



# **Social Value Policy**

**September 2023**

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## 1. Introduction

West Lancashire Borough Council has a vision to be 'West Lancashire together; the place of choice to live, work, visit and invest'.

The vision is realised through core priorities:

- Create empowered, engaged, and inclusive communities;
- Support business to adapt and prosper;
- Become a greener West Lancashire;
- Be a financially sustainable council by 2023;
- A clean, safe environment with affordable homes to buy or rent for everyone in West Lancashire;
- Everyone to be healthy, happy and resilient;
- Everyone to be proud of their council.

Through the vision and priorities the council aims to address some of the key challenges that are faced by the borough and whilst West Lancashire could be identified as a relatively affluent area there are still some areas with high levels of deprivation.

West Lancashire Borough Council recognises that through robust Social Value planning within all procurement activities, collectively the Council and suppliers can help to overcome these challenges and empower communities to strive for more.

Aligning the Social Value Policy with the principles of Community Wealth Building the Council will ensure that as part of every procurement exercise that it undertakes, not only will it realise the best possible price for the goods, services or works which they are looking to buy and ensure that the chosen supplier has suitable experience and history in providing good quality and similar goods, services or works. It will also ensure that the chosen supplier will bring benefits for the West Lancashire economy and its people and contribute towards addressing wider social and environmental challenges.

## 2. Background

The Public Service (Social Value) Act 2012 came into force in January 2013, cementing the responsibilities of contracting authorities before a procurement is undertaken for services contracts to consider the 'economic, social and environmental wellbeing of the relevant area'. Public Procurement legislation also permits contracting authorities to consider social aspects when assessing the quality of the tender whether relating to goods, supplies or works permitting the authority to select the most economically advantageous tender rather than at just a low price.

The Act also requires contracting authorities to consider undertaking public consultation to understand how further improvements can be realised through a services tender opportunity. For West Lancashire Borough Council our tenants could be involved in some of the housing services tenders to ensure that the solution procured not only meets the operational requirements but also works well within the community and maximising the benefit to the end users.

For Social Value to be a success and embedded across the authority it is imperative that all officers recognise that a shift away from just considering the core services is required and the overall value of the outcomes being delivered is considered and evaluated.

West Lancashire Borough Council is committed to building an approach to economic development that changes the way that the economy functions, retaining more wealth and

opportunity for the West Lancashire people. This approach is delivered through the Community Wealth Building Strategy and 'progressive procurement of goods and services' is one of the key 'pillars' of activity underpinning the strategy.

West Lancashire Borough Council is committed to the Acts requirements and intends to further commit itself, by delivering the detail and spirit of the Act, through implementing this policy into all aspects of its commercial and procurement where it is practicable to do so.

There is not a one size fits all when approaching Social Value, officers must consider each contract individually for its ability to deliver on these priorities where it is both relevant and proportional to do so.

### 3. Social Value defined

Social Value promotes a holistic approach to activities carried out by the authority to create positive benefits for both stakeholders and the local community. The Social Value Portal defines Social Value as:

*An umbrella term for the wider economic, social and environmental effects of an organisations activities. Organisations that make a conscious effort to ensure that these effects are positive can be seen as adding social value by contributing to the long-term wellbeing and resilience of individuals, communities and society in general.*

There are three main categories which are interconnected and feed off each other



West Lancashire Borough Council has partnered with the Social Value Portal in order to effectively manage and report upon the Social Value that is being realised through progressive procurement activity.

The Social Value Portal measures the impact of Social Value through the TOM system, 'Themes, Outcomes and Measures'. The themes are general categories or classifications, the outcomes focuses on what is to be achieved under the theme and the measures are the specific activities that generate the Social Value.

The five key themes are Jobs, Growth, Social, Environment and Innovation. The themes are defined below with some example outcomes and measures illustrated:

**JOBS – Opportunity for all**

**Outcomes** - More opportunities for disadvantaged people; Improved skills; Improved employability of young people; More local people in employment.

