

Gloucester City Council

Meeting:	Cabinet	Date:	14 October 2020
Subject:	Social Value Policy, Toolkit and Gloucester TOM's Measurement		
Report Of:	Cabinet Member for Communities and Neighbourhoods		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Adam Wassell, City Growth & Delivery Officer		
	Email: adam.wassell@gloucester.gov.uk	Tel:	396974
Appendices:	1. Gloucester City Council Social Value Policy		
	2. Social Value Policy Monitoring Hierarchy		
	3. Social Value Portal Supplier Costs		

EXEMPTIONS

The public are likely to be excluded from the meeting during consideration of Appendix 3 as it contains exempt information as defined in paragraph (3) of schedule 12A to the Local Government Act 1972 (as amended).

1.0 Purpose of Report

1.1 To provide an update on the work requested by Cabinet in March 2020 to be carried out and seek Cabinet adoption of the Social Value Policy in Appendix 1 for embedding in the City Council's procurement process.

2.0 Recommendations

3.1 Cabinet is asked to **RESOLVE** that:

- (1) the adoption of the Social Value Policy in Appendix 1, to be implemented as part of the City Council's procurement process be approved; and
- (2) responsibility be delegated for the management of the Social Value Toolkit and Gloucester TOM's measurement framework to the Head of Communities, in consultation with the Cabinet Member for Communities and Neighbourhoods and the City Council Solicitor; and
- (3) it be noted that by engaging Social Value Portal Limited to support the City Council and bidders in the delivery of social value, successful bidders for City Council contracts will be required to pay a fee to the Social Value Portal as set out in Appendix 3.

3.0 Background and Key Issues

3.1 In March 2020, Cabinet considered a draft Social Value Policy for the City Council. To summarise, for procurement activity exceeding £50,000, the City Council would

consider where and how social value can be delivered and request bidders to submit details on how they expect to deliver social value through deliver of the contract. Social Value would be given a 10% weighting on assessment on submissions. The City Council has decided that Social Value deliverables should cover the five following areas:

- Promoting local skills and employment (Jobs)
- Supporting growth of responsible regional business (Business)
- Creating healthier, safer and more resilient communities (Social)
- Protecting and improving our environment (Environment)
- Promoting social innovation (Innovation)

3.2 Following review, Cabinet took the decision to:

- Undertake consultation on the Social Value Policy, to ensure it is representative of local need as recognised by stakeholders
- Develop two documents to aid potential suppliers in addressing this social value requirement in their tender documentation.
 - The first of these is a Social Value Toolkit, a document that explains the specific interventions expected as a result of the adoption of the policy. This was requested following feedback on Manchester City Council's and Bristol City Council's experience with developing a Social Value Policy.
 - The second is for a series of social value delivery measurements, based on the five areas referenced in 3.1. Collectively, this measurement model is based on a tool developed by Social Value Portal Limited called the TOM's- this stands for Themes (the five key areas), Outcomes (a series of deliverables) and Measures (how the deliverables are measured; usually a financial equivalent is provided).
- Procure the services of Social Value Portal Limited, to support officers in developing the materials referenced above and provide further assistance with the management of procurements meeting the criteria for Social Value deliverables.

3.3 The adoption and implementation of the Social Value Policy was subsequently established in the Council Plan (2020-2021) extension.

3.4 Although the Covid-19 pandemic has pushed back a number of City Council managed projects, officers have been able to progress this work and in July 2020 the Social Value Portal were appointed to progress the development of the Policy, Toolkit, and TOM's measurement framework, and an internal guidance document for staff for its implementation.

3.5 SMT had a session with Social Value Portal Limited on the 28th July, where they were given an overview of the key deliverables for the project.

3.6 On the 29th July, Social Value Portal Limited hosted a workshop with a number of key city stakeholders. This was to begin capturing information on local social value priorities, to aid in the development of Gloucester's own priority list.

3.7 Following this, City Council Officers have worked with Social Value Portal Limited to develop the bespoke draft toolkit, TOM's measurement indicators, and internal guidance for staff. The City Council's interim Procurement Officer has also provided ongoing advice and support with the proposed delivery of the policy.

