

CHANGING PLACES

NEW DIRECTIONS
IN SOCIAL VALUE



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the national organisation
for local economies

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About the Centre for Local Economic Strategies (CLES)

CLES is the national organisation for local economies. Established in 1986, we are an independent charity working towards a future where local economies benefit people, place and the planet. This will happen when wealth and power serve local people, rather than the other way around, enabling communities to flourish. We have an international reputation for our pioneering work on community wealth building and are recognised as the curators of the movement in the UK.

Work with us

If you would like to know more about CLES's tools for working with social value and improving your impact, please [get in touch](#).

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Introduction

In an era defined by economic uncertainty and social challenges, the importance of social value is clear: it offers a pathway to inclusive growth and community resilience, which is not contingent on new spending but, rather, is a way of generating positive outcomes from what we already have.

Emerging in the 00s as a response to widening inequalities and the need for more holistic approaches to public procurement, social value has since evolved from a noble aspiration into a potent force, driving positive change in places across the UK.

That change could be wrought by targeting opportunities to priority groups, reducing supplier carbon emissions or spurring investment in local economies and supply chains. Often, however, social value projects extend beyond conventional measures of success, playing a pivotal role in supporting and empowering communities. Initiatives such as Manchester City Council's work on the [Living Wage City](#), for example, are reshaping local labour market conditions.

Over the years social value has proved its capacity to unlock opportunities for marginalised communities, foster sustainable development and build stronger, more cohesive places. Now, as we approach changing times, navigate through turbulent economic waters and bear witness to the far-reaching impacts of the climate crisis, the imperative to harness the potential of social value has never been more pressing.

What is social value?

Social value is a broader understanding of “value” which moves beyond cost and, instead, recognizes the value created for people and place which is generated through local spend and investment.

Organisations deliver social value by establishing a clear set of economic, environmental and social priorities (informed by the local economic context) and integrating these priorities into decision-making processes around how services are delivered, resources invested, people recruited and making the best use of land and assets.

Defined in law through the Public Services (Social Value) Act (2023) it is used extensively by local authorities and other public sector organisations as well as in the private and social sectors.

Social value is a key tool within [community wealth building](#), to help deliver a more inclusive and democratically accountable economic model for local places.

The challenges facing social value

But there are challenges. Many local authorities are on the brink of collapse, reeling from years of funding cuts, exacerbated by Covid-19 and a surge in demand for essential services.¹ The rise in s114 “bankruptcy” notices² may lead to the prioritisation of immediate financial needs over broader societal concerns, endangering the concept of value itself.

Meanwhile, an entire industry has grown up around the demand for methods, measures and consultancy time to help understand and measure social value. As a result, there are concerns that the original purpose of social value and the nuanced social dynamics involved in measuring its impact may be lost to bureaucracy and rigid frameworks. This bureaucracy also creates barriers, particularly for SMEs and mission-led businesses who often lack the resources to respond to the nuances of social value measurement and weighting across different local authority geographies.

The forthcoming implementation of the Procurement Act (2023) adds urgency to this debate, for, whilst the Act talks of a wider view of value (“Most Advantageous Tender”) it does not reference social value explicitly. Will social value be sidelined or emerge as a vital tool in mitigating inequalities?

Why social value, why now?

Given the challenges we face in the UK, now is the time to reclaim the original purpose and intention of social value. The principles of social value are of particular pertinence to public sector institutions, where the public rightly expect that every pound spent be used wisely to support important social goals. Yet over the last four decades, and particularly in the fifteen years since austerity, this remit has been eroded, in favour of lower-cost outsourcing of public services to the private sector. As a result, the connection between citizen and state has become fractured – people are often viewed as less partners with whom the local state works to build an ecosystem of mutual support and more consumers of services procured, at a distance, on their behalf.

Social value, when viewed as a guiding institutional belief, has the potential to repair this fracture and restore public spending as a tool to deliver better lives for everyone, in every place.

About this report

This report is a call to action. Structured around five new directions for social value, it aims to embolden local authorities to use social value to repair the relationship between citizens and the local state and change their places for the better. Those five directions are, collectively, the route by which social value can be a tool to nurture

¹ Department for Levelling Up, Housing & Communities (2024) Financial distress in local authorities [Link](#)

² New Stateman (2024) Council bankruptcy tracker [Link](#)

collaborative partnerships, ignite creativity and maximise the collective benefit of public spending for communities, businesses and the environment.

