



South
Cambridgeshire
District Council



Social Value:

Procurement Guidance

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This document should be read alongside the Council's Procurement Strategy and associated guidance. It does not discuss the procurement process in depth, only the principles of incorporating social value into goods/service procurement.

If you would like some further information about social value, or if you have any questions about procurement and commissioning, please contact our Procurement Officer.

1.0 introduction

South Cambridgeshire District Council (SCDC) and Cambridge City Council (CCC) are committed to providing social value within the delivery of its services and projects, wherever possible, for the benefit of our communities.

This document aims to outline our approach to social value, setting out guidance for staff to obtain social value and to outline some of our priorities on the subject.

Providing good quality services can be a positive that far outstretches just the people using them. Communities can thrive, environments can blossom and people can develop. Procuring and commissioning with social value in mind can provide significant benefits and should be considered throughout the delivery of our services. It is far more than just 'the icing on the cake'.

Social value can encourage overall cost savings, the development of new ideas and community benefit; all of which will help in maximising value for money.

2.0 what is social value?

Social value is defined in the Public Services (Social Value) Act 2012 as;

"The benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes."

To properly engrain and implement a social value ethos into our way of working it is important to consider what things would benefit the community at a local level. For example, in some areas of the country more youth employment opportunities may be a high priority, where as elsewhere reducing social isolation may be a key driver.

The benefits of social value could be social, economic and/or environmental.

Getting the most out of the public purse is a high priority for everyone, so the procuring process needs to assess much more than just the price of each contract. We need to look at the overall benefit to our communities when choosing to award a contract.

Think Social Value,
achieve Social Benefits.



3.0 policy and legislation

The Public Services (Social Value) Act (2012) was introduced to “require public authorities to have regard to economic, social and environmental well being in connection with public service contracts; and for connected purposes” (GOV.UK, 2012).

The Act requires people commissioning public services to consider how the service could also benefit the local community, not just how the contract would be delivered and the overall financial cost of providing it. For example, a bidder may be awarded extra points during the commissioning process should they be employing long-term unemployed people, providing apprenticeships or carrying out community projects on a regular basis. It is important for SCDC & CCC commissioners to consider these factors when putting together any guidance for tender applications.

We will endeavour to enhance the emphasis placed upon social value wherever possible.

Social value can play a big part in how value for money is achieved within the procurement process. So whilst it may not be practical to choose a provider that contributed elements of social value but was considerably more expensive than a competitor, the social aspects will go some way to calculating the overall value for money that the service would provide. Finding a balance between providing good services at a low cost and providing social value is key to achieving value for money.

4.0 what is this guidance for?

This guidance document has been created because SCDC & CCC are committed to promoting and maximising the social value held within its procurement processes.

We want our commissioners to consider social value at every possible opportunity when procuring for public services. It should be a criteria that is considered for inclusion in tender documents wherever it may be applicable, regardless of the size of the contract. If there could be additional social benefits to be had from procuring a particular service, consider how this could be written into the assessment criteria and bidding guidance when scoring the tender submissions.

This document will not go into detail about the general procurement process, and therefore should be read alongside the Council's 'Procurement Strategy' and its associated documents; it is not intended to be used as a standalone piece.

5.0 why, when and how?

WHY? *Why not?*

Providing social value within anything we do should always be considered and maximised at any opportunity. In terms of procurement, if it is relevant and achievable within the context of the contract requirements, social value should be used as a criteria when compiling the documents to go out to tender.

Regardless of the value of a procurement exercise, it is always best practice to consider what social benefits could be attained through the procedure. So, even if the contract is for a reasonable small figure, SCDC & CCC employees should consider social value and explore any opportunities that may be available to provide social good to the community.

Some social benefits can actually be quite easy and cheap to deliver, but the value within these items can be highly useful to the community. Therefore by procuring with social value in mind, we can achieve more value for our money.

WHEN? *The earlier the better.*

It is strongly advised to carry out as much planning work as possible and begin to do this at the earliest opportunity.

