

Committee Name and Date of Committee Meeting

Cabinet – 9 June, 2025

Report Title

Social Value Annual Report

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Jo Brown, Assistant Chief Executive

Report Author

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Wards Affected

Borough-Wide

Report Summary

Each year a report is presented to Cabinet updating on progress towards the priorities set out in the Council's Social Value Policy, including the amount of social value committed and delivered through Council contracts. Priorities are also set for the following 12 months.

Since the last annual report in March 2024, good progress has continued to be made in achieving the aspirations set out in the Policy. Social value commitments now stand at £32m and, importantly these commitments are increasingly translating into delivery with the validated social value delivered totalling £12.3 million.

Recommendations

That Cabinet:-

1. Receive the annual report, noting the social value commitments along with outcomes delivered.
2. Approve the use of the new national TOMs (Themes, Outcomes, Measures) as detailed in Appendix 2.
3. Approve that the key priorities for 2025 include:
 - a. Continuing the work on employee ownership.

- b. Delivering the partnership social value action plan with Social Value Portal, working towards the delivery of increased social value commitments across Rotherham's anchor network.
- c. Delivering further support to local businesses through the UK Shared Prosperity Fund social value project.
- d. Upskilling Council staff through training initiatives and one-to-one support.

List of Appendices Included

- Appendix 1 Social value commitments and delivery table
- Appendix 2 TOMs system old to new mapping
- Appendix 3 Social value case studies
- Appendix 4 Initial equality screening assessment (form A)
- Appendix 5 Carbon impact assessment

Background Papers

Social Value Policy (2024 - 2027)

Centre for Local Economic Strategies – Progressive Procurement in Rotherham

Consideration by any other Council Committee, Scrutiny or Advisory Panel

NA.

Council Approval Required

No

Exempt from the Press and Public

No

Social Value Annual Report

1. Background

- 1.1 In October 2019, the Council adopted a Social Value Policy, which, along with its accompanying toolkit, set out how social value would be maximised in the Borough.
- 1.2 Each year, Cabinet receives a report on progress against the agreed policy priorities, including key actions set out in the previous report, and sets priorities for the year to come. Key actions for 2024 were:
- **Community wealth building** by growing employee and worker-owned businesses in the borough.
 - **Building the capacity of local SMEs** through additional tailored support, including one-to-ones and group sessions.
 - **Maximising social value opportunities** and commitments through local market analysis.
 - **Developing the local anchor network** by working with anchor organisations to help them develop social value approaches and processes.
- 1.3 In developing the annual progress report, data is included on social value commitments in the previous year (from November to November). The amount of social value commitment achieved is determined by the scale, number and type of contracts let each year.

2. Key Points

- 2.1 This section of the report covers the following two elements:
- The annual report, setting out progress in the delivery of the Social Value Policy over the last year.
 - The proposed priority actions for 2025/26.
- 2.2 **Progress in delivering actions in 2024/25**
- 2.2.1 Continuing to achieve the outcomes and priorities in the Social Value Policy is an evolving process, with key priorities agreed each year through the annual report. Progress against the key priorities for 2024/25 is summarised in the table below, with further details in sections 2.7 and 2.8:

2024/25 Priorities	Actions undertaken
Community wealth building by growing employee and worker-owned businesses in the borough	<p>Rotherham Investment and Development Office (RiDO) business advisors have been given training on employee ownership and are able to help organisations who express an interest in transitioning to employee ownership.</p> <p>An employee ownership hub manager has recently started in post, to promote employee ownership as a potential model.</p>
Building the capacity of local SMEs through additional tailored support, including one-to-ones and group sessions	<p>The Chamber of Commerce partnered with Go4Growth to deliver four 'meet the buyer' events, primarily targeting local SMEs. Each event had a particular focus, covering the construction industry, anchor institutions, manufacturing and retail. Over 400 Rotherham business representatives attended across the four events.</p> <p>Go4Growth delivered a series of supplier sessions, for example on navigating the Procurement Act, which were attended by over 50 businesses. Ten businesses received follow up one-to-one support.</p> <p>Responding to feedback from local voluntary, community, and social enterprise (VCSE) sector organisations, a tailored social value training package for successful bid writing has been developed for the sector. This will be delivered by RMBC, VAR, and Go4Growth, with the first session due in June 2025.</p>
Maximising social value opportunities and commitments through local market analysis.	<p>Two social value officers have been recruited via Social Value Portal. Their focus is on further developing and embedding processes and practice that aid delivery of the Council's social value aspirations. This includes working with suppliers to maximise the delivery of social value commitments.</p> <p>Go4Growth are providing training and support to local businesses to help develop the market and increase the potential for social value delivery. Over 60 learners completed a bid skills course and 43 completed a social value course.</p> <p>Rotherham Business Growth Board is helping to promote the social value agenda across the local</p>

