BCC to act as a facilitator for collaboration between SMEs/social enterprises/voluntary sector?
- Collaboration doesn’t ensure an equal power dynamic (at least in practise). “Lead” organisations in collaborations can undermine community organisations. There’s a perception in some communities of being used for networks without financial or power recognition.
- Collaboration: how do I (social enterprise) start the collaboration ‘process’, how can I be a collaborator? What are the steps? How do SMEs get heard?
- Enabling partnership working which would not come into commissioning process and supporting all organisations to work collaboratively in flexible approaches.
- Consortia – big organisations are reluctant to link with small organisations because if one fails in the process the whole consortium fails. Small organisations are seen as being risky!

**Recommendation 10: Clarify commissioners’ expectations of collaborations / partnerships; consideration needs to be given to providers’ support needs in collaborating.**

### 3.9. Theme: Costs and resources

- The cost (upfront) of engaging more of the smaller organisations doesn’t seem to be acknowledged. Either BCC has a cost of managing more organisations, or the organisations themselves take it on. How are savings and efficiency at the end of the process fed into the start of it?
- Aims and objectives are fine but there are costs to implementing them – who is to bear the costs, e.g. community enterprises developing and working in partnerships?
- What’s the cost for council to implement?
- To be done properly and fairly this could be an expensive preliminary set up for BCC.
- Cost of implementation – up-front more visible than long-term benefit.
- There is a cost to monitoring.
- Will BCC employ more staff needed to do the measuring of social value?
- How will the council manage new measurement (required by Act) and potentially more organisations/more contracts (in the era of cuts)?
- “Demand for public services reduces” – how is this in accord with social values?

**Recommendation 11: Develop guidance for commissioners on how much to spend on ensuring local providers can access the process (linked to savings that could be expected); monitoring to include an assessment that can 'monetise' social benefits of contracts issued to local providers and adds this to any material savings made.**

### **3.10. Theme: Equalities**

- Is there a particular reason to single out BME owned enterprises from those with ownership, e.g. women, disabled, younger, older people?
- How does the requirement to deliver social value relate to the council and other public bodies under the Public Sector Equality Duty?
- Local people must include all local people (housebound, digitally excluded, non-English speaking, etc.)

### **3.11. Miscellaneous comments**

#### **Implementation**

- Implementation: VCSE sector in Bristol is contracting [diminishing in size] and no longer delivery services.
- Will the implementation of the policy have a route for those organisations to bid when they don't have a relevant track record (historical data).
- Will the principles be used to underpin the implementation of the policy? If so then they could align more strongly with aims, e.g. localism is vital in implementing and assessing social value so it could be an additional principle.
- Our group agreed with the overall principles. As ever the challenge is very much implementation and where possible assessment in a measureable way. Could prioritise or up weigh examples of how these specifically apply to social value.
- BCC needs to do proper mapping of the social value assets that exist already as part of the pilot of the measurement.

#### **Procurement**

- What happens if only the more expensive tenders include a social value component? (I.e. value for money versus social value)?
- Level the playing field for financial thresholds in the commissioning process, e.g. Youth Links tender and an organisation was created but disbarred from the procurement process.
- EU-procurement = prohibitive.
- Interpretation of rules of engagement.
- Recent EU court ruling regarding 'funding' and procurement process.
- City council need to relook at the Proactis system used – difficult to load, documents not arriving, etc.
- Stop competitive tender! Start enabling co-production.

- Risk: By looking at social value through the lens of procurement, you are missing the most important aspects. Statutory services need the engagement, participation and partnership with VCSE groups, not just to fund bits of their work.

### **Social value and grants**

- Principles: difference commissioning/procurement/grants?
- Are the principles just about how they apply to the provision of goods, service, or is it the whole commissioning and procurement process? Throughout whole process – misses out “commissioning”
- Are grants assessed in line with “social value”?

### **Negative**

- Reduce risk by proper consultation – representative not just local loudest voices but based on robust statistical sampling.
- I think this whole thing will founder on the cost of implementing and evaluating social value.
- Innovation required in consultation to ensure grass-root representation.
- Does city-wide commissioning end up in opposition to local social value?

