

Social Value Guidance

Introduction

The Public Services (Social Value) Act 2012 came into force in January 2013 cementing the responsibilities of a contracting authority when procuring services contracts subject to public procurement regulations to consider the economic, social and environmental well-being of the relevant area in its procurement activity.

Tameside MBC intends to enhance its commitment to the Act by going beyond the Acts requirements and implementing this Guidance into further aspects of its commercial and procurement activity where it is practical to do so. In doing this, both the detail and spirit of the Act can be delivered in all Council commercial and procurement activity.

Due to the wide range of services provided by the Council there is no 'one size fits all' model and, as such, this document should be considered alongside advice from the Commercial and Procurement, Legal and Employment Skills teams to ensure specific service or departmental needs are fully considered.

This Guidance has been designed to align with both the Tameside 'Our People – Our Place – Our Plan' outcomes and the GMCA Social Value policy (issued November 2014).

1. What is Social Value?

Social Value has been defined as the additional benefit to the community from a commissioning / procurement process over and above the direct purchasing of goods, services and Works. The Public Services (Social Value) Act 2012 states:

The authority must consider –

*How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and;
How, in conducting the process of procurement, it might act with a view to securing that improvement.*

In order to really deliver social value and have it fully embedded and considered, commissioners must move away from just considering the core service being delivered by a supplier to one that recognises the overall value of the outcomes that are to be delivered.

2. Misconceptions around Social Value

APPENDIX A

It is worth noting that there are a number of commonly held misconceptions about social value in commissioning and procurement which can be usefully dispelled.

Report from Social Enterprise UK, Wates Living Space, PWC, the Chartered Institute of Housing, and Orbit Group launched at Chartered Institute of Housing Conference, Manchester, 26 June states that:

- 71% say delivering social value has led to better service delivery.
- 52% say it has resulted in cost savings.
- 82% report that it has led to an improved image of their organisation.
- 78% say it has led to better community relations.
- Additional benefits for communities include improved wellbeing and quality of life for tenants and residents; keeping spend in local economies; reductions in crime.
- Additional benefits for housing associations and local authorities include increased staff motivation and supporting innovation by changing mind-sets about how services can be delivered.
- The majority (80%) of local authorities and housing associations say that employment is the number one local social value priority, followed by youth employment (54%) and training / volunteering (51%).
- More than a third (39%) say the Public Services (Social Value) Act has had a high impact.

3. What does Social Value look like in practice?

Council representatives are required to seek measurable, verifiable social value outcomes that:

- a) are relevant to the purpose of commissioning where possible;
- b) can reasonably be included in contract specifications and
- c) contribute to achieving the Councils priorities

This list is not intended to be definitive but will be used to determine the priority of benefits offered.

4. Social Value in Procurement.

STAGE 1: The Commercial Strategy

By considering Social Value prior to the procurement, commissioners can shape or adapt the approach and outcomes of the specification to allow services to maximise the social value in the way they are delivered.

APPENDIX A

In including and evaluating Social Value, it allows the Council to choose a supplier under a tendering process who not only provides the most economically advantageous core service, but one which goes beyond the basic contract terms by securing wider benefits for the community to truly offer significantly increased overall value for the council and its residents.

STAGE 2: The OJEU Notice

The incorporation of the social benefits must be set out in the OJEU Notice (if the procurement is above OJEU thresholds). Wording used should be framed as broadly as possible to ensure maximum flexibility throughout the process.

The following is example wording:

Section III: Legal, economic, financial and technical information

III.1.4) Other particular conditions

The performance of the contract is subject to particular conditions: yes

Description of particular conditions: Under this contract the contractor and its supply chain will be required to actively participate in the achievement of social and/or environmental objectives relating to recruitment, training and supply chain initiatives, and sustainable working. Accordingly, the contract performance conditions may relate in particular to social and/or environmental considerations.

STAGE 3: Tender

Bids from suppliers will need to demonstrate their and, where appropriate, their supply chains ability to add economic, social and environmental value to the Council above and beyond simply providing the tendered service and provide evidence which would contribute to the outcomes specified. Bids are to be evaluated in line with the outcomes specified in the tender documentation. Tenders should apply a minimum value of 20% to the scoring criteria, although each contract requirement should be reviewed on a case by case basis. Some tenders would not be appropriate to include 20% on social value due to their size or nature, in these cases a determination of applying 0-20% could be made, however we would strongly advocate that social value is a key driver led by an evolving culture and ambition for the Council. The examples of the offers suppliers could make under social value are detailed in section 5 (Social Value Outcomes & Indicators) and are wide ranging allowing differing levels of commitment as appropriate to the value of the contract. Essentially, social value can be applied in any size contract and need not be excluded for low value commissioning.

