
Social Value Policy

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1. Introduction

Following nearly a decade of public sector austerity, and then the coronavirus pandemic, it is more vital than ever that the Council, its suppliers, and Southend's communities work together to collectively recover and overcome the challenges we face. This will include looking for opportunities, both big and small, to support the people of Southend to be healthy, lead fulfilling lives in work and play and to look after the outside spaces we have grown to rely upon.

Maximising social value through the commissioning and procurement of contracts in Southend will help to secure these positive outcomes and influence suppliers in line with the City's Southend 2050 ambitions.

This policy sets out the Council's approach to implementing the Public Services (Social Value) Act 2012 ("the Act") and associated legislation. It further recognises the potential that social value has in supporting the Southend 2050 programme, and commitment to continuing to strive to make Southend a better place whilst delivering best value for money.

2. What is social value?

Social value is about the difference that we can make in our communities through our contracting of services and goods.

Social value asks the question:

'If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?'

(Social Enterprise UK)

A social value approach involves looking beyond the price of each individual contract and considering the collective benefit to local communities, the economy and or the environment.

3. Strategic context: Southend 2050

Southend 2050 is the borough's ambition for the future. It is the foundation for this policy and sets the outcomes we want to achieve.

For more information on Southend 2050, visit the Council's website: [Southend 2050](#)



4. National context: Social Value and the Act

4.1. The Act requires all public bodies in England and Wales to consider how the services they commission and procure might improve the “economic, social, and environmental wellbeing” of their respective areas. It asks that public bodies consider the ways that they could most benefit society as part of each decision made.

4.2. The Act gives local authorities the freedom to determine what kind of additional social value would best serve the needs of local communities provided that the social value obtained is relevant to the contract and its request is proportionate.

5. The benefits of a social value approach

5.1. A social value approach involves looking beyond the price of each individual contract and considering the collective benefit to local communities when the Council chooses to award a contract. Procurement and commissioning officers might, for example, consider requesting additional social value that tackles a key local issue, addresses a gap in service delivery or strengthens local communities in other ways such as contributing to the local economy.

5.2. The Council spent c. £120M on contracts in 2021/22, many of which by default will deliver positive economic, environmental, and social outcomes that align to the ambitions of Southend 2050.

5.3. The Social Value Portal¹ suggests that on average, organisations could see a social and local economic² added value return of around 23.7% on contract spend. A number of factors including sector of contract, contract value, geographic location, number of contracts and maturity of market contribute to the wide range of eventual returns.

	Social Value Added	Local Economic Value Added	Social and Local Economic Value Added
Average	4%	22.3%	23.7%
Median	0.6%	8.4%	15.7%
25th percentile	0.1%	0.5%	3.8%
75th percentile	2.1%	28.6%	36.6%

5.4. As an example, in 2021 Plymouth City Council (one of Southend’s CIPFA Nearest Neighbours) reported 34% of total contract value achieved as additional social value over the last two years, whilst Rotherham Metropolitan Borough Council reported a return of 10%.



6. Our Commitments

6.1. Social Value in commissioning and procurement

6.1.1. We will seek to secure additional social value in the contracts we award through collaborative working, and we will direct those benefits to communities where they are most needed.

6.1.2. There is no ‘one size fits all’ model for achieving social value; it is an area where providers and commissioners nationally are learning about how best to achieve and evidence it. The aspirations of this Policy and the guidance within the Toolkits will continue to be informed by national developments and our local learning.

¹ [About us - Social Value Portal](#)

² Measures classed as “local economic value” include local employment and local supply chain spend; “social value” measures are those where the proxy value measures the benefit to society in general.

6.2. Social Value in everything that we do

6.2.1. We recognise that commissioning and procurement has a key part to play in achieving the Southend 2050 ambitions. But our ability to improve outcomes for local people goes beyond how we buy goods and services - we want to challenge ourselves and others to uncover the hidden value in everything that we do.

6.2.2. We want to find additional social value in all our activity, including planning, grants, human resource management and day to day running of services. We also want to be an ambassador for good practice and highlight the many examples of good practice going on in our town's businesses, schools, voluntary and community groups.

6.3. Social Value and Equality

6.3.1. Where Social Value is considered as part of a commissioning exercise, the public sector Equality Duty will continue to apply. This means that equality issues will continue to be considered at every stage of the commissioning cycle, including consultation and pre-procurement.

6.3.2. Our social value asks will contribute to our Equality Objectives.

6.3.3. We will promote social inclusion by ensuring our procurement procedures are transparent, accessible, and easy to understand and by providing Social Value Toolkits that offer practical, accessible guidance on developing a partnership with the Council.

