

LIVERPOOL SOCIAL VALUE CHARTER



A SOCIAL
VALUE
CHARTER
FOR LIVERPOOL

2015

FOREWORD

Business and enterprise are at the very heart of the city of Liverpool, creating wealth, opportunity and social cohesion. And it is the private sector which will play the definitive role in shaping the city's future prospects.

The decisions of thousands of business people – from the directors of small and medium sized enterprises to executives in large corporations – will determine whether our city has the bright and successful future which its residents deserve.

We believe businesses have a critical role to play in the creation of a fairer, greener and cleaner city for all those who live and work in Liverpool and who visit the city for business and pleasure.

This Charter identifies exactly what that role is and how businesses can take relatively simple steps which will make a potentially huge difference to our collective fortunes.

At the heart of this charter is a simple pledge which we are asking businesses to take.

We want them to commit to the re-allocation of a small proportion of the money which they currently spend outside the city. That could be with suppliers, consultants or sub-contractors.

If every business in Liverpool re-directed just 10% of the money which they currently spend outside the city and instead spent it with other businesses here in Liverpool, the impact on the economy would be huge.

It is estimated, in fact, that the impact would be an additional £10 BILLION pounds being pumped into the Liverpool economy every year.

That's why we're calling the Liverpool Social Value Charter campaign 10% MORE.

But that's not all the Liverpool Social Value Charter is about. The Liverpool Social Value Charter is a movement for change which will benefit everyone. It's a movement which will deliver new revenue for businesses and new jobs for our young people. It's a socially and economically sustainable way of doing business which we want all organisations to adopt.

The Liverpool Social Value Charter is, fundamentally, about enlightened self-interest.

It's about doing the right thing for your business, your employees and the community in which you operate.

Please join us.



Mayor Joe Anderson



**Mayor of
Liverpool**



ABOUT THE CHARTER

The Liverpool Social Value Charter is a set of guiding principles which organisations from all sectors are invited to adopt.

These principles have been determined by a partnership of organisations from the public and private sector and the Charter has the full backing of Liverpool City Council and the Mayor of Liverpool. The Charter is aligned to 'The Report of the Liverpool Fairness Commission May 2012' and is designed to underpin its key recommendations.

Social value can be generated in a number of ways. It can be created through the delivery of local job and supply chain opportunities, by paying employees the Living Wage, by creating apprenticeships and employment schemes and by training and up-skilling staff.

It can also be generated through corporate volunteering and collaboration with voluntary and social enterprise organisations and communities.

This Charter is based on the fundamental understanding that integrating social value into decision-making not only creates benefits for others but also provides tangible business advantages.

All Charter signatories will make a positive commitment to improving the economic, social and environmental well-being of Liverpool through their activities.

These contributions will include outcomes such as creating apprenticeships, local jobs and supply chain opportunities through the intelligent commissioning and procurement of goods and services.

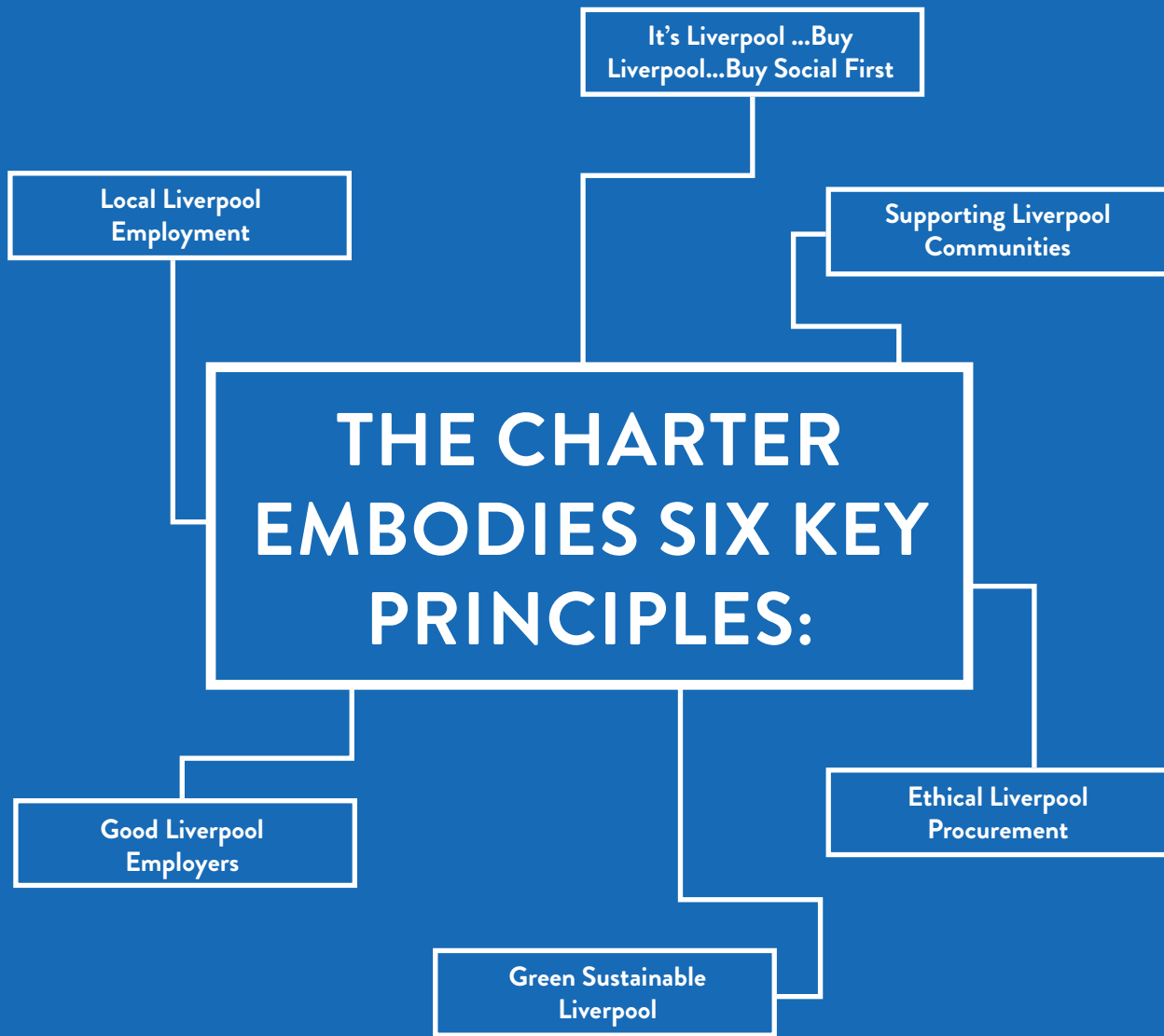
They will also include the delivery of training, professional development and other opportunities for local people.

