



Social Value & Social Impact through Procurement

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Social Value in Procurement – Legal Position

Social Value

- Defined in Public Services (Social Value) Act 2012
- Statutory duty – to consider the social value of public services on contracts above EU procurement thresholds
- Doesn't apply to sub-OJEU contracts or good / works contracts
- consider economic, social and environmental well-being issues at pre-procurement stage
- Seeks additional benefits above and beyond the core services
- Can form part of Award criteria
- Must be linked to the subject matter of the contract

- Council CPR require officers to consider when formulating Procurement Project Management Plan



Social Value in Procurement – Sefton Position

Council CPR require officers to:

- Consider SV in Procurement Project Management Plan (all)
- Include requirements of the Act in all applicable contracts
- Include implications for SV (e.g. local supply, employment etc.) in any MoU relating to procured partnership arrangements
- If seeking waiver of any CPR - explain how Social Value Benefit would be achieved

Current Practice:

- If applicable allocate up to 10% of evaluation score
- Include in quantifiable/measurable form in contracts



Social Value in Procurement – Example

NEET Reduction and Early Intervention Service for Young People Service Specification

- Supplier must give due consideration to how service provision will enhance the economic, social and environmental wellbeing of Sefton and its communities.
- Supplier should include an indication of how they will create:
 - At least 1 voluntary work experience placement for a Sefton young person each contract year, lasting for a period of up to four weeks
 - At least 1 apprenticeship vacancy at National Minimum Wage for Age during the Contract, giving priority to the recruitment of a Sefton Care leaver in line with the Council's Corporate Parenting responsibilities
 - Other opportunities for more employment and work experience opportunities for adults with learning disabilities, physical disabilities and mental health conditions

Social Value Question within ITT – 5% of evaluation score

- Please outline how you will achieve the requirements related to Social Value as set out in the Specification?



Social Impact from Procurement

Core Service - not additional benefits above and beyond

Selection Questionnaires and ARFQs ask questions about:

- Health & Safety, Environmental and Sustainability matters

Recently updated Council contracts require compliance with:

- All applicable Legislation and Council Policies
- Trade Union and Labour Relations Act - rights and facilities regarding trade union membership
- Equality Act 2010 - deliver services fairly and without unlawful discrimination
- Public Interest Disclosure Act 1998
- Freedom of Information Act 2000
- Bribery Act 2010
- Human Rights Act 1988
- GDPR
- Counter-Terrorism and Security (Prevent duty)



Social Impact - Example

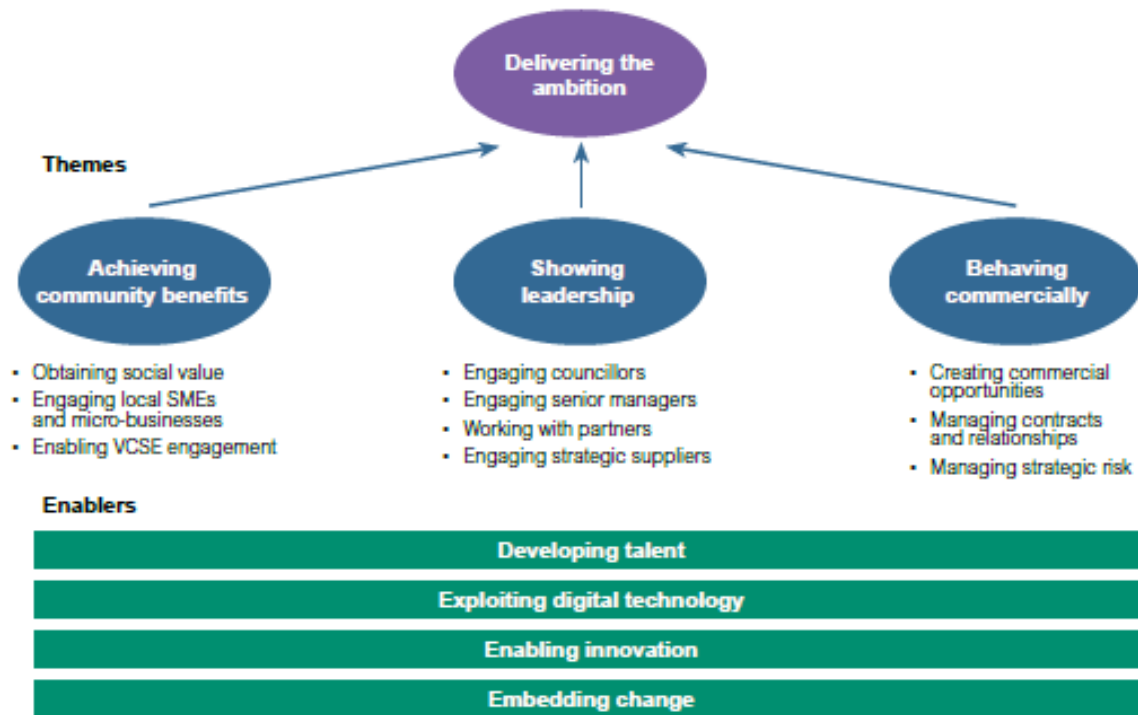
Domiciliary Care Services & the Ethical Care Charter