The five directions were developed through a series of workshops convened by CLES in partnership with Manchester City Council between October and December 2023 and reflect the discussions, insights and comments that were raised across these sessions. These workshops convened representatives from local, combined and private sector organisations from across the UK.

Five new directions in social value



Direction 1: making it mission critical



Direction 2: thinking outside the (procurement) box



Direction 3: looking outwards



Direction 4: measuring, communicating, improving



Direction 5: leveraging networks

Direction 1: making it mission critical



Lead from the front

Strong and clear political prioritisation through clear policy and leadership is a crucial success factor for social value. In an era of continued local authority budget cuts, though, there is a danger that social value can be seen as a “nice to have” rather than a political priority. But this misses an important point: clear policy that draws the line between an organisation’s behaviour/values and its impact on the challenges being faced in the area it serves is making an important strategic link between its corporate mission and its day-to-day activities.

This narrative can be used by leaders to continually remind stakeholders what the agreed priorities for place are, why these matter and how, through social value, a meaningful impact can be achieved. These priorities can be made explicit through the development of a social value framework.

What is a social value framework?

A social value framework is a model that defines and draws clear lines between corporate priorities and the actions expected of suppliers and other partners, serving as a roadmap towards common goals. Example sections for a framework include:

- Outcomes the organisation is looking to realise
- The types of activities that suppliers could undertake to realise those outcomes
- Questions and indicators asked within procurement tenders and how they are evaluated
- Tools for monitoring and evaluating outputs against each outcome and indicator

The best frameworks also recognise that the requirements on the potential supplier should be proportionate to the potential social value to be generated by the purchase. For example, an SME bidding for a low-value contract may struggle to demonstrate that they will generate significant social value, whereas a large supplier bidding for a multi-million-pound contract would have the resource and capacity to do so.

Weave it through everything

Effective organisational change happens in three phases:

Setting out clarity of purpose for the change (for example, in strategic documents)

Ensuring that everyone understands the importance of the change

Demonstrating the impact of the change.

In embedding social value, many organisations do well on achieving the first of these phases, but the successes of the second and third are more mixed. To enable all three phases, clear governance structures with regular communications channels need to be in place to ensure implementation across various departments and continued momentum.

Increasingly, organisations also understand that – given the importance of social value – specific resourcing is required. While some local authorities allocate time within existing roles to social value activities, many others now employ dedicated social value co-ordinators to oversee the complex "embroidery" of efforts required. Duties for these roles include identifying and addressing systematic challenges and potential improvements, giving advice on how best to monitor impact and supporting key contract managers to realise social value commitments (for example by signposting suppliers to relevant community organisations). Some organisations are also financing officers to develop and maintain network activities with other local anchor institutions.



Case study

Manchester City Council's Social Value Governance Board

Manchester City Council were one of the first councils in the UK to pursue a progressive approach to procurement, predating the Social Value Act, and the Council have benefitted from a long period of buy-in to develop their approach.³ In recent years the Council has established robust governance mechanisms to ensure the social value agenda moves beyond procurement and is applied to a greater range of activities.

The Council now have a Social Value Governance Board, chaired by a cabinet portfolio lead for the agenda. The board has a core membership, who oversee critical cross-council facets of social value and a task and finish group who pursue key workstreams, including:

- Further embedding social value into procurement and commissioning, including reporting tools and delivering social value KPIs.
- Supporting the learning and development of staff, ensuring that there is high understanding and visibility of social value across all parts of the Council.
- Advancing brokerage mechanisms to better connect opportunities with local needs.
- Exploring and exploiting "non procurement" social value opportunities.
- Elevating this work in the Council's communications and external influencing approach.

The Governance Board have also overseen the recruitment of a dedicated Social Value Programme Lead, emphasising the importance of centralised co-ordination for successful implementation of social value as an agenda across the entire organisation.

Source: Manchester City Council – [link](#)

³ See, for example: CLES. (2017). The Power of Procurement II. [Link](#)

Direction 2: thinking outside the (procurement) box



Consider the lifecycle of spend

Traditionally, social value has often been closely associated with procurement. This approach silos the practice and means that the work of creating social value frameworks and embedding them within tender documents has fallen largely on the shoulders of procurement teams. In practice, this means that the implementation and success of the agenda is down to the drive and passion of a small number of individuals.

