

Social Value Summary (March 2022)

Creation of Development Platforms and Green Infrastructure, Red Bank Neighbourhood

Manchester City Council's Social Value Policy

Manchester City Council encourages organisations to operate and provide goods and services in such a way that offers maximum social, environmental, and economic benefit to Manchester residents and communities. To this end the City Council maintains a detailed Social Value Policy which outlines the overarching key areas of focus for social value aimed at supporting a green, inclusive economic recovery for the city.

As we rebuild our economy and society following the crisis caused by Covid-19, we will look to use social value to tackle the inequalities around us and make the things that we do, good, fair, and sustainable. We want to partner with organisations and suppliers that share our values, that look at the wider value they can offer to society, and that will contribute to Manchester's ambition to be zero-carbon by 2038.

Since the Social Value Act was implemented in 2012, Manchester City Council has led in generating social value through procurement and also sought to deliver it through its own operations and its wider influence with organisations across the city. Social value has become even more of a priority in light of the coronavirus pandemic and the economic and social impacts it has had on Manchester.

The concept of social value refers to this wider value to society that organisations can generate, i.e., value generated beyond the direct value that the organisation and its customers or end-users receive. An example is a company who has put in place environmentally friendly operations, which the customer does not directly benefit from, but society does (e.g., cleaner air).

Social Value has the potential to release millions of pounds of public money for community benefit and support the city's recovery. It encourages smarter spending to not only deliver a proposed service but also address social, economic, and environmental issues in the local community. The City Council's approach to social value, as per its adopted Social Value Policy 2021, is to:

- work with suppliers and markets to raise awareness and understanding of social value and, in particular the social value priorities for Manchester. This includes development of toolkits for suppliers, supplier engagement events and pre-procurement briefing events.
- work with council and partner staff to develop our own knowledge and understanding of social value and identify further opportunities to support the city's green and inclusive recovery through our supply chain.
- incorporate social value outcome objectives, aligned with the priorities described above, as a core part of specifications for contract opportunities that go through a tender or similar exercise. Specifications may focus on particular social value outcomes, for example, if certain outcomes are especially suited to the contract.
- provide an option for suppliers to make a cash contribution in lieu of offering
- 'Social Value in Kind,' where this is considered to be appropriate to the contract.
- emphasise to bidders our priorities for ethical working practices, including the priority the council places on suppliers paying staff at least the Real Living Wage.

The management of appointed contractors is also key to achieving the City Council's social value initiatives. Social value proposals in tenders are evaluated as follows:

- Invitation to Tenders issued by MCC have dedicated questions on the social value outcomes the bidder will deliver, and how they will deliver and monitor this. There is an emphasis on seeking 'SMART'2 commitments from bidders that can be tracked through contract monitoring.
- To reflect the Council's commitment to achieving zero carbon by 2038, all procurements will allocate an additional 10% of the evaluation score to a supplier's contribution to carbon reduction within their own operations. In limited circumstances where this is not considered practicable, this score may be revised for an individual tender.
- Social value commitments (including Key Performance Indicators) are recorded in Contract Award reports submitted for approval.
- Contract managers monitor delivery of social value as a core part of their contract monitoring.

Opportunities Arising at Victoria North

Manchester's significant transformation over the past 20 years is well documented. The city has seen strong economic growth, large areas of the city successfully regenerated, and around a 50% increase in its population. Manchester has a strong track record of driving change through regeneration which has enabled the city to develop globally recognised sector strengths, a vibrant cultural offer and a growing international profile.

However, despite the progress made, significant challenges remain. Many of Manchester's residents are not connected to the opportunities of economic growth and are under-represented in higher paid sectors and occupations. Child poverty rates have continued to rise. Many of our residents develop preventable health conditions a decade earlier than their peer groups across the UK.

