

Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting :	22 nd June 2015

SOCIAL VALUE POLICY

1.0 Purpose of the report:

- 1.1 To consider and approve the Council's Social Value Policy which sets out the legal context for social value and the six social value objectives that Blackpool Council has agreed to deliver through commissioning and procurement activities.

2.0 Recommendation(s):

- 2.1 To approve the Council's Social Value Policy;
- 2.2 To consider the measures in section 6 of the policy and agree performance targets following completion of a benchmarking research analysis by the Centre for Local Economies Strategies on behalf of AGMA which will provide important baseline information on current performance;
- 2.3 To work with the AGMA Procurement Hub to develop activity that will support the development of the policy and framework to include suitable training and technical assistance, along with an aim to develop capacity and understanding to embed consistent and effective approaches to Social Value across the region.

3.0 Reasons for recommendation(s):

- 3.1 The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It is now a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark upon it.
- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

Not to agree the Social Policy Statement.

4.0 Council Priority:

4.1 By incorporating social value into our procurement and commissioning activities, the Council is taking a huge step towards achieving its priority to encourage responsible entrepreneurship for the benefit of our communities, as well as contributing to many of the Council's other priorities listed below;

- Tackle child poverty, raise aspirations and improve educational achievement
- Safeguard and protect the most vulnerable
- Expand and promote our tourism, arts, heritage and cultural offer
- Improve health and well-being especially for the most disadvantaged
- Attract sustainable investment and create quality jobs
- Encourage responsible entrepreneurship for the benefit of our communities
- Improve housing standards and the environment we live in by using housing investment to create stable communities
- Create safer communities and reduce crime and anti-social behaviour
- Deliver quality services through a professional, well-rewarded and motivated workforce

5.0 Background Information

5.1 The aim of the Public Services (Social Value) Act 2012 is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, councils give consideration to the wider impact of the services delivery. It allows authorities, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community.

5.2 There is a general consensus that consideration of social value is a pre-procurement activity and that the principal point of intervention needs to be between strategic/corporate procurement teams and commissioners. It is believed that at that point, consideration can be given to the opportunity the procurement exercise can offer towards social value and the weighting that could be attached to the social value element.

5.3 In order to incorporate the good practice associated with Social Value into mainstream commissioning and procurement practice, it is the intention to embed

this policy and associated Social Value Framework within all commissioning and procurement activity wherever proportionate and practicable. This policy statement sets out Blackpool Council's aims in this regard.

5.4 In particular, it seeks to:

- Set out a definition of Social Value for Blackpool
- Sets out the policy context for Social Value in Blackpool
- Set out the priority policy objectives
- Sets out a Blackpool Social Value Framework/Toolkit

5.5 The framework/toolkit will provide advice and guidance to Council officers to build social value benefits into the commissioning and procurement process. It will also support prospective suppliers to help them demonstrate how to deliver social, economic and community benefits through contracting and tendering. A series of outcomes which the Council is seeking to deliver which can be measured and monitored as part of the contract monitoring regime will also be included. Performance targets will be derived from a baseline study of data commissioned by AGMA and completed by the Centre for Local Economies Strategies.

5.6 Does the information submitted include any exempt information? No

5.7 **List of Appendices:**

Appendix 5a – Social Value Policy

6.0 Legal considerations:

6.1 The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It is now a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark upon it.

7.0 Human Resources considerations:

7.1 None

8.0 Equalities considerations:

8.1 An Equality Impact Assessment has been undertaken by AGMA. The themes and outcomes in section 6 are aligned to the Council's objective of fairness and equal treatment for all. Performance measures to deliver on the six objectives in section 5 will be introduced following the benchmarking exercise to identify current baseline information.

9.0 Financial considerations:

- 9.1 The benchmarking exercise to be undertaken by the Centre for Local Economies Strategies will be co-ordinated by AGMA and the fee of £14,000 split equally between participating Greater Manchester Councils. Blackpool's contribution can be met from within existing budget provision.

10.0 Risk management considerations:

- 10.1 Whilst the Council does have a Social Value Toolkit to support officers and suppliers to consider the requirements of the Public Services (Social Value) Act 2012, no policy currently exists.
- 10.2 The Public Services (Social Value) Act 2012 is currently being reviewed and this is likely to lead to the Act being extended to cover contracts for goods and works as well as services. In addition the review will examine how the Act should be extended in a way that continues to support small businesses and voluntary, charity and social enterprise organisations to bid for public contracts. The Policy is in line with the thrust of the terms of reference of the review and will enable the Council to embed Social Value into all its commissioning and procurement processes.

11.0 Ethical considerations:

- 11.1 The policy will ensure that ethical considerations are built into all commissioning and procurement processes.

12.0 Internal/ External Consultation undertaken:

- 12.1 Review meetings with relevant procurement staff and interested parties across AGMA have been held.
- 12.2 A desk review of other Social Value policies, frameworks and research materials has been undertaken.
- 12.3 Case studies of best practice are being developed to inform the introduction and development of appropriate social value outcomes into commissioning and procurement process.

13.0 Background papers:

- 13.1 AGMA Social Value Policy and Framework

13.2 AGMA Social Value Procurement Framework Baseline proposal by Centre for Local Economic Strategies

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 3/2015

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 12th June 2015 Date approved: N/A

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

18.2 **Date of Decision:**

19.0 **Reason(s) for decision:**

19.1 **Date Decision published:**

20.0 **Executive Members in attendance:**

20.1

21.0 **Call-in:**

21.1

22.0 **Notes:**

22.1