Consider what the current contract, presuming this is an existing service, is providing socially in its currently form. The contract may already be doing something that has social value.

Consider what your visions are for the service. What social benefits would be pertinent to the service being procured? Would they be attainable and proportionate to the contract value?

Consider changes in the industry, funding and/or society in general that may alter the contract requirements and, in-turn, the level of social value.



proportion and achievability

It is important to assess each contract tender on an individual basis; there is never going to be one advisory statement about achieving social value that can be applied across the board.

Staff should consider the size of the proposed contract and assess whether there could be some social benefit that could be included within the guidelines for tender submissions.

A larger contract may afford opportunities for things such as apprenticeships etc., however smaller contracts may make things like that more difficult to

achieve without driving up the financial aspects of the contract.

It is important to consider what is achievable and proportionate for the type of procurement exercise. So whilst larger scale social benefits may be difficult to achieve on smaller contracts, aspects of social value that are beneficial to the community, can be achievable within the expectations of these smaller contracts.

For example, a contractor could commit to attending a local education house to provide a talk on their industry, or offer a placement for work experience.

HOW? *In any way possible!*

Depending on the type of procurement exercise, any requirements could be outlined in the tender document, or you could offer the bidders the opportunity to suggest how they might provide social benefits. If you are inviting suggestions, it may be beneficial to outline a few examples of the type of thing you might be looking for. This will give some sort of guidance to the bidders, whilst allowing for some innovative ideas that you may not have considered.

In order to achieve the best social value within the community, commissioners should consult with local residents and interested stakeholders (e.g. *Parish Councils*) to ascertain what they feel would achieve best value from a contract.

6.0 what could be a social benefit?

Working with local businesses.

Putting on/sponsoring community events.

Additional environmentally friendly ways of working (e.g. putting up bird/bat boxes)

Training opportunities for the long-term unemployed.

Work placement opportunities.

Help in supporting voluntary sector organisations.

Providing innovative solutions to local issues (e.g. loneliness/digital inclusion etc.)

Working with the community to shape a service.

Working with social enterprises and SMEs*

Providing play equipment for a local park.

Community project involvement.

Working with ex-offenders.

Creating apprenticeships.

Using locally sourced goods & materials.

Working with youth offenders.

Career talks & advice.

*SMEs (Small and Medium Enterprises).



7.0 procuring with social value in mind

Really, procuring with social value in mind is not any more challenging than procuring without it.

As outlined in section five, commissioners need to give thought to what can realistically be achieved from a contract. Also, they need to be very clear as to what stage in the contract

that they expect the social value to be delivered, which also aids effective working relationships with contractors.

When consulting with local residents about social value, you should be clear to both the community and interested stakeholders as to the scale of the social value that can be achieved and the timescales as to when this can be

delivered within the term of the contract.

For example, at the start of an affordable homes delivery contract the visual social value aspects may not be delivered until virtual completion of the project, for example bird boxes, bat boxes and/or a play area. However, there could be an

expectation of employment/ apprenticeship opportunities which would be available at the commencement, and throughout, the duration of the contract; even before any actual foundations have been laid.

*Think Social Value,
achieve Social Benefits.*



8.0
“ Think Social Value,
achieve Social Benefits. ”



9.0 evaluating social value

Once social value has been incorporated into the commissioning process, it is important to measure and record it. This exercise will highlight which social value activities are working well and are getting the best results, in addition to underlining performance on the subject.

Commissioners need to evaluate the social value from their own perspective and from that of the community.

Evaluation will require consultation, for example with local residents and/or tenant forums. This will need to be clearly set out from the beginning of the tender process, setting out some key milestones as to when it is best to consult on social impact. This should also help to set key performance indicators (KPIs), particularly for lengthy contracts.

Commissioners should set up regular joint meetings that address the progress of the contract, which would include the social value outcomes expected; for example how many work placement opportunities have been fulfilled, how many apprenticeships have been created and possibly what community initiatives the contractor has been involved in.