### **Proportionality**

- If the measuring of social value is down to the local organisation, danger is that it will be too onerous and so be a barrier to tendering. Help is needed with measuring social value – it is difficult.

### **Review and evaluation**

- How often will the objectives be reviewed to ensure they are continually being met/achieved?

### **Contract / performance management**

- Non delivery of social value promises post award. Mitigated by improving focus on social value in contract management.

### **General comments**

- What makes the principles specific to Social Value Policy? They could be applied to any organisation rather than specifically VCSE/SME (or any procurement).
- Lots of the words sound nice, but need to be more specific.
- How is this different from any procurement principle? Implementation is the key.

### **Things that would be helpful in policy / toolkit**

- Clear and timely information on upcoming tendering, etc.
- Trusting case studies and trusting processes – when working with people.

#### **4. Questions and commissioners' views**

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The last session at the consultation event was a panel discussion, including Marc Hole (Office of the Avon & Somerset Police Crime Commissioner), Julie Kell (North Somerset Clinical Commissioning Group) and Alison Slade (Bristol City Council – Procurement). The discussion was chaired by Ruth Pickersgill, Voscur Board member.

##### **4.1. Questions and answers – after social value presentations**

**Question** – I have an example of social value: we had a national opportunity from the Department for Transport – they wanted contractors to tackle youth unemployment. This is an example of being very creative - we decided that we would run employability programmes for young people (which is running in Bristol as well).

So the question is: How do we secure that kind of position for smaller VCSE organisations in these kinds of contract? Big contractors might make a bit of use of them...

Karen Van De Laar, Prince's Trust

**Answer** – In terms of helping smaller organisations: it's about language, reducing bureaucracy, and speaking in plain English. We need more clarity about what we are trying to do at a local level. Also, one of the requirements of anyone who contracts with us is that they know their area and they need to demonstrate that they have spoken to local people and understand the needs. Also, you [the voluntary, community and social enterprise (VCSE) sector], need to let us know. If we have requirements around talking to citizens, that opens up the process to smaller organisations – they do tend to understand their patch. This sort of meeting is one way for us to start to capture ways to reduce the barriers that are there already. We are far too used to the council's processes.

Kay Russell, Bristol City Council

**Question** – It's great to see this moving forward. I have a maths question as this is my background: In the draft policy = 10% is allocated to social value.

1. We've seen a drift in the percentage split – 10% in quality, with a drift over time this equals less value given to social value.
2. There's an argument that Social Value could be put into price, not just in quality...
3. We'd like you to consider where that percentage goes, how we protect it, and why it was put in the quality category.

Dom Wood, 1625 Independent People

[This point has been expanded and is included in Appendix B]

**Answer** – First of all, let me tackle the use of the phrase “bang for your buck”: That phrase reflects the language I will use to the council to argue in favour of this, but it doesn't reflect how things are. There are issues with valuable things that don't show up, or look invisible. It's a case of how we measure these things...

Tim Malnick, Bristol City Council

**Answer** – We should ask panel members later in the morning to consider how criteria are split between quality and cost.

Mark Hubbard, Voscur / Bristol Compact

**Question** – It would be helpful if people did not assume that VCSE organisation means “inexperienced, unable to deal with language, the council, complexity...” This is a sector with very sophisticated ideas and understanding. Don’t consider us as scrabbling around.

Stella Yates, Second Step

**Answer** – I apologise, I had no intention to be patronising. The questions was around small organisations, and for them one of the barriers was bureaucracy and “council speak”.

Kay Russell, Bristol City Council

**Answer** – Over the years Voscur has heard much feedback about feelings of exclusion... I also don’t think anyone sees the VCSE sector as homogenous.

**Question** – What’s your definition of a small organisation as opposed to a micro one?

Laura Welti, Bristol Disability Equality Forum

**Answer** – In the consultation survey on the website it defines: micro as 0-9 employees, and small as 10-49. That’s a procurements definition. People in the room may have other views.

