

BACKGROUND

1. The revised Social Value Policy described here sets out the key principles and actions whereby the Council embeds practical and effective commissioning for social value in every aspect of its procurement and grants and other relevant activities, commencing (as the Public Services (Social Value) Act 2012 requires) at the pre-procurement or equivalent stage.

WHAT WE MEAN BY SOCIAL VALUE

2. The Public Services (Social Value) Act 2012 states:

“If a relevant authority proposes to procure or make arrangements for procuring the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of works...the authority must consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area and, in conducting the process of procurement, how it might act with a view to securing that improvement.” It must also “consider whether to undertake any consultations as to matters to be considered” under that process.

For the purposes of this policy, we refer to this improvement of wellbeing as social value. To implement this, we seek measurable and verifiable social value outcomes that: (i) are relevant to what is proposed to be procured and proportionate to the contract / grant value, (ii) can legitimately be included in contract / grant specifications and (iii) contribute to achieving the Council’s priorities.

POLICY OBJECTIVES

3. Gloucestershire County Council is committed to improving the quality of life for every community, support businesses to be successful and make sure the county is a place where people want to live, work and visit. To maximise the local impact of the Council’s activity and spending in achieving our mission, this policy is a key enabler in securing additional benefits – social, economic, and environmental, together known as social value – that support this vision. The objectives of implementing this social value policy are to:

- Introduce a social value management tool that supports the delivery of our strategic priorities for the people and environment of Gloucestershire
- Provide a consistent approach to measuring and reporting social value throughout the provision cycle, including continuous improvement
- Define and implement a robust, transparent, and efficient digital solution for assessing and awarding the social value segment of tenders, and managing relevant supplier performance during the contract lifecycle
- Allow organisations to compare their own social value performance by sector and build, over time, industry benchmarks to understand ‘what good looks like’ in Gloucestershire
- Reduce the uncertainty surrounding social value measurement for organisations, allowing them to make informed decisions based on robust assessments and hence to embed social value into their corporate strategies.

IMPLEMENTATION OF SOCIAL VALUE IN PROCUREMENT AND PERFORMANCE MANAGEMENT

4. Gloucestershire County Council will strive to ensure that suppliers’ tender responses and/or proposals are assessed fairly and independently. The Council will be using the Portal during the

tendering process, as well as to monitor supplier performance in the delivery of this added social value during the contract lifecycle.

5. The new supplier will have a performance management account created for them on the Portal. This account will be used periodically during the contract term by the supplier and Gloucestershire County Council, to keep track of the delivery of the social value offer made during the earlier tender exercise. The supplier's performance data will be available in unit measures and converted into £ GBP value, enabling useful analysis and purposeful discussion to take place.

6. Existing suppliers, whose contracts have already started, can still choose to submit social value proposals onto the Portal, and to have their delivery performance monitored against these proposals for the remaining duration of their contract. This will enable the Council to unlock this added social value more quickly than waiting for each tender exercise to take place as scheduled.

SPEND THRESHOLD

7. To maximise the effectiveness of this social value policy, while still maintaining the efficiency of the procurement cycle, a spend threshold has been set at Public Procurement thresholds (currently £177,897.50 (excluding VAT)). The threshold assessment should be conducted at the start of the provision cycle and be based on the estimated spend during the contract or purchase's whole lifecycle.

8. Any proposed contracts or single purchases below this threshold can proceed through the provision cycle without needing to comply with the requirements of this policy. This means there is no need for suppliers of lower value goods, works or services to interact with the Portal or submit any social value tender responses. However, any supplier may choose to submit a social value proposal (at any point during their contract's lifecycle) to the Portal, even if the contract or purchase has previously been assessed as below threshold.

9. All contracts or single purchases above this threshold will need to comply with the requirements of this policy unless permission has been obtained from an Executive Director.

TENDER EVALUATION WEIGHTINGS

10. To support and deliver on the Council priorities as set out in our Corporate and Business Plans, it has been agreed that a standalone evaluation weighting will be applied to each tender exercise that has been assessed as above the spend threshold. The evaluation weighting is intended to measure the economic, social, and environmental outcomes offered by suppliers and linked to the National TOMs (as adapted to suit the Council priorities).

TENDER FRAMEWORKS

11. Where a tender framework allows, it is expected that the evaluation weightings for quality and price will be reduced in equal proportions, to preserve the respective ratios that existed prior to the introduction of this social value policy. For example, where price is evaluated at 60% and quality at 40% of the overall score, then future tenders will be evaluated as follows:

Price: 54% Quality: 34% Social Value: 12%

12. Where a tender framework does not offer this flexibility, it is recommended to contact the framework owner to request whether an exception can be made to allow implementation of this social value policy.

EVALUATION

13. The Council will review the additional social, economic, and environmental benefits that candidate bidders have offered to deliver for local communities. This will form part of the decision-making process, alongside the separate evaluation of Price and Quality undertaken by the Council directly. The evaluation weighting is intended to measure the economic, social, and environmental outcomes offered by suppliers and linked to the National TOMs (as adapted to suit the Council priorities). A minimum of 15% social value evaluation weighting will be applied to all eligible tender exercises. This may be varied by $\pm 5\%$ subject to approval by an Executive Director.

PERFORMANCE MANAGEMENT

14. Responsible officers will monitor social value commitments, with agreed reporting periods to track progress ensuring commitments are undertaken in their entirety and using the Council leverage when suitable to support delivery.

15. The Council will seek to hold suppliers to all their contractually specified social value commitments and these will be treated like any other commitment specified in the price or quality component of the supplier's bid submission. In the event of a supplier being unable to deliver one or more of their social value commitments, the Council will permit the supplier, subject to proper agreement and authorisation, to deliver one or more suitable alternative social value commitment(s).

GOVERNANCE

16. This Policy will be overseen by the Cabinet member for Economy, Education and Skills. These are supported by a Social Value Board and Social Value Leads, managers, and officers

17. The Council will periodically review this Social Value Policy. In doing so, we will take account of any changes in legislation pertaining to the Public Services (Social Value Act) 2012, Public Contracts Regulations 2015, the Local Government Act, EU Regulations for as long as these remain applicable, and any changes to the Council's priorities when they are reviewed.

18. To further communicate this Policy's performance and progress to all stakeholders, the Council will release an annual Social Value Statement from 2022 to outline key areas of focus, future targets, operational procedures, successes and to communicate key messages to staff, partners, suppliers, and other locally based organisations impacted by our social value performance. This statement will include key stats and reports measured through the Portal to share our progress.