Instead, social value needs to be considered throughout the lifecycle of spend – not simply at the point of procurement. The discussion surrounding the lifecycle of spend is essential because it enables important deliberation about the broader outcomes that are intended to be achieved through the delivery of a service. To do so underscores organisational commitments to incorporating social, economic and environmental values into every stage of service provision and, as a consequence, broadens out the stakeholders involved in embedding social value across the organisation (see Figure 1).

How these processes are facilitated depends on the specifics of how an organisation commissions and procures goods and services, but a good start may be to set up a cross-departmental working group where processes can be established to ensure constant dialogue between stakeholders (see the case study of Manchester City Council's Social Value Governance Board on page 10).

Figure 1: Embedding social value in the lifecycle of spend



Source: CLES

Apply social value beyond procurement

Often social value is seen as predominantly a procurement agenda because a councils, colleges and hospitals (for example) spend a large amount of money on goods and services, which can be influenced to achieve wider outcomes. But [community wealth building](#) gives us a framework to show many other “pillars” of influence on a local economy. For example, an organisation’s workforce strategy can be influenced to achieve wider outcomes (see the Birmingham I Can case study on page 27).

The planning system has traditionally been strongly focused on securing community benefits from development through mechanisms such as Section 106 and the Community Infrastructure Levy and, increasingly, councils are applying social value principles via the planning process. Salford City Council, for example, have recently updated their local plan to include a requirement for all major developments to submit a social value strategy at the planning application stage.⁴ With a particular focus on the ambition to create a fair Salford, these social value priorities are focused on reducing inequalities and promoting economic inclusion. There is increasing flexibility in this space within Scotland too, particularly through the National Planning Framework 4 legislation where community wealth building forms part of the underpinning spatial principles.⁵

However, negotiations with developers are often largely dependent upon land values and it can be rare for organisations to join up their ambitions for place-based change across different regulatory functions (e.g. harmonising priorities across functions such as planning, commissioning and procurement). As such, there is great potential to dig further into the ability of these functions to deliver wider benefits aligned with corporate plans.

⁴ Salford City Council. (2023). Salford local plan: development management policies and designations. [Link](#).

⁵ Scottish Government. (2023). National Planning Framework 4. [Link](#).



Case study

Islington Council's affordable workspace programme

Islington Council recognised that small businesses were increasingly being priced out of the Borough by high property costs, with the long-term impacts of Covid-19 adding significant hardship for many local enterprises.

As part of their commitment to building a fairer, more inclusive Borough, the Council have developed a pioneering strategy to create new workspaces that are genuinely accessible and affordable to local businesses and organisations.

To do so, they have appointed affordable workspace operators to run the spaces they have acquired through requirements placed on developers. In a UK first, social value is embedded in the operator contracts, with spaces offered to providers at a peppercorn rent. In lieu of paying market rates, operators are expected to demonstrate that they have created long-term benefits for local people and businesses by delivering a range of services, including:

- Employment and skills initiatives
- Business advice and support
- Mentoring and networking
- Cluster development
- Community engagement

By providing workspaces of various sizes across the Borough, the Council have delivered over £1.24m equivalent of social value output up until March 2022.

Source: Islington Council - [Link](#)

Direction 3: looking outwards



Use your influence to shape markets

Public sector organisations, by the very nature of their commitment to public values, inherently embody the principles of social value. They have a fundamental role as custodians and stewards of place, which they fulfil by fostering economic development within their communities. This is an approach that goes deep into their origins. Brought in to address the health inequalities created by the industrial revolution, a key remit of early local authorities was to regulate the market and to address the externalities of industrialisation: overcrowding, poor sanitation and the spread of disease.

In the 21st Century, developing a healthy local business base not only benefits the council as a source of business rates, but – for example – also contributes to improved health outcomes and provides pathways for young people entering the workforce. To do this, councils should focus on growing and diversifying local markets and, in particular, fostering a diverse range of suppliers including socially-focused businesses aligned with public sector social values.