Social value should be seen as something fairly organic in nature. For example, some aspects will be set out within the initial tender documents, where as others will naturally arise and evolve as community needs are better understood through communication and consultation.

Have there been any unintentional barriers which have delayed or prevented the delivery of social value commitments? This may be due to the tender document being overly prescriptive, difficulties in recruiting to apprenticeships or perhaps the qualification criteria for community initiatives is too restrictive. By evaluating this on a regular basis, steps can be taken to break down any barriers as they become apparent.



10.0 equality and diversity

Equality is about treating individuals fairly, supported by legislation designed to promote equality and eliminate discrimination and harassment. Diversity is about the recognition and valuing of difference for the benefit of the Council and the individual. Equality and diversity are not interchangeable but are interdependent. There is no equality of opportunity if difference is not recognised and valued.

We are committed to identifying, understanding and eliminating all barriers that prevent access to services, information and employment.

As a major employer and provider of services, we are committed to actively promoting equality and diversity, and working to combat discrimination across all nine protected characteristics of equality;

- Age
- Disability
- Gender Reassignment
- Marriage and Civil Partnerships
- Pregnancy and Maternity
- Race

- Religion/Belief
- Sex
- Sexual Orientation

As part of this duty, the Council will ensure that contracts contain suitable clauses that ensure that suppliers comply with The Equality Act 2010. In addition, for above threshold contracts, the Council shall issue a Standard Selection Questionnaire for completion by the supplier, which allows the Council to exclude the supplier where they are found to have a complaint upheld by the Equality and Human rights Commission (*or its predecessors*) on grounds of alleged unlawful discrimination.

The Council is committed to promoting equality of access. The Council will treat all people equally including those contracting to supply goods and services. It will not discriminate on the grounds of any of the nine protected characteristics or on any other unjustifiable grounds. Contractors or suppliers appointed for the provision of goods and services will have to



comply with these criteria themselves, as well as applying these requirements to all sub-contractors employed by the contractor/supplier.

The Council expects contractors and suppliers to meet the Council's standards and requirements on equality. Where appropriate this will be tested by questions in tender and quotation documents about the elimination of unlawful discrimination and harassment and promotion of equality of opportunity. The questions may cover policies, practices, treatment, pay and conditions.

The responsible manager will complete an assessment of the impact on equality when undertaking a procurement exercise.

11.0 conclusions

There can be no question that the inclusion of social value within procurement is of significant benefit and should be held within the core of our commissioning processes.

It can create contracts that are much more than just a commercial transaction for services and can in effect be greater than the sum of the individual parts.

The inclusion of social value, and the evaluation, is the responsibility of our commissioners. Within the evaluation process, we clearly need to gather both hard and soft evidence to demonstrate the social impact that the contract is achieving.

Commissioners need to understand the barriers that can prevent social value being achieved, and realise that it is a continually evolving part of both the commissioning process and the actual delivery of the contract.

Social value should be viewed as an evolving aspect of any contract that should mirror changes within communities. For example, there are

clearly demographic changes apparent as there is going to be a significant rise of those over 85 years of age living within our communities. As commissioners we need to be mindful of such changes and how our contracts can help support our communities as they change over time.



key points

Talk to colleagues in the Procurement team early in the process; they are happy to help and can provide good direction on social value.

Social value won't be a concept that is out of the ordinary to prospective bidders.

Ask bidders to suggest ideas for social value incorporation, but consider offering examples within the documentation to give structure and/or a theme to suggestions.

Work with successful bidders to ensure that any social value aspects are completed and measured accordingly.

Make sure the criteria of social value projects are attainable, affordable and accessible.

Consider demographics and changes within society; social value focus may need to evolve to mirror this as the contract progresses.

Research best practice.

Make sure social value is proportionate and achievable within the context of the individual contract.

Consult with residents and stakeholders and get their input on social value.

Be innovative!



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