

Is the final decision on the recommendations in this report to be made at this meeting?

No

Social Value Policy

Final Decision-Maker	Cabinet
Portfolio Holder(s)	Cllr Tom Dawlings
Lead Director	Lee Colyer
Head of Service	Jane Fineman
Lead Officer/Report Author	Dan Hutchins
Key Decision?	Yes
Classification	Non-Exempt
Wards affected	Not Applicable

This report makes the following recommendations to the final decision-maker:

1. That the Committee approve the Social Value Policy in Appendix A, for publication and implementation.
2. That the Committee recommends the Social Value Policy for approval by Cabinet on the 12th March 2020.

This report relates to the following corporate priorities:

- A Prosperous Borough
- A Green Borough
- A Confident Borough

Timetable

Meeting	Date
Management Board	29 January 2020
Finance & Governance CAB	18 February 2020
Cabinet DART	27 February 2020
Cabinet	12 March 2020

Social Value Policy

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

As a local authority, TWBC must adhere to the Public Services (Social Value) Act 2012. The Act calls for all public sector commissioning to factor in ("have regard to") economic, social and environmental well-being in connection with public services contracts; and for connected purposes.

Whilst we are compliant with the Act, we do not have a formal policy and as such there is no defined guidance for officers or members in regards to Social Value.

This report is seeking approval to publish and implement the Social Value Policy on behalf of the Council.

2. INTRODUCTION AND BACKGROUND

Social Value

- 2.1 In essence, The Social Value Act requires us to consider, at the pre-procurement stage, how procurement could improve the social, economic and environmental well-being of the borough, and also to consider how in conducting the process of procurement, the commissioning manager/service might act with a view to securing that improvement.
- 2.2 This means that we should be thinking about the potential social benefit of a service from the start of the commissioning process in order to ensure that we have properly considered the potential impacts and benefits to the borough, and to write tender documents which reflect our needs accurately.
- 2.3 Unfortunately, the Act itself is widely regarded as confusing and lacking clear direction in its application. It is also largely 'toothless', in that there is no direct obligation to include Social Value – merely to consider it. It has been rumoured for some time that the Act will be strengthened in the future, but Brexit has taken up most of the agenda for the last 3 years and it is unlikely that this will be reviewed until Brexit (and the subsequent trade negotiations with the EU) is concluded.
- 2.4 At present, the implementation of Social Value varies greatly between authorities. The question for us to consider is: how can we anticipate the strengthening of the legislation and use Social Value as a means to improve the value of our contracts to the borough?
- 2.5 We have been extensively researching Social Value and how it may be applied to our procurement processes at TWBC, and how we can ensure compliance with the legislation (as well as deliver additional benefit from our contracts). We have found that there are new commercial entities that are able to consult and advise on Social Value, with some having their own portal that tenderers would need to access in order to comply with any requirements we put into our tenders. These services come at a substantial cost (around £500 per procurement process undertaken) and it was therefore considered that an internal solution would be a more affordable option.
- 2.6 We set about attending seminars and listening to other authorities discuss how they had implemented Social Value within their processes, and used this as a framework from which to build our own Social Value Policy. The result of this research has been the

creation of the document attached in Appendix A, which we are now seeking approval to implement.

3. AVAILABLE OPTIONS

- 3.1 Do Nothing - The Social Value Policy can remain unpublished and unimplemented.
 - 3.2 The Social Value Policy can be approved, published, and implemented as per Appendix A.
 - 3.3 An external consultant could be commissioned to consult on our current processes and procedures and produce a set of recommendations as regards Social Value.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option would be 3.2 above. This would ensure that the Council is compliant in its obligation to consider Social Value in its procurement processes, but would also provide officers with practical guidance on what Social Value is and what is expected of them. It would also be implemented with no additional cost to the Council, as officers will have the support and guidance of the procurement team when producing tender documentation.
 - 4.2 Option 3.1 would potentially leave a gap in the knowledge and understanding of officers in regard to how they should approach Social Value within their contracts, which may lead to important opportunities being missed.
 - 4.3 Option 3.3 would be a positive step and would produce a set of robust recommendations for the Council. However, consultants would need to be contracted to undertake the initial consultation and support us with procurement processes (approximately £500 per procurement).
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 Management Board approved the document at the meeting on 29 January 2020 and gave permission for it to be taken to Finance & Governance CAB.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 If the document is agreed by the Finance and Governance CAB, it will be included in the agenda for Cabinet on the 12 March 2020 for final approval and adoption.
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
Legal including Human Rights Act	Section 1 of the Public Services (Social Value) Act 2012 requires the Council to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and how, in conducting the process of procurement, it might act with a view to securing that improvement. The approval and implementation of the Social Value Policy will demonstrate the Council's compliance with the requirements of the Act	Keith Trowell Practice Area Team Leader, Mid Kent Legal 07/02/2020
Finance and other resources	There are no financial implications. This policy document will give greater guidance to officers and members in regards to how we can better achieve social value from our contracts.	Jane Fineman Head of Finance, Procurement and Parking 07/02/2020
Staffing establishment	There are no specific implications.	Dan Hutchins Procurement Manager 07/02/2020
Risk Management	There are no specific implications.	Denise Haylett Head of Facilities & Community Hubs 07/02/2020
Data Protection	There is a low possibility of personal data being processed or put at risk by actions arising from this strategy. Company data does not fall within the remit of the Data Protection Act or other data protection laws within the UK. Should personal data be used and processed as a result of any actions arising from the strategy, the relevant Manager or Head of Service will need to consider the risks to that data, and seek advice from the DPO at that time	Jane Clarke Head of Policy & Governance 06/02/2020
Environment and Sustainability	<p>The Social Value Policy recognises the importance of the Councils declaration of a climate emergency and its ambition to be carbon neutral by 2030.</p> <p>In addition to following the requirements in section 6 of the Social Value Policy it is also recommended that all contracts specifically set out the carbon reduction opportunities and how these could be implemented, to enable an informed decision to be made.</p>	Karin Grey Sustainability Manager 06/02/2020

Community Safety	There are no specific implications.	Denise Haylett Head of Facilities & Community Hubs 07/02/2020
Health and Safety	There are no specific implications.	Mike Catling Corporate Health & Safety Advisor 05/02/2020
Health and Wellbeing	Implementation of the Social Value Policy in the procurement process will have a positive impact on the Health and Wellbeing in the borough, which has been highlighted thoroughly in Appendix A. This relates to the determinants of health and wellbeing through creating opportunities for developing skills and training, promoting workforce equality and diversity, and a range of community benefits through increased local engagement.	Rebecca Bowers Health Improvement Team Leader 06/02/2020
Equalities	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.	Dan Hutchins Procurement Manager 07/02/2020

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A Social Value Policy

9. BACKGROUND PAPERS

Management Board – Wednesday 29 January 2020