This is already happening in places across the UK, including within the social care sector (see the case study from Newham on page 19), retrofit and infrastructure projects.^{6,7} The approach is also enabling councils to think differently about how they prioritise their efforts to “grow their own” rather than pinning their hopes solely upon attracting inward investment. This process is facilitated by the fact that, in the aftermath of the Covid-19 grant funding process, many local authorities now have increased intelligence about local markets and the capacity of SMEs to diversify their activities.

The potential for anchor institutions to shape new markets through their spending is not just limited to councils either. In England alone the NHS spends around £6bn on consumables annually, including PPE and single use medical instruments. During the pandemic the NHS was forced to turn to local SMEs who were able to quickly adapt their operations to start providing the NHS with the necessary consumables. The NHS needs to achieve a net zero supply chain by 2045 and in England the new integrated care system structure has an objective to support place-based social and economic development. These policy drivers build an even stronger case for councils to work with the NHS to explore the feasibility of local manufacturing for consumable items that are currently being imported.

⁶ APSE and CLES. (2023). Getting the most from levelling up. [Link](#).

⁷ CLES. (2022). Community Wealth Building in Lewes. [Link](#)

The Procurement Act (2023), due to come into force in October 2024, should make reserving contracts for locally-owned and socially focussed organisations less fraught, legally speaking. Yet even before this new legislation “goes live”, there are ways in which anchor institutions are able to make public sector contracts more accessible to social businesses within existing guidance.⁸

⁸ For example, PPN 11/20 in England, WPPN 02/21 in Wales.



Case study

VCSE dynamic purchasing system

Unlike traditional procurement methods, Dynamic Purchasing Systems (DPSs) enable purchasers to continually update their supplier lists. This approach allows for increased competition among suppliers, driving innovation and cost efficiency as well as holding immense potential for promoting social value and supporting social enterprises within the public procurement landscape.

Supply Change, in partnership with Orbit Group, a housing association, have developed a national DPS for VCSEs to access contract opportunities that deliver social impact. The System is compliant with UK procurement legislation and enables suppliers to register quickly with a one-time approval process, reach new small and medium contract opportunities, find opportunities specifically for VCSEs, see tenders that wouldn't usually be publicly advertised and find and apply for tenders in one place.

The DPS is broken down into "lots", or smaller sized contracts, which are beneficial for smaller mission-oriented businesses for several reasons, chief among them being increased accessibility. By reducing the size and scope of each contract it makes it easier for these businesses to bid for and win them when they may not have the resources to fulfil a larger contract.

For both public and non-public purchasers, the DPS opens up greater choice of social suppliers, creates impact from ad-hoc or lower value spend, removes the complexity from purchasing with an all-in-one solution and enables them to do all of this in compliance with legislation.

Source: Supply Chain - [link](#)

In addition to creating an environment which encourages the growth of locally based and socially-focussed businesses, social value also has a role to play in discouraging the reverse. Businesses with undesirable business practices should be demanded to meet conditions, particularly around employment practices, to undertake publicly funded work. Social licensing is an emerging idea which would ensure that suppliers can only enter public sector supply chains if they can demonstrate ethical practices and guarantee the provision of social benefits to communities and stakeholders. In lieu of social licensing legislation (or a similar mechanism delivered by combined authorities via devolution agreements), policies like charters or codes of practice significantly shape markets by enhancing workers' rights and ethical standards. By integrating employment charters into procurement processes, local authorities can set clear standards for fair employment practices, incentivising suppliers to comply in order to access funding and procurement opportunities.

Additionally, codes of practice for ethical employment in supply chains ensure consideration of fair practices, excluding non-compliant companies from procurement. Collaborative efforts with stakeholders like trade unions can support in the refinement and implementation of these policies, ensuring that markets prioritise worker rights and ethical standards, fostering fair and sustainable economic growth.



Case study

Newham Council social care reform

Newham Council has introduced a form of social licensing in homecare to tackle fragmented care services and poor pay for employees. Part of this approach has been the move to a “patch-based” service that is broken down into eight community neighbourhood areas, lotting contracts and specifying providers can only deliver one lot each. The Council have also specified that providers must be based locally, pay the London Living Wage and adhere to the principles of the UNISON ethical care charter. In practice, this creates a disincentive for larger, more extractive providers to enter the market. As a result, Newham now have a homecare service provision delivered increasingly by locally-based SMEs, who operate with greater concern for the wider community and workers, alongside the pursuit of profit.