In addition, signatories recognise the diversity of people within their businesses and communities and accordingly place inclusivity at the forefront of decisions.

Charter signatories will commit to the Charter principles, either by fully adopting the Charter at the time of signature or by making a firm commitment to full adoption in accordance with a clear, timetabled development plan.

Businesses that embrace the Charter by embedding it into their business planning processes will be expected to monitor implementation of the Charter principles effectively and to demonstrate the social value outcomes and economic benefits to their business.

The intention is that future commissioning and contracting decisions made by signatory organisations will take full account of the principles of this Charter by being formally incorporated into new contracts and procurement policies.



Using the six key principles, businesses across all sectors should aspire to intelligent commissioning of future goods and services in order to benefit the local economy and the wider community that is Liverpool.

STATEMENT OF INTENT

We the undersigned are fully committed to creating effective social value within our businesses and respective supply chains. In signing the Social Value Charter, we the undersigned agree to adopt the six key principles outlined in this document in our businesses. In doing so we are making a firm commitment to implementing the principles within our business and strategic plans which govern our business activities.

Recognising the need to use social value as a driver for economic growth, we embrace the Charter and its key principles. We will work with our respective stakeholders to ensure that social value is extended for the benefit and greater good of the city and for all who visit, live, and work in the city.

Signed.....

Date.....

Organisation.....



**LIVERPOOL
CITY
REGION**

£5.6M

Just 1 business each from those spending **£100k, £1m, £5m, £10m, £25m & £100m** per annum and worked with each of them to divert just **10%** of what they currently spend **OUTSIDE** the city region **BACK** to Liverpool, an additional **£5.6 million** would be available to reinvest in the local economy.

That's an additional **230** jobs at full Liverpool average wage of **£24k!**



36,000

Liverpool city region has **36,000** businesses - about **20,000** fewer than it should have and around a **6,400** shortfall of business in Liverpool compared to other core cities

99.6%

99.6% of all registered businesses in the city region are **SMEs**.

2,400

If we did the same with just **200** companies, pro rata based on the size of those companies, a further **£59 million** can be generated to spend back in the City of Liverpool....

That's **2,400** additional jobs at full Liverpool average wage of **£24k!**

1 in 2

1 in 2 workers (and their families) are dependent on **SMEs** in the city region for their employment.

£10BN

If we had every one of the **36,000** businesses across the **LCR** did the same, an additional **£10 BILLION** could be freed up to be invested in the Liverpool economy! **YES, £10 BILLION!**



**THE
SIX
PRINCIPLES**

#1 LOCAL LIVERPOOL EMPLOYMENT

Social Value – Employment and Training: Creating a Fairer Economy

Charter signatories recognise that training and employment provide significant opportunities to create a resilient and innovative local economy, and as such will create training, employment and development opportunities, focusing on local priorities wherever possible. Specifically, signatories will:

- *Provide training of the highest quality that focuses on improving skills, supporting job creation and is able to reach those furthest from the job market.*
- *Contribute to the local economy by providing employment that is suitable to the individual, offers job security and provides increased opportunity to all.*
- *Pay a fair wage to all that is correct for the job. Where appropriate, the living wage should be the baseline target.*
- *Create jobs and apprenticeships within supply chains wherever possible for local people by removing barriers within commissioning and procurement practices.*
- *Work with local education providers to ensure young people are equipped with appropriate skills for the employment market.*
- *Adopt an approved Jobs and Skills policy and apply this policy at every stage of the procurement process.*

