

# REPORT FOR DECISION



<b>DECISION OF:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>12 APRIL 2017</b>
<b>SUBJECT:</b>	<b>SOCIAL VALUE POLICY 2017 - 2020</b>
<b>REPORT FROM:</b>	<b>COUNCILLOR RISHI SHORI LEADER OF THE COUNCIL AND CABINET MEMBER (BUSINESS ENGAGEMENT AND REGENERATION)</b>
<b>CONTACT OFFICER:</b>	<b>STEPHEN KENYON, INTERIM EXECUTIVE DIRECTOR OF RESOURCES AND REGULATION</b>
<b>TYPE OF DECISION:</b>	<b>EXECUTIVE KEY DECISION</b>
<b>FREEDOM OF INFORMATION/STATUS:</b>	The report is for publication
<b>SUMMARY:</b>	<p>The purpose of this report is to present a draft Social Value Policy 2017-2020 for Bury Council.</p> <p>The policy has been written to communicate the Council's approach to social value both internally and externally. It will be used for external organisations and service providers to explain what we expect from them when they work with the Council. It is important that social value is not just seen as a procurement issue, and the policy makes clear that it applies equally to the redesign of services and the procurement of goods, services or works, irrespective of the value.</p> <p>This policy is to be used across the council as a whole.</p>
<b>OPTIONS &amp; RECOMMENDED OPTION</b>	<p>It is recommended that Cabinet approves the report</p> <p>Reasons for the Decision: To ensure the Council's approach to social value is communicated in a clear and consistent manner and that opportunities to deliver social value through</p>

	commissioning, procurement and service redesign are maximised to benefit the people of Bury.
<b>IMPLICATIONS:</b>	
<b>Corporate Aims/Policy Framework:</b>	Do the proposals accord with the Policy Framework? Yes
<b>Statement by the S151 Officer: Financial Implications and Risk Considerations:</b>	<p>Achieving "Social Value" in procurement is a means of leveraging in additional benefits through the procurement process.</p> <p>This report seeks approval to adopt social value criteria in tender evaluation of between 5% and 20%.</p>
<b>Statement by Executive Director of Resources &amp; Regulation:</b>	There are no additional resource implications.
<b>Health &amp; Safety implications:</b>	There are no direct Health & Safety implications
<b>Equality/Diversity implications:</b>	No
<b>Considered by Monitoring Officer:</b>	<p>Yes</p> <p>The Public Services (Social Value) Act 2012 created a duty to consider social value when making decisions about how and by whom public services should be delivered. The proposed Social Value Policy 2017-2020 incorporates the requirements of the legislation and is in line with similar GMCA policies.</p>
<b>Wards Affected:</b>	All
<b>Scrutiny Interest:</b>	

#### TRACKING/PROCESS

**EXECUTIVE DIRECTOR: Stephen Kenyon**

Chief Executive/ Senior Leadership Team	Cabinet Member/Chair	Ward Members	Partners
06/03/2017	Leader		
Scrutiny Committee		Committee	Council
		Cabinet 12/04/17	

## **1.0 BACKGROUND**

- 1.1 Social value is the term used to describe the wider social, environmental and economic benefit that might be obtained whenever services are designed, commissioned or procured. Although acknowledged as a mechanism for considering wider costs and benefits for some time, social value crystallised as part of the Best Value legislation and can be defined as the wider social, environmental and economic benefits that result from the decisions we make about (and the methods we employ when) commissioning and procuring goods, works or services. It is about "Seeking to maximise the additional benefit that can be created by procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves". (Best Value Statutory Guidance 2011)
- 1.2 Following the introduction of the Public Services (Social Value) Act 2012 there is a legal obligation on public sector commissioners and procurers to consider social value when making decisions about how and by whom public services should be delivered. In addition to this legal requirement there is now a real opportunity to use public commissioning and procurement processes to deliver positive outcomes for individuals within our communities – and in these times of spending constraint it is more important than ever that we embrace this.

The Act, which has been in force since 2013, applies as a minimum to public services contracts and framework agreements within the scope of the Public Contracts Regulations i.e. those above the current OJEU threshold of £164,176. It places a requirement on commissioners to consider the economic, environmental and social benefits of their proposed service delivery models before commencing any procurement process. Commissioners are also required to consider whether they should consult on these issues.

In addition to the legislative requirement, commissioners and those involved in redesigning service delivery models should consider social value when determining appropriate use of resources. This should inform whether buying or making is the best approach and should also influence the design of the services required. This opportunity should be used to re-think outcomes and the types of services to commission before starting a procurement process.

