

Document Control Sheet

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Social Value Policy



MALDON
DISTRICT COUNCIL

2024 -2027

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1. INTRODUCTION

1.1 The aim of this Policy is to set out how Maldon District Council will deliver social value through its commissioning and procurement activities and to set the Council's priorities in relation to social value.

1.2 Local authorities are required to consider how economic, social, and environmental well-being may be improved by services that are to be procured, and how procurement may secure those improvements under the provisions of the Public Services (Social Value) Act 2012.

1.3 Maldon District Council already include Social Value for all procurements over the relevant UK thresholds (as defined by the legislation); this Policy provides a framework for this to ensure consistency across the Council regardless of the goods and services being procured.

1.4 In addition, the Council is considering;

- taking into account the views of local businesses
- the opportunity for Social Value considerations to be included within all procurement activity.

1.5 The Chief Executive in consultation with the Chairperson of the Strategy and Resources Committee, will approve amendments to this Social Value Policy where required.

2. WHAT IS SOCIAL VALUE

2.1 There is no single definition of Social Value. The term 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. In particular relating to: Health and wellbeing, The wider economy, The environment and Community cohesion and empowerment.

2.2 The Public Services (Social Value) Act 2012 does not provide a definition of Social Value, but states that: "If a relevant authority proposes to procure or make arrangements for procuring the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of work, 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, in conducting the process of procurement, how it might act with a view to securing that improvement."

3. THE SOCIAL VALUE NATIONAL THEMES OUTCOMES AND MEASURES (TOMS)

The Social Value Taskforce annually reviews and endorses the National Themes Outcomes and Measures (TOMS) Framework for measuring Social Value.

The TOMs are structured around 5 themes:

- **Promote Local Skills and Employment:** To promote growth and development opportunities for all within our community and ensure access to opportunities to develop new skills and gain meaningful employment.
- **Supporting Growth of Responsible Regional Business:** To provide local businesses with the skills to compete and the opportunity to work as part of public sector and big business supply chains.
- **Healthier, Safer, and more Resilient Communities:** To build stronger and deeper relationships with the voluntary and social enterprise sectors whilst continuing to engage and empower citizens.
- **Decarbonising and Safeguarding our World:** To ensure the places where people live and work are cleaner and greener, to promote sustainable procurement and secure the long-term future of our planet.
- **Promoting Social Innovation:** To promote new ideas and find innovative solutions to old.

The National TOMs includes a set of 'proxy values' that allows users to assess the financial impact that any measure will have. This allows procuring bodies to compare tenders in a way that is proportional and relevant to the bid.

The TOMs proxies are developed from adaptations of benefit analysis techniques as outlined in the ¹HM Treasury Green Book and other relevant public sector and impact assessment guidance documents.

4. POLICY AND LEGISLATION

4.1 The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It provides a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they commence the procurement. The aim of the Act is not to alter commissioning and procurement processes, but to ensure that, as part of these processes, councils give consideration to the wider impact of the services delivery.

¹ [The Green Book: appraisal and evaluation in central government - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

4.2 It allows authorities, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community.

4.3 The wording of the Act states that the authority must consider:

- How the proposed procurement might improve the economic, social and environment well-being of the relevant area.
- How the process of procurement could help bring about that improvement.
- Whether to consult relevant stakeholders on how social value could be created through the procurement.

4.4 The Act specifies that the authority must consider only matters that are relevant to what is proposed to be procured; and, in doing so, must consider the extent to which it is proportionate in all the circumstances to take those matters into account.

4.5 Social value is therefore about using the money we have more strategically, to produce a wider benefit than would otherwise have been achieved.

5. MALDON'S SOCIAL VALUE OUTCOME FRAMEWORK

5.1 All Social Value outcomes delivered through Procurement will be aligned to the priority areas as set out in the Council's Corporate Plan 2025 - 2028:

Our Priorities

- Supporting our communities
- Investing in our district
- Growing our economy
- Protecting our environment
- Delivering good quality services.

