
Social Value Update

Committee considering report:	Executive
Date of Committee:	12 January 2023
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	7 December 2022
Report Author:	Kate Pearson
Forward Plan Ref:	EX4305

1 Purpose of the Report

The purpose of this report is to provide an update on the Social Value Policy which was adopted by the Council at Executive on 18 November 2021. The paper will provide details of the uptake and impact of the inclusion of social value measures within contracts arising from the procurement process.

2 Recommendation

That the council continues to monitor the implementation of the Social Value policy to determine how it is embedded within the procurement process and what benefits are derived in the future.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>Social value should be provided in addition to the benefits derived from the specification and there should be no cost to the council.</p> <p>Social value benefits offered by providers may have positive financial impacts on the local economy and may result in cost avoidance to the council or financial benefit to the local community, however it is usually very difficult to assign a financial value to the support received.</p>
Human Resource:	Social value is monitored and measured as part of contract management and does not require any additional resources

Social Value Update

	therefore it is not considered that there are any HR implications.			
Legal:	There are no direct legal implications arising from this report as confirmed by Sarah Clarke on 8 th December 2022.			
Risk Management:	There are no significant risks associated with the implementation of the Social Value policy.			
Property:	There are no implications in relation to property associated with the implementation of the Social Value policy.			
Policy:	<p>The Public Services (Social Value) Act 2012 requires councils to consider how that can secure social, economic and environmental benefits at the pre-procurement stage of contracts.</p> <p>In addition, Crown Commercial Services published a Procurement Policy Note (PPN) 06/20 in September 2020 requiring central government to take social value into account when procuring contracts. It is not mandatory for local government to comply with the requirement, however the council's Social Value policy applies the same weighting to social value as set out in the PPN.</p>			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		It is possible that social value provided by suppliers will impact inequality in a positive way, however this will be dependent upon the subject matter and the offering from the market

Social Value Update

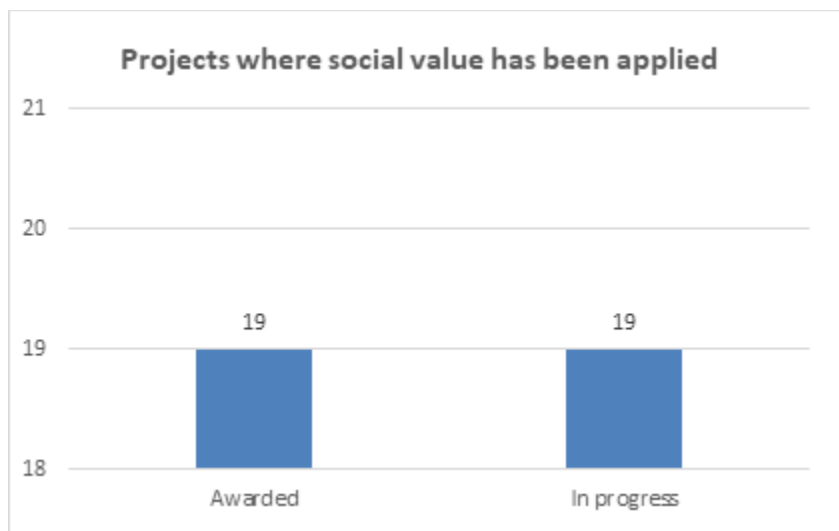
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		It is possible that social value provided by suppliers will positively impact the lives of people with protected characteristics, however this will be dependent upon the subject matter and the offering from the market
Environmental Impact:	X			Positive environmental impact is an area where we have already seen suppliers offering social value benefits, such as moving towards a zero emissions fleet, using local supply chains etc.
Health Impact:		X		It is possible that social value provided by suppliers will have a positive health impact, however this will be dependent upon the subject matter and the offering from the market
ICT Impact:		X		None known
Digital Services Impact:		X		None known
Council Strategy Priorities:	X			Suppliers will be asked to link their social value propositions to the council's priorities to ensure that value offered is in line with the council's strategy
Core Business:		X		None known
Data Impact:		X		None known
Consultation and Engagement:	<p>The Commissioning and Procurement team has consulted with service areas who have been involved in contracts including social value as a requirement.</p> <p>The paper has been presented at Procurement Board and Corporate Board and feedback has been incorporated into this paper.</p>			