Mark Hubbard, Voscur / Bristol Compact

**Question** – I chaired the Third Sector Commissioning Select Committee. Afterwards, everybody thought the job was done. We said we didn’t want smaller organisations to lose out in commissioning, however the experiences of people here are different. For this reason I think we also need to spend a bit of time thinking about how we embed the policy and actually make it stick.

Helen Holland, Bristol City Council (Labour Leader).

**Answer** – [General agreement in the room]

**Question** – Earlier, when you said that there are social value benefits happening that are not being recognised, did you mean you think they are happening but aren’t aware of them, or that you recognise them but they’re not being publicised?

Noelle Rumball, Individual

**Answer** – We have monitored it in the usual way and so haven’t captured all those benefits and learned from them. The ‘social value’ benefits will be monitored going forward. We need to see outcomes as a result of that and we will look at how we evaluate progress.

Kay Russell, Bristol City Council

**Question** – Reading the toolkit, it’s clear on financial assessment, but light on non-financial evaluation. Building on the example of employability earlier– how do you hope to develop areas to be able to measure and evaluate the non-financial elements?

Karl Belizaire, Social Enterprise Works

**Answer** – We have someone working full time on this at the moment – dedicated to looking at local and national measures. We can learn from those. The local stuff that’s happening around Green Capital, the VCSE sector, Big Lottery bids... we are aware that innovative stuff is happening. It’s looking at value of wellbeing, getting into employment,

Happy City, quality of life index: all these need to come together to see the value of less tangible stuff.

Kay Russell, Bristol City Council

#### **4.2. Reflections from panel members**

Panel members listened to the group discussions and were asked to reflect on what they had heard and make comparisons to their own organisations' approaches to social value.

##### **Alison Slade, Bristol City Council**

Picking up from walking around the room and overhearing the conversations that were going on at the tables: The key issue seems to be around the 25% - as in, is it 25% within the supply chain? When are we going to achieve 25%? It's very interesting to be able to pick those points up. Are the aims just social value aims or are they wider council aims? It was good to hear your conversations.

##### **Julie Kell, North Somerset Clinical Commissioning Group**

I commission health services, so it's slightly different from where Bristol City Council (BCC) are, so I'll talk a bit about social value around health.

Reflecting on the things I heard:

Can we look at localities rather than Bristol as a whole?

There was a lot of discussion around outcomes and how we measure social value.

The most important things for me: think about sub-contracting. The new contract for health services is out for people to look at – I will send link.

Also, think of making use of the Better Care fund. Think about wider effects on social care spend – e.g. fuel poverty.

Also we do quite a lot around operation resilience and capacity planning (i.e. avoiding hospital admissions). We look for opportunities around funding this kind of thing, for example: we have recently gone out into the community for procurement, so we have got rid of the specifications and we did get away with how to measure things. We divide the 100% up, and every section was weighted – bidders had to pass every single section. If you're looking at outcomes – quality is something we are unable to achieve because of financial problems. We look at anything safe and sustainable. We support preventing illness, keeping people out of hospital.

##### **Marc Hole, Office of the Avon & Somerset Police Crime Commissioner**

We are a relatively new organisation so we are learning from the commissioning journey. This means we can design our process accordingly, and that these events are really helpful for us.

Compared with BCC our external commissioning budget is very small. We want to ensure we are commissioning in a very positive manner. We support victims of crime and drug and alcohol. We also give out a range of grants, from fairly small to fairly large.

We work closely with our constabulary colleagues. We will make sure they are understanding and aware of social value. They seem committed to understanding the social value agenda and making sure they are on board.

In our most recent big commissioning piece we did ask questions around social value. We asked people what they did. The weightings we had to Social Value was 2.5%, and in another area, 5%. We are open to increasing that percentage. We need a better understanding of what we are looking for in terms of Social Value – also people bidding need to stop underselling what they do in terms of Social Value.

My reflections on what I heard today: It has been massively helpful. As a commissioner I need the draft policy to help my understanding. We have worked with Safer Bristol before. Safer Bristol and BCC are very advanced compared to others so we have borrowed their approach. This enabled us to have a better dialogue with the VCS and have better collaborations.