The method statements provided should enable the evaluator to score the bidders approach, taking pro-activeness and innovation into consideration. The criteria must be in line with EU regulations and must therefore:

- a. Be relevant to the subject of the contract

APPENDIX A

- b. Be specific and objectively quantifiable
- c. Represent an economic benefit to the authority

The aim is to encourage innovation from bidders and to ensure that any scoring or measurement does not stifle this. STAR Procurement are trialling a new scoring mechanism which intends to provide a relevant and proportionate methodology linked back to the subject matter of the contract. STAR Procurement propose that TMBC adopt this mechanism to ensure consistency across all of their 4 partners and to allow the opportunity to feed into its further development. Alternative measurement tools are suggested in the Cabinet Office Social Value Act Review Report (February 2015) including the use of the Inspiring Impact Hub.

STAGE 4: Contract Monitoring and Management

Following the award of contract(s), Social Value should be included in the monitoring and reporting arrangements agreed with suppliers. It is important that the economic, social and environmental aspects are captured using key performance indicators, where possible, in order that the success of Social Value can be measured and quantified. Social Value should be included on the agenda for ongoing performance and monitoring meetings, as well as annual contract review meetings, in order to evidence the Social Value benefits achieved and help identify actions where appropriate.

Measurement of outcomes will be essential to understand benefits and also to encourage future implementation. The Employment and Skills Team will work with STAR and internal procurement colleagues to implement effectively. Performance management, as with all performance measures, would be expected from contract managers to ensure delivery or to agree subsequent actions for non-performance. To assist with the ease of this, STAR are currently working with the AGMA Procurement Hub as part of a consistent way to collect Social value outcomes in contracts. In the meantime STAR have a KPI template which is used to capture Social Value outcomes from quotations/tenders which can then be inserted into contracts.

5. Social Value Outcomes & Indicators

TMBC themes & outcomes	GMCA themes & outcomes	What suppliers could offer (<u>in addition to the key requirements of the contract</u>)	Key Performance Indicators (<u>in addition to the key requirements of the contract</u>)
Vibrant Economy – Opportunities for people to fulfil their potential through work, skills and enterprise <ul style="list-style-type: none"> • Median resident 	Promote employment and economic sustainability – tackle unemployment and facilitate the development of skills	Offer Living Wage to employees	1. Number of new jobs created as part of the contract and the number of those jobs taken by local residents, including priority groups (ex-services, care leavers, long term unemployed)

APPENDIX A

<p>earnings</p> <ul style="list-style-type: none"> • Working age population in employment • Employee jobs earning above the Living Wage • Number of enterprise business start ups • GVA • Working age population with at least Level 3 skills • Apprenticeships delivered 	<ol style="list-style-type: none"> 1. More local people in work 2. Thriving local businesses 3. Responsible businesses that do their bit for the local community <p>Raise the living standards of local residents – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester</p> <ol style="list-style-type: none"> 4. A local workforce that is fairly paid and positively supported by employers 	<p>Support all residents into employment, or moving towards employment in the long term, by supporting TMBC Employment & Skills team projects, such as the Menu of Choice which matches employer support to schools and colleges.</p> <hr/> <p>Employment of Tameside residents including through ring fenced vacancies, apprenticeships and traineeships</p> <hr/> <p>Supply chain spend with local businesses</p> <hr/> <p>Support new start-up businesses by running workshops and offering pro-bono support</p> <hr/> <p>Sign the Armed Forces Covenant and work with Tameside Armed Services Community</p> <hr/> <p>Become a member of the local Town Centre Partnership or support town centre activity</p> <hr/> <p>Participate in childcare schemes</p> <hr/> <p>Provision of a flexible working policy, with options for staff who are carers</p> <hr/> <p>Only implement zero hours contracts with staff by mutual agreement</p> <hr/> <p>Provision above legal requirement for maternity / paternity leave</p>	<ol style="list-style-type: none"> 2. Number of apprenticeships that will be completed during the year; or that will be supported to completion on the following years – Level 2, 3 or 4+. Including the number taken from priority groups. 3. Number of traineeships that will be completed during the year; or that will be supported to completion on the following years – Level 2, 3 or 4+. 4. Number of hours dedicated to support unemployed people into work (eg career mentoring, CV advice, work placements, pre-employment courses) 5. Number of hours dedicated to supported young people under 18 years of age (e.g. school/college visits, careers talks, literacy support, safety talks) 6. Total amount spent in local supply chain throughout the contract (including with voluntary / community / social enterprises or small / medium enterprises); % of supply chain with social value commitments 7. You have signed the Armed Forces Covenant (provide evidence) 8. Staff wellbeing policies
<p>Stronger Communities – Nurturing our communities and having pride in our people, our place and our</p>	<p>Promote participation and citizen engagement – encourage resident participation and promote</p>	<p>Employees encouraged and supported to volunteer</p> <hr/> <p>Increase the number of opportunities for people to volunteer</p>	<ol style="list-style-type: none"> 9. Number of voluntary hours donated by staff 10. Number of hours of digital training provided to staff and residents

