

## **NSC SOCIAL VALUE POLICY – Sept 17**

### **1. Introduction**

The Public Services (Social Value) Act 2012 came into force on 31st January 2013. Public Authorities are required to “consider, prior to undertaking the procurement/commissioning process, how any services procured might improve economic, social and environmental well-being”. The Act applies to all public service contracts over the EU threshold.

This document provides further information on how Social Value should be considered and applied within the council’s procurements, and includes detail on what constitutes Social Value for the council.

### **2. Corporate Plan**

The corporate plan sets out the council's vision and overall priorities. The plan identifies three key outcomes which we want to achieve for local people, each with some specific ambitions:

#### **Prosperity and opportunity**

- drive growth in the North Somerset economy and local jobs make sure all our town centres are thriving
- enable young people to fulfil their potential
- make sure all our communities share in prosperity and employment growth.

#### **Health and wellbeing**

- enable residents to make healthy choices and promote active lifestyles which reduce ill health and increase independence
- support families to give their children the best start in life
- commission or provide quality health and care services, which deliver dignity, safety and choice quality places.

#### **Quality places**

- enable sustainable housing growth which protects our natural and built environment and the special character of our village
- build and sustain great places to live and visit—vibrant, accessible, and safe
- empower people to contribute to their community and communities to provide their own solutions.

The plan also identifies 'cross-cutting enablers':

- a transformed council which is modern, innovative and accessible
- skilled and motivated staff who are passionate about making North Somerset even better
- excellence in resource management
- strong outcome-focused partnerships

### **3. What Social Value means to North Somerset Council**

Social Value should support the overall priorities of the Council. It is important to describe what the Council is seeking to achieve from Social Value to potential suppliers who are bidding for council contracts.

A table setting out required Social Value outcomes and how they might be delivered, is provided at Appendix A.

### **4. Delivering Social Value through procurement**

The overall approach to delivering Social Value through the Council's suppliers is to agree proportionate and relevant social value outcomes with suppliers during the procurement. There are two different, but complementary routes through which this can be achieved. Firstly, Social Value can be built into the contract as a performance obligation within the requirements/specification. Secondly, suppliers can be asked to be innovative about how they might deliver additional Social Value through the contract, and their responses are assessed as part of the overall evaluation process. Note, that these routes are not necessarily independent i.e. both may be used within the same procurement process.

#### Performance Obligation route

The commissioner, in developing the requirements/specification for the contract, should consider the nature of the contract and the areas of potential Social Value described in Appendix A. Where the commissioner considers that specific additional Social Value obligations are appropriate and relevant then these should be included in the requirements/specification. It is important that these obligations support the Council's overall strategic priorities and are proportionate to the goods and/or services being delivered under the contract.

Examples of Performance Obligation Social Value requirements are:

- a construction contract that includes the ability to target local recruitment and training for construction related skills;
- a catering contract which requires the use of seasonal, locally sourced ingredients
- a grounds maintenance contract requiring the use of indigenous plants only.

#### Evaluation route

Tender documents should ask suppliers, as part of their response, to consider the Council's required Social Value outcomes (Appendix A) to describe how they might support these areas in delivering the core requirements of the contract. This route offers greater opportunity for potential suppliers to be innovative in their responses, and does not restrict suppliers to considering Social Value benefits within the constraints of the scope of the contract. It is also possible within this approach to specify the required outcomes but not how they might be achieved, which can be left open for suppliers to develop proposals. Examples of Social Value that might be offered by suppliers through this route include:

- A community based childcare organisation that invests in programmes to help local long-term unemployed people into childcare training, qualifications and employment.
- A transport company that tenders for a contract to run bus routes and offers to provide added value through the delivery of a community dial-a-ride service.

- A housing management organisation that wins a contract to undertake property maintenance and repair work, and offers to also promote careers in construction and trades to local schools, and commit to employing young people.

Commissioners should ensure that procurement documents, in particular the Evaluation Model, allow potential providers to outline how they will deliver Social Value in addition to the core requirements of the contract. Commissioners must also ensure that procurement documents are clear on how responses will be assessed and evaluated.

### Weighting

During the planning stage of a procurement, consideration should be given to the weighting that should be applied to Social Value compared to other criteria. As a general guide, this should be 10% of the quality element of the evaluation.

## **5. Sustainable Procurement**

An Environmental Assessment should be undertaken as part of every procurement process. This will identify the risks and opportunities that needs to be considered during the procurement. Commissioners should use this information to identify potential performance obligations that could be included in requirements.

## **6. Measuring Social Value**

Social Value measurement is about understanding the additional value, over and above the core value provided by the service being procured, that is provided by the supplier as part of the contract. There is no single approach to measuring Social Value, as the benefits are varied and sometimes intangible. The Council's commissioners and providers will agree measures for Social Value outcomes during the commissioning and procurement processes, considering the following factors:

- The extent to which the Social Value is incremental to activities that are already being undertaken by the supplier
- The potential beneficiaries from the Social Value, for example, where new jobs are created we will consider the impact on those most removed from the labour market.
- The extent to which the outcomes impact those in most disadvantaged areas.
- The extent to which the proposed action/outcome is measurable.
- Confidence that the outcome can be delivered.

Where the Performance Obligation approach is used, Commissioners will need to be clear about what needs to be measured and how this will be done. Where the Award Criteria route is used, potential providers will need to set out their intended measures in their tender submission.