- In 2016 Cabinet authorised implementation of Stage One and consideration of Stage Two and Three of the Charter
- Exercise undertaken in 2017 to understand Provider's costs and fees needed to sustain services & implement the Charter (not real living wage)
- Services retendered in 2017/18 – contract / specification includes:
 - ✓ Principles of the Charter – *“baseline for the safety, quality and dignity of care by ensuring employment conditions do not routinely ‘short-change’ clients and ensure recruitment and retention of a more stable workforce through more sustainable pay, conditions and training levels”*
 - ✓ Breakdown of fee to cover basic pay, travel time, annual leave, training, sickness, NI, pension and mileage.
- Tenders were also evaluated against a specific Social Value question



Opportunities – Local Strategy

- Increase emphasis in refreshed Commissioning Framework
- New Procurement Strategy – localising LGA Strategy:



- Social Value Action Plan



Opportunities - Social Value Action Plan

Guiding Principles:

- Catch Up with those leading the field
 - ✓ Baseline
 - ✓ Learn from others
- Go beyond compliance with the Act
 - ✓ Commissioning for Social Value
 - ✓ Social Value from existing providers
 - ✓ Social Value from other local businesses
- Maximise full breadth of Social Value outcomes
 - ✓ Economic, Social and Environmental wellbeing
- Effectively measure, monitor & report delivery
 - ✓ Include in Contract & KPIs
 - ✓ Actively measure, monitor & report



Opportunities – National TOMs

| PROPOSED THEMES | PROPOSED OUTCOMES | Outcome Outline |
|---|---|---|
| Jobs: Promote Local Skills and Employment | <ul style="list-style-type: none"> • More local people in employment • More opportunities for disadvantaged people • Improved skills for local people • Improved employability of young people | <ul style="list-style-type: none"> • Increasing employment opportunities for local people and directing resources towards the local economy. • Increasing employment opportunities for people that face additional barriers in the labour market (e.g. long term unemployed, disabled, ex-offenders, NEETs). • More opportunities to acquire professional skills and experience in the labour market. • Supporting young people to access and get started in the world of work. |
| Growth: Supporting Growth of Responsible Regional Business | <ul style="list-style-type: none"> • More opportunities for SMEs and VCSEs • Improving staff wellbeing • A workforce and culture that reflect the diversity of the local community • Ethical procurement is promoted • Social Value embedded in the supply chain | <ul style="list-style-type: none"> • More growth opportunities for small local organisations. • Ensuring staff wellbeing both at the workplace and beyond. • Ensuring that ethical business practices are rewarded. • Ensuring that minority groups are integrated in the workforce and local community. • Increasing take up of social value delivery and measurement within the supply chain. |
| Social: Healthier, Safer and more Resilient Communities | <ul style="list-style-type: none"> • Crime is reduced • Creating a healthier community • Vulnerable people are helped to live independently • More working with the Community | <ul style="list-style-type: none"> • Support for public safety initiatives. • Improved health outcome for individuals in the local area and more cohesive communities. • Social isolation is reduced and people at risk are supported. • Community organisations are supported to identify and address needs, and resources (financial and not) are pledged to support addressing them. |
| Environment: Protecting and Improving Our Environment | <ul style="list-style-type: none"> • Climate impacts are reduced • Air pollution is reduced • Better places to live • Sustainable Procurement is promoted | <ul style="list-style-type: none"> • More programmes to reduce emissions are implemented. • Less air pollution from transport. • Green spaces, biodiversity, green infrastructure and public spaces for communities. • Ensuring that sustainable practices within the supply chain are rewarded. |
| Innovation: Promoting Social Innovation | <ul style="list-style-type: none"> • Other measures (TBD) | <ul style="list-style-type: none"> • Innovative ways of tackling social needs and delivering social value. |



Opportunities – Joined-Up Working

- Joined-Up Approach across LCR – LCR Procurement Hub
- Work with Proactis & Social Value Portal to join-up Chest, TOMs and online Measurement Tool
- Cheshire & Merseyside NHS Social Value Acceleration Site & Charter
- Business Friendly Sefton approach – working locally to improve appetite in Market

