

CABINET

Tuesday, 24 January 2017

SOCIAL VALUE POLICY (REP1524)

EXECUTIVE SUMMARY

1. Social Value is about maximising the impact of public expenditure. It is a way of thinking about how our scarce resources are allocated and used. There is an opportunity for Waveney District Council to ensure that the impact of public expenditure is maximised for community benefit.
2. This Policy will provide the framework for Waveney District Council to help achieve a wider community benefit from its spending and investment, which can help support the Enabling Communities activities of the East Suffolk Business Plan.
3. The purpose of the report and presentation is to gain feedback on the Policy and supporting objectives, and for Cabinet to recommend approval.

Is the report Open or Exempt?	Open
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Wards Affected:	All Wards in the District
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Cabinet Member:	Councillor Frank Mortimer Cabinet Member for Customers & Communities
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Supporting Officers:	Darren Knight Head of Customer Service 01502 523301 darren.knight@eastsoffolk.gov.uk Richard Best Active Communities Manager Richard.best@eastsoffolk.gov.uk
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1 INTRODUCTION

- 1.1 Many public sector organisations recognise that “Social Value” is about maximising the impact of public expenditure; *‘It is a way of thinking about how our scarce resources are allocated and used’*.
- 1.2 Social Value involves looking beyond the cost of each individual contract and looking at what the collective benefit to a community is when a public body awards an appropriate contract. Social value asks the question: *If £1 is spent on the delivery of works, supplies and services, can that same £1 be used, to also produce a wider benefit to the community?*
- 1.3 The purpose of this report is to gain feedback and recommended approval from Policy Development Task Group on Suffolk Coastal and Waveney District Councils (SCDC & WDC) draft joint Social Value Policy (Appendix A).

2 THE PUBLIC SERVICES (SOCIAL VALUE) ACT 2012

- 2.1 The Public Services (Social Value) Act 2012 places a legal requirement on public organisations, such as Local Authorities to consider social value when procuring.
- 2.2 There is a mandatory requirement for all authorities to include "Public Services (Social Value) Act 2012 for services for OJEU financial thresholds e.g. £172,514 plus".
- 2.3 The Public Services (Social Value) Act sits alongside other procurement laws. Value for money is the over-riding factor that determines all public sector procurement decisions.

3 HOW DOES THIS RELATE TO EAST SUFFOLK BUSINESS PLAN?

- 3.1 One of the three aims of the business plan is on Enabling Communities, and the purpose of social value is to ensure that the impact of public expenditure is maximised to benefit the wider community.
- 3.2 SCDC & WDC spend approx. £24m per year procuring works, supplies and services and so there is scope to achieve a wider community benefit from this spending and investment, which can help support the outcomes of the East Suffolk Business Plan.
- 3.3 The social value objectives within the draft Policy are based around the aims and objectives of the East Suffolk Business Plan.

4 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 Although the Social Value Act requires Councils to comply with the above EU threshold requirement, this Policy will also take into account the Councils overall approach to value for money by ensuring that we achieve the best possible return on every pound spent for communities and the taxpayer.
- 4.2 When considering applying Social Value to procurement the Policy makes clear that decisions will be proportionate and relevant to the goods, services and supplies being procured.

5 HOW DOES ACHIEVING SOCIAL VALUE WORK?

- 5.1 Although the Councils have been applying social value principles to its procurement processes for sometime, but this Policy provides formalised and consistent framework with supporting objectives based around the Business Plan.

6 CONSULTATION

- 6.1 The draft Policy has been reviewed by the Councils Legal, Procurement and Corporate Management Teams.

7 REASON FOR RECOMMENDATION

- 7.1 The Policy is recommended for approval because it will help enable Waveney District Council to achieve the following:
- More community value from the Councils public expenditure
 - Help support the Enabling Communities activities from the East Suffolk Business Plan
 - Demonstrates compliance with the legislation

RECOMMENDATION

That the Social Value Policy be approved by the Cabinet.

APPENDIX

Appendix A	Draft Social Value Policy
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BACKGROUND PAPERS Please note that copies of background papers have not been published on the Council's website but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
	Public Services (Social value) Act 2012	http://www.socialenterprise.org.uk/uploads/files/2012/03/public_services_act_2012_a_brief_guide_web_version_final.pdf
	A Guide to Social value on Investment	http://www.neweconomics.org/publications/entry/a-guide-to-social-return-on-investment