



North Tyneside Council

**The Public Services (Social Value) Act 2012 (the 'Policy') – a Policy for North Tyneside Council (the 'Authority')
February 2016**

1. Background:

- 1.1 The Public Services (Social Value) Act 2012 (the 'Act') requires commissioners to consider securing economic, social, or environmental benefits (Social Value) when procuring services (including goods and works contracts procured in combination with services where the value of the goods is less than the services, and where the works are incidental to the services) to which the Public Contract Regulations 2015 apply (or the Public Contract Regulations 2006 would have applied if they had not been revoked) .
- 1.2 To comply with the Act, commissioners must think about how, what they are going to buy, or how they are going to buy it, could add these benefits.
- 1.3 The Authority has developed a range of ways that the additional Social Value could be considered when procuring services. This work has involved members of the Community and Voluntary Sector, Social Enterprise, the Authority, Clinical Commissioning Group, Public Health England and local suppliers and providers of our services. The Authority has made the commitment that Social Value will be considered as part of all procurement exercises (subject to paragraph 1.5 below), not just those to which the Public Contract Regulations 2015 apply (or would have been subject to the Public Contract Regulations 2006 would have applied if they had not been revoked).
- 1.4 This Policy includes a framework that will guide the questions asked as part of all procurements so that the added value of any contract procured can be defined and measured.
- 1.5 The framework takes account of local priorities, agreed by the Authority and the North Tyneside Strategic Partnership (NTSP), set out in the Our North Tyneside Plan and the Joint Strategic Needs Assessment (JSNA), that focus on ways of improving outcomes for residents of North Tyneside. The framework gives a range of different ways of identifying and measuring social value. The commissioners and procurement team, in consultation with the relevant Cabinet Members, will identify which area(s) will be included, at the pre-procurement stage, selecting those that are most relevant to the specific procurement exercise and agreeing the weighting they will be given. Normally this will be between 10% and 20%, but specific circumstances may require a higher or lower figure.

2. North Tyneside Definition of Social Value

2.1 Social Value is the way in which the Authority identifies relevant and measurable social, economic and environmental benefits for the people and communities of North Tyneside through the procurement and delivery of services.

3. North Tyneside social benefit priorities are:

- Improved social inclusion for residents;
- Improved local training or employment opportunities;
- Providing additional opportunities for individuals or groups facing greater social or economic barriers;
- Greater engagement between the local population and suppliers or with the wider community
- Greater participation with third sector organisations in the community;
- Supporting our local population to keep well;
- Improved healthy life expectancy;
- Supporting the local population to have more choice, control and independence;
- Contributing to environmental sustainability;
- Improving market diversity and local supply chain opportunities for SMEs and social enterprise.

4. When will the Social Value Act apply?

4.1 The Authority has agreed that Social Value will be considered in all procurement exercises.

4.2 In exceptional circumstances, where a procurement exercise

- is for a services contract or services framework agreements (including goods and works contracts procured in combination with services where the value of the goods is less than the services, and where the works are incidental to the services) but the value of the contract means it does not fall under the Public Contracts Regulations 2015 (or would have been subject to the Public Contract Regulations 2006 would have applied if they had not been revoked); or
- is not for a services contract or services framework agreement (including goods and works contract procured in combination with services where the value of the goods is less than the services, and where the works are incidental to the services);

a statement setting out why Social Value is not being considered will be included within the procurement documentation, if appropriate.

4.3 For clarification Social Value will be considered in every procurement for a services contract or services framework agreement (including goods and works contract procured in combination with services where the value of the goods is less than the services, and where the works are incidental to the services) which is subject to the Public Contract Regulations 2015 (or would have been subject to the Public Contract Regulations 2006 would have applied if they had not been revoked).

4.4 The weighting of Social Value may vary between procurement exercises and will be published as part of the procurement documentation.

5. Social benefit priorities and their outcomes

5.1 As part of the procurement process it is important to be able to measure the outcome of any Social Value response.

5.2 The framework below sets out the outcomes that will be used to measure the additional Social Value offered by bidders during the procurement process.

5.3 The Public Services (Social Value) Act 2012 aims to encourage innovation and as a result the framework is intended to act as a guide; priorities and outcomes may be adapted as a result of pre-procurement consultation.

Priorities	Ways of measuring this
1. Improved social inclusion for residents	1.1 Encouraging community engagement.
	1.2 Residents engage with community organisations.
	1.3 Improved community access.
	1.4 Improving and increasing social networks.
	1.5 Reducing isolation for individuals.
2. Improved local training or job opportunities	2.1 Creating apprenticeships/ internships.
	2.2 Supporting residents to get ready for work by delivering work ready skills and opportunities.
	2.3 Creating new job training opportunities.
	2.4 Creating local jobs for local people.
	2.5 Retaining local people in the workforce.
3. Providing additional opportunities for individuals or groups facing greater social or economic barriers	3.1 Creating training and employment opportunities for disadvantaged groups including young people, women, the long-term unemployed, NEETs (those not in education, employment or training), people with health issues and disabilities.
	3.2 Encouraging usage and ease of access to community facilities and resources (such as schools, libraries, leisure facilities or computers) to targeted groups that otherwise would struggle to access such facilities.
	3.3 Increasing volunteering / work experience opportunities for marginalised groups such as those with physical or learning disabilities.
	3.4 Increasing employer engagement and awareness on the needs of vulnerable and disadvantaged groups.