- 3.8 On the 3rd of September, the TOM's measurements were presented to the Social Value workshop, and work is now ongoing to incorporate feedback into the final published documents.
- 3.9 These documents have now largely been completed, and it is intended that they will be launched alongside the adoption of the Social Value Policy. Their function in realising the Social Value Policy is summarised below:
- The Social Value Toolkit establishes for suppliers the City Council's definition of social value, introduces the TOM's measurement framework, provides examples of social value interventions, explains how this policy works within the procurement process, and provides answers to commonly asked questions.
 - The TOM's Measurement tool outlines specifically what the social value deliverables should be, and how they will be measured. It is intended that officers will engage constructively with suppliers to agree how these deliverables can be delivered to maximum effect.
- 3.11 Training sessions will be delivered for staff involved in project management in October 2020, to ensure they are prepared to appropriately action the policy in procurement.
- 3.12 The City Council will be using Social Value Portal Limited's platform to manage social value in procurement, and alongside developing the documents referenced above, officers are also working with the Social Value Portal to ensure the system is ready for immediate implementation upon adoption of the Policy. The City Council will utilise the Social Value Portal for an initial period lasting 12 months. The contract will then be reviewed to decide whether their services are retained.
- 3.13 It should be noted that following award of a contract, Social Value Portal Ltd charge a fee to the successful bidder. This is to cover both the license fee of using the Social Value Portal for contract monitoring purposes, and for the ongoing support and advice of a dedicated Social Value Advisor. This is the approach that has been adopted with Social Value Portal Ltd.'s work with other local authority partners, and none of them have experienced issues with suppliers as a result of this. Further information can be found in Appendix 3.
- 3.14 Both the Social Value Toolkit and the TOM's Measurement Tool are the result of consultation with a stakeholder group comprising representatives from various organisations. It is intended that this group will continue to consult on this work as the Policy is delivered upon. To ensure these documents can be regularly updated and adjusted according to the experience of the stakeholder group and external factors outside the City Council's control, it is requested that responsibility for them be delegated to the Head of Communities, in consultation with the Cabinet Member of Communities and Neighbourhoods and the City Council Solicitor.
- 3.15 A management structure for the policy has also been submitted with this report. It is intended that the Head of Communities role will serve as the accountable officer for this work and will be responsible for providing Cabinet with an update every six months on the ongoing delivery of the policy. They will also serve as the primary point of contact for members on social value and be responsible for ensuring the policy remains fit for purpose. Supporting them, three individuals- the Economic

Development team, Community Wellbeing Manager and City Climate Change and Environment Manager- will manage the individual areas of the TOM's. Further information can be found in Appendix 2.

4.0 Asset Based Community Development (ABCD) Considerations

4.1 The City's community of local stakeholders have been involved in the process of developing the Social Value Policy and Toolkit and have all indicated a desire to be involved in the programme on an ongoing basis. Upon implementation of the policy contractors will be expected to collaborate at the local level and the Social Value Policy will facilitate the Council's continued commitment to ABCD.

5.0 Environmental Implications

5.1 Social Value principles promote the protection and improvement of the natural environment, arguing its prioritisation creates a better place to live. Appropriate stakeholders and officers are being consulted to ensure the Social Value policy covers Gloucester's environmental needs.

6.0 Alternative Options Considered

6.1 None considered.

7.0 Reasons for Recommendations

7.1 To deliver a Social Value Policy as specified in the Council Plan extension (2020-2021).

8.0 Future Work and Conclusions

8.1 The Social Value Toolkit and TOM's framework will be finalised and agreed upon with the stakeholder group. They will be available alongside the Social Value Policy.

9.0 Financial Implications

9.1 Financial Services have not been consulted in the preparation of this report.

10.0 Legal Implications

10.1 The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires public bodies who commission services to consider how what is proposed to be procured might improve the wider social, economic and environmental well-being of the area. This duty only applies to the procurement of services above the threshold for the advertisement of the procurement across the EU. This threshold is currently £189,330. The Council's policy goes beyond the statutory duty as it covers all procurements above £50,000.

10.2 Before starting the procurement process for above threshold services contract, commissioners must think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area.

10.3 The Public Contracts Regulations 2015 permit social aspects to be evaluated as part of the quality criteria. Any social value aspects must be relevant and proportionate to what is being procured.

(One Legal have been consulted in the preparation of this report)

11.0 Risk & Opportunity Management Implications

Risk	Impact	Level of impact	Likelihood of impact	Mitigating measures
Immediate rollout of policy not possible following adoption	Whilst policy would be active, further time would be required to get it operational	High	Low	Training sessions with staff to be held imminently.
Risk of suppliers not bidding due to dealing with two portals for bid submission	Reduced number of submissions for Council contract could lead to poor overall quality of options	High	Low	Existing agreement between Social Value Portal Ltd and existing supplier portal infrastructure. Has been used by other LA's to great effect
Issues with winning bidder having to pay a fee for Social Value Portal Ltd.'s services	Issues with contract commencement, may lead to fewer bids being received	High	Low	Social Value Portal Ltd have stated in working with over 50 LA's this has never been an issue. Will be on hand to support if problems arise.
Issues with delivering Social Value with long-term impact of Covid not yet understood	May lead to failure to delivery contract, may lead to non-compliance with obligation	High	Medium	Social Value Portal Ltd providing ongoing support with non-delivery. Council will actively support suppliers first hand.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact; therefore a full PIA was not required.

13.0 Community Safety Implications

13.1 The delivery of Social Value does ensure "healthier, safer and more resilient communities", and would contribute to crime reduction, the promotion of healthier lifestyles, and giving vulnerable individuals opportunities for independence.

14.0 Staffing & Trade Union Implications

14.1 None.

Background Documents

None