What Kay said really challenged my thinking, but I am sceptical about having Social Value outcomes on their own. I like to let the people bidding tell me how they add social value, rather than prescribe how they tell us. That said, we could use Social Value to identify the gaps we have across the board and set high level outcomes.

From the table discussions I heard concerns around a “stamp culture” and a lack of understanding within the council. There was a sense that the VCS need to get the procurement people to understand what they do. I know you are working with other commissioners who may not be in the room today so I would like to see that kind of work share.

Many organisations already measure Social Value so it would be really important to develop any measures by using what we they are already doing.

## Questions to the panel

**Question** – Value for money (VFM): how are you going to balance VFM and social value?

**Answer** – Contacts is a good example. The community are the advisers – if two contacts stop someone going to hospital then that’s a value for money.

Julie Kell, North Somerset Clinical Commissioning Group

**Question** – If social value becomes value for money then fine, but what if they go in different directions?

**Answer** – In developing a procurement strategy, that’s where we could build it in – make it an intrinsic part. Hopefully that’s another key message that comes out of today – we don’t see it as separate.

Alison Slade, Bristol City Council

**Question** – We understand this policy is specific to contracting, but it’s heavy on procurement and light on commissioning. Social Value needs to be embedded within that commissioning process

much more clearly and we need to be able to identify gaps and need in the community. The VCS are always involved in commissioning so if it's the intention to align the emerging grants prospectus with Social Value policy then that should be explicitly stated in the policy.

**Answer** – Mark Hubbard and I are both sitting in the VCS Prospectus Working Group. As a result of that work we are aware that we don't want to require certain things as conditions of grant funding and then have something different for other stuff... we will ask for complementary things, we don't want you to be monitoring differently for different things – that is the intention.

Kay Russell, Bristol City Council

**Comment** – It feels like the Social Value policy won't affect us if we are grant funded.

**Answer** – Another reason for aligning is to make sure our approach is consistent. We may use the same measures. If outcomes work for social value then maybe we could translate this into the grant funding process, i.e., using "softer outcomes" like wellbeing, or preventative measures.

Kay Russell, Bristol City Council

**Answer** – If you look at the commissioning process as a whole, I'm interested in thinking about grants on an annual basis: all of them go to local organisations doing innovative work. Could we do more to encourage or document what is being delivered in terms of Social Value? I don't want to go over the top on grants requirements for those bidding on an annual basis.

Marc Hole, Office of the Avon & Somerset Police Crime Commissioner

**Question** – Regarding the protection of percentages: it says 10% is in quality. That won't protect it. Why not accept that and then look at a fixed price?

**Answer** – First to answer why it isn't a higher percentage? If you go back to the Act it says that it has to be proportionate to requirement – the whole country has been advised that sets it at the 10% mark – but this is the first step, we need to think about it in a broader area. It's more important to embed it in the culture first and then see where we can take it.

Then, responding to your maths question: its 10% of the quality, I don't know about pricing – but by putting into the quality the view is that it's protecting it more. If you spread the 10% across both then you're kind of devaluing it a bit. We don't want to do this. I'm happy to have a separate discussion on this – it needs more time.

Alison Slade, Bristol City Council

**Question** – "Flexibility, innovation, collaboration" – how will you enable partnership working in Social Value, when the commissioning process encourages organisations to bid against each other?

**Answer** – The 100% question is really difficult – during our recent procurement, we separated Social Value, engagement and involvement. It is possible to take it away, they only got 10% of the 100%, but it had to be 100% pass on every section. We are working

very closely on joint procurements, using the Better Care fund, working closely with Local Authorities on dementia, care in the community, etc.

Julie Kell, North Somerset Clinical Commissioning Group

**Answer** – I feel passionately about the collaboration point. We should encourage people to work together. We need to look at different types of procurement, we could definitely have more dialogue and encourage that debate. When you have services in place that encourage that ethos, it can happen. We have a Provider Forum to encourage working together. If we can show that we actually value people coming together then hopefully that'll encourage that. I would encourage providers to tell us what we can do to encourage collaborations.