5.2 Climate Action Strategy: The Council declared a Climate Emergency in February 2021, in line with the Government setting out its net zero target by 2050. As such The Council has put in place a Climate Action Strategy 2021-2030 [Climate Action Strategy | Maldon District Council](#)
The Council's aspirations are to be a carbon neutral District by 2030, with that in mind we will aim to procure services from companies that demonstrate sustainability and support the Council's net zero carbon ambitions.

5.3 To support the Government setting out its net zero target the Cabinet office have released a Carbon Reduction Plan. The Plan is set out to detail an organisations carbon footprint and confirm their commitment to achieving Net Zero.

All in scope organisations will be required to submit a Carbon Reduction Plan detailing their organisations carbon footprint and confirming their commitment to achieving Net Zero by 2050, as part of their tender submission.

5.4 The Council will work towards achieving our priorities in our social value requirements by considering suppliers who contribute to the delivery of net zero targets; reduced greenhouse gases; reduced waste; and strengthened climate resilience.

6. THE SCOPE OF MALDON 'S APPROACH

6.1 The Social Value approach encompasses the full cycle: service planning and review; decision making and policy development; and the procurement of both goods and services.

6.2 To achieve the outcomes we will:

- Invest in ways that most benefit our local communities.
- Use community capacity building approaches as a means of regenerating local communities, both socially and economically.
- Recognise that solutions which are jointly developed and owned by communities, the Council and businesses offer practical and sustainable outcomes.
- Improve cross-service connections, recognising how procuring in one service or business area can support delivery of targets on another.
- Value and grow our relationship with Local and small businesses.
- Embed our approach to social value in our procurement activity; and promote social value in our relationships with other organisations – recognising that the more we apply social value the greater the overall outcomes for Maldon.
- Promote equity and fairness – targeting efforts towards those in the greatest need or facing the greatest disadvantage and deprivation.
- Share good practice and communicate how we are delivering social value to our partners and communities.

6.3 We will engage with and consult relevant stakeholders where appropriate, at the earliest opportunity to understand the scope of Social Value within a potential procurement. By knowing what local providers can do, we will:

- i. Understand what the potential Social Value could look like, including things we may not have considered;

- ii. Avoid asking for outcomes which are not relevant or proportionate;
- iii. Consider the role of smaller providers.

7. MEASURING THE IMPACT OF SOCIAL VALUE

7.1 The impact of social value activities on the local community and on people's wellbeing will be measured to ascertain the extent to which this policy is supporting the delivery of improved outcomes.

7.2 As part of the procurement process, providers will be expected to suggest their own opportunities for social value and set out how they will measure and monitor them. It is not envisaged that all contracts will achieve all outcomes, but that as a minimum, suppliers will be working towards at least three and across more than one theme.

7.3 Providers will be monitored via contract monitoring mechanisms to ensure that the social value targets and actions they set out in their tender documents are achieved and continue over the lifetime of the contract.

7.4 Social value measurement and evaluation is an evolving field. We will continue to work with partners locally and regionally to further build our understanding of measurement and evaluation of Social Value, and to share expertise and best practice. We will continue to adjust our methods as we learn and will involve providers and communities in this process.

8. NEXT STEPS

8.1 To support continual development, the Council will share (with permission) good practice examples between providers and will promote successes to encourage growth in Social Value across the local supply chain.

8.2 Staff and residents can contribute to the Policy and its implementation by suggesting how else Maldon District Council can consider Social Value within its own business and through its contracted services.

8.3 The Social Value Policy will be implemented where required by legislation and will be monitored and reviewed periodically. In doing so, we will take account of any changes in legislation and changes to the council's priorities.

8.4 Engagement with local businesses will be undertaken to consider the opportunity to implement Social Value requirements to all procurement undertaken by the Council.

[Appendix A – Application of Maldon 's Social Value Policy] This Appendix gives overview guidance on how the policy will be applied. The Policy must be applied to all procurements as

set out in legislation. Any wider implementation of the Policy will be phased in across the Council – this Appendix will be updated accordingly as the Policy is rolled out.

Appendix A – Application of Maldon’s Social Value Policy

1. Legal Requirements

The Act only applies to service contracts above the current threshold, but not to works and supply contracts.

If the procurement is carried out in emergency circumstances and it is impractical to comply with the Act, then the Council may disregard the requirements to the extent that it is not practicable to comply with them. Officers must comply with these requirements.

However best practice is to apply proportionate social value requirements at lower values for most authorities at their tender thresholds and include where appropriate to works contracts.

On that basis Maldon District Council will apply Social Value to appropriate contracts when being tendered from the tender threshold of £50,000 to better serve the community.

Were the contract value is below £50,000, Social Value will be observed where appropriate. In addition, the Council has a duty to have regard to the fact SMEs may face particular barriers in competing for a contract and consider whether such barriers can be removed or reduced, before commencing the procurement.

2. Consultation

Under the Public Services (Social Value) Act 2012, the Council must consider only those matters that are relevant to the proposed procurement, and it must be proportionate in all the circumstances to take those matters into account. The Act only requires the Council to consider whether to consult; there is no duty to consult. Further, the Act does not set out who should be consulted.

The Act does not prescribe how the results of any consultation should shape a procurement which is then undertaken. However, any decision taken whether to consult or not, or how much weight should be given to any consultation response, should be taken fairly and reasonably.

3. Specification Development and Tender Evaluation

The manner in which evidence of Social Value benefits are to be provided is not prescribed by the Act or this policy. Dependent on the requirements of each procurement exercise, the Council may choose to specify requirements explicitly within a tender or ask suppliers to come up with their own innovative ideas, bearing in mind the themes and outcomes set out in this

policy. Irrespective, the Council must be clear as to how Social Value elements have been weighted in the evaluation and decision-making process.

Individual officers undertaking tenders will be responsible for ensuring that Social Value has been considered, and as part of the procurement process, must record how this policy has been applied. This should be clearly set out in any Cabinet report requesting approval for procurement.

Tender documents should require suppliers to be clear within their tender responses which outcomes they will be achieving and how they will measure these, in order to report to the Council.

At this time Social Value will be evaluated as part of the quality submission as a higher proportion to the financial aspect as set by the 'Proxy Values' The aim is to apply a minimum of 10% to Social Value. Where appropriate and proportional to the contract, this may rise to a maximum of 20%.

The Councils evaluation methodology is clearly set out in the ITT (Invitation to Tender) to inform potential bidders as to how their tender submission will be evaluated and scored and will include Social Value.

4. Best Value

Under the duty of Best Value, local authorities must consider overall value. This will include economic, environmental, and social value but the duty also requires the Council to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness. Whilst looking at Social Value, the Best Value duty remains paramount and should continue to be a key factor in the weighting and evaluation of bids.

5. Monitoring of Social Value

As part of the contract monitoring mechanisms [MDC - Contract Management Procedure V.0.2.docx](#) contract managers are expected to ensure social value is captured on, at least, an annual basis. This must be clearly recorded and monitored against the original tender submissions, within which suppliers should have stated what they were going to achieve and how it would be measured.

Any additional Social Value outcomes achieved during the life of the contract by suppliers should also be captured and recorded, by the Contract Manager.

6. Compliance with Social Value Requirements

As noted, the Council is required to meet Social Value under the Public Services (Social Value) Act 2012, and as such this policy will be subject to internal monitoring, spot-checks may be undertaken on individual procurement activity and/or on a corporate or Directorate basis.

In addition, the compliance with this policy may be subject to Internal Audit and/or review by Audit & Risk Committee. Nationally, CCS (Crown Commercial Services) undertakes 'Mystery Shopping' exercises of local authorities and can request information on compliance with the Act at any time.

Crown Commercial Services (CCS) can impose requirements on the Council where it believes it is non-compliant and/or where the Council cannot provide sufficient evidence of compliance; this can include requirements to suspend or abandon and restart procurements. Further advice on Social Value and ensuring that it is appropriately considered and included within procurements can be obtained from Procurement Services.

7. Further Information

Further information and guidance is available from the Cabinet Office at: [Social Value Act: information and resources - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/topics/social-value-act)