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# Social Value Policy

North East Lincolnshire Council's priorities are clear:

### **'Stronger economy and stronger communities'**

To achieve this vision we need to work in new ways with partners in the public and private sectors, the voluntary and community sector, and with individuals, families and communities. We must support and enable the achievement of improved community outcomes with creativity and innovation.

We want North East Lincolnshire to be seen as an attractive place to live, work, visit and invest. We know that we have significant and exciting opportunities for investment and growth in North East Lincolnshire.

The Council's stronger economy / stronger communities priorities are underpinned by a key strategic framework comprising the following:

1. health and wellbeing strategy
2. economic strategy
3. financial strategy

We have a framework which sets out the five high level outcomes that we and our partners aspire to achieve to ensure prosperity and wellbeing for the residents of North East Lincolnshire. Delivery linked to the framework is underpinned by a commissioning plan which outlines our approach to commissioning through evidence based decision making.

The five outcomes are that all people in North East Lincolnshire will:

1. Enjoy and benefit from a strong economy
2. Feel safe and are safe
3. Enjoy good health and well being
4. Benefit from sustainable communities
5. Fulfil their potential through skills and learning

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## Introduction to Social Value Policy

The intention of this policy is to explain Social Value, state where it fits within the general council agenda, how the people of North East Lincolnshire may benefit from Social Value commissioning and explain how this may be carried out in practice.

## Purpose of Social Value

Social Value is about more than driving a hard bargain when commissioning services – it is a **statement of principles**. These principles underpin the Council's vision and priorities. From committing to paying as a minimum the Discretionary Living Wage, to partnership working that enables the Council, and its partners, to create opportunities that enhance our communities and improve the lives of our residents.

Social value requires commissioners to think about how they achieve outcomes in a more integrated way. Rather than thinking about services in isolation or in the short term, this approach **requires commissioners to consider long term costs, sustainability** and how the inclusion of Social Value outcomes can potentially reduce pressures and realise opportunities in other areas.

For example, Social Enterprise UK suggests that in practice this could mean

1. That a mental health service is delivered by an organisation that actively **employs people with a history of mental health problems** to help deliver the service.

Social Value outcomes are achieved as a result of the person with mental health problems:

1. *having a job where they may otherwise have been unemployed;*
2. *becoming more socially included; and*
3. *having a say in how mental health services are run.*

It also means **a local job for a local person**. In this example investing in a service to improve mental health also has a positive impact on other strategic objectives of increased employment and social inclusion. This way of working promotes an integrated and coherent approach to the delivery of the Councils priorities.

4. That a community childcare organisation that invests in programmes to help local long-term unemployed people into childcare training, qualifications and employment.
5. A housing management organisation that wins a contract to undertake property maintenance and repair work, and offers to provide social value by promoting careers in construction and trades to local schools, and committing to employing young people.

## The Wider Context

The Council is committed to:

### Doing things differently

1. This means finding new and innovative ways of doing things. We will develop more targeted, tailored and localised services. This will include considering an in-house option and/or a shared service with other authorities as well as potential external service delivery.

### **Working together**

2. This means everyone – the Council, its public service partners in the NHS, the police and fire service, housing associations, local businesses, voluntary & community organisations – working together in partnership to achieve our common goals.

### **Equality and fairness**

3. This means that in pursuing our priorities, the focus must be on equality and fairness, recognising the need to protect the most vulnerable in our communities and improve their quality of life.

### **Defining Social Value**

Social Enterprise UK puts forward the following definition **“Outcomes and activities that will improve the quality of life and life chances of our residents and enhance the economic, social and environmental sustainability of the local area.”**

Additionally; Social Value includes an expectation that all of the organisations working with the Council will operate using ethical sourcing. We recognise that there will be different levels in relation to the following expectations, but would want a commitment to ensuring that all organisations are operating ethically.

Suppliers are expected to:

1. Ensure any and all practises equating to or associated with modern slavery are strictly prohibited.
2. Ensure high quality health and safety standards.
3. Ensure effective measures are in place to prevent child labour; additionally, procedures are readily in place to help children who are found to be working for them.
4. Ensure sound and legal employment terms.
5. Ensure fair and equal treatment in the workplace and evidence of working to employment and equality legislation.
6. Ensure that their part of the supply chain is subject to continued renewal.

### **Our Priorities: Social Value**

North East Lincolnshire Council is already working hard to ensure Social Value in procurement of regeneration and development contracts – but the specific priorities of this policy are to ensure it is considered and built in to all activity that is part of the NELC commissioning framework. We will do this by maximising social, economic and environmental benefits for North East Lincolnshire coupled with value for money.

# AIMS



# OBJECTIVES

1. Involve local people and organisations in determining Social Value outcomes by beginning engagement and/or consultation at the earliest possible opportunity in a commissioning process.

3. Apply a methodology that aims to ensure a minimum 10% of the quality element of the price/quality ratio will be allocated to Social Value, when it is identified in the commissioning process that additional Social Value outcomes are relevant and appropriate.

5. Work with internal staff, the marketplace and communities to improve understanding of Social Value, our Policy and evaluation methods.

2. Agree proportionate and relevant Social Value outcomes with the marketplace at the pre-procurement stage, and ensure that they are linked to our strategic priorities.

4. Aim to spend at least 25% of the Council's total procurement budget with micro, small and medium size businesses, social enterprises and voluntary/community organisations and be ambitious in our endeavour to improve on this figure.

