

East Herts Council Social Value Policy

Introduction

The Public Services (Social Value) Act 2012 requires all public bodies in England and Wales to consider how the services they commission and procure might improve the economic, social and environmental well-being of their area. It asks public bodies to consider the ways that they could benefit society as part of each decision made. Social value requires officers to think about how they achieve outcomes in a more integrated way, rather than thinking about isolated services or services in the short term. This approach requires officers to consider long term costs, sustainability and how inclusion of additional social value outcomes can potentially reduce pressures in other areas.

East Herts Council embraces the spirit of the Public Services (Social Value) Act 2012. Improving social, environmental and economic wellbeing will help support priorities to build community capacity and resilience. Therefore East Herts Council will apply, as appropriate, the broad principles of social value to all commissioning and procurement arrangements, no matter the value of the goods or services being procured

This Social Value Policy Statement outlines how East Herts Council will embed social value and demonstrates the council's commitment to delivering social value benefits through its commissioning and procurement arrangements.

What do we mean by social value?

The term 'social value' refers to approaches which maximise the additional benefits that can be created through the delivery, procurement or commissioning of goods and services, above and beyond those directly related to those goods and services.

East Herts Council recognises that social value is about maximising the impact of public expenditure. Social value is defined as the additional benefit to the community from a commissioning / procurement process over and above the direct purchasing of goods, services and outcomes.

How will we deliver social value?

The overall approach to delivering Social Value 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 officer leading the procurement, in developing the requirements/specification for the contract, should consider the nature of the contract and the Social Value priorities described below. Where the lead officer 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 targeting local recruitment and training for construction related skills;
- a catering contract which requires the use of seasonal, locally sourced ingredients and specifying active reductions in "food miles" over the life of the contract; and
- a grounds maintenance contract requiring the use of indigenous plants only or specifying low maintenance wild areas, where appropriate, to increase biodiversity and reduce harm to the environment. .

Evaluation route

Tender documents should ask suppliers, as part of their response, to consider the Council's required Social Value outcomes 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 provider that invests in programmes to help local long-term unemployed people into training, qualifications and employment.
- A provider that wins a contract to undertake property maintenance and repair work, and offers to provide building materials and labour, free of charge, to local community organisations.
- A provider 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 commits to employing young people.

Lead officers 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. It is essential lead officers ensure that procurement documents are clear on how responses will be assessed and evaluated. All procurements £75,000 and above must, wherever possible, use the social value portal for Social Value responses to tenders and for reporting of Social Value throughout the contract.

Weighting

For procurements of £75,000 and above Social Value must be 10% of the overall evaluation scores with the remaining 90% split between cost and quality.

Major Planning Applications

We cannot require developers to demonstrate social value when they submit a planning application until the East Herts District Plan is reviewed. We will, however, ask developers, on a voluntary basis, to consider social value as part of the pre-application public consultation process and to submit, as part of their application, evidence on how social value benefits will be delivered and sustained by a development through its lifecycle.

In doing this we will be guided by “Embedding Social Value into Planning” by the Social Value Portal and commend it to developers.

How will we measure social value?

We will measure social value using the National Social Value Measurement Framework – or National TOMs for short. It is a method of reporting and measuring social value to a consistent standard. It provides the golden thread between an organisation's overarching strategy and vision, to the delivery of that vision. TOMS stands for:

- Themes - visionary social value areas
- Outcomes - the positive changes within communities the council wants to see
- Measures - a set of measurements used to achieve outcomes.

The National TOMS convert all social value offers into a monetary amount that can be used to score the social value offered consistently across tenders. As part of tender submissions and during the life of the contract we will ask bidders and the successful contractor to record social value on the National TOMs portal socialvalueportal.com

What are the social value outcomes we want to achieve?

Through social value we intend to deliver on the priorities set out in the Corporate Plan:

- Sustainability
- Enabling our communities
- Economic growth
- Digital

There is an expectation that the East Herts Community Alliance will be provided with the opportunity to speak to potential bidders so that bidders can prepare social value offers that maximise returns to the community and voluntary sector. This policy commits East Herts Council to work with the Community Alliance to produce an East Herts Community Social Value Charter that ensures that social value always reflects local community priorities. The table overleaf sets out the council's priority outcomes for 2022 - 24 to assist bidders and evaluators.

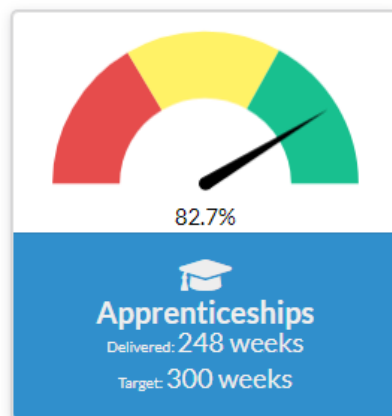
Our Social Value priorities 2022 - 2024

Theme	Outcome	Measure
Sustainability	Sustainability at the heart of everything we do	Low emission vehicles in the supply chain
	Sustainability at the heart of everything we do	Plastic recycling
	Sustainability at the heart of everything we do	Circular economy – local partnerships
	Sustainability at the heart of everything we do	Reduced food waste
Enabling our Communities	Healthy workplaces	Staff health and wellbeing
	Supporting the VCSE to support our communities	Equipment or resources donated to VCSEs (Voluntary, Community and Social Enterprises)
	Supporting the VCSE to support our communities	Spend with VCSEs
	Supporting the VCSE to support our communities	Expert advice to help VCSEs and MSMEs (Micros, Small and Medium Enterprises) decarbonise
	We will ensure all voices in the community are heard	Gender balance in the workforce
	We will ensure all voices in the community are heard	Ethnic diversity in the workforce
Economic growth	More local people in employment	Percentage locally employed
	More local people in employment	Jobs for homeless people
	More local people in employment	Jobs for people who were Not in Employment, Education or Training
	More local people in employment	Prompt payment – invoices paid in 30 days

Theme	Outcome	Measure
	Skills building for the future	Apprenticeship opportunities
	Spending more in the local economy	Local supply chain spend
Digital by default	Helping people to use digital services	Digital skills for disadvantaged groups
	Helping people to use digital services	Cyber security risks awareness
	Helping people to use digital services	Donating old ICT equipment to community groups

How will we monitor delivery of social value?

We will monitor delivery using the social value portal. We will require contractors to upload their delivery against their social value commitments and the supporting evidence. We will report our social value gains to the community using an easy to understand dashboard format that looks like this:



How will we embed social value in the council and ensure we are maximising social value?

We have assessed ourselves against the Social Value Maturity Index today and where we should be by implementing this strategy. There is an action plan of how we can improve which results from this assessment. This policy commits East Herts Council to improve its score each year by embedding and developing social value. This improvement journey will be reported to the Executive annually.

When will this policy be reviewed?

We will review our social value priorities and our progress against the Social Value Maturity Index annually. This policy will be reviewed no later than 3 years after its adoption by the Executive. The Social Value Priorities list will be reviewed annually to ensure it remains in line with our Corporate Plan priorities.