

Gloucester City Council

Meeting:	Cabinet	Date:	14 September 2022
Subject:	Social Value Policy Progress Update		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Gloucester City Council Social Value Policy		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 To provide an update on the Social Value Policy which was adopted in October 2020.

2.0 Recommendations

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

- (1) the progress made against the aims of the Social Value Policy be noted
- (2) the Social Value Policy be extended to 2023 to allow for the changes to the National Themes Outcomes and Measures (TOMs) to be reviewed and implemented to complement local opportunities.

3.0 Background and Key Issues

3.1 In October 2020, Cabinet adopted the Social Value Policy 2020-2022 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 delivery of the contract. Social Value would be given a 10% weighting on assessment on submissions.

- 3.2 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 To support suppliers in the bidding process a Social Value Toolkit has been developed as well as the Themes Outcomes and Measures (TOMs) that the Social Value Working group developed locally, supported by the Social Value Portal Team, prior to the adoption of the policy.
- 3.3 For the past two years Officers have worked with the Social Value Portal to measure the delivery of Social Value under our contracts, review processes and look for opportunities for development of the work.
- 3.4 Officers and Managers have received training to help develop understanding of the Social Value Policy and its objectives, as well as support bidders to apply for contract work.
- 3.5 The City Council continue to work with the Social Value Portal to ensure consistency of measurement and reporting during the period of embedding this approach in our procurement.
- 3.6 Reporting through the Social Value Portal shows active delivery across two contracts, the highlights are as follows:
- 30 hours of Careers Support Sessions delivered to young people.
 - £27,997 invested in community support
 - 11 new people employed locally
 - £847,440 spent in the local economy
 - 110 volunteer hours provided to local community projects.
 - 3 weeks of work experience provided for young people.
- 3.7 As part of the Social Value element of the Forum, the contractor has leased a property and have fitted it out to become a Learning Hub and have appointed a Project Coordinator. Their commitment to Social Value was clear though their tender for the contract and this was taken into consideration as part of the process.
- 3.8 In October 2021 ARA carried out a piece of consultancy work to assess the Council progress on the delivery of the Social Value Policy. Its conclusion was that the Council has developed its maturity on the Social Value Maturity Index (SVMI) and has scope to continue on this trajectory by delivering its current plans. It recommends reviewing how we can increase the impact of the policy through maximising spending power.

4.0 Social Value Considerations

4.1 The City's community of local stakeholders were involved in the process of developing the Social Value Policy and Toolkit. Contractors collaborate at a local level to develop their offer during the bidding process in a way which is meaningful for the contractor and their community. Officers work with communities and the VCS to develop projects which can be put forward to contractors to support.

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. A number of TOMs support our environmental and climate change ambitions.

6.0 Alternative Options Considered

6.1 We could cease to support the Social Value Policy and work but given the value to our communities, this option has been ruled out.

7.0 Reasons for Recommendations

7.1 The Social Value Policy is due to end in October 2022. Due to the changes to the National TOMs and possible local changes, we are looking to extend the Policy for a further year to ensure new measures and opportunities can be included.

7.2 There are a number of types of procurement which are currently not covered by the policy which includes purchases off a procurement framework (where social value should have already been taken into account) and contract extensions. This means that for a lot of the councils contracting work over the past 2 years, the Policy has not applied.

8.0 Future Work and Conclusions

8.1 A review of the Gloucester TOMs work will be conducted during 2022/2023.

8.2 A review of opportunities for the Social Value Policy to be expanded will be considered in the next 12 months.

8.3 Once reviewed, an action plan will be developed to outline delivery timescales and activity.

8.4 The final version of the policy, following the review and consultation, will be a permanent policy with review dates.

9.0 Financial Implications

9.1 No direct financial implications within this update 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 wellbeing 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 £213,477 inclusive of VAT. 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
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 noncompliance 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 which can be evidenced through the wide range of TOMs supported by our contracts.

14.0 Staffing & Trade Union Implications

14.1 None.

Background Documents

Social Value Policy 2020-2022 <https://www.gloucester.gov.uk/media/4765/gcc-social-value-policy-2020-2022.pdf#:~:text=Gloucester%20City%20Council%E2%80%99s%20Social%20Value%20Policy%20outlines%20how,a%20total%2010%25%20weighting%20for%20assessment%20of%20submissions.>