# Tier 1: A private business take on Social Value

### The Challenge

Greater Manchester (GM) Councils plus the Police, Fire and Rescue Service and Transport for Greater Manchester required cost reductions over existing practices through an environmentally, operationally and ethical means of disposing of ICT equipment at end of useful life. This included ensuring destruction of data in line with industry standards and equipment tracking for data protection reasons.

This service was previously provided on a fragmented basis across GM with varying levels of service. Key elements of the contract were to ensure that all data was treated appropriately given the potential sensitivity and that equipment was recommissioned if possible or otherwise recycled and that minimal waste is sent to landfill.

Councils were keen for the specification to include a mechanism for authorities to specify that equipment be remarketed, redeployed following data wiping and appropriate upgrading under the contract and donated to voluntary sector organisations or charities.

A decision was taken to let a collaborative framework that can be accessed by all GM Authorities so as to maximise the outcomes in relation to Price, Quality of Service and Social Value.

### The Model

The GMCA introduced a policy to derive Social Value from all procurement activity in 2014. Under this policy, suppliers are requested to include proposals to deliver Social Value with tenders for any supplies, services or works contracts in GM. The proposals for Social Value must be linked to the objectives included in the GMCA's "Stronger Together" strategy for the City Region which are:

- promote employment and economic sustainability
- raise the living standards of local residents
- promote participation and citizen engagement
- build the capacity and sustainability of the voluntary and community sector
- promote equity and fairness
- promote environmental sustainability

Tenders are scored according to the price, quality of service and the Social Value offered with each bid. Quality submissions focussed on working practices, a high level of data security and effective data wiping and environmental credentials. Comparative scores were given to the Social Value proposals and suppliers were encouraged to provide responses that focussed on innovation.

The framework was awarded to 2 suppliers, Tier1 and Stone with the option to place contracts either through direct award or following a "minicompetition" based on price.

## Social and Economic Value Created

Tier 1's bid included a significant existing commitment to Social Value based on their stated "commitment to social values, guaranteed security, sustainability and an obligation to innovation".

The company has worked with Antz network (a GM Charity that operates the "Through the Gate Work Ready" Programme) to establish a partnership with Forest Bank Category B prison in Salford, under which IT assets that Tier 1 cannot re-use are processed by inmates.

Whereas this type of equipment was previously transported to recycling partners who crushed, shredded and smelted waste metals and plastics, the breakdown and separation of boards, precious metals and plastics is now being undertaken by prisoners. The result is an obvious reduction in environmental impact but also a significant benefit to inmates from training, qualifications and work experience.

This enables prisoners to work a 40 hour working week engaging them in a working environment that mirrors work in the community and provides the opportunity to gain a newly developed NVQ qualification in recycling, enabling them to be "work ready" for potential employers when released.

Tier 1 donate the revenue from this process to a local charity involved in the rehabilitation of prisoners after release; including training, support and personal development.

#### **Best Practices**

The framework provides a value for money service (authorities benefited from cost reductions of up to £100k per annum) that is compliant with all legislative requirements and exceeds environmental requirements as Tier 1 guarantee that zero waste goes to landfill.

The contract provides Social Value that is particularly relevant to the Greater Manchester ""Stronger Together" strategy by:

- Assisting ex-offenders to gain employment by providing a CV and commitment to a working lifestyle that demonstrates workreadiness to prospective employers. This reduces the demand on public sector support and potential future health issues that result from long term unemployment.
- Reducing re-offending rates. Research shows that offending behaviour programmes can reduce reconviction rates by up to 14%
- Saving the UK economy significant revenue. A re-offending exprisoner is estimated to cost the criminal justice system an average of £65,000 in addition to the costs of keeping prisoners within prison which average £37,500 per year.
- Helps victims of crime, the other public agencies who provide support and the national economy through loss of income, the communities in which they live as well as the prisoners themselves and their families.