

# North Tyneside Council Report to Cabinet 8 February 2016

**ITEM 6(d)**  
**Social Value Policy for  
North Tyneside  
Council**

**Portfolio(s):** Finance and Resources  
Health and Wellbeing

**Cabinet Member(s):** Cllr Ray Glendon  
Cllr Lesley Spillard

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## **Report from Service**

**Area:** Corporate Strategy, Procurement and Commissioning

**Responsible Officers:** Jackie Laughton  
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**Wards affected:** All

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## **PART 1**

### **1.1 Executive Summary:**

The purpose of this report is to present to Cabinet a policy for Social Value, aimed at considering economic, social and environmental well-being in connection with public services contracts (social value) in all procurement activity, in order to ensure that added benefits can be developed and secured from all funding spent by the Authority.

This work has been supported by the North Tyneside Strategic Partnership (NTSP) and the Health and Wellbeing Board who were the catalyst in securing additional support from the Institute for Voluntary Action Research (IVAR) through the Department of Health which has facilitated the bringing together of a wide group of stakeholders to develop this Policy.

### **1.2 Recommendation(s):**

Cabinet is recommended to:-

1. agree that in the procurement of all Goods and Services by the Authority consideration is given securing Social Value, in accordance with the Policy at Appendix One;
2. authorise the Head of Corporate Strategy in consultation with the Cabinet Members for Finance and Resources and Health and Wellbeing to raise awareness of the benefit of Social Value across the Authority its Partners and with providers/potential providers; and
3. request the Head of Corporate Strategy in consultation with the Cabinet Members for Finance and Resources and Health and Wellbeing to monitor progress of the adoption of the Policy at Appendix One and receive updates on the added benefits gained for residents as a result of including Social Value priorities in all procurements.

### 1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 7<sup>th</sup> December 2015.

### 1.4 Council Plan and Policy Framework

This policy helps to achieve the following priorities set out in Our North Tyneside Plan:

**Our People**, ensuring that we get the maximum benefit from all Authority spend for the people of North Tyneside:

**Our Economy**, ensuring that we secure the best possible value from all Authority spend to support the local economy: and

**Our Partners**, ensuring that all of our partners, as well as those partners we procure services from, work with us to ensure that we get the best social value for the Authority from all spend across the Borough.

### 1.5 Information:

#### 1.5.1 Background

The Public Services (Social Value) Act 2012 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).

1.5.2 Building on work started by the North Tyneside Community and Voluntary Sector and the Authority in 2013 a consortium of the North Tyneside Clinical Commissioning Group (CCG), North Tyneside Age UK and the Authority secured external funding to support the development of Social Value in North Tyneside. The result of this work is the Policy at Appendix One that has been co-produced and developed by a wide stakeholder group including; members of the Community and Voluntary Sector; Social Enterprise; the Authority; the CCG; and Public Health England.

1.5.3 The Policy sets out an approach for Social Value for the Authority. It contains an agreed definition of what Social Value means for the Authority and presents a number of agreed Social Value priorities and how they can be measured. It is recognised that the use of these measures will vary, dependent upon the procurement, however the priorities provide a framework for commissioners/procurement officers from across the Authority to draw on, and to ensure that maximum value is derived from all funded activity.

1.5.4 The North Tyneside Strategic Partnership Health and Wellbeing Board was the initial catalyst for this project and they are now asking the Authority, alongside other Board members, to continue to champion Social Value by agreeing to take forward the Policy and commit to include Social Value consideration in all procurements, or state clearly why it is not relevant.

1.5.5 The Policy sets out a list of social priorities and ways of measuring these. This takes account of the Joint Strategic Needs Assessment and the Our North Tyneside Plan.

1.5.6 As part of any procurement exercise the priority areas will be reviewed and the most appropriate priority(ies) selected.

1.5.7 Over recent months the Authority has proactively used a number of recent procurements to test out and refine our Social Value policy and approach, this includes the Advise and Information Contract, Provision of an Integrated Sexual Health Service and the Provision of a Domestic Abuse Service.