#2 IT'S LIVERPOOL...BUY LIVERPOOL... BUY SOCIAL FIRST

Social Value – Creating Local Jobs and Opportunity for Local Supply Chains

Charter signatories understand the social, environmental and economic value of buying locally, and therefore support commissioning and procurement activities that support local organisations whenever possible. Specifically, signatories will:

- *Commit to re-allocating a minimum of 10% of spending which currently leave the city so that it is spent in Liverpool*
- *Support the local economy by choosing suppliers close to the point of service delivery wherever possible.*
- *Develop tender evaluation processes that reward those bidders that can demonstrate the creation of additional social value for Liverpool.*
- *Encourage suppliers to endorse and embrace the principle of “It’s Liverpool ... Buy Liverpool ... Buy Social First” throughout their supply chain.*
- *Commit to working with business representative bodies and other local agencies to help build the capacity of local SMEs and social enterprises to successfully bid for contracts let by signatory organisations and other organisations.*

#3 SUPPORTING LIVERPOOL COMMUNITIES

Social Value – Enabling Communities and Citizens to Thrive

Charter signatories will play an active role in investing in community development. This includes supporting citizens to play an active part in their local communities, to empower individuals and community organisations to help shape the life of the city, and sharing resources with local communities. Signatories will recognise the skills and strengths of communities and how they can foster these to tackle challenges communities themselves wish to address. Specifically, signatories will:

- *Form meaningful, long-term partnerships with local community organisations, learn from their experience and share resources with them to help meet mutual goals.*
- *Enable and encourage well supported volunteering opportunities that makes the most of available skills and resources.*
- *Invest in programmes and ways of working that reduce social isolation, build connections and understanding within and between different communities.*
- *Engage with communities to increase economic, social and environmental wellbeing.*
- *Work with schools, colleges and youth centres to offer work experience and business awareness to students, especially to individuals facing disadvantage of any kind.*
- *Build local capacity and resilience by supporting voluntary, community and social enterprise (VCSE) organisations with resources, expertise, and partnerships.*

#4 GOOD LIVERPOOL EMPLOYERS

Social Value – Wellbeing and Welfare of Employees and the Supply Chain

Charter signatories value the welfare of their staff and those within their supply chains, and as such commit to provide appropriate support and development for all. Specifically, signatories will:

- *Promote a positive culture of equality, diversity and human rights within the workforce and supply chain that respects all individuals, and does not engage in any form of discrimination or blacklisting practices.*
- *Provide safe working environments and comply with all appropriate health and safety, working hours, employment and social security requirements.*
- *Embed a whistle-blowing policy and not employ harassment or intimidation.*
- *Ensure that all are fairly rewarded for their work, and where appropriate and possible the Living Wage should be the baseline.*

#5 GREEN SUSTAINABLE LIVERPOOL

Social Value – Liverpool: A Cleaner, Greener, Sustainable City

Charter signatories will commit to protecting the environment, minimising waste and energy consumption and using other resources efficiently. These commitments will also apply to their supply chains. Specifically, signatories will:

- *Eliminate unnecessary waste by adopting the “reduce, reuse, recycle” philosophy.*
- *Be a good neighbour, minimise negative local impacts (noise, air quality), improve green areas (e.g. biodiversity, visual attractiveness).*
- *Measure and reduce carbon footprint – using carbon measurement tools, ensure that the main impacts on carbon emissions including the indirect carbon used in manufacturing processes and the direct impact of operations and logistics are accounted for.*
- *Protect the environment and minimise adverse impacts and embed this approach throughout suppliers’ supply chains.*
- *Establish a coordinated travel plan where appropriate that encourages the use of sustainable travel options.*

#6 ETHICAL LIVERPOOL PROCUREMENT

Social Value – Supporting Ethical and Fair Procurement

Charter signatories are committed to employing the highest ethical standards in their own operations and those within their supply chain. This commitment extends to ethical procurement within all contracts awarded and the associated supply chains. Specifically, signatories will:

- *Respect fundamental international standards against criminal conduct (e.g. bribery, corruption, fraud) and human rights abuse (e.g. modern slavery, use of child labour).*
- *Work to the highest standards of business integrity, transparency and ethical conduct.*
- *Pay their fair share of taxes according to the letter and spirit of the law.*
- *Pay suppliers no later than the terms stated in the primary contract.*
- *Actively identify continuous opportunities to improve the value of their procurement processes and supply chain to increase economic, environmental and social impact.*
- *Ensure the well-being and protection of work forces which must be supported by robust systems and procedures.*

THE SOCIAL VALUE PARTNERSHIP

The Liverpool Social Value Charter has been co-designed and produced by the following partners, all of whom are passionate about Liverpool, creating a fairer city and delivering social value outcomes to support the local economy.



Designed by Agent Marketing