## Our Priorities: Stronger Community and Stronger Economy

### Stronger Community:

1. Making sure that local people have the **best possible life chances**
2. Building resilience, resourcefulness and promoting citizenship, fairness and responsibility amongst local people and strengthening the **sense of community** amongst the people who live and work here.
3. Promoting **cohesion, equality and integration** amongst our communities.
4. Making sure that **everyone has a fair say** in the way that services are delivered, that they are listened to and **taken seriously**.
5. Making sure that **inequalities** in the quality of life in different parts of the borough are **tackled** by a clear focus on local needs.
6. **Building partnerships** – between local service providers, local services and residents – to find new ways of providing services that are more finely tailored to individual, community and local needs.
7. Making sure that **our schools** are amongst **the best** and that our children and young people achieve to their potential.
8. **Supporting vulnerable people** and families when and where they need it.
9. Making sure that North East Lincolnshire is an **attractive place to live**, with a pleasant environment, clean streets, well-cared for parks and green spaces.
10. Continuing to **reduce crime**, especially violent crime, and making people feel safer.
11. **Supporting** good quality, accessible **arts and leisure** facilities.

## Stronger Economy:

1. Increasing the supply of **affordable**, good quality **housing**.
2. **Supporting local enterprise**, generating jobs for local people, helping people into work and promoting fair pay.
3. **Capitalising** on our **cultural and heritage assets**
4. **Equipping our residents** with skills and confidence to secure and sustain **well paid employment**
5. Delivering **inclusive growth** by involving and engaging communities in economic regeneration projects and programmes
6. Supporting local employers to grow and have access to a **skilled workforce**
7. Generating a **place based approach**, aligning corporate social responsibility objectives of major employers with the agreed place outcomes



## **Building Social Value in to our commissioning cycle**

### The Public Services (Social Value) Act 2012

The Act requires local authorities and other commissioners of public services to consider how their services benefit people living in the local community, including any economic, social and environmental benefits.

Under the legislation, local authority commissioners must consider how they can improve the social impact of their public service contracts before they start the procurement process. In particular the Act states that the authority must consider:

1. how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
2. how, in conducting the process of procurement, it might act with a view to securing that improvement.

Our approach to Social Value aims to create an environment that enables communities to thrive and take greater ownership of the services that are important to them.

### **Community Benefit**

By considering social value in everything the Council does the community will be able to shape and influence service design and delivery. The Social Value policy is our commitment to engaging the community more and encouraging all organisations that provide services to think of ways in which they can provide greater levels of support and opportunities for the community to benefit from the services that are being provided.

### **Employment, Skills and Enterprise**

Through place based partnerships the Council will seek to reach out to employers and use large scale regeneration projects and the procurement of goods and services to influence and create pathways into employment for our residents, including apprenticeships and work placements for young people. We aim to do this through the adoption of a place based Inclusive Growth agenda which is in development.

The Council will also work with public sector and community partners to encourage and grow the skills base and help residents progress in their careers. We will also look to increase the benefits of volunteering for all our community as a means to gain employment but also as a way of bringing community benefit to the borough.

## Sustainability

Procuring the future gives a definition that sustainable development “achieves value for money on a whole life basis in terms of generation benefits not only to the organisation, but also to society while minimising damage to the environment.” The Council seeks to sustainably source services and goods in the procurement process, benefiting the environment, local businesses and local people.

Within North East Lincolnshire we are working towards a local approach to the United Nation Sustainable Development Goals. The goals are listed on page 95 of the Civil Society Strategy which is available via this link [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/732765/Civil\\_Society\\_Strategy\\_-\\_building\\_a\\_future\\_that\\_works\\_for\\_everyone.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732765/Civil_Society_Strategy_-_building_a_future_that_works_for_everyone.pdf)

## Delivery and Reporting

In practice this Policy will be applied as follows:

1. As a minimum, all procurements over £100,000 will be required to consider and include Social Value metrics (using the Procurement for Social Value Toolkit) as a part of the scoring and evaluation process. However, wherever possible to do so, procurements below this value should also seek Social Value benefits from contracts. Opting out of including a social value element will require evidence that the full potential of social value has been explored and there is clear evidence that social value cannot be included
2. The standard weighting for Social Value will be a minimum 10% of the overall evaluation score and where it is feasible, this may be higher.
3. Once a procurement exercise is concluded, the responsibility for ensuring the committed Social Value benefits are actually delivered will fall on those officers responsible for contract management of that individual contract.
4. Social Value commitments will be published as part of formal awarding of contracts, subject to commercial sensitivity.

## Governance

A Social Value Advisory Group will oversee the development and implementation of Social Value in the Council reporting to the Portfolio Holder Resources. In particular this group will:

1. Consider the activities to which Social Value offerings from contractors might be applied.
2. Develop Social Value measures to be applied in procurements according to the type and value of procurement.
3. Overall delivery of Social Value offerings from contractors and impact on the Council.
4. Consider how Social Value principles and metrics can be applied to Planning requirements.

5. Produce annual reports on the progress and impact of social value across all key commissioning and procurement activity
6. Recommend means by which social value can be delivered in partnership with anchor organisations and the community across NEL

Responsibility for the implementation and delivery of Social Value in individual procurement contracts over £100K will sit with the Leadership Team and above £350K will sit with Cabinet.

The Policy is initially a Council Policy, we will be asking partner organisations to sign up to the policy and will look to develop a Social Value panel that include representatives from partners and the community as the policy starts to be implemented.

## **Review**

The Council will review its Social Value Policy in April each year. In doing so, it will take account of any changes in legislation pertaining to the Public Services (Social Value Act) 2012, the Local Government Act 1999, EU Regulations and any changes to Place priorities in future years. It will also allow changes that ensure that the expected benefits of the policy are being achieved.

## BACKGROUND INFORMATION

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