

Herefordshire Council: Social Value Statement

1. EXECUTIVE SUMMARY

Herefordshire Council has a responsibility to comply with the Public Services (Social Value) Act 2012, to consider how it might improve the **economic, social and environmental wellbeing** of the relevant area of the authority on whose behalf a public services contract is intended to be made. This statement builds upon the council's good work to date, in order to promote and enable further social value benefits for Herefordshire through commercial activity, including commissioning, procurement and contract management.

2. BACKGROUND

2.1 This social value statement was initially developed in 2015, aligned to the Public Services (Social Value) Act 2012 (full legislation document available [here](#)). The Act requires the council to consider how it might improve the **economic, social and environmental wellbeing** of the relevant area of the authority on whose behalf the contract will be made. The council is fully committed to this as a matter of good practice and it is integral to the authority's priorities of enabling residents and supporting the local economy.

2.2 The Social Value Statement seeks to:

- i. Establish a clear understanding of what social value means for the council, and what it means to Herefordshire.
- ii. Set out specific social value pledges which are aligned to the county plan.
- iii. Establish the key principles for how the council seeks to embed practical and effective generation of social value through commissioning and procurement activity.

3. WHAT WE MEAN BY SOCIAL VALUE

3.1. We define social value as *'The positive impact on local people & communities, the local economy, and the environment, that we can create by the way we spend public money to buy goods and services.'*

These can be:

- i. **Social benefits** that deliver positive outcomes for individuals and/or communities
- ii. **Economic benefits** that strengthen a workforce, industry, sector and/or the economy
- iii. **Environmental benefits** that result in protection or enhancement of the environment, e.g. carbon reduction or nature protection.

3.2. 'Our social value pledges are driven by the ambitions outlined in our County Plan and other priorities of the council.'

3.3 In order to implement this we seek measurable, verifiable social value indicators that:

- are relevant to what is proposed to be procured and proportionate to the contract
- can legitimately be included in contract / grant specifications and / grant value
- contribute to achieving the Council's priorities.

Social Value pledges and examples of the value indicators include:

	Social Value Pledge	Example Value Indicators
COMMUNITY	Social and Community Strengthen communities to ensure that everyone lives well and safely together.	Work with the voluntary, community and social enterprise and charity sector (VCSE) to deliver a number of hours of community activities that support localised needs. E.g. community events and activities for people with learning disabilities.
		Offer curriculum and career support activities with schools.
		Support the voluntary sector and Council partnerships to provide support to vulnerable individuals at risk