**Measures** – No. fulltime equivalent direct local employees, No. weeks of training opportunities, No. weeks spent on meaningful work placements, No. hours of 'support into work' initiatives delivered.

**Growth – Inclusive Growth**

**Outcomes** – Social value embedded in the supply chain; More opportunities for local SMEs and VCSEs; Reducing inequalities; Ethical procurement is promoted.

**Measures** – No. of voluntary hrs donated to support VCSEs, Total amount (£) spent through contract with local MSMEs, Total amount (£) spent in local supply chain through the contract.

### **Social – Empowering communities**

**Outcomes** – Vulnerable people are helped to live independently; More working with the community; Creating a healthier community.

**Measures** – Initiatives taken/supported to engage people in health interventions; Donations and /or in-kind contributions to specific local communities; No. hrs volunteering time to support local communities

### **Environment – Decarbonising and safeguarding our world**

**Outcomes** – Sustainable procurement is promoted; safeguarding the natural environment; Carbon emissions are reduced; Air pollution is reduced.

**Measures** – Reduce waste through reuse of products and materials; Carbon emissions reductions through reduced energy use and energy efficiency measures – on site; Sustainable ecosystem initiatives

### **Innovation – Promoting social innovation**

**Outcomes** – Social innovation to create local skills and employment; Social innovation to support responsible business; Social innovation to safeguard then environment and respond to climate change.

**Measures** – Delivering benefits while minimising carbon footprint from initiatives; innovative measures to enable healthier, safer and more resilient communities to be delivered on the contract.

The National Social Value Portal Framework as agreed by the Local Government Association will be used to embed Social Value into the procurement process.

## **4. Social Value in practice**

All procurements over the threshold for open tender, as defined in the Contract Procedure Rules, will be required to consider as a minimum:

- If and how what is being procured could improve the social, economic and environmental wellbeing of the area in accordance with the Councils Vision and Priorities and
- How social value elements could be included as part of the specification and as part of the scoring and evaluation process

All procurements over the UK Threshold, as defined in Public Contracts Regulations 2015, will be required to include a standard weighting for Social Value as a minimum of 10% of the overall evaluation score. Where it is feasible and beneficial the specified SV weightings may be higher than the specified minimum.

All procurements below the threshold for open tender but subject to a formal Request for Quotation, as defined in the Contract Procedure Rules, Social Value requirements will be considered on a case by case basis.

Approval for the proposed evaluation criteria and weightings shall be granted by the Procurement Manager who will have the authority to increase or decrease the weightings in line with what they consider to be proportionate and appropriate.

Further competition procurements conducted through framework agreements will need to comply with the framework process including evaluation criteria boundaries.

## **5. Commitment to Community Wealth Building**

Spending money locally generates value across our supply chain and effectively delivers it to local people. A higher proportion of money re-spent in the local economy means more income is retained locally, keeping the West Lancashire pound within West Lancashire, leading to better living standards for local people.

To achieve Community Wealth Building it is imperative that we place appropriate value on the spending of money in our local economy. To do this, where the market and law allows, we will aim to target our procurement spend towards West Lancashire and Lancashire based organisations, we will achieve this by:

- Encouraging local suppliers wherever possible to bid for opportunities, through advertising relevant opportunities via our Social Media outlets
- Training and raising awareness with all officers who may be involved in the procurement process of the importance of understanding and early proactive engagement with the local market
- When appropriate using simple streamlined, template procurement documents
- Utilising the easy to access and free of charge, regional e-portal, The Chest and offering a 'How to' guide for contractors and suppliers
- Pay our suppliers promptly and ensure prompt payments down the supply chain.

## **6. Monitoring and review**

This policy will be reviewed every 2 years by the Procurement Team taking into account any changes in legislation pertaining to the Public Contracts Regulations (2015), the Public Services (Social Value Act) 2012, the Local Government Act and any changes to the Council's visions and priorities.

All budget holders should ensure that anyone given authority to spend is aware of and supported to ensure compliance with the Social Value policy.