Although the focus of the Act is pre-procurement, it should be noted that in practice there are also likely to be opportunities to incorporate social value type deliverables into existing contracts as part of the regular contract management and review process and in considering options for future requirements.

The Council has an opportunity to embrace the concept of social value and to maximise its impact to the benefit of the communities of Bury. By adopting an innovative approach to our definition of what constitutes social value in Bury, and by recognising changing priorities, we can radically improve outcomes for our neighbourhoods and use social value as a means of addressing growing funding gaps.

- 1.3 The intention behind Bury Council's policy is that this will support a consistent approach across the borough. If Bury Council is clear about what we expect, it will support us to secure commitment from the organisations we work with.
- 1.4 There is a GMCA Social Value Policy (November 2014) in place which defines what is meant by social value and sets out the legal context for this in alignment with the Public Services (Social Value) Act 2012. Bury Council's Social Value Policy 2017-2020 has adopted this definition whilst describing, in simple terms, what this will mean to Bury locally.

1.5 Bury's Social Value Policy 2017-2020 is linked to Bury's Single Outcomes Framework and provides examples of the types of activity we consider to be social value. We hope that this list will encourage the organisations we work with to be as creative and resourceful as they can be.

1.6 The Social Value Policy is attached as Appendix 1.

## **2.0 RISKS (Including Health and Safety)**

2.1 If Bury Council does not sign off this social value policy, there is a risk that information and advice communicated both internally and externally will be inconsistent and/or incorrect. As stated earlier, a toolkit will be developed for staff to support this dialogue.

2.2 Instigating the delivery of social value is a statutory duty and, if user-friendly information is not developed and staff are not aware of the importance of this, we may not be in a position to fulfil this.

2.3 If robust processes (including processes for evaluating tenders and measuring social value outcomes) are not in place there is a risk that aggrieved bidders may seek to challenge procurement decisions.

2.4 There is a potential for tender prices to be inflated to recoup cost of social value initiatives, although it should be noted that there is no evidence of this in practice.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 There are not anticipated to be any adverse cost implications as a result of the implementation of this policy, however this is flagged as a risk in the previous section. On the contrary, overall long term costs are anticipated to reduce as the benefits impact on demand for future service interventions.

## **4.0 EQUALITY AND DIVERSITY**

4.1 Equality and diversity will be positively impacted by the introduction of this policy.

## **5.0 FUTURE ACTIONS**

5.1 The Social Value Policy 2017-2020 is the first step in the process for implementation. Future actions include:

(1) Engagement with staff across the council to ensure all departments recognise the value of the policy and that messages and processes are consistent.

(2) Development of a staff toolkit (accessed via the council intranet) to provide:-

- guidance for communications with existing and potential providers, suppliers and contractors;
- process for weighting criteria and determining priorities;
- mechanism for assigning financial values to proposed outcomes; and
- procedure for monitoring the achievement of agreed deliverables.

**COUNCILLOR RISHI SHORI**  
**LEADER OF THE COUNCIL**

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**For further information on the contents of this report, please contact:**

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**Bury Council**  
**Social Value Policy**  
**2017-2020**

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## **1. Introduction**

- 1.1 Bury Council's Social Value Policy 2017-2020 sets out our vision for social value and how this can be applied by all sectors within the borough.
- 1.2 It is important that social value is not just seen as a procurement issue but one which applies equally to the redesign of services and the procurement of goods, services or works, irrespective of the value.
- 1.3 This policy has been written to communicate Bury Council's approach to internal colleagues and external partners and will be used to explain what is expected from external organisations and service providers when they work with the Council.

## **2. Public Services (Social Value) Act 2012**

- 2.1 The Public Services (Social Value) Act 2012 was passed at the end of February 2012 and, for the first time, asked that all public bodies in England and Wales considered how the services they commission and procure might improve the economic, social and environmental wellbeing of the area. It is a new way of thinking about how resources should be allocated and although value for money is the principal factor, it is the potential benefits to the local community which is the real value.

## **3. Definition of social value**

- 3.1 For the purposes of this policy, Bury Council has adopted the definition of social value as described in Greater Manchester Combined Authority's Social Value Policy: 'A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation but also to society and economy, whilst minimising damage to the environment'.
- 3.2 What social value means in the borough of Bury is:
  - (1) Making a difference to the people in our communities and neighbourhoods by improving their health, wellbeing and standard of living;
  - (2) Getting the best social, environmental and economic benefits from every £1 spent.