A similar approach can be found in Leeds, with a new community health and wellbeing service, co-commissioned with Leeds Community Healthcare NHS Trust, which aims to transform home care services from a traditional “time and task” model to an outcomes-focused, personalised provision.

Source: CLES - [link](#)

Deepen relationships across sectors

In pursuit of social value, the collaboration of the public, private, and social sectors over a shared understanding of the common good is pivotal. Traditionally, these relationships, where they have been established, have often been framed by competition, but to truly shape markets and foster equitable outcomes, we must acknowledge and address imbalances in power (see Figure 2).

Figure 2: Power and limitations across the public, private and social sectors

Sector	Power	Limitations
Public	<ul style="list-style-type: none"> Allocates public money Sets procurement agenda and evaluation criteria Has a democratic mandate and accountability to the local population Can convene other place-based partners to agree common approaches to tackling challenges Motivated by public values 	<ul style="list-style-type: none"> Limited resources for specialist expertise Lack of sustainable long-term funding from central government Limited borrowing powers
Private	<ul style="list-style-type: none"> Has specialised knowledge, economy of scale and established track records May have strong lobbying power May have a strong place based or sectoral network 	<ul style="list-style-type: none"> The profit motive may limit scope for social value particularly in sectors where margins are perceived to be tight, there is a lack of competition or where there is uncertainty Competition may impede opportunities for collaboration or sharing of good practice
Social	<ul style="list-style-type: none"> Often bring unique social value propositions and innovative solutions Has strong ties with and knowledge of local communities Greater ability to be agile and flexible 	<ul style="list-style-type: none"> May lack resources, experience or capacity to navigate complex procurement procedures or to build alliances

Source: CLES

These power dynamics manifest themselves in different ways, for example:

- Smaller social sector organisations might miss out on tender opportunities due to lack of awareness or difficulty accessing relevant information.
- Complex tender documents and rigid evaluation criteria may favour larger, established firms with greater resources for compliance.
- Price-driven tenders can disadvantage social sector organisations that prioritise social value over pure cost savings.
- Smaller or social organisations might struggle to compete effectively without support in preparing bids or forming partnerships.

Social value “brokerage” – an umbrella term used to describe the process of connecting public sector buyers, suppliers and community-based organisations – is emerging as a crucial tool for addressing some of these challenges. In lieu of this approach, local authorities and other large public sector institutions can also consider the following measures to make tenders more accessible and to encourage coalitions:

Increasing accessibility

Open communication and clear, accessible tender documents can level the playing field for smaller or social suppliers. This can include:

- Simplifying tender procedures and making them more user-friendly.
- “Lotting” large projects into smaller, more manageable chunks.
- Providing capacity building support for smaller organisations.

Encouraging consortia

Encouraging collaboration between public, private and social sector organisations who wish to pool resources and expertise can create bids that deliver strong social value alongside competitive pricing and expert delivery.

Ensuring priorities are meaningful

Engaging communities in the development of social value and procurement processes ensures their longevity and relevance to the needs of residents. As part of the Church Street development in Westminster, for example, residents were consulted by the Council to understand their priorities. These then fed into a social value vision document, framed within the themes of their procurement and wider Council strategies, which was embedded within the tender process for the development.

Ensuring commitments are reflective of need

Online resources such as “community wish lists” or “exchanges” can serve as a platform to connect private sector bidders with local community organisations,

who submit requests for help for their projects. However, care must be taken to ensure that these approaches do not reinforce the idea of the VCSE sector as a beneficiary only, as opposed to being a sector who can deliver quality services in their own right. Nor is a platform any substitute for the human touch needed to ensure that the connections made between opportunities and local need are done so to everyone's best advantage. Depending on the context this could be done via a third sector infrastructure body and/or the local authority.



Case study

North Manchester social benefits framework, brokerage service and business network

Several of the initiatives described in direction 4 come together in North Manchester's significant healthcare and residential capital projects. The North Manchester social benefits framework articulates key priorities and outcomes related to major developments in housing, health infrastructure, transport and leisure and has been co-produced through consultation and engagement with a wide range of stakeholders. The associated brokerage service matches local organisations that are in need of support with those that can provide it, based on the priorities set out in the framework.