Marc Hole, Office of the Avon & Somerset Police Crime Commissioner

## 5. Voscur's response to the consultation

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Voscur welcomes the direction of the Social Value and anticipates that it will help commissioners to formally recognise the significant added value that VCSE organisations bring to Bristol, its people and communities. We hope that its implementation will help to address some of the problems that VCSE organisations have experienced with some commissioning processes and, crucially, result in Bristol VCSE organisations successfully winning more public service contracts and providing high quality services in Bristol.

Voscur raises the following comments, queries and recommendations to help with the finalising of the policy/toolkit and its successful implementation. Voscur will continue its work to champion the VCSE sector and support its engagement with commissioning, procurement and social value.

### 5.1. Procurement process

The toolkit states that there are “two ‘routes to procurement’”, which are described as Award Criteria and Performance Obligation (page 9). Voscur believes that the former is more transparent and fair and that it should be the default ‘route’.

Voscur also believes that, because of the newness of social value and the lack of commissioner familiarity, the latter is more likely to be used – this will place an emphasis on providers to develop the approach to social value – this represents a risk of potential bias towards some sectors and larger providers, which would contradict other policy aims.

The use of Performance Obligation presents a greater risk of hyperbolic social value; more so than a process that requires commissioner-provider dialogue at early stages.

The use of Award Criteria, which necessitates early engagement with providers (more so than the deferral of social value discussions to contract monitoring processes), would serve to better implement the policy and shift the culture to more inclusive, engaging practice (things described elsewhere in this report).

**Recommendation 12: Develop guidance for commissioners to use Award Criteria, as a default position, and to ensure that rationale for the proposed assessment method is included in the consultation of each commissioning plan.**

### 5.2. Scope: commissioning or procurement?

The policy states that it will apply to the “approximately £330 million a year via procurement”. Whilst Voscur recognises that the draft policy is consistent with the Act (in that it applies solely to procurement), there is an inconsistency which could be clarified. The emphasis of the policy and toolkit is on Bristol's commissioning cycle (as embodied in the Enabling Commissioning Framework, ECF), which is much wider than the technical definitions of procurement. Further, in all market development and capacity building activity, there is a focus on the four-stage commissioning cycle (and wider ECF). To change terminology and focus risks losing that work and confusing providers.

We believe that the policy needs to expand to all commissioning and not apply solely to procured contracts. All commissioning should include the processes by which all services/goods/works are put in place and provided by public (in-house), private and VCSE providers.

**Recommendation 13: Expand the scope of the Social Value Policy to all council spend, including on services/goods/works provided by public (in-house), private and VCSE providers.**

On a related note, Voscur fully supports the commitment to ensure that Social Value applies proportionately to all contracts, regardless contract value and procurement thresholds.

### **5.3. Excellence in Bristol**

Voscur welcomes the intention “strive to be amongst the best Local Authorities in the England and Wales for successfully embedding social value”. We recognise that the co-development of this policy – in its inclusion of provider representatives and consultation – is good practice and we thank Bristol for that approach. Voscur wants Bristol to be exemplary and will contribute to this important work. It would be helpful if the final policy could include more information about how Bristol’s excellence (amongst local authorities) will be assessed so that we can understand how to contribute and, more importantly, so that Bristol VCSE organisations have improved confidence in commissioning/procurement processes and social value.

### **5.4. Positive action**

Voscur welcomes the target of 25% of spend with “small to medium businesses, social enterprises and voluntary / community organisations” and the ambition to beat that target. We note, however, that the target needs to be more tightly defined in the following ways:

- Current baseline – the current spend with small to medium businesses, social enterprises, and with voluntary / community organisations.
- Definitions of ‘small to medium businesses’, ‘social enterprises’ and ‘voluntary / community organisations’
- Remove “at least” from the target so that it is truly a target.

**Recommendation 14: Include definitions of target providers, a breakdown of current spends with those provider groups (the baseline) and a differentiated plan to address any inequalities in current spend and equality in achieving the 25% target. The target needs to include a reference to time (when the target will be achieved).**

Given the volume of feedback from the VCSE sector about collaborative working, as well as feedback about bid candy, Voscur believes that there should be positive action about the inclusion of VCSE organisations in sub-contracted delivery of large contracts. Such action would help with meeting the 25% target, ensure that smaller VCSE organisations are included and achieve recognition of the social value they deliver in their communities.