When measuring Social Value, the council will consider both soft and hard outcomes. Soft outcomes are things that cannot be directly measured e.g. well-being. Hard Outcomes can be clearly defined, are tangible and more easily measured in figures.

The overall measurement process needs to be appropriate to the services and provider organisations using them, clear, proportionate and realistic.

Records of the Social Value that has been created will be maintained centrally.

## **7. Support provided to suppliers**

This policy is intended to allow all suppliers equal opportunity to offer Social Value. However, it is recognised that, in some cases, smaller suppliers may need support to allow them to optimise their potential contribution. The following bodies are able to provide support and advice:

1. Voluntary Action North Somerset
2. Quartet Community Foundation
3. NSC Strategic Procurement Service

## **8. Approach to implementation**

A Social Value Board will be set up to review progress and achievements, particularly in the areas of:

- Outcomes achieved through our approach to social value
- Communications and training for relevant staff
- Supplier event(s) to ensure suppliers understand our approach
- Ongoing review of the required Social Value outcomes to ensure that they remain relevant
- Consistency of application across all procurements
- The effectiveness of the measurement of outcomes

## **APPENDIX A – Social Value outcomes**

<b>Outcome</b>	<b>Beneficiaries</b>	<b>Possible examples to deliver Outcome</b>
<b>Increased employment to local people</b>	<ul style="list-style-type: none"> <li>• Residents of North Somerset</li> </ul>	<ul style="list-style-type: none"> <li>• Jobs</li> <li>• Apprenticeships</li> <li>• Work experience</li> <li>• Training</li> <li>• Taster days</li> <li>• Use of local suppliers within supply chain</li> <li>• Where subcontracting, doing so locally</li> </ul>
<b>Increased employment to those most removed from the labour market</b>	<ul style="list-style-type: none"> <li>• Those not in education, employment or training</li> <li>• Care Leavers</li> <li>• People with mental health issues</li> <li>• People with long term health issues</li> <li>• People with disabilities</li> <li>• Ex-offenders</li> <li>• Carers</li> </ul>	<ul style="list-style-type: none"> <li>• Jobs</li> <li>• Apprenticeships</li> <li>• Work experience</li> <li>• Training</li> <li>• Taster days</li> </ul>
<b>Increased employment to young people</b>	<ul style="list-style-type: none"> <li>• Those not in education, employment or training</li> <li>• Residents aged up to 25 years old</li> </ul>	<ul style="list-style-type: none"> <li>• Jobs</li> <li>• Apprenticeships</li> <li>• Work experience</li> <li>• Training</li> <li>• Taster days</li> </ul>
<b>Increased use of local supply chain</b>	<ul style="list-style-type: none"> <li>• Local businesses</li> <li>• Residents employed by local businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritised/sole use of Local suppliers</li> <li>• Where subcontracting, doing so locally</li> <li>• Advocating use of local suppliers within contract delivery</li> </ul>
<b>Reducing negative and promoting positive environmental impacts</b>	<ul style="list-style-type: none"> <li>• Residents of North Somerset</li> <li>• Wildlife of North Somerset</li> </ul>	<ul style="list-style-type: none"> <li>• Use of energy efficient vehicles</li> <li>• Use of public/shared transport</li> </ul>

	<ul style="list-style-type: none"> <li>• Environment of North Somerset</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced travel by Supplier</li> <li>• Use of technology around paper-free office and/or remote working</li> <li>• Use of local suppliers to reduce travel within supply chain</li> <li>• Reduced energy usage</li> <li>• Alternative energy creation/usage</li> <li>• Use of recycled/refurbished goods in contract delivery</li> <li>• Donation of by-products rather than disposing of.</li> </ul>
<b>Increased health and wellbeing for all</b>	<ul style="list-style-type: none"> <li>• Residents of North Somerset</li> <li>• People at risk of lifestyle related ill health</li> <li>• Older people</li> <li>• People living in isolation</li> </ul>	<ul style="list-style-type: none"> <li>• Organise activity days promoting physical fitness</li> <li>• Organise social events for more isolated groups in North Somerset</li> <li>• Support charities who encourage and enable increased physical/mental wellbeing</li> </ul>
<b>Supporting schools and life-long learning</b>	<ul style="list-style-type: none"> <li>• Children and Young People</li> <li>• Families</li> <li>• Local Businesses</li> <li>• Residents of North Somerset</li> </ul>	<ul style="list-style-type: none"> <li>• Providing Governors for school boards</li> <li>• Presenting at assemblies</li> <li>• Providing work experience opportunities to people all ages</li> <li>• Providing careers advice/guidance at education events</li> <li>• Providing business administrative support to schools</li> <li>• Donating useful unwanted goods/by-products to schools</li> </ul>

<p><b>Developing Cultural heritage</b></p>	<ul style="list-style-type: none"> <li>• Residents of North Somerset</li> <li>• Local Businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Creation/refurbishment of space for exhibitions</li> <li>• Sponsorship of cultural events</li> <li>• Promotion of cultural events within contract delivery</li> </ul>
<p><b>Stronger local voluntary/community sector</b></p>	<ul style="list-style-type: none"> <li>• Local Voluntary and Community Organisations</li> <li>• Local Social Enterprises</li> <li>• Residents of North Somerset</li> </ul>	<ul style="list-style-type: none"> <li>• Providing donations to local voluntary/community organisations</li> <li>• Use of Local Voluntary and Community Organisations or Social Enterprises in supply chain</li> <li>• Promotion of local voluntary/community organisations within contract delivery</li> </ul>