4 Executive Summary

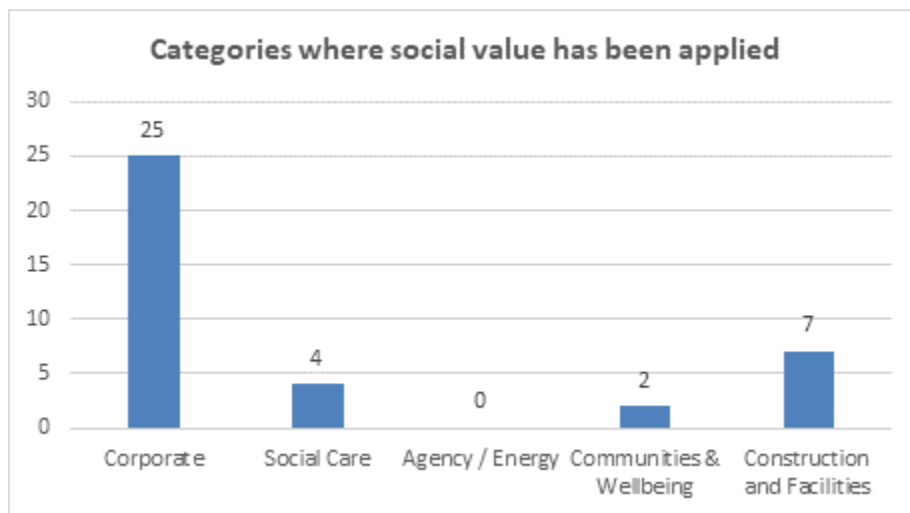
The following statistics show where social value has been applied (with the exclusion of transport DPS awards).

Since the Social Value Policy was implemented, the council has published 73 procurement projects (excluding projects for transport which are referenced below) of which 3 included a specific social value question.

Application of social value:

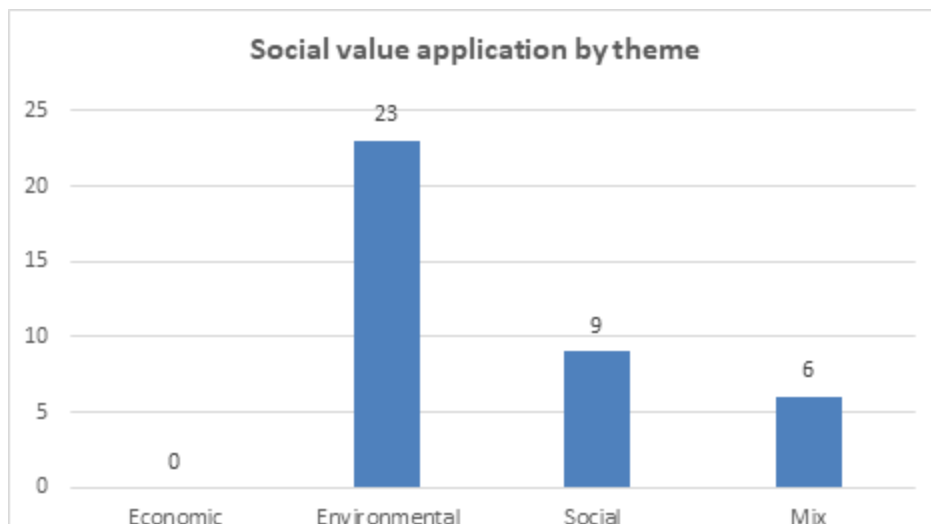


Categories where social value has been applied:



Themes applied:

Social Value Update



The transport team created a Dynamic Purchasing System (DPS) to allow bidders access to opportunities and provide a quick and efficient process for the council to award individual call-off contracts.

The DPS has been in place since May 2022 and has resulted in the award of 57 call-off contracts to date, across which social value is applied in respect of environmental elements.

5 Supporting Information

This report is to provide an update on the implementation of the council's Social Value Policy to date.

Background

The stated goal of the Social Value 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.”

Social value has been a focus of central government contracts for some time and, in September 2020, Crown Commercial Services issued a Policy Procurement Note setting out the explicit requirement to evaluate social value in all central government procurements, where the requirements are related and proportionate to the subject matter of the contract.

Whilst this was an explicit requirement for central government, it is considered good practice for local government to follow this guidance.

It was recognised by the council that social value could be generated by the inclusion of criteria within the procurement process. The policy therefore prescribes that, where applicable, social value should be evaluated as part of the procurement process with a weighting of up to 10%.

Social Value Update

On reviewing the responses provided by suppliers, it is apparent that for some this is a new area which has not previously been considered. Some responses have been vague and non-committal, referring to CSR, environmental policies and charitable support or corporate ambitions which have no timescales attached without committing to any specific measures in relation to the contract or the benefit of the local area. These responses are typically shorter, more generic and not focussed on local benefits and score poorly as a result.

However there have been good examples of specific commitments to measurable benefits such as providing two volunteer days to support a charity of the council's choosing or working with schools and conservation groups to create habitats for wildlife and provide education about suitable environments.

Proposals

The council will continue to implement the Social Value policy and its impact.

Social value questions will be refined and improved to ensure that suppliers are specific in their offering, providing social value which can be monitored and measured and that the council achieves the best outcomes linked to the council's priorities.

Commissioning and Procurement will seek to understand where the social value response has been a deciding factor in the outcome of a procurement process and keep a record of these to be reported on regularly.

6 Other options considered

The council could choose not to evaluate social value, however this would not support the council delivering its priorities.

7 Conclusion

Whilst it is still early days for the implementation of the Social Value Policy, we have captured some good feedback from the service areas who are implementing this.

