



Decision record detail

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Cabinet 16th March 2023
Decision:

Title of Item/Report

Social Value Policy

Record of the Decision

Consideration was given to a report on a new Social Value Policy with updated links to the Council Plan, the Inclusive Growth Strategy, A Fairer Stockton-on-Tees Strategic Framework and the Environmental Sustainability and Carbon Reduction Strategy.

The Social Value (Public Services) Act 2012 came into effect for all English and Welsh public bodies on 31st January 2013 and required local authorities to have regard to economic, social and environmental well-being when tendering for public services contracts. The original Social Value Policy introduced in 2013 had been reviewed and updated. The report sought approval from Cabinet of a new Social Value Policy. A copy of the new Social Value Policy was attached to the report.

The Public Services (Social Value) Act 2012 had the aim of encouraging all public bodies to consider 'social value' prior to commencing a tender process. Social Value was a process whereby public bodies meet their needs for goods, services, works and utilities in a way that achieved value for money on a whole life basis whilst additionally generating benefits to society and the economy, whilst minimising damage to the environment.

The types of social value that could be derived from procurement could be quite varied and should be influenced by the Council's own strategic priorities (strategic fit) and the conditions and circumstances within the locality, although not necessarily restricted by this e.g. requirements relating to fair trade may affect global trade.

The report detailed some examples of some areas of potential social value that could be considered when contracting.

Since the original Social Value Policy was implemented, the Council had successfully included social value in many contracts to some degree. The extent of inclusion was dependent on the nature, scale and value of the contract; with most social value

realised through high value construction contracts and some services contracts.

In 2018, the Council commenced a pilot study using the Themes, Outcomes and Measures (TOMs) system. A national system developed by the Social Value Portal (endorsed by the LGA) to convert social value into a financial proxy that quantified the impact on local communities, thereby providing a mechanism to measure social value in a consistent and robust manner. The financial proxies had been developed nationally through academic research and were used by many English and Welsh Councils. The TOMs system / approach used by the Council included up to 41 social value measures and these were detailed within the report. A full list of the TOMs was attached to the report.

The TOMs had been mapped against the priorities in the Council's Inclusive Growth Strategy, A Fairer Stockton-on-Tees Strategic Framework and the Environmental Sustainability and Carbon Reduction Strategy and the relevant measures within TOMs linked to those strategies had been weighted and prioritised for use during the tender process. The approach allowed better targeting of social value to areas that were most important. The relevant measures were included in the tender process depending on the category and value of the contract. This ensured bidders were clear on what type of social value was important to Stockton Council during the tender process.

By converting social value to financial proxy measures had provided a robust mechanism for the Council to monitor the total amount of social value achieved by successful bidders gathered through regular contract management. A table within the report below highlighted the total proxy financial value delivered since 2019/20, clearly highlighting the impact and improved means of measuring social value that the TOMs system has delivered since implementation in 2018.

Two case studies were attached to the report which demonstrated how social value was delivered through a construction contract and a services contract.

Future reporting of social value received would be through the Inclusive Growth Strategy, A Fairer Stockton-on-Tees Strategic Framework and the Environmental Sustainability and Carbon Reduction Strategy.

RESOLVED that the Social Value Policy be approved.

Reasons for the Decision

To implement a new Social Value Policy with updated links to the Council Plan, the Inclusive Growth Strategy, A Fairer Stockton-on-Tees Strategic Framework and the Environmental Sustainability and Carbon Reduction Strategy.

Alternative Options Considered and Rejected

None

Declared (Cabinet Member) Conflicts of Interest

None

Details of any Dispensations

N/A

Date and Time by which Call In must be executed

Midnight Friday 24 March 2023

Attachment

[Report \(4M/bytes\)](#)

Minutes

[attached](#)

Date of Publication: 20 March 2023

Reason for Call In