The North Manchester Business Network, a membership organisation that connects business leaders from across the area, plays a crucial role in this process, providing a platform for businesses to collaborate, share knowledge and build a support network assisting social value delivery.

By connecting these three initiatives the Council is fostering a supportive and collaborative environment that benefits both businesses and the wider community.

Source: Manchester City Council - [link](#), [link](#)

Direction 4:

measuring,
communicating, improving



Appropriate metrics for your context

To effectively integrate social value into local government operations, it's essential to establish metrics that demonstrate progress and impact in a manner that aligns with the unique context of your place. Many social value measurement tools focus on tangible goods or things that can be easily counted (i.e. how many books donated or trees planted) but using the outcome (i.e. improved literacy rates or carbon offsetting) as the starting point allows for more innovative approaches to ensuring that those outcomes are achieved. This involves simplifying social value asks, measuring outcomes and developing a small number of KPIs which are aligned to wider corporate priorities and integrated into the contract monitoring process.

Some suppliers can also become overwhelmed by complex metrics. To avoid this, a streamlined number of questions, relevant to the good or service, should be produced. Whilst the metrics these produce should be reflective of local priorities, consideration should be given to ensuring alignment between local authorities within natural economic geographies, as different asks for projects which cross local authority boundaries can be tricky for suppliers to navigate. Alongside of metrics, robust support and guidance should be provided, and any commitments made within tenders should be embedded within contract management processes. Limiting the number of KPIs in contract requirements also makes tracking progress over time less of an administrative burden and, crucially, more tangible for all stakeholders.

While KPIs provide quantitative, measurable and numerical data that can be used to track progress, compare results and establish patterns, qualitative outputs such as case studies offer richer data that help to understand the impact of social value on individuals and communities. A balanced approach that incorporates both qualitative and quantitative outputs is essential to understand both the breadth and depth of social value impact and will feed a culture of continual improvement.

Clear communications and training

Effective communication and comprehensive training are both essential to integrating a culture of social value across an organisation. Equipping all new and existing staff with an understanding of how the organisation uses its economic power to help deliver on wider outcomes is a prerequisite for shifting organisational culture.

Drawing together case studies and telling these stories visually is a powerful tool in conveying complex information (and in the case of procurement, a technical process) in an easily digestible format. Moreover, tailoring messages to suit the audience is crucial – explaining policy nuances to a VCSE supplier, for example, requires a different approach compared to engaging with a commissioner, or a councillor. By recognising the diverse stakeholders involved and adapting communication styles accordingly, organisations can effectively communicate their commitment to social value, fostering collaboration and driving positive impact within communities.

Direction 5: leveraging networks



Develop an anchor network (and ecosystem)

Establishing a local network of anchor institutions is now a well-established pathway to fostering collaboration, sharing best practice, adding capacity and aligning approaches. By leveraging collective expertise and resources, these networks can amplify the impact of social value initiatives and drive meaningful change at scale. However – two common issues emerge:

- 1) Getting buy in for the *idea* of a new anchor institution network is rarely the biggest challenge – the real difficulty is turning that buy-in into action, identifying the membership and aligning multi organisational strategies.
- 2) Similarly, the responsibility of turning network membership into action on the ground frequently lands on the desk of time-poor colleagues in the organisations involved.

The achievements seen in anchor institution networks across the country are not just down to the large public sector organisations that often make up their core membership, but also the ecosystem of business support, VCSE organisations, DWP and other pre-employment organisations etc. capable of providing crucial support to their endeavours. These organisations provide momentum to anchor institution networks by offering additional resources, essential knowledge and expertise, risk mitigation through existing partnerships and by acting as a bridge between institutions and the communities they aim to serve.

For instance, the Birmingham Anchor Network has successfully developed an ecosystem that facilitates seamless integration for other institutions seeking to take a similar approach to the I Can project (see case study on page 27). Several NHS Trusts and academic institutions have now been able to use the ecosystem developed for I Can to streamline the sourcing and support of unemployed residents onto employment pathways. Similarly, the [Leeds Inclusive Anchor Partnership](#) has provided a means for the city's largest employers to come together to make a difference for people in the city.



Case study

Birmingham Anchor Network – I Can

In Birmingham, the challenge of turning an idea into delivery while working with limited capacity was overcome by adopting a “specific action” led approach, with those actions aimed at solving problems for institutions rather than creating more work for them.