**Recommendation 15: Include a requirement for a proportion of larger contracts to be delivered by the target providers (“small to medium businesses, social enterprises and voluntary / community organisations”).**

### **5.5. Quality:Cost**

The VCSE sector has raised this issue in detail, including in Appendix B. Voscur believes that, with services to the person and services to the community, a high Quality:Cost ratio is important and results in better value for money. Voscur’s members note that there have been recent examples of all tender criteria being awarded on cost – in such cases, social value criteria would be excluded and that would not allow the policy to be implemented.

**Recommendation 16: Develop guidance for commissioners to integrate, as a default position, a high Quality:Cost ratio for all services to the person and services to the community.**

### **5.6. Social value and decommissioning**

The policy states that “Commissioners will also need to consider the sustainability of a social benefit, beyond the immediate lifetime of the contract. ... As part of exit/decommissioning planning and analysis, consideration should be given to how a particular social benefit may be sustained.” (page 29). The policy does not refer to the current Decommissioning Policy and Guidance, which has been instrumental in fairly managing change (end/reduction of contracts) in decommissioning processes.

Voscur requests that the Decommissioning Policy and Guidance be updated with social value considerations and offers to be involved in that process. We also note that there will be a need to inform, train and support commissioners in the revised process so that providers experience fair, consistent management of change.

**Recommendation 17: Update the Decommissioning Policy and Guidance to include social value considerations.**

### **5.7. Evaluation and ongoing development of the policy and practice**

The policy refers to a continuing process of learning and improvement – Voscur welcomes this and will participate in review and learning activities. The policy needs to be more specific about the evaluation of the policy’s impact: describing who will be involved, when, and how the evaluation will be conducted. Voscur believes that the evaluation should be independent of those with responsibility for implementing the policy – Voscur would like to contribute to evaluation and review.

**Recommendation 18: Establish an independent, cross-sector group which includes provider representation, to evaluate the impact of the policy.**

Our points above (section 5.3, recommendation 13) relate to a clarification and a baseline from which progress will be assessed. The evaluation needs to incorporate those same points.

**Appendix A – Participants in Voscur’s Social Value event, 21 October 2015**

<b>Organisation</b>	<b>Name</b>	<b>Number of (salaried) employees</b>	<b>Annual turnover in last accounts</b>
1625 Independent People	Dom Wood	100	£4,376,902
ACFA: The Advice Network	Harry Tedstone		
Addiction Recovery Agency	Graham England	49	£2,511,636
Avon & Somerset Police & Crime Commissioner	Anna Hill	n/a	n/a
Avon & Somerset Police & Crime Commissioner	Marc Hole	n/a	n/a
Bristol and Avon Chinese Women's Group	Liam Dillon	6 (2014)	£156,434
Bristol City Council	Cllr Helen Holland	n/a	n/a
Bristol City Council	Cllr Tim Malnick	n/a	n/a
Bristol City Council	Kay Russell	n/a	n/a
Bristol City Council	Jacqueline Miller	n/a	n/a
Bristol City Council	Lisa Hashemi	n/a	n/a
Bristol City Council	Geraldine Summers	n/a	n/a
Bristol Community Transport	Jan Jones		£528,088
Bristol Disability Equality Forum	Laura Welti	1	£53,136
Bristol Multi-Faith Forum	Alistair Beattie	3	£33,734
Bristol Older People's Forum	Judith Brown	2	£34,016
Bristol Older People's Forum	Karen Bowers	2	£34,016
Bristol Older People's Forum, Healthwatch	Keith Evans	2	£34,016
Bristol Refugee Rights (and Voscur Board member)	Ruth Pickersgill	25	£268,000
Bristol Shopmobility	Diana Morgan		£90,222 (2014)
Bristol Women's Voice	Diane Bunyan		£41,046
Changes Bristol	Jason Washbourne	3	£75, 609 (2014)
CVS South Gloucestershire	Helen Black	n/a	n/a
Faith Action Bristol	Paul Hazelden		
Happy City	Ruth Townsley		£35,071 (2013)
Hartcliffe Health & Environment Action Group	Sue Walker		£211,148
Hawkspring	Lorraine Bush	8	£119,718
Headway Bristol	Vicky Baker	23	£429,403 (2014)
Home-Start Bristol	Kate Innes	6	£142,187
Individual	Noelle Rumball	n/a	n/a
Individual	Pat Dyer	n/a	n/a