6.3.4. We will take account of the need for positive action in respect of organisations led by, or for, equalities or community groups, and for the development of local small organisations and businesses. We will seek to nurture positive relationships and promote the engagement of these organisations in tendering. This will include actions to ensure that engagement with the marketplace and communities at pre-procurement stage is accessible to these target organisations.

7. Aims and Objectives

7.1. In delivering this policy our aim is to realise meaningful social value from the contracts we set in place, and to ensure that our commissioning and procurement activity maximises our potential to deliver the outcomes of Southend 2050.

7.2. It is not possible or appropriate to have one set of social value outcomes that will apply to all contracts, due to the value, nature, and diversity of the wide range of goods and services commissioned. We will, therefore, apply a proportionate approach, tailored to reflect the specific commissioning and procurement needs.

7.3. Service commissioners and procurement leads will consider, on a case-by-case basis, the potential social outcomes that could be delivered including the most appropriate strategy to achieve them.

7.4. Our social value objectives for each of the Southend 2050 themes are listed below:

Southend 2050 Theme	Social Value objectives
 <p>By 2050 Southenders are fiercely proud of, and go out of their way to champion, what our City has to offer.</p>	<p>Embed a sustainable commissioning and procurement procedure, protecting the borough's ecological interests, enhancing the environment, and supporting Southend to embrace the challenges of the Climate Emergency declaration made in 2019.</p> <p>Commit to protecting the environment and built environment, minimise waste and energy consumption and maximise the use of resources efficiently.</p> <p>Increase residents' satisfaction of the place, and Council services.</p> <p>Encourage people to take pride in their communities.</p>
 <p>By 2050 people in Southend-on-Sea feel safe in all aspects of their lives and are well enough to live fulfilling lives.</p>	<p>Contribute to improving the health and wellbeing of local people, with a focus on reducing inequalities.</p> <p>Improve the life chances of Southend's residents by working to reduce inequalities and social deprivation across our communities.</p>
 <p>By 2050 we have a thriving, active and involved community that feel invested in our City.</p>	<p>Engage with local communities to understand where social value can make an impact and listen to and strengthen our communities and partners to achieve better outcomes for all.</p> <p>Involve local people and organisations in determining social value outcomes that can meet the needs of communities via the commissioning cycle.</p> <p>Engage with local communities in the commissioning and evaluation of services, via community projects and partnerships with the VCS.</p> <p>Promote community cohesion and celebrate diversity.</p>

Southend 2050 Theme	Social Value objectives
 <p>By 2050 Southend-on-Sea is a successful City and we share our prosperity amongst all of our people.</p>	<p>Promote social inclusion.</p> <p>Promote our local economy and ensure that new, developing, and existing enterprises are nurtured and supported.</p> <p>Create employment and skills and training opportunities for local people, especially in target areas.</p>
 <p>By 2050 people can easily get in, out and around our borough and we have a world class digital infrastructure.</p>	<p>Drive smart, green technologies.</p> <p>Support green, sustainable transport in the borough.</p> <p>Improve accessibility, connectivity, and mobility to all residents.</p> <p>Support a healthy environment that enables and encourages active, sustainable travel choices that are accessible to everyone.</p> <p>Increase digital inclusion, improve digital skills and reduce inequality.</p>

8. Guiding principles

8.1. The following principles describe our approach, including the values and behaviours which are needed to achieve our commitments, aims and objectives.

Leadership

- Discussions on the strategy and practice of procurement do not take place in isolation, and there is a greater understanding at all levels of the importance of pre-procurement and contract management
- Progress is monitored with strong leadership, guidance, and co-ordination
- The Council delivers an effective social value Policy that is straightforward and simple to understand
- Contract management in the Council is strengthened

Creativity

- Social value is a platform that encourages innovation, both within and external to the Council
- Anybody, or any organisation, has the potential to add social value - no matter their size or make up

Flexibility

- Flexibility and a 'can do' approach to social value secures the best possible outcomes by opening up the commissioning and procurement process to a broader range of organisations and businesses

Collaboration

- Collaboration within the Council is promoted so that commissioning processes impact on the shared corporate priorities and to develop a shared vision for social value between the Council, local communities, stakeholders and other organisations and businesses
- commissioning processes are developed to open up opportunities for more co-designed services and sustainable local delivery models

Evaluation / Monitoring

- Outcomes are monitored to ensure that social value benefits are realised

Sustainability

- Longer term social value outcomes are prioritised over quick wins

9. Scope

9.1. The Act requires public bodies to consider social value in service contracts – alongside contracts for goods and works with a service element – above a prescribed financial threshold. Our implementation of the duties in the Act will be as wide as practicable so that we can achieve maximum impact.