## **4. Bury's Single Outcomes Framework**

- 4.1 Team Bury<sup>i</sup> has developed a Single Outcomes Framework (SOF) to align a wide range of priorities for the people of Bury. The SOF provides an agreed, joint, set of outcomes that partners are collectively looking to achieve. An outcome in this context is regarded as a condition of wellbeing for a community, population, family or person.
- 4.2 The Single Outcomes Framework is accompanied by a set of indicators and performance measures that allow an understanding of what difference is being made to the lives of people in the borough.
- 4.3 Bury's Social Value Policy 2017-2020 will use this Single Outcomes Framework to provide examples of what could be considered to be social value. The five Team Bury outcomes are:
  - (1) All people of Bury live healthier, resilient lives and have ownership of their wellbeing;
  - (2) Bury people live in a clean and sustainable environment;
  - (3) People of Bury at all ages have high level and appropriate skills;

- (4) All Bury people achieve a decent standard of living (and are provided with opportunities through growth);
- (5) Bury is a safe place to live with all people protected (and feel protected from harm).

## **5. Application to the commissioning and procurement process**

- 5.1 Social value must be considered whenever Bury Council redesigns services or commissions goods, services or works, irrespective of the value of this.
- 5.2 When a procurement process does take place, a weighting of between 5%-20% of the quality assessment will be attached to social value. The actual weighting will depend on the nature of the requirement and will be determined by the Commissioning/Procurement lead officer.
- 5.3 Bidders will be required to confirm what they already provide in terms of social value and clearly identify what will be offered in addition as part of the contract for which they are bidding. This will support the monitoring process by providing clarity of the deliverables associated with a particular contract.

## **6. Examples of social value**

- 6.1 Examples of what Bury Council mean by social value are in the table below. Please note that this is not an exhaustive list and we encourage the organisations we work with to be as creative and resourceful as they can be.



OUTCOME	WHAT DOES THIS MEAN?	EXAMPLES OF WHAT THIS COULD MEAN
<p><b>All people of Bury live healthier, resilient lives and have ownership of their wellbeing</b></p>	<p>Helping people to help themselves and others in their local neighbourhood</p>	<ul style="list-style-type: none"> <li>▪ Facilitating communities to develop their own wellness schemes and support networks.</li> <li>▪ Offering a free room/venue/facility that could be used to hold a neighbourhood meeting or event.</li> <li>▪ Providing the community and voluntary sector with space to hold meetings, events or groups.</li> <li>▪ Facilitating training events or seminars with local stakeholders (including families and organisations) to strengthen understanding of the outcomes we are trying to achieve.</li> <li>▪ Facilitate staff who live in Bury to attend a one day Royal Society for Public Health (RSPH) 'Understanding Health Improvement Qualification' to effectively signpost themselves and others to health and wellbeing support.</li> <li>▪ Identify all staff who are carers and ensure flexible working practices are implemented to support them.</li> <li>▪ Sponsor of local groups, clubs or organisations or support to enable such groups to be assets within their community.</li> <li>▪ Offering advice, support, 'x' amount of working hours or training to support a community or voluntary group in a business related area such as HR, Finance, writing grant applications or IT.</li> <li>▪ Providing training or up skilling of community volunteers.</li> <li>▪ Release staff to undertake volunteering in their neighbourhood at 'x' hours per month or year.</li> <li>▪ Encourage all staff to become a dementia friend.</li> <li>▪ Demonstrating a commitment to work practices that improve staff wellbeing (and that of the wider community)</li> <li>▪ Offer a pot of 'participatory budget' funding that groups can bid for to make a difference in their local neighbourhood.</li> <li>▪ Sponsorship of a neighbourhood award ceremony or specific award category to celebrate when people have made a difference and helped others in their local neighbourhood.</li> <li>▪ Providing support to vulnerable people to help them live independently.</li> </ul>