At the height of the Covid-19 pandemic, the answer to the question “what problem can the Birmingham Anchor Network solve for you?” for the Birmingham University Hospitals Foundation NHS Trust was staffing shortages. For social housing provider Pioneer it was the threat of redundancy for many of their tenants because of the impact the pandemic was having on the hospitality sector. There was an obvious match to be made. The problem was that the employment team at the Trust were unfamiliar with delivering targeted neighbourhood-based recruitment, while the employment team at Pioneer were unfamiliar with the language, processes, pathways etc required for entering the NHS. Through the Network they were able to collaborate on the innovative I Can project.

Departing from the conventional emphasis on individual navigation through recruitment, I Can adopted a community-centric approach. By actively engaging communities at every stage of the process, the project aimed to provide support and guidance, thereby eliminating traditional barriers such as convoluted job descriptions and formal interview procedures. This transformative shift sought to redefine the hiring process, moving from a focus on finding the “best person for the job” to identifying roles where employment could yield the greatest social value through job creation.

To date, I Can has facilitated over 550 job offers to residents from marginalized communities, surpassing traditional NHS recruitment metrics. Notably, the project has witnessed substantial increases in applications from individuals under 25, candidates from the global majority and individuals residing in wards characterized by high unemployment rates. Moreover, the project boasts an unprecedented 97% retention rate, a testament to its effectiveness in fostering long-term employment stability.

Source: CLES - [link](#)



Case study

Manchester Anchor Delivery Group

In Manchester, the Real Living Wage (RLW) initiative has undergone a transformation under the stewardship of the Anchor Delivery Group.

Established in 2023, this coalition of anchor organisations has embraced the initiative, refuting the notion that local authorities bear sole responsibility for progress on the RLW. Instead, the Delivery Group jointly produces and propels the city's RLW plan, instigating a shift in ownership and accountability. Their strategic approach entails bi-monthly meetings at leadership level, ensuring representation from CEOs or directors, augmented by the establishment of a communications subgroup tasked with aligning RLW messages across the city. This ensures that key messages permeate all sectors, bolstered by impactful video case studies.

The City Council maintains a monthly dialogue with the Real Living Wage Foundation, nurtures the partnerships essential to the initiative's success and anchors the Delivery Group within Greater Manchester's broader RLW Action Group. Employing three key metrics - accredited employers, uplifted employees and comprehensive workforce data - the group has surpassed targets across all indicators.

Source: Manchester City Council

Advocate for long-term funding

Anchor institutions should collectively advocate for central government to recognise and adopt a longer-term, place-based perspective on funding across the local public sector, emphasising the importance of investing in social value to drive long-term prosperity and well-being.

Social value is linked to numerous broader government and opposition priorities such as economic growth, job creation, health outcomes, and social welfare. The organisations within anchor networks are not just delivering services but also using social value to secure a broader range of economic and social benefits for their communities. Therefore, if national government delivers a long-term funding settlement for the local state, it can have the impact of securing longer-term place-based change for everyone.

Whoever is in office after the election this year, “topping up the coffers” to stave off collapse is not good enough: central government must move beyond short-term fixes and instead invest in sustainable solutions that promote resilience and prosperity at the local level.

Central government could make longer term funding commitments conditional upon local authorities/NHS institutions having social value frameworks firmly in place to show how they were going to ensure that this long term funding went further in terms of solving economic, social and environmental challenges as well as the local state’s primary functions.

Addressing the shortfall in local state funding is not solely about delivering services but also about underpinning the economies of places across the country.

Conclusion

As we seek to overcome multiple socio-economic challenges, the imperative for social value has never been clearer.

This report has outlined five key directions that social value can and should take, and offered practical steps to do so.

Now is the time for action. In a time of few resources, it is more important than ever that we embed social value into the fabric of our organisations, infuse it into our procurement, employment and planning systems, and champion it in our communities. Let us measure our progress, communicate our successes and continually strive for improvement.

Together, we can redefine governance, shifting from short-term gains to long-term impact, from austerity to prosperity. The future of our communities depends on it. Let us answer the call: together, we can build a future where social value is not just a buzzword or a set of dry metrics, but experienced as a meaningful and positive change in the reality of our communities.



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