

North Somerset Council Social Value Policy

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 FTS (Find a Tender Service) 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:

A thriving and sustainable place

- A great place for people to live, work and visit
- Welcoming, safe and clean neighbourhoods
- To be a carbon neutral council and area by 2030
- A transport network which promotes active, accessible and low carbon travel
- An attractive and vibrant place for business investment and sustainable growth
- A broad range of new homes to meet our growing need, with an emphasis on quality and affordability

A council which empowers and cares about people

- A commitment to protect the most vulnerable people in our communities
- An approach which enables young people and adults to lead independent and fulfilling lives
- A focus on tackling inequalities and improving outcomes
- Partnerships which enhance skills, learning and employment opportunities
- A collaborative way of working with partners and families to support children achieve their full potential

An open and enabling organisation

- Engage with and empower our communities
- Empower our staff and encourage continuous improvement and innovation
- Manage our resources and invest wisely
- Embrace new and emerging technology
- Make the best use of our data and information

- Provide professional, efficient and effective services
- Collaborate with partners to deliver the best outcomes

The plan also identifies 'cross-cutting enablers':

- Open- We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition for North Somerset.
- Fair- We aim to reduce inequalities and promote fairness and opportunity for everyone
- Green- We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development.

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. North Somerset Council have developed their own set of TOMs (Themes, Outcomes and Measures) which align with our priorities and goals. These can be found within the **insert final name of document here**, which can be found on the council's website. Where certain commitments are particularly relevant or desired, further information will be included within the specification and tender documents.

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 against a set of defined measures around 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. 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 specify how they might support the region of North Somerset in delivering the core requirements of the contract. This process is managed through the National TOMs framework of Themes, Outcomes and Measures, in conjunction with the Social Value Portal.

Suppliers will be asked to submit a response to the framework of specific measures which North Somerset has prioritised, all of which include a nationally agreed value for the measure and a unit of measure. Suppliers can then offer a number next to any measures they wish to offer and an explanation of their process and evidence of capability to do so. This route provides greater transparency to suppliers around Council priorities and the value of their offer 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 highlight key outcomes which carry more weight through their evaluation score, which suppliers may choose to offer to increase their potential score. Examples of Social Value that might be offered by suppliers through this route include:

- North Somerset residents hired to resource a contract
- Car miles saved as a result of a green transport programme or equivalent (e.g. cycle to work programmes, public transport or car-pooling programmes, etc.)
- Spend with local suppliers as part of the supply chain within a project
- Time spent volunteering to support local community projects

Commissioners and their Procurement Leads should ensure that procurement documents include instructions on how suppliers should complete their TOMs submissions, which includes 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 recommendation, this should be a minimum of 10% of the total element of the evaluation, this could look like the following:

Quality- 45%

Cost- 45%

Social Value- 10%

The Social Value weighting is separated into quantitative and qualitative scores, for example 5% quantitative and 5% qualitative. This ensures bidders are evaluated not only on the value of their commitments but also on their ability to deliver them.

5. Sustainable Procurement

The Council have developed a Climate Emergency Procurement Policy. A Climate Emergency Risk Assessment should be undertaken as part of every procurement process where the total contract value exceeds £100,000 or where there are known risks to the environment, as a result of carrying out the contract. This will identify the risks and opportunities that need to be considered during the procurement and allow the project team to build in mitigations throughout the procurement process, from specification forming through to contract management. In some instances, there may be an element of residual risk following the procurement and as such, this should be picked up within the Contract Management Plan, produced by the Procurement Lead following the contract award phase.

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. The Council have partnered with the Social Value Portal, who will support in the evaluation and delivery of social value commitments. It will be agreed on a procurement-by-procurement basis the best model for suppliers to submit their social value and who will lead the evaluation, but all tender processes will use the TOMs model. There is a small fee element to using the TOMs model which is explained further on the Council's website and within tender documents.

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 Evaluation route is used, potential providers will need to set out their intended measures in their tender submission, using the process specified within the tender documents. This may include providing a response via the Social Value Portal or alongside other tender documents through the Council's chosen procurement portal

When evaluating Social Value, the council will consider both quantitative and qualitative elements of the supplier's response, to credit both the value of the commitment and the confidence imparted that the supplier has the capability and experience of delivering it.

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 committed 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
4. The Social Value Portal