## 1.6 Decision options:

The following decision options are available for consideration by Cabinet:

### **Option One:**

Decide not to support the implementation of a Social Value Policy for the Authority.

### **Option Two:**

Support the implementation of a Social Value Policy but ask for further work to take place.

### **Option Three:**

Agree to the recommendations set out in section 1.2.

Option three is the preferred option.

## 1.7 Reasons for recommended option:

The Social Value Act gives the Authority an opportunity to embed the added value that can be achieved by building in consideration of Social Value when goods and services are purchased by the Authority. By adopting this across all procurement procedures undertaken the Authority will be taking a lead both regionally and nationally to maximise benefits of spending power for residents of North Tyneside.

## 1.8 Appendices:

‘**Appendix:** One – Social Value Policy February 2016

## 1.9 Contact officers:

Denise Pearson, Procurement Manager Tel 643 5651

Felicity Shoesmith, Community and Voluntary Sector Liaison Manager, Tel 643 7071

Sheila Watson, Strategic Commissioning Manager, Adults and Older People Tel 643 7007

Alison Campbell, Senior Business Partner, tel. (0191) 643 7038

## 1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

<http://www.socialenterprise.org.uk/policy-campaigns/policy/delivering-social-value>

North Tyneside Health & Social Value programme notes, records and slides

North Tyneside JSNA & Health and Well Being Strategy

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/> (including charters/policies from other regions and cities)

[www.sduhealth.org.uk/focus](http://www.sduhealth.org.uk/focus)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are no financial implications arising directly from this report. The aim of the policy is to ensure that Social Value is built into all procurements. The principles of the Act are clear. By widening the definition of Value for Money, adopting this policy should allow us to deliver wider benefits to the borough at no overall additional cost.

### **2.2 Legal**

Adoption of this Policy will support the Authority in complying with the requirements of the Public Services (Social Values Act) 2012. The Act requires that the Authority must consider in the procurement of service contracts or framework agreements how the procurement process and services procured can assist in improving the economic, social and environmental well-being of the area.

The proposed Policy introduces a requirement for the Authority to consider Social Value prior to starting any procurement. The consideration of Social Value in relation to every procurement procedure undertaken exceeds the statutory requirements.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

Members of the Health and Wellbeing Board, as well as representatives from Procurement and Commissioning and Corporate Strategy have been involved in the development of this Policy. The Senior Leadership Team and the Leadership forum have been involved in discussions about this Policy and helped to shape the priorities and ways these are measured.

#### **2.3.2 External Consultation/Engagement**

Earlier work on the development of this policy started with representatives of the Community and Voluntary Sector Chief Officers Group, CCG and Public Health England. In 2013 additional support was secured through a Department of Health grant. This resulted in an opportunity to increase involvement from a wider range of stakeholders.

Four action learning events took place over the course over an 8 month period and included representation from the approximately 15 voluntary, community and social enterprise sector organisations in addition to those from the Authority, North Tyneside CCG, The Cabinet Office, Public Health England, Social Enterprise UK and Anthony Collins Solicitors.

The events focused on building consensus of priorities and taking action to report into the group. This was supported by learning opportunities namely from Anthony Collins and Halton Borough Council Procurement.

All those who have been part of the sessions have been consulted on this policy framework.

### **2.4 Human rights**

There are no human rights implications directly arising from this report.

## 2.5 Equalities and diversity

The Social Value policy focuses on reducing health inequalities and the principles set out following the Marmot report from the Institute of Health Equity. The social benefits identified in the policy that have a particular focus on the Equalities Act include “improved social inclusion for residents”, and “providing additional opportunities for individuals or groups facing greater social or economic barriers”.

## 2.6 Risk management

This Policy will allow the Authority and other Statutory Organisations to comply with the Public Services (Social Values Act) 2012.

## 2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

## 2.8 Environment and sustainability

Priority areas include contributing to environmental sustainability.

## PART 3 - SIGN OFF

- Deputy Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy