**CA6(LA), Manager(M)**

Speaker Key:

CM Interviewer

IE Interviewee

CM What’s your job role and your experience with commissioning for social value?

IE So, in my job role I’m the manager. That is a team of data and behavioural scientists. We work in the corporate centre of the local authority. We are essentially an internal data consultancy. We look at social, economic, environmental, demographic profile of the borough and we use that data to inform things like future demand and forecast potential service users into our service blocks. And we also have an interest in how we use data to tell a transparent story of the economic and environmental underpinning growth in the community. We are not an economic developer, we don’t have that title, but we use disciplines from that field, as a part of our service. My personal experience with social value is, I have worked in 6 local authorities, this is the first time I have seen a local authority take a good action and ownership of developing a social value policy and the reason why I think that is because what I see across local authority is, council not necessarily have the underlined evidence based, in which they commission social value. So, when council typical talks about social value they are talking about housing development in certain communities. They don’t necessarily talk about how they can change and transform their procurement practices to encourage growth within communities, and that’s because there is a little bit of disconnect between the local authorities and how society articulated out. Because of the risk for the local authorities tend to be more in the large scale, capital infrastructure type projects rather than the smaller scale enabling social enterprises, enabling or equipping the third sector to enhance progress in the community. And that’s because we don’t necessarily know, we don’t necessarily have a definition of what social value looks like in the first place. So, I think there is reasons behind why local authority haven't responded to the social value act 2012, and that’s because I think there is a big disconnect between the capital infrastructure, investments versus the people-based community work, because over the past 10 years we have been focusing on responding to austerity rather than place making which is what traditionally the local authority should be about to get back to it.

CM What approach has the local authority around the SVA? IE

IE The approach that we now started to take, really started from a piece of work that myself and my team did, which was building. And the reason that we build that is we have a mantra, (…..), what that currently means is that there is some form of inequality, so we wanted to explore what is the extend of the inequality and we wanted to explore it through entirely social and environmental lens rather than an economic lens. So, we stripped away the economic approach and purely looking at this through the social cohesiveness of the place. So, we developed an amalgamation of different social and environmental indicators at work level and we are able to compare over time. We firstly needed to define what we mean by the concept there is no just one single indicator, but we think it is a combination of education attainment, safety, tolerance in the community, reduced hate crime, that kind of things. So, we have, so the definition of the concept has been put together by a set of indicators.

And because we developed that, one of the, that become a catalyst for social value policy, and that become, when you asked me, that become that deadline, we have this evidence based now, were we can track it so this is our baseline, what policy we can derive at the top of it, because it is evidenced based, database to seen that- if we want to influence as a authority or as a community better outcome on this range of indicators, what kind of policy decisions can be made for it, and that’s where it started. And that specific piece it's been kind of my personal commission for me because I think that local authorities haven't got that evidence to start with. And one of the things that is preventing the local authority for fully responding to the social value act is not lack of desire it is lack of understanding where do I start?

CM What are the top barriers in linking the social value act and your social research program?

IE Well, if you look at the M, so the M is really the voice of the community. So, these are the themes that we really wanted them, and our challenge was to find the framework that we can link to the voice of the residents. So rather than develop something which the council use, we needed somehow link that to all this 3000 people how said that this is what we would like that (case A) to look like, so it was really important that there wasn’t a disconnect between the voice of people and the framework that we were developing. So, what we did, after we done that massive consultation, we looked at what are our current corporate indicators that can fit our program, are outcome driven and non-economic, that can perhaps more scientifically speak to the voice of the residents. So, it was important do not build almost two products, it was important. So, the M should have been a stand-alone product, and actually the two are tied. So, one is the voice of residents, the second is the how do we measure that voice. So, I would say that was a key challenge, but I believe that we brought that right now, which is different from typical that people tend to put together, which are rather subjective measures of wellbeing and usually driven by institutes rather than local authorities. So, I have not seen any of the local authority with that level of granularity anywhere, because typically these are done by third party institutes, academics, think tanks that say this is a framework that the local authority should use and are not able to translate that to the voice of residents, and the voice of residents is different wherever you go. So, we developed the program that corelates to the M, if another local authority were to want to use the same program we have, their challenge will be to link how our frameworks is representative of their communities. It could be that are the same, who knows.

CM How do you define and articulate social value?

IE My view is, I think social value can be defined as a means to achieving a form of secured live job, life is a much bigger word than the work and jobs. When we talk about people's life hoods, we mean everything from, whether they feel safe at night, whether their children go to good schools, whether they feel that their environment is not polluted, whether they feel that they can participate in a democratic society, for me that is a life hood. So social value is around helping and facilitate a secured life. It is not necessarily helping an individual to get a good job even if the two are intertwined. When we are talking about people life hood, we talk about the breaths of the facets. So, for me social value, the local authority as an instigator of social value is, or should be, dedicated to creating life hoods for people. Some where the local authorities have made mistakes to understand social value, they looked at it through the lens of purely employment. So, for example, and we often we seen this in large contracts. Typically, if we are giving a contract to a developer to build a block of flats or housing, when they bid for that work for us our tempt to social value is to say to the developer, when you develop we will like you to hire 4 apprentices from our local college and that’s your input back into our community, our society. And for me, I don’t think that’s the right paradigm for social value, that for me feel more like corporate social responsibility, where companies are having relationships with governments and saying, we will hire 4 apprentices from your collage, we will helping repaint the old people's homes, so it is a corporate social responsibility. So, therefore, instigated from the demand side, from the supply side. So, for me, social value has been mixed, in the world of the local authorities, social value has been mixed with corporate social responsibility. So, the relationships are totally demand led rather than supply led. Sorry, I said in the wrong run...So, local authority has a demand wish is supplied by corporations, and those corporations are basically saying, we will do CSR for you. And that’s CSR defined by them not defined by us. Therefore, not defined by the people in the community. I think we shall reflect on that instead and say that the people, the local authorities who are representatives of the borough, the community, the people should define what social value means and actually have relationships with the local businesses and agencies who want to work with us and say – this is what we think will be the best use of that, you are going to do this development but actually our program say that this area is really in need of playground for children, so what we would like you to do is, use your budget, whatever, or the community infrastructure to build a playground next to your flats. That, because we think that by doing so, that community and that new community we know that got lots of children and a school there, they get value by using that playground, rather than you pick four students from our college to be in apprenticeships. So, we want to reflect that relationships.

CM What's your perception on the relationships between the local authority and VSOs?

IE I think that’s really important that we engage with VSOs in the definition and development of social value. But what we see across the nation is that is shrinking because grant funding is no longer there for them. So, sadly, the charity sector at times, we lose capacity of them because we no longer have the grants to give them. So, for me, there is a burning platform there to do something differently, because, yes, we should include them in the definition of social value and demands of it, but if we thought from the supply of it, them being suppliers of social value to us, we need to do more to change the models of sustainability and start thinking about social enterprising rather than charity and voluntary sector. So, if we can have ways were charities can be self-sufficient and self-funding through solving a particular social issue then we create longevity in that sector. Whereas at the moment, VSOs traditionally have been very dependent on the local authorities giving the grants when we don’t have grants anymore, have no funding streams. And as much as the passion of volunteers is always going to be very high, without the clash flow sometimes the level of impact that they can actually make is much more reduced and therefore they have inability to scale their idea to a larger platform. I think a perfect example is a charity that we have in the borough, and what they do is, they take old cloths and fabrics and they remit new cloths and pillow, cloths and jackets and things like that. And was very much a forum where elderly people or unemployed people can get together, is just sort of a hobby. What we are looking at now is, can we create a model, because we know that they do very good things for people, say woman, some of the ladies who do that work, are victims of domestic abuse, and we know that’s a really good charitable organization, but we could help them to scale and could we help them to monetise their efforts. So, for example, can we, through our - local authority recycling cloths, could we collect recycling cloths and give it to that organization instead of them having to go and collect it. Could we integrate our supply system to that organization, could they then use those items and then sell those in a market which then earns that organization money, which then can be re- circulated among the employees, like a cooperative, something like that. That’s a good example of taking what was a charitable hobby like organization and moving it into a social enterprise. If we can help them join the dots of suppliers, in this sector of cloths.

CM How would you describe the relationships between VSOs and your local authority?

IE I will struggle to comment on that, I only been in this particular role for about 18 months, so I don’t have a long standing relationship, and that is not really my job but I can say, really generalising, at central government policy level I think there is greater expectation and local government level. The greater expectation on the third sector, to perhaps deliver services which used to sit in the local authority for example. There is greater expectation for them to integrate and deliver but sadly the funding is there to prompt them up. And I think that’s generally a constellation so we are leaning toward the third sector to do things for us but not able to fund them in the old ways, so we have to think of the new ways in which we can generate cash flow to be sustainable. That’s I would say.

CM What impact a local social value policy might have on these relationships?

IE Is a combination of the evidence based and the policy that will encourage a positive shift. So when we publish the program work it would be out there for anyone - corporation, businesses, the third sector to look at and saying there is actually a level of inequality here in this particular space, we should be really doing a think about. And they can use that to attract funding, they can use that to develop, help them to develop their social enterprising models. And then, the council has a policy around how we procure such services in place, so we have to think of it, first there is there an evidence based because if there isn’t an evidence based, charities might struggle to tell a compelling story to commissioners of why people should invest into them. Because charities they deliver but also lobbying, and then think there is a great gap here, I don’t know I’m just picking mental house services. There is a gap here and the landscape in (case A) is we have x number of people who have been identified as having a mental house illness. You know, can we help these people do better. And the council has a policy in place where officers are better educated on how to commission such services and we can basically say, if the baseline is here the evidence base is here and somebody is coming, I can help you shift that particular indicator that number to this level we can commission based on that outcome. And that’s where the commissioning relationship changes because rather than us saying we have a need, can we buy this service or something else, is worth saying, the needs are out there and are fully transparent for any acting agent in the borough to say, I want to do something about that. And there is a policy in place through which we can enable, help, procure etc.

CM What you can tell about the outcome funding relationships in the local council and VSOs?

IE I won’t have an extensive answer on that. I think one of the things I seen is we certainly attempting to do, as others are, is embarking upon social impact bonds as a mechanism to join potential investors with delivery partners and then say this is how we would like to be commissioned based on outcomes rather than performance based and kind of indicators. I have seen a larger interest in the social impact bond market over the past 2 years, but weather those are actually translated into contracts that currently been delivered, I don’t know, because there is a lot of pros and cons with that particular vehicle. And I don’t think that the SIB market, even if those SIB has been around for few years I don’t think is reached any form of maturity. But it is a vehicle to have those conversations, the way in which the VSOs are commissioned. So, my personal experience of developing a SIB has been navigating the local authority commissioning processes for social investor expectations vs a voluntary sector partner, been able to deliver a really challenging processes. It is not easy. If you think about things that happened in the private sector, merger and acquisition, one company buys another company, is either mutually beneficial or is completely hostile. And we only talking about two organizations. Hostility in terms of, if it is a hostile take, I bought more than 50% of your share therefore I own you. Is totally one sided. Mergers are more complicated because they are trying to find some mutually beneficial, win-win situation, and that’s way there is a lot of money in those industries. And they are dealing with two organizations, which could have probably very similar cultures, if not industries, experiences right, so, teach companies’ merging requires other tech companies, because they requires intellectual properties right. It is very bilateral. Whereas though SIB is through completely different organizations, working completely different, legislative, with completely different statutory obligations, with completely different leadership, processes, all of that staff. For me creating one specific vehicle focusing on delivering outcomes for a particular cohort society. It is not particular easy.

We have to create the environment to do things differently. Because, the current paradigm is, we need to create that environment, and let agents act in a way that is orchestrated towards a definition of social value. We believe in this, that’s our most shared vision or shared understanding.

CM What’s your approach around co-design and co-production?

IE Yes, I would rather give this a try rather than see the VSOs dissolved. I think the energy from outside is strong, the passion is there to do it. I think some people, some authorities can shy away from this because there are difficult conversations. But if we think about what (case A) have done in the last couple of years, the space, we really achieved a lot. This is kind of what’s next, how we can actually shift, how shift to a completely different model of social value. So we try to take an entire organization as place to a different way of behaving, essentially that’s what it is, have a shared understanding of social value and therefore we need to behave differently through our processes, being commissioning, being delivery, intervention, in a way that is conducive to that definition of social value.

CM Why your local council decided now to do a local social value policy?

IE As I said, one is because we developed the evidence based. That’s the one thing. What we are going to do with this evidence based. And secondly because the, let’s put this way, in local authority when we talk about transformation, we often talked about transformation internally, so what that meant is, the different ways the council looks, we talked about digital services, target operating models, new commercial ventures. So when we talked about transformation it’s been very much about redesigning the structure, the technology, the process of the council. I think we passed that now, we have been doing that level of transformation has been going on for a number of years, I think were we are now is in order to not go bankrupt as a council I suppose, we actually have to enable transformation out there. So we are thinking instead of us of being extremely paternalistic as an organization, how we can be an enabler a facilitator of social development in the communities. So, as I said, instead of the traditional I’m going to purchased it. It is about being able to say, the community, the place has this particular voice and the, can agents in the community be in a business could be a VSO community and trust company, all the third sector or a single individual, can you guys can do something about it, we will create the legislative landscape to enable that to happen through policy. So I think that’s way.

CM What impact had austerity on the local authority budget?

IE That’s still ongoing. At the end of the day, the biggest costs of the council are adults, children social care. So every else that we do it means to ensure that and sustain our social care offer to communities and our statutory obligations. So in many cases we are scratching for traditional funding for, we are looking at ways to get more money into books so that we can pay for social care. I think personally there is opportunities of an integrated health and social care model, which means to involve the NHS and all that. And it is always going to be, as I said, that internal structure and change because we just have to pull things that are not essential out. Because we simply cannot afford it anymore. And therefore there is a friction between dealing and firefighting and making sure that we can care for the people, vulnerable people that needs us the most, and place making and doing and being socially innovative to encourage resilience in society. And is always going to be that friction, for as long as austerity exists. So, 2020 is going to be very key year for us, because that pretty much when all of us central government funding runs out so we have to be self-sufficient by 2020. So that’s why want policy in place by next year because gives us some time to embed and people start behaving and acting differently. That friction is always going to be there. I think that if we get the local authorities into the, back to that place making and building community resilience, I think if we get back to that, that will be our way with austerity because the demand will not be without simply out there.

CM Thank you.