In the 2015 Index of Multiple Deprivation, North Manchester was the most deprived area in England in respect of health and disability-related deprivation, the second most deprived in respect of income deprivation, and the fourth most deprived in respect of employment deprivation. By 2019, while there had been improvements in health deprivation in all but one of the wards in North Manchester, most (62%) parts of North Manchester continued to be in the most deprived 10% in England. Income deprivation remained as bad or slightly worse; and employment deprivation remained similar.

The proposed redevelopment of Victoria North represents a significant and unique opportunity for North Manchester. The residential-led redevelopment and renewal programme presents a major opportunity to deliver a holistic place-based programme of inclusive growth. With circa 15,000 new homes to be delivered with a GDV of £4bn, the wider Victoria North area will provide residential accommodation across a range of tenures and typologies for Manchester's growing population.

This ambitious programme could allow North Manchester to spearhead the city's continued transformation over the next 20 years and make a significant contribution to tackling the spatial inequalities currently evident within the city and to developing stronger and more resilient communities as part of our aims for an inclusive economy.

North Manchester Social Benefits Framework

In order to capitalise on this opportunity, the City Council have developed a detailed North Manchester Social Benefits framework which spans 5 main themes that we are asking contractors to focus social value activity around. The framework clearly sets out how we hope social value activity can contribute to improve the North of Manchester for its residents because of the regeneration programme. The framework reflects on the main aims/ trajectory of the City and talks to the City-wide Social Value Policy. However, it is focused purely on the North of Manchester.

Led by Manchester City Council, colleagues from multiple sectors and organisations have collaborated to co-produce the North Manchester Social Benefits Framework. The Framework aims to articulate, in a North Manchester context, the 5 key themes (see below); priorities; opportunities; and outcomes that major North

Manchester projects could contribute towards. The outcomes, aligned to a clear set of priorities under each key theme, are intended to support the tailoring of social value activities that could be delivered through/ supported by the respective transformation programmes and appointed contractors.

The Framework sets out the priorities, opportunities, outcomes, and approaches to delivery across five key themes which reflect the strategic priorities and challenges for North Manchester. These are:

- Theme 1: Education, Employment and Skills
- Theme 2: Health and Wellbeing
- Theme 3: Community Resilience
- Theme 4: Digital
- Theme 5: Zero Carbon 2038

Ultimately, the Framework brings together into one place an articulation of how the Victoria North and North Manchester Health Campus programmes can contribute to an inclusive economy for North Manchester, making positive contributions to high-priority socio-economic challenges.

The Framework has provided the high-level context against which more detailed Social Value Action Plans, aligned to key strands, have been produced (such as through procurement exercises), which set out in more detail the specific activities to be delivered, and how they will be delivered. These will be reported on quarterly by contractors and success will be measured.

We have also devised a system of reporting and monitoring which helps us to measure the success of the framework. We are asking contractors to report to us quarterly on a set number of indicators (pulled from the National Toms) that cover the 5 themes of the framework. These have been shared with contractors in a detailed contractor's guide which introduces the scheme, sets the context in respect of social value and also sets out in detail the various indicators against which performance in regard to the key themes can be measured.

Summary

This statement outlines the initiatives being undertaken by MCC to generate social value from the emerging residential-led redevelopment of Victoria North, of which the proposed HIF infrastructure works including creation of development platforms and green infrastructure form a critical part.

In 2017 MCC appointed Far East Consortium International Ltd (FEC) as its Joint Venture (JV) investment and delivery partner, to accelerate the delivery of the Victoria North opportunity. As the JV partner, FEC are currently preparing proposals for a residential masterplan covering the Red Bank Neighbourhood at Victoria North, with a planning application proposed for submission in 2022. Accordingly, further to the social value initiatives already put in place by MCC, FEC is also developing a comprehensive Social Investment Strategy which will help create more resilient communities in the development areas FEC is committed to, further details of which will be provided as part of future planning applications.

The proposed redevelopment of the Victoria North area represents a significant and unique opportunity for North Manchester which the City intends to capitalise on through the implementations of its Social Value Policy, North Manchester Social Benefits Framework and other emerging policies and guidance.