Jane Selman Fundraising	Jane Selman	n/a	n/a
Knowle West Health Park Co	Victoria Morris		
Knightstone Housing	Vicky James		£95m
Lawrence Weston Community Transport	Nigel Barrett	4	£85,000
Learning Partnership West	Adam Carter	100	£4,173,000
Learning Partnership West	David Cousins	100	£4,173,000
Learning Partnership West	Robin Hague	100	£4,173,000
Missing Link	Clare Perriton		
Neighbourly	Scott Ward		
Nilaari Agency	Jean Smith		£192, 406 (2014)
North Bristol Advice Centre	Sally Gapper	19	£441, 642
North Somerset CCG	Julie Kell	n/a	n/a
Office for Civil Society, Cabinet Office	Margaret Firth	n/a	n/a
Real Ideas Organisation	Deshni Pyndiah	29	
Second Step	Stella Yates		
Second Step	Colette Bourn		
Social Enterprise Works	Karl Belizaire	5	
South Bristol Advice Services	Fran Begley	14	£258, 295 (2014)
St Pauls Advice Centre	Steve Woodcock	14	
St Werburghs City Farm	Sophie Bull	17	£334,144
Talking Money	Kerryn Bell	39	£765,595
The Brigstowe Project	Rami Ghali	6	£189,000
The Care Forum	Carmen Arnaiz	50+	£1,592,886
The Prince's Trust	Karin Van De Laar		£66.0m
The Restore Trust	Paula Olley	5	
VANS	Cara MacMahon	n/a	n/a
WE Care and Repair	Dan Lys	64	£2.565,641
Windmill Hill City Farm (and Voscur Board member)	Steve Sayers	64	£1.3m
Youth Moves	Alistair Dale	10	£367,000
Voscur	Sue Brazendale	n/a	n/a
Voscur	Paul Hassan	n/a	n/a
Voscur / Bristol Compact	Mark Hubbard	n/a	n/a
Voscur	Kate Hygate	n/a	n/a
Voscur	Ruth Pitter	n/a	n/a
Voscur	Wendy Stephenson	n/a	n/a
Voscur	Steve Watters	n/a	n/a

## Appendix B – Email from Dom Wood, 1625 Independent People, to Alison Slade, BCC (6/11/15)

Hi Alison

We spoke briefly at the event in Broadmead and you asked me to contact – I was the mathematician. My point was as follows:

- The consultation says that you wish to set Social Value at 10% but
- The presentation said it would be 10% of the quality mark

So if quality 70% of the final marking this would be 10% of 70% = 7% if that is the interpretation of the sentence that can actually be read 2 ways.

Historically we have seen BCC move from 80% quality to 70% quality and there is no reason this trajectory would not continue – this would mean that the x% for Social Value could have reduced from 8% to 7% and will continue to reduce therefore doing the opposite of protecting it.

The simple answer would be to give a version of the following percentages:

Quality 70% Price 20% Social Value 10% and mark all separately my reasoning for keeping quality at 70% here is that as stated by many the value to Bristol in terms of £ for Social Value is clear – more spending in the local economy, more spending on local businesses, support etc. Setting this at this rate 70:20:10 would recognise the original intentions of 20% price and allow Social Value to be another £ measure. In reality where ceiling prices are set I would be keen to see 70% quality and 30% Social Value as price is a poor measure of how it affects the local economy – for example contracting French firms to do work where all the management salaries will be circulated in a different country.

I hope this makes sense – I am happy to discuss more any anytime

Dom

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