9.2. Weighting and Threshold

9.2.1. Proportionate and relevant social value requirements will always be included in contracts which cross the following thresholds³:

Supplies & Services	£177,897 plus VAT
Light Touch Regime for Services	£552,950 plus VAT
Works	£1M and where contract length is 24 months or more

9.2.2. We will take a proportionate approach to each tender, which means that the threshold and weighting will be applicable to that tender, with a minimum weighting of 10% of the total award criteria for all tenders above Public Contract Regulation 'Find a Tender' thresholds.

9.3. Support for SMEs

9.3.1. 99.7% of Southend's businesses are Micro, Small or Medium-sized enterprises⁴. As a result, we have an existing tried and tested approach to supporting our local economy, delivered by partnerships and projects such as the BEST Growth Hub, Southend Business Partnership, Southend Business Directory, and by offering subsidised membership to the Federation of Small Businesses. We will use these existing services and networks to identify and resolve barriers to delivering social value, engage with the market effectively and provide good visibility of opportunities.

9.3.2. We will ensure that contract opportunities are accessible to voluntary and community groups and social enterprises and continue our work with local businesses on how to source and bid for public sector contracts.

10. How we will embed Social Value into commissioning and procurement

10.1. Implementation

We will:

- take account of the social and economic benefits of buying locally, particularly through local supply chains (such as reducing unemployment and raising the skill level of the local workforce)
- agree proportionate and relevant social value outcomes with the marketplace at pre-procurement stage and ensure that they are linked to the Southend 2050 ambitions

³Aligned to [Procurement Policy Note 09/21 – Thresholds and Inclusion of VAT](#)

⁴ Source: [NOMIS UK Business Counts 2021](#)

- encourage corporate social responsibility amongst the supply chain and contractors
- ensure our equality principles are clearly stated in the Toolkits and encourage providers to develop a proactive approach to diversity
- where possible (and appropriate and compliant with the Public contracts Regulations 2015) present opportunities to local businesses and invite them to tender for the requirements in question
- where desired, work with suppliers to develop their approach to paying a Living Wage.

10.2. Communication

We will:

- communicate this policy to all internal staff, providers, and partners to improve understanding of our social value approach and practice
- raise awareness of the principles of social value by working with internal staff, the marketplace, and communities to improve understanding of social value, this Policy and evaluation methods
- send a clear message about our intention to secure social value through our commissioning and procurement every time we communicate with the marketplace
- make social value information available on our website to make it easier for all potential providers to develop a coherent and relevant social value strategy.

10.3. Social Value Toolkits

We will:

- create accompanying Social Value Toolkits to support commissioners, contract managers, procurement officers and providers to deliver good social value
- provide detailed guidance in the Toolkits on the processes required to embed social value in how we achieve outcomes for local people
- align the Toolkits to the ambitions set out in Southend 2050.

10.4. Monitoring and Reporting

We will:

- use the Social Value Portal to capture and measure the nature and amount of social value achieved through our contracts, using a bespoke set of National Themes, Outcomes and Measures⁵ (known as “the TOMs”) to allow us to

⁵ The National Social Value Measurement Framework is a method of reporting and measuring social value to a consistent standard. More information available at <http://socialvalueportal.com/national-toms/>

attribute a recognised monetary value towards specific areas of social value and then link these back to the aspects of this Policy and Southend 2050

- produce and publish an annual statement which will publicise our Social Value priorities, detail our achievements through commissioning and procurement, and highlight wider examples achieved both within and outside of the Council
- monitor our contracts to ensure that social value promises are fulfilled
- work with the community to set annual targets based on local needs and achievements towards Southend 2050
- regularly report our Local Spend performance indicator in internal and external performance and outcome monitoring reports (such as the 2050 Outcomes Success Measures Report).

10.5. Governance

We will:

- ensure internal controls and processes are in place to ensure fair and transparent decisions are taken about this policy, its application and evaluation
- make the Council's Commissioning Board the collective corporate sponsor for Social Value and define this role in the Board's Terms of Reference.

10.6. Training and development

We will:

- develop guidance and training for internal staff
- offer training to local businesses in how to bid for Public Sector contracts
- seek to build social value commissioning expertise within evaluation panels to develop evaluation criteria and best practice.

11. Evaluating our Approach

11.1. We will evaluate the impact of this Policy to show how we are delivering on our aims and objectives. As part of this, we will conduct a periodic review of the Policy and how it is applied.

11.2. We will further develop our understanding and use different evaluation techniques to show which interventions are successful in providing positive social, economic, and environmental outcomes in Southend.

11.3. We will report periodically on this Policy's objectives and implementation to a cross-sector group, to include senior Council officers, commissioners, contract managers and staff from Procurement and Performance, alongside representatives from business sector and equality groups. This will provide us with an opportunity to adjust our approach as we learn from current practice, using evidence from providers

and recipients of services, to better understand how the policy directly achieves social value outcomes.

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