APPENDIX A

<p>shared heritage</p> <ul style="list-style-type: none"> Participation in cultural events Satisfaction with local community 	<p>active citizenship</p> <p>5. Individuals and communities enabled and supported to help themselves</p> <p>Build the capacity and sustainability of the voluntary and community sector – practical support for local voluntary and community groups</p> <p>6. An effective and resilient third sector</p>	<p>Raise digital skills amongst workforce and local community</p> <p>Contracted services accessible online</p> <p>Support VCSE organisations to access external funding and develop sustainable models</p> <p>Provide pro-bono support, legal, HR or financial time.</p> <p>Increase supply chain spend with VCSE sector</p> <p>Provide sponsorships</p> <p>Adopt a local charity or voluntary group and explore ways to support it</p>	<p>11. Number of hours of skilled / unskilled support provided to local community groups</p> <p>12. Equipment or resources donated to local community (£ equivalent value)</p>
<p>Successful Futures – Aspiration and hope through learning and moving with confidence from childhood to adulthood</p> <p>Excellent Health & Care – Longer and healthier lives for all through better choices and reducing inequalities</p>	<p>Promote equity and fairness – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough</p> <p>7. A reduction in poverty, health and education inequalities</p> <p>8. Acute problems are avoided and costs are reduced by investing in prevention</p>	<p>Provide mentoring, guidance and/or work experience opportunities for young people, particularly priority groups under the care of the Local Authority or care leavers</p> <p>Have staff wellbeing policies, events and benefits</p> <p>Provide assistance with gym or sport club membership</p> <p>Raising awareness and support for staff of mental health conditions, misuse of alcohol and drugs, provide stop smoking support, promote the uptake national cancer programmes.</p>	<p>13. Provision of support to young people and involvement in Tameside Menu of Choice for schools / colleges</p> <p>14. Demonstrable wellbeing policy</p> <p>15. Access to wellbeing sessions (in house or external)</p>
<p>Vibrant Economy – Modern Infrastructure and a sustainable environment that works for all generations and future generations</p> <ul style="list-style-type: none"> Tonnes sent to landfill 	<p>Promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources</p>	<p>Use of products from sustainable sources, introduce ethical purchasing, inclusion of fair trade products</p> <p>Use of water butts and energy efficient methods/products</p> <p>Tree planting</p>	<p>16. Car miles saved through cycle to work programmes, public transport or car pooling</p> <p>17. % of waste recycled and or diverted</p> <p>18. Evidence of grams of CO2 emissions saved</p>

APPENDIX A

<ul style="list-style-type: none"> • Nitrogen oxide emissions • Journeys by sustainable transport / non-car 	<p>9. We are protecting our physical environment and contributing to climate change reduction</p>	<p>Produce travel plans to promote the use of public transport, car share and support employee travel schemes</p>	
		<p>Use of hybrid / electric vehicles</p>	
		<p>Broker volunteers to support projects that meet these objectives such as environmental responsibilities eg litter picking, working with schools, Friends of Parks, bulb donation and planting, 'In Bloom' projects</p>	
		<p>Increase recycling, minimise waste and re-use of resources and materials</p>	
		<p>Donation of unwanted office furniture and ICT equipment</p>	
		<p>Ensure all waste is removed properly, using companies with a valid waste transfer licence</p>	
		<p>Promote Tameside services where environmental crime can be reported.</p>	