	business community, with the annual social value showcase in July 2024 also raising awareness of the benefits and opportunities.
Developing the local anchor network by working with anchor organisations to help them develop social value approaches and processes	The first stage of the Rotherham Together Partnership (RTP) Social Value project, co-produced by Social Value Portal and local partner organisations, has been completed. This included the development and agreement of a joint action plan and collective success measures. Partners have established clear senior accountability for social value and have assigned champions responsible for operationalising social value in each organisation. Phase 2 of the project is now underway, which involves building capacity and capability within partner organisations to take forward and embed social value.

2.3 Social value committed and delivered measured by National TOMs

- 2.3.1 The National Themes, Outcomes and Measures (TOMs) framework, developed by the National Social Value Task Force, provides a clear definition of social value and a corresponding measurement tool for transparent and robust reporting.
- 2.3.2 The TOMs comprise over 100 measures, across five themes:
- **Jobs:** Promoting Local Skills and Employment.
 - **Growth:** Supporting Growth of Local and Small Business.
 - **Social:** Healthier, Safer and more Resilient Communities.
 - **Environment:** Protecting and Improving Our Environment.
 - **Innovation:** Promoting Social Innovation.
- 2.3.3 The Council has selected measures from the National TOMs that will positively impact the economic, social, and environmental wellbeing of the Rotherham community. These TOMs focus on Employment and Skills, directing suppliers to deliver additional benefits in this area.
- 2.3.4 Appendix 1 provides details of the measures that the Council's suppliers have committed to and delivered against on contracts procured and awarded between December 2019 and November 2024. Highlights are provided below.
- 2.3.5 The table in Appendix 1 details various units of measures, such as the number of people benefiting, training hours, and tonnes of carbon saved. It also presents monetary values, using proxy values for many of the TOMs. These proxy values represent the societal value if these measures are delivered. The information below provides details of both the units and their corresponding monetary values.

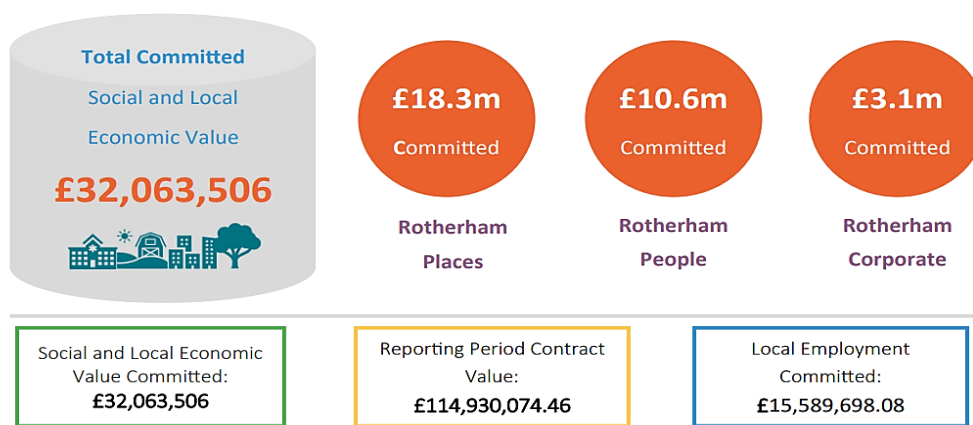


Diagram 1: Total Value of Social Value Commitments (**Note:** The total value is actual, but the figures for Places, People, and Corporate are rounded and may not sum exactly).

2.3.6 Since the introduction of the Social Value Policy, the total social and local economic value (SLEV) committed has continued to increase. It has risen from £27.8 million in the 2024 annual report to £32 million in this year's report, representing a net increase of £4.2 million or 15%.

2.3.7 It should be noted that these figures exclude the housing repairs contracts with Equans and Mears Group. These contracts were awarded prior to the Social Value Policy's implementation in 2019 and, as such, did not include social value commitments in the same way the Council now obtains them. Despite that, Equans and Mears have been delivering social value through their contracts. Mears have delivered a confirmed £3.1m of social value validated and both organisations have significant sums of data to be validated in future periods. Due to the contract being signed prior to the Social Value Policy's implementation, the £3.1m of social value delivered by Mears is not included in any of the figures or infographics below. Comprising a range of activities, the social value Mears has delivered has included:

- 447 weeks of apprenticeships
- 13.4 weeks of training opportunities to staff on contracts
- 38.5 staff hours visiting local schools and colleges
- 15.4 weeks of meaningful work placements
- 129.5 hours of 'support into work' assistance (mock interviews, CV advice etc.) to people seeking to access work
- 105.89 Full Time Equivalent jobs provided to local people

2.3.8 The categories of Places, People, and Corporate (shown in Diagram 1 above) are procurement terms used to group similar types of expenditure:

- **Rotherham Places:** covers construction, facilities management, environment, and transport.
- **Rotherham People:** includes commissioned services for residents, such as health and social care provision.

- **Rotherham Corporate:** encompasses contracts that support the operational running of the Council, including ICT, temporary labour, training, and PPE.

2.3.9 Of the three categories, Places has seen an absolute increase of £1.4 million or 8.3%, rising from £16.9 million to £18.3 million. People achieved the largest absolute increase of £1.7 million or 19%, growing from £8.9 million to £10.6 million. Corporate saw a significant absolute increase of £1.2 million or 63% (the largest percentage increase of the three categories), from £1.9 million to £3.1 million.

Promote Local Skills and Employment



21.84 FTE of long term unemployment individuals to be hired on contracts (NT3).



1850.1 weeks of training opportunities to be offered on contracts (BTEC, City & guilds, NVQ, HNC) (NT9).



22,364.5 to be delivered in dedicated hours to support young people into work (NT7 /NT11).

Protecting and Improving our environment

4601 tonnes CO2e to be saved on contract (NT31).



Diagram 2: Outputs on Local Skills and Employment, and Environmental Protection

2.3.10 Key commitments for promoting local skills and employment include:

- **Training weeks committed:** increased from 1,526 in the 2024 annual report to 1,850 this year, a net increase of 324 weeks or 21%.
- **Value of supporting young people:** rose from £1.7 million to £2.44 million, a net increase of £743,000 or 44%.
- **Full-time equivalent (FTE) long-term unemployed hired on contracts:** increased from 19 to 21.84 over the year, a net increase of 2.84 FTEs or 15%. This covers commitments under TOM NT3 and is separate from the broader local employment commitment under TOM NT1.
- **Tonnes of CO2e saved:** Increased from 4,369 to 4,601 since the 2024 annual report, a net increase of 232 tonnes or 5.3%.



Diagram 3: Support to Local VCS Groups and Local Spend in Rotherham on Supply Chain Contracts

- 2.3.11 Support and value for local Voluntary, Community, and Social Enterprise (VCSE) and community groups have increased significantly. The provision of equipment and resources rose from £121,200 in the 2024 annual report to £178,400 this year, a net increase of £57,200 or 47%.
- 2.3.12 The local economic value derived from using the local supply chain also saw a substantial rise, increasing from £10.9 million to £19.3 million over the same period. This represents a net increase of £8.4 million or 77%. Additionally, a total of £14,000 was committed to monetary donations in 2024/25.

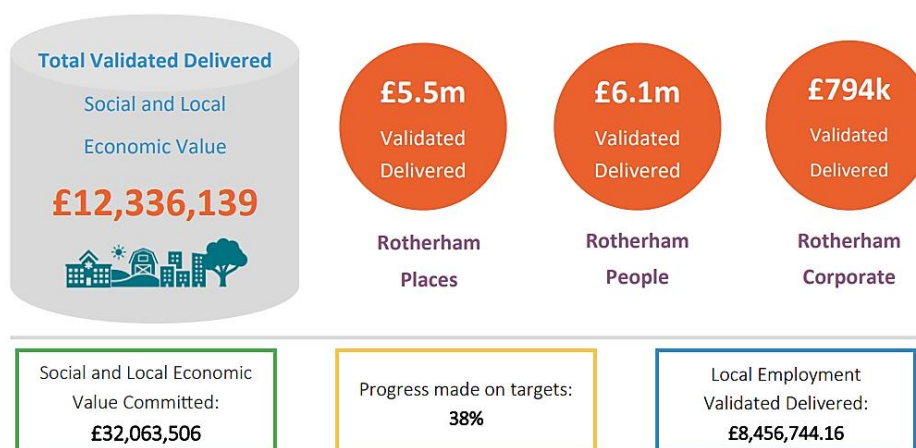


Diagram 4: Social Value Commitments Delivered

- 2.3.13 Importantly, over the past year, the total validated social value delivered has increased significantly, rising from £8 million in the last annual report to £12.3 million. This represents a net increase of £4.3 million or 54%.
- **People:** increased from £4.4 million to £6.1 million, a net increase of £1.7 million or 38%.

- **Places:** delivered the largest absolute increase, rising from £3.5 million to £5.5 million, a net increase of £2 million or 57%.
- **Corporate:** saw a substantial increase from £82,000 to £794,000, a net increase of £712,000 or 868% (the largest percentage increase).

Promote Local Skills and Employment



308.22 FTE of Local direct employees hired or retained on contract (NT1/a/c).



695 weeks of apprenticeships delivered on contracts Level 2,3, or 4+ (NT10).



£479,684 delivered in social value for support to assist unemployed individuals into work (under and over 24 y.o.) (NT7/NT11).

Protecting and Improving our environment

1093.7 tonnes CO2e saved on contract (NT31).



Diagram 5: Local Skills & Employment and Environmental Protection Units Delivered

- 2.3.14 Notable achievements in "promoting local skills and employment" include:
- **Apprenticeships:** The number of apprenticeship weeks has increased from 487 in the last annual report to 695 this year, a net increase of 208 weeks or 43%.
 - **Support for Unemployed Individuals:** Funding to assist unemployed individuals has nearly doubled, rising from £247,000 to £480,000, a net increase of £233,000 or 94%.
 - **CO2 Saved:** The amount of CO2 saved now stands at 1,094 tonnes, with a proxy value of £245,000.

Supporting VCSE's & Community Groups



Local Spend in Rotherham

£2,676,073 of Social Value created as a result of local supply chain on contracts (NT18).



Diagram 6: Support for VCSE and Community Groups Delivered Along with Local Spend

- 2.3.15 Support for Voluntary, Community, and Social Enterprises (VCSEs) and community groups has seen significant growth:

- **Equipment and Resources Donated:** Increased from £26,500 to £82,000 over the year, a net increase of £63,500 or 240%.
- **Expert Business Advice Hours:** Provided to VCSEs and Micro, Small, and Medium Enterprises (MSMEs) increased from 56 hours to 234, a net increase of 178 hours or 317%.

2.4 Local spend

- 2.4.1 The amount of Council expenditure being spent locally has continued to increase from £77.2m in 2022/23 to £105.5m in 2023/24. This is an increase of £28.3m or 36.7%. Whilst a greater absolute amount of council expenditure is being spent locally, the proportionate share of expenditure has decreased from 27.9% in 2022/23 to 24% in 2023/24.

2.5 TOMs system change

- 2.5.1 Changes were made to the National TOMs system in 2024, with new themes, outcomes and measures. There is also new in-depth guidance and simplified language.
- 2.5.2 Through its Social Value Policy, the Council selected the TOMs it would use to measure social value committed in contracts and delivered by suppliers. Following the changes to the National TOMs system there is a need to review the Council's existing measures. A mapping exercise has been carried out (see appendix 2) showing Rotherham's current TOM set and the changes to this in the new system. This mapping exercise has indicated that the changes posed are relatively minor and predominantly related to efforts to simplify the language used. There are two exceptions to this though, with the first relating to NT31 (tonnes of CO₂ emissions saved on contract) being removed (which was the only environmental measure with a proxy value) and alternative measures are proposed for inclusion as a consequence within the appendix. Secondly, it should also be noted that NT12 now only covers Not in Education, Employment or Training (NEETs) and no longer includes student work experience and placements, which would now be captured under NT100 (employment taster days).
- 2.5.3 The Social Value Portal has recommended that all users should move to the updated system and use the new measures. There is no additional cost to this and it will have no detrimental impact on the Council, however, it will enable continued comparisons to be made with other areas. Therefore, it is recommended to approve the revised proposed measures and that these are updated accordingly within the Council's Social Value Policy.

2.6 Living Wage

- 2.6.1 The Council achieved accreditation as a Living Wage employer from the Living Wage Foundation in September 2021. In 2024, this status was successfully

retained for a third year. As a result, the Council can continue to display the Real Living Wage logo in its communications and publicity materials.

- 2.6.2 Currently, the Council ensures that all its staff receive the Real Living Wage, which stands at £12.60 per hour. Additionally, the Council is committed to extending this standard to all in scope contracts.

2.7 **Social value event 2024/25**

- 2.7.1 The annual social value showcase for 2024 took place in July, attracting 67 attendees, including 38 from the private sector and 29 from the public sector. The event featured several workshops covering key issues such as supply chain opportunities and bidding for public sector contracts.

2.8 **UK Shared Prosperity Fund (UKSPF)**

- 2.8.1 The Rotherham UKSPF social value project saw Go4Growth and Barnsley and Rotherham Chamber deliver a series of events and interventions in 2024/25 to support local businesses. This included:

- Over 60 learners completing a bid skills course and 43 learners completing a social value course.
- Over 198 Rotherham attendees at Chamber Means Business event.
- 55 Rotherham attendees at Meet the Buyer anchor organisations event and 120 at Meet the Buyer construction industry event, which also featured 12 Rotherham-based exhibitors.
- 13 Rotherham representatives attended a strategic roundtable discussion on the retail, hospitality and leisure industry.
- 52 Rotherham-based providers attended virtual events hosted by Go4Growth.
- A total audience of 8,591 engaged with social value social media posts across various channels.
- 10 businesses had coaching sessions via Teams, resulting in 18 follow-up one-to-one sessions.

- 2.8.2 Appendix 3 includes several case studies that help to bring some of the activity described above to life and describe the real life impact on residents and communities.

2.9 **Key actions and development for 2025/26**

- 2.9.1 The key actions for 2025/26 build on the progress made in 2024/25. This includes advancing the community wealth-building aspirations set out in the Social Value Policy, as well as continuing the partnership programme with anchor organisations, and delivering further staff training, particularly aiming to ensure that social value commitments are delivered through effective contract management. This is supported by investment from the Council's budget and further funding that has been secured from UKSPF, which will also enable continuation of the work with local businesses delivered by the Chamber and Go4Growth.

2.10 Continuing the work on employee ownership

- 2.10.1 An employee ownership hub manager has now been recruited. The role will be responsible for promoting employee ownership and leveraging wider networks to grow employee-owned businesses throughout the borough, recognising that this can bring many benefits such as increased employee engagement, motivation and productivity. The hub manager will formulate a strategy for promotion and wider engagement, including raising awareness of business support and skills development programmes that can aid companies in transitioning to employee ownership.

2.11 Continue to develop anchor networks

- 2.11.1 Following the work undertaken in 2024/25, supported by UKSPF, to develop the Rotherham Together Partnership (RTP) action plan, the focus in 2025/26 is to deliver this plan, with key activities including:

- **Forum facilitation:** establishing the RTP working group to foster a creative approach to social value and share learning.
- **Content creation support:** developing training content to help partners grow and embed social value.
- **Organisational strategy and mentoring support:** offering strategic guidance and mentoring to partners.
- **Creating a resource bank:** providing resources for procurement activities, including market engagement and evaluation templates.

2.12 Upskilling Council Staff

- **Training initiatives:** Work will continue to upskill Council staff. This will focus on general awareness raising and increasing knowledge, together with more in-depth support to enable relevant staff – e.g. contract managers - to hold suppliers accountable for their social value delivery. Training will include e-learning, workshops, and toolkits.
- **One-to-one support:** Offering tailored support and advice, including drop-in sessions, for officers working on social value.

2.13 Support to local businesses

- 2.13.1 There will be a further series of targeted events and one-to-one support aimed at improving the contract-readiness of SMEs. The Chamber and Go4Growth will again deliver this utilising UKSPF funding.

3 Options Considered and Recommended Proposal

3.1 Option One

This option recommends acknowledging the progress made in achieving social value commitments and delivery, along with setting out key actions for the year ahead. In doing so, it ensures that the Council's aims and objectives for social

value are advanced. This option also recommends that the 2024 TOMs system change be approved, which enables the continued effective reporting of social value and comparisons with other areas.