In particular, the transport DPS demonstrates that the social value requirement is driving better awareness and consideration within providers regarding what they could do to more, better or differently to deliver greater social value through this contract. This has led to one provider considering the electrification of their fleet, not only to deliver services to the council, but for their wider public routes, delivering environmental benefits beyond the scope of the council's contract.

However there is a need for questions to be more focused on the council's priorities to ensure suppliers provide specific social value measures which can be monitored and measured.

8 Appendices

8.1 Appendix A – Service Area Feedback

Background Papers:

Not applicable

Subject to Call-In:

Yes: No:

- The item is due to be referred to Council for final approval
- Delays in implementation could have serious financial implications for the Council
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Officer details:

Name: Kate Pearson
Job Title: Service Manager – Commissioning and Procurement, Place and Resources
Tel No: 07827 958350
E-mail: kate.pearson1@westberks.gov.uk

Service area feedback

Youth Worker contract

The new contract went live at the start of the new academic term therefore too soon to measure Social Value Impact, however, the whole premise of the project is to reduce exclusion from school and increase engagement/attendance at school – research suggests that educational attainment is one of the strongest protective factors in reducing inequality and social exclusion therefore I would expect that over time we should be able to evidence social value.

Laptops for Virtual School

We have delivered 6 of these devices. They have been received by a mixture of young people, including unaccompanied asylum seeking children, Ukrainian refugees and children in care.

One notable recipient was a child who was accommodated just last week. So, within a week of coming into care, he has a laptop.

The key positive for us is that we don't have to wait for agreement from a school which can take an age.

Our 'contract' with the child and carers also makes expectations clear. The access carers have to a helpdesk is also positive, as is Stone's offer of disposal.

Shredding – Corporate Offices

The shredding company are Newbury based which means a very low carbon footprint for the fortnightly collections of the consoles.

BREAM Consultancy

Feasibility study has been completed and will start to consider the sustainability of the built environment moving forwards.

Corporate Office / Hardware requirement

Recyclable / plastic free packaging used for this large volume delivery.

Transport DPS

Generated a two-way awareness factor:

- suppliers now have a greater understanding of the importance of this to us as a Council; and
- we have gathered a greater understanding of how our suppliers are already adding social value.

Social Value Update

And then furthermore, it's helped some suppliers to stop and consider what they could or can do more.

Within, the DPS application we require suppliers to provide a response on:

- 1) What will you do to reduce your organisation's carbon footprint?
- 2) What will you do to create opportunities or other benefits for local people?

Together, these questions form 10% of the quality scoring, and suppliers must achieve a minimum of 50% overall for the quality scoring to be approved onto the DPS.

Almost without exception, from the smallest to the largest suppliers, they have all been able to demonstrate some real thought and consideration to these questions. A small handful of the examples that they have provided of what our suppliers are currently doing are as follows:

Carbon Footprint	<ul style="list-style-type: none">• Regular vehicle maintenance, avoiding congestion, optimising routes, responsible driving, maximising vehicle usage and avoiding vehicles running empty, using cleaner fuels e.g. Adblue, turning engines off when stationary – all to reduce emissions.• Responsible waste disposal and recycling.• Only purchasing what they really need.• E-working to reduce paper waste, and use of refillable ink cartridges where they do need to print.• Minimising waste of water and energy.• Use of low-energy bulbs; fitting solar panels to premises.• Collecting rainwater for, and minimising use of solvents in, cleaning.• Investing in new technologies and looking to replace existing vehicles shortly with more efficient vehicles / greener vehicles / e-vehicles / hybrids.
Local opportunities	<ul style="list-style-type: none">• Local recruitment and local job advertising.• Using local businesses for supplies.• Providing support for local schools, football teams and charities – e.g. volunteer driving, financial support, sponsorship, publicity, fundraising - and support for NHS/care workers too during covid etc.• Apprenticeships and a whole range of qualifications, driver training and other professional training – not just for the drivers and passenger assistants but back-office and workshop staff too.• Flexible working• Work experience opportunities.• Employee loans or other financial support.• Providing targeted employment opportunities and career support – e.g. in deprived areas, for hard to reach groups, the unemployed, NEETs, individuals with disabilities, from ethnic minority groups, LGBGT+ communities.

Social Value Update

We have also, as a result of this, been approached directly by one operator asking when might we issue some zero carbon or e-vehicle-only tenders as they start to investigate the procurement of these on their fleet – and only last week, not directly on our DPS tendered routes, but on one of their public bus routes, we've been advised by one of our DPS-approved suppliers that they will trialling/demonstrating an electric vehicle on their route tomorrow and throughout next week and asking if we want to come to see. So again, operators are becoming aware that this is something we might want to see implemented in contracts in the near future and as a result they are starting to prepare for this.

So although I think there is a lot more that could be done (and I'm sure will be done over the coming years), I think the awareness-generation has been a critical first step and puts us in a better place for developing targets for future reviews of the Council's ULEV strategy in relation to client passenger transport contracts.

And on a personal level, it makes me feel quite proud to see how collectively our suppliers, are not just delivering the basic minimum requirements that we ask of them in our specifications, but they are genuinely providing real-time support to their staff, local communities and the environment alike.