4. Greater engagement between the local population and suppliers or with the wider community	4.1 Offering work placements to school children and young adults.
	4.2 Engaging with schools and colleges to provide curriculum support, skills workshops, careers advice and information and enterprise support for young people; with suppliers sharing knowledge and expertise about their discipline.
	4.3 Encouraging and supporting individuals to engage in their community.
	4.4 Encouraging usage and ease of access to community facilities and resources (such as schools, libraries, leisure facilities or computers) across the local population.
	4.5 Engagement with user groups in the development and delivery of services.
	4.6 Encouraging and supporting local enterprise & business start-up.
	4.7 Encouraging and supporting on-going local business growth and development.
	4.8 Active engagement with relevant local networks and partnerships.
5. Greater participation with third sector organisations in the community;	5.1 Creating supply chain opportunities for the Voluntary and Community Sector (VCS), and social enterprises.
	5.2 Creating opportunities to develop third sector organisations.
	5.3 Increase the number of, and impact volunteers, including employee volunteers make in communities.
	5.4 Increase in the number of young volunteers, including employer volunteering.
	5.5 Increase new community businesses developed and the impact they have in communities.
	5.6 Active engagement with relevant third sector organisations in the development and delivery of services.
	5.7 Active engagement with relevant local networks and partnerships.

6. Supporting our local population to keep well	6.1 Increasing physical activity of residents.
	6.2 Reducing avoidable admissions and re-admissions to hospital following treatment.
	6.3 Reducing the need for people to use health, care and support services.
	6.4 Increasing support for preventative healthcare and wellbeing initiatives.
	6.5 Supporting the workforce and their families to keep well.
	6.6 Supporting employees, their families and the wider community to stop smoking.
	6.7 Supporting employees, their families and the wider community to reduce problem / harmful drinking.
	6.8 Improving the mental health of employees, their families and the wider community.
7. Improved healthy life expectancy	7.1 Increasing physical activity of residents.
	7.2 Contributing to health improvement priorities as set out in the Joint Strategic Needs Assessment and North Tyneside Health & Wellbeing Strategy.
	7.3 Improved quality of life for local people with long term conditions.
	7.4 Improvements in healthy eating.
	7.5 Increased uptake in health screenings.
	7.6 Active engagement with relevant local networks and partnerships.
	7.7 Improving the health of employees, their families and the wider community through the reduction of smoking and alcohol.
	7.8 Improvement in mental health and wellbeing of employees and residents.

8. Supporting the local population to have more choice, control and independence	8.1 A reduction in the dependency on public services.
	8.2 An increase in the quality, amount and type of socially responsible decisions that residents make that have a positive impact in their community.
	8.3 Supporting people to self-manage long term conditions.
	8.4 Empowering people to be more independent.
	8.5 Providing signposting and information in easily accessible formats.
	8.6 Encouraging peer support and social networks.
	8.7 Developing systems and utilising technologies to enable self service solutions.
	8.8 Providing support to develop solutions within communities.
	8.9 Providing specific support to target groups such as those with long term conditions, carers, older people.
9. Contributing to environmental sustainability	9.1 Increasing use of public and green transport.
	9.2 Stimulating demand for environmentally-friendly goods, services and works.
	9.3 Contributing to climate change mitigation targets.
	9.4 Increasing energy efficiency of building and activities.
	9.5 Encouraging local, ethical and fair trade purchasing.
10. Improving market diversity and local supply chain opportunities for SMEs and social enterprises.	10.1 Creating partnerships and supply chain opportunities for local SMEs and social enterprises.
	10.2 Encouraging and supporting local enterprise and business start-up.
	10.3 Encouraging and supporting on-going local business growth and development.
	10.4 Active engagement with relevant local networks and partnerships.

6. What next?

6.1 The Authority will:

- Include Social Value in all procurement exercises, save that in exceptional circumstances, where a procurement exercise undertaken, which does not fall under the Public Contracts Regulations 2015, a statement setting out why Social Value is not being considered will be included within the procurement documentation, if appropriate..
- Raise awareness of the benefit of Social Value.
- Raise awareness of the benefit of Social Value with Partners, Providers/ potential Providers.

7. Additional information is available from:

SEUK and IVAR's health related work <http://www.socialenterprise.org.uk/policy-campaigns/policy/public-services> and <http://www.socialenterprise.org.uk/policy-campaigns/policy/delivering-social-value>

Communities Count: Four Steps to Unlocking Social Value
<http://www.socialenterprise.org.uk/advice-services/publications/communities-count-the-four-steps-unlocking-social-value>.

Social Value hub <http://socialvaluehub.org.uk/>