

West Berkshire Council Social Value Policy



West Berkshire
COUNCIL

INTRODUCTION

The goal of this policy is to generate greater positive economic, environmental and social outcomes for West Berkshire from the public contracts the Council commissions and tenders. It aims to achieve this by providing the principles that will allow Social Value considerations to be embedded in our procurement contracts. Finally, it enshrines a firm commitment to place Social Value at the heart of our procurement practice.

WHAT IS SOCIAL VALUE?

The Public Services (Social Value) Act 2012 (“the Act”) places an obligation upon all Councils to consider how they can secure social, economic and environmental benefits at the pre-procurement stage of public services contracts. We want to go beyond that by asking that Social Value be demonstrated in all of our procurements, where relevant and proportional.

Reinforcing the work already started on Social Value nationally through the 2012 Social Value Act; the government has issued a new National Procurement Policy Statement that sets requirements for local authorities to consider the following national priority outcomes alongside any additional local priorities in their procurement activities:

- creating new businesses, new jobs and new skills
- tackling climate change and reducing waste
- improving supplier diversity, innovation and resilience

Social value outcomes must be considered at the pre-procurement stage of a tender, they must be relevant and proportional to the contract in question and Councils must continue to observe equal access for suppliers.

The Act does not provide a definition of Social Value itself, so this policy will lay out West Berkshire Council’s local definition and the approach we choose to take. For us, Social Value is about maximising the wider benefit to be gained through meeting our needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the Council, but also to West Berkshire, it’s residents and the economy, whilst minimising the damage to the environment.

By adopting a Social Value Policy here in West Berkshire, we recognise there is significant scope to do things differently and make positive changes for the district as a whole by encouraging the creation of job opportunities for local people, supporting young people into apprenticeships and ensuring that local suppliers (and in particular SME businesses) are represented in the Council’s supply chain. Many opportunities also exist to innovate and generate environmental benefits in support of the delivery of the new Environment Strategy 2020 -2030.

The scope of this policy and the level of resulting change that could come as a consequence of having it in place cuts across all social, environmental and economic boundaries and is very much in line with the direction of travel overall of West Berkshire Council’s ambitions for the district.

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PRINCIPLES

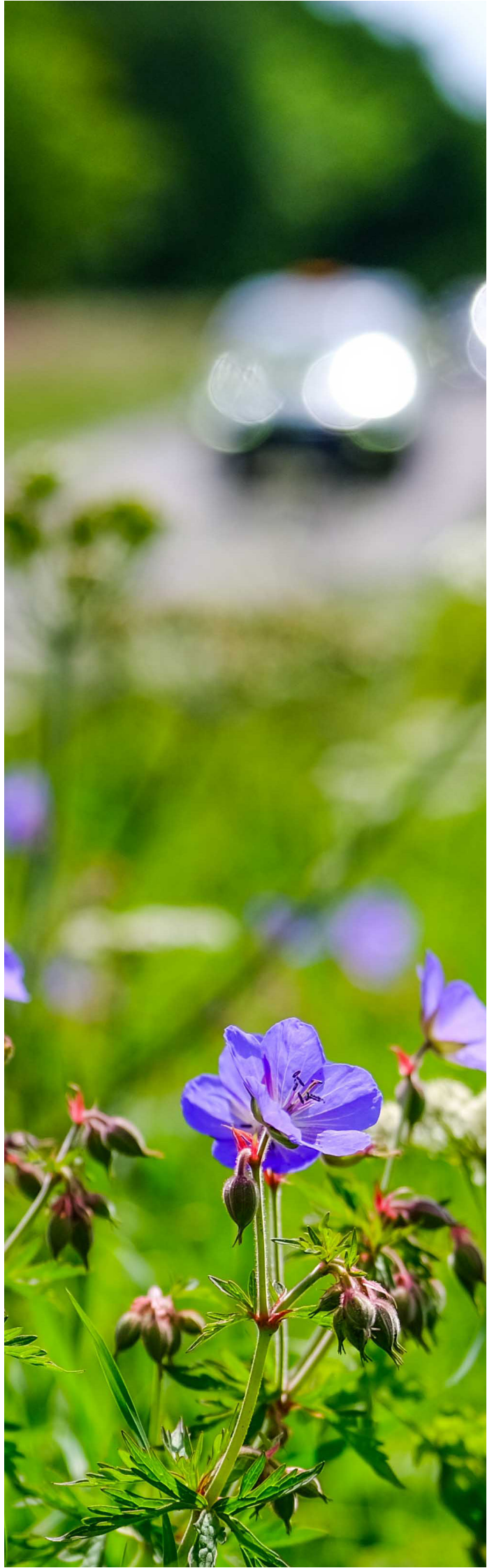
This policy creates a link between the strategic priorities of the Council and our procurement practice in order to ensure that our spending compliments those priorities and helps to deliver key outcomes. It is closely aligned with the Council Strategy, Economic Development Strategy and Environment Strategy, with a particular focus on the Council's aims of supporting everyone to meet their full potential, supporting businesses to start, develop and thrive and maintaining a green district.

