

## Swindon Borough Council

### Guidance Note

### Social Value

#### **The Legal Requirements**

The Public Services (Social Value) Act 2012 came into full effect on 31 January 2013. The Act, for the first time, places a duty on public bodies to consider Social Value in procurement and related activity. The Act applies to the provision of services or the provision of services together with the purchase or hire of goods or the carrying out of works.

*This is a brief summary of the key points within the legislation, but it is not a comprehensive guide to the law.*

Under the Act the Council must consider at the pre-procurement stage:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area in which the Council primarily exercise its functions, and
- how, in conducting the process of procurement, it might act with a view to securing that improvement.

Notable exceptions include:-

- contracts for services below the current financial threshold
- services contracts awarded by calling-off from frameworks
- contracts for goods and works
- contracts for a mixture of services and goods or works where the value of the goods exceeds the services, or the where the works are more than incidental to the main purpose of the contract

The Council must consider Social Value during the part of the commissioning process where the services are conceived and designed, specifications are developed, and partners/stakeholders, current/potential providers are engaged.

The Council must also consider whether to undertake any consultation, for example with potential service users.

The Council must consider Social Value matters before starting the process of procurement i.e.:-

- Advertising the contract
- Contacting any person to seek an offer or expression of interest
- Responding to an unsolicited offer or expression of interest
- Entering into a contract or a framework agreement

If an urgent need to arrange the procurement arises, the Council may disregard the requirements to the extent that it is not practical to comply with them.

The Council must also consider Social Value in the context of the duty to secure Best Value under the Local Government Act 1999.

### **Defining Social Value**

Social Value is not defined in the Act, however guidance issued by Social Enterprise UK has defined it as a concept that seeks to maximise:

**“the additional benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes”.**

The Social Value approach seeks to create maximum benefit for the community and drive up service quality. It can lead to cross-departmental savings and support community organisations to enter the market.

### **Applying the Social Value Principle**

The Council will aim to use the opportunity the Act presents, through commissioning and other related activities, to enable communities to become more resilient and reduce demand on public services.

The Council aims to commission services which align with the Councils' Corporate Strategy priorities:

- Work with residents to create well cared for neighbourhoods
- Right skills, right jobs, in the right places
- Together, find new ways to reduce vulnerability and improve health for all
- Work with people and families to help them fulfil their potential
- Make best use of Swindon's resources inside and outside the Council

The key Social Value outcomes from the Council's strategy are:

- Helping people to help themselves and develop their own solutions, promoting independence and reducing dependency and demand on services
- Increasing community participation and residents' willingness and ability to take action e.g. through developing volunteering or peer mentoring
- Supporting the community to become more involved in caring for their environment
- Targeting support at the most vulnerable
- Encouraging healthy lifestyles and keeping people as well as they can be both mentally and physically
- Supporting parents to provide adequate levels of care for their children
- Improving educational attainment in Swindon for adults/ children /young people
- Reducing youth unemployment
- Improving the availability of jobs /quality of job opportunities in Swindon
- Supporting children and vulnerable adults to be cared for in Swindon
- Helping elderly people and / or adults with learning disabilities to live at home for longer

The Council will, where relevant, seek to achieve these key social value outcomes and the associated measures through a range of its functions and activities in addition to its duties under the Act.

In commissioning activities this will include the Council using any of its Social Value outcomes that are proportionate and relevant to the specification for the service required and evaluating tenders in accordance with those Social value outcomes and that specification.

Where appropriate, the Council will ask bidders to detail and demonstrate the Social Value outcomes and measures that they can deliver when providing the service. Where appropriate, the Council will include an appropriate weighting in our tender evaluation model to assess the Social Value offer submitted by bidders.