3.2 Option Two

This option would acknowledge the progress made in achieving social value commitments and delivery but would not propose actions to further social value. This is not recommended, as the proposed actions are integral to the overall programme of activities needed to deliver the strategic outcomes of the Social Value Policy. Without these actions, social value activities would lack clear objectives for the following year. In addition, not changing to the new TOMs system would make it difficult for the Council to effectively report on social value or compare performance and progress with other local authorities.

4 Consultation on Proposal

- 4.1 The Social Value Annual Report has undergone internal consultation, incorporating views and contributions from officers in procurement and those engaged in social value working groups. Information has been gathered from partners and local businesses.
- 4.2 The Council is also continuing to enhance engagement with external agencies, local businesses and partners to boost social value outcomes through the development of anchor networks and an annual social value event. This has resulted in a renewed focus on support to SMEs.

5 Timetable and Accountability for Implementing this Decision

- 5.1 This report presents progress at a specific point in time along a developmental journey. It outlines achievements from the past year and sets out further activities to be accomplished through social value in the next year, each with its own delivery programme. Detailed timescales and recommendations will be provided in relevant reports as appropriate.
- 5.2 The Council maintains a detailed action plan for the development and delivery of social value.

6 Financial and Procurement Advice and Implications

- 6.1 There are no direct financial implications resulting from this report. It does not impact the Council's revenue or capital budgets. The report provides an update on the progress and impact of the Social Value Policy integrated into the Council's procurement procedures. The policy's impact on current or future procurement exercises will need to be considered in the decision-making process for those specific procurements.
- 6.2 All associated procurement implications are detailed in the main body of this report.

7 Legal Advice and Implications

- 7.1 The Public Services (Social Value) Act 2012 allows for the consideration of added value, such as social, economic, and environmental benefits, in addition to the normal delivery of a contract. The Social Value Policy, including the Social Value Toolkit, must comply with procurement law, in particular the Public Contracts Regulations 2015 and the Procurement Act 2023. Further the Council must ensure its contractual and procurement documentation reflects the requirements described in this report and the relevant legislation.

8 Human Resources Advice and Implications

- 8.1 A key element of the Social Value Policy is ensuring that officers have the necessary training and knowledge to implement it successfully. A social value e-learning module has been developed and rolled out in 2024/25. A series of workshops are planned to enable more in-depth discussions with relevant staff in 2025/26.

9 Implications for Children and Young People and Vulnerable Adults

- 9.1 The outcomes within the Social Value Framework support the Council's priorities: "Children and young people achieve" and "An economy that works for everyone" by including support for education, employment and apprenticeship opportunities for these groups as key Social Value outcomes.

10 Equalities and Human Rights Advice and Implications

- 10.1 There are no direct implications arising from this report (see appendix 4 for equality screening). The Social Value Policy and associated activity is helping to promote inclusion in terms of creating employment, education and training opportunities for excluded groups.

11 Implications for CO2 Emissions and Climate Change

- 11.1 A carbon impact assessment is attached as appendix 5. The social value key actions and developments will help businesses and partners understand how they can support the 2040 net zero target for Rotherham and the South Yorkshire net zero ambitions by considering the social value TOMs related to climate change and the environment. These include:
- Making corporate travel schemes available to employees, e.g., subsidised public transport, subsidised cycling schemes, and storage.
 - Increasing workplace recycling and reducing the use of plastics.
 - Requiring contractors to operate low or zero emissions vehicles.
 - Signposting businesses to the region-wide Low Carbon project for engagement.

11.2 These actions will also promote the local buying of goods and services by both the Council and local partners, contributing to reduced emissions through shorter travel distances for contractors.

11.3 NT31 provides a social value outcome through savings in CO₂ emissions on contracts achieved through decarbonisation, amounting to 4,601 tonnes of CO₂ in the year under consideration.

12 Implications for Partners

12.1 Partners have already committed to advancing social value in Rotherham. They are engaged in the direct development and delivery of social value outcomes, particularly in relation to Community Wealth Building and Anchor networks. This work is being advanced through the key actions for 2025.

13 Risks and Mitigation

13.1 A social value action plan is maintained and monitored by officers across the Council to ensure that policy commitments are met through the key actions delivered. Mitigating actions and detailed profiling are used to ensure that key priorities are achieved.

14 Accountable Officers

Fiona Boden, Head of Policy, Performance and Intelligence.

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	27/05/2025
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	23/05/2025
Head of Legal Services (Monitoring Officer)	Phil Horsfield	23/05/2025

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