OUTCOME	WHAT DOES THIS MEAN?	EXAMPLES OF WHAT THIS COULD MEAN
<p><b>Bury people live in a clean and sustainable environment</b></p>	<p>Bury is a nice place to live</p>	<ul style="list-style-type: none"> <li>▪ Support community-led change projects around energy usage or cleanliness.</li> <li>▪ Reduce carbon emissions by x% per year.</li> <li>▪ Reduce overall energy/water consumption by x% per year.</li> <li>▪ Recycling of old equipment or furniture that could be used to support local groups, charitable organisations or the community and voluntary sector.</li> <li>▪ Provide donations of equipment to support neighbourhood gardening and community clean-up's or provide flowers, plants or grow your own vegetables to a local area.</li> <li>▪ Increase the use of renewable energy/community generated renewable energy.</li> <li>▪ Environmentally friendly /green materials used in building, cleaning and maintenance.</li> <li>▪ Sponsor Bury's entry into Britain in Bloom.</li> <li>▪ A commitment to reducing the amount of waste generated and championing this within the community.</li> <li>▪ A commitment to kitchen recycling and disposal of food waste within canteens or kitchens. Train all staff on how to undertake this effectively.</li> <li>▪ A commitment to use, and promote the use of, 'green' methods of transport or electric vehicles</li> <li>▪ Support households to better (self) manage their energy demands through improvements in the fabric of their homes, bringing them out of fuel poverty and contributing to climate change goals.</li> <li>▪ CommuniTree environmental education provided to employees and community networks.</li> </ul>

OUTCOME	WHAT DOES THIS MEAN?	EXAMPLES OF WHAT THIS COULD MEAN
<b>People of Bury at all ages have high level and appropriate skills</b>	People have good skills for the work place	<ul style="list-style-type: none"> <li>▪ Commitment to provide meaningful work experience/apprenticeships/traineeships/volunteer opportunities to local people.</li> <li>▪ Provide employment skills workshops and training materials.</li> <li>▪ Increase the skills/knowledge of existing and new employees with relevant recognised qualifications.</li> <li>▪ Link with schools/colleges to provide support to ensure young people are ready for transition into the workplace.</li> <li>▪ Provision of workshops, IT courses and help with CVs to support people back to work.</li> <li>▪ Offering mentoring to individuals, groups or organisations.</li> </ul>
<b>All Bury people achieve a decent standard of living</b>	Promoting the economic prospects of people living in Bury	<ul style="list-style-type: none"> <li>▪ Employing people who typically face additional challenges competing in the labour market, e.g. ex-armed forces, carers, parents with young children, young people, older people, ex-offenders, people who have a disability, long term unemployed.</li> <li>▪ Providing meaningful work placements.</li> <li>▪ Supporting people back to work by providing career mentoring.</li> <li>▪ Engaging with schools and contributing to curriculum improvement.</li> <li>▪ Providing business support/advice to SMEs and social enterprises.</li> <li>▪ Donate voluntary hours to support third sector organisations in Bury.</li> <li>▪ Spending in the local supply chain.</li> <li>▪ Commitment to a base line spend in Bury.</li> <li>▪ Support organisations to facilitate health and wellbeing policies to reduce sickness absence and encourage supply chain to be health promoting organisations.</li> </ul>

OUTCOME	WHAT DOES THIS MEAN?	EXAMPLES OF WHAT THIS COULD MEAN
<p><b>Bury is a safe place to live with all people protected</b></p>	<p>People are safe</p>	<ul style="list-style-type: none"> <li>▪ Provide peer support or training to community or voluntary sector groups around health and safety or lone working.</li> <li>▪ Provide meaningful opportunities to rehabilitated ex offenders.</li> <li>▪ Provide awareness sessions to your workforce around key health and social care issues or participate in public health risk reduction campaigns. This could include dementia friend training, promoting an understanding about autism and other disabilities, and supporting stopping smoking and sexual health campaigns.</li> <li>▪ Provide support to vulnerable people to increase digital awareness, inclusion and security.</li> <li>▪ Increase awareness of vulnerable groups with training events/information on issues such as neglect, child sexual exploitation, domestic violence, mental health, social isolation etc.</li> <li>▪ Donate/trial new equipment or technology to vulnerable groups, e.g. communication aids, 'stay safe' apps, alarms.</li> </ul>

## **7. Policy review period**

- 7.1 This policy will be reviewed annually and will be refreshed fully at 3 years.
- 7.2 We invite organisations and the community to provide Bury Council with feedback on this policy and its application to influence any amendments made. If you wish to comment, please contact the representatives identified in section 8.

## **8. Contact details for further information**

- 8.1 For more information on social value within Bury, please contact:

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<sup>i</sup> Team Bury is a board which brings together the main public sector organisations in the borough, such as Bury Council, Greater Manchester Police, Six Town Housing, Greater Manchester Fire and Rescue, Bury Clinical Commissioning Group, Pennine Care NHS Trust and Job Centre Plus.