We will realise Social Value in our procurement practises according to the following principles:

- Consider the Social Value Policy in all procurements
- Take a proportional and relevant approach to applying Social Value considerations
- Apply it in a way that generates positive outcomes without also creating barriers for SME and third sector suppliers
- Ensure transparency and equality of treatment in the application of the Social Value considerations

COVID-19

The severe impact of Covid-19 upon national public health and the economy has worsened or exacerbated issues in many of the areas in which this policy aims to make positive contributions, such as employment and social inequality. Although the aims of the policy were highly relevant before the pandemic, it is now more important than ever to ensure that our procurements lead to the most beneficial possible local outcomes.



PURPOSE OF THE POLICY: GOALS AND PRIORITIES

The purpose of this policy is for the Council's contracts to, where possible, contribute towards the following key areas:

ECONOMIC

- Creating employment opportunities for local people
- Creating training and education opportunities for local people
- Supporting local micro, small and medium enterprises by increasing their opportunities to access our direct and indirect spend

ENVIRONMENTAL

- Reducing carbon emissions to help achieve carbon neutrality by 2030 and beyond
- Seeking to reduce air pollution or eliminate where possible
- Contributing to the protection, restoration and enhancement of West Berkshire's natural environment
- Resource efficiency and up to date processes for re-use and recycling
- Encouraging local innovation and skills to help tackle climate change in West Berkshire

SOCIAL

- Supporting the reduction of social exclusion, isolation and inequalities
- Generating education, training and employment opportunities for disadvantaged groups excluded from the workplace.
- Designing services which take account of different needs including disadvantaged groups
- Engaging the local voluntary and community sector
- Generating positive health outcomes for local people



IMPLEMENTING SOCIAL VALUE IN A PROCUREMENT

The key deliverables that the Council wishes to achieve are set out in the contract specification or scope of services or works. Inclusion of social value criteria in a tender process will add further economic, environment and social benefits to the service. This is known as 'Additionality' or 'Added Value' and would not have occurred without the inclusion of social value as part of the tender evaluation criteria.

For example, a specification may require a building contractor to be carbon neutral by 2030. If the contractor commits to reaching that requirement by this date this would not be added value. However if that contractor makes a voluntary commitment to be carbon neutral by 2025, this would be considered added value.

When it has been established that Social Value considerations should apply to a contract, the procuring officers should begin by thinking about the broad strategic themes that apply to it. From here relevant and proportionate outcomes should be identified that the procurement could contribute towards, and these should be embedded in the tender as questions.

For example, under the broad theme of 'promoting local employment' a relevant outcome might be more local people in employment. A practical question relating to this outcome is the number of local employees hired on a contract. In this example you would need to use a standardised definition of 'local'.

Flexibility and discretion is needed for procuring managers to be able to consider Social Value in a proportionate and transparent way. Therefore all decisions around weighting and indicators should be made on a case by case basis with a focus on achieving positive outcomes without creating barriers for suppliers.

The following steps should act as a guide for considering Social Value outcomes in a tender:

Step 1:
Identify Council strategies and category plans relevant to the procurement

Step 2:
Identify relevant Social Value outcomes

Step 3:
Add evaluation questions to the tender

Step 4:
Define the weighting of those questions and publish as part of tender documentation

Step 5:
Tender evaluation process

Step 6:
Review and ongoing monitoring of outcomes and benefits

REDUCING BARRIERS FOR SMEs (Small Medium Enterprises)

It is paramount that in implementing the Social Value Policy we do not make the bidding process onerous for SMEs or third sector organisations. The following should be considered to support small, medium and third sector suppliers:

- All information requested to underpin the bid should be relevant and necessary, avoiding requesting onerous amounts of information if possible
- Social Value evaluation questions should consider the size of the contract and not be written in a way that excludes smaller suppliers from providing effective answers
- Pre-tender consultation process and meet the buyer events to give bidders a chance to understand requirements of the tender as well as help shape the specification
- Examples of best practice to be shared with bidders

IN SUMMARY

Third parties (such as suppliers) will be monitored as part of ongoing contract management by service areas on the delivery of the Social Value commitments that they have made to the Council. These commitments will be set out as key performance indicators. Any challenges forecast in the delivery of these commitments will initially be subject to discussion between service departments and the suppliers to see if there are any measures that can be put in place to aid the realisation of the agreed commitments. It may be necessary

in some instances to review the Social Value agreed outcome and amend to a suitable alternative before moving to more formal processes such as action plans or default notices.

We will work closely with our partners to further build upon our Social Value agreed outcome and amend to a suitable alternative before moving to more formal processes such as action plans or default notices.

We will work closely with our partners to further build upon our Social Value offer and refine the metrics used to measure outcomes. This is a learning process for all parties and the West Berkshire Social Value Policy is a live document. We will regularly review our Social Value methodology continuing to involve our partners as it evolves.



APPENDIX ONE

EVALUATING SOCIAL VALUE

- 1.** Social value is 'Added Value or 'Additionality' that would not have occurred without the inclusion of social value as part of the tender evaluation criteria. This forms the basis of the evaluation criteria. Model evaluation questions are included below as guidance.
- 2.** All tender processes, where relevant and proportionate should incorporate social value evaluation criteria within the tender evaluation process.
- 3.** It would usually be the case that Social Value will be attributed to up to 10% of the evaluation criteria in a tender process (if applicable). In exceptional circumstances a higher weighting may be used, with sign off from the Procurement Board.
- 4.** Where appropriate Social Value outcomes are to be published in the tender documentation, included as contract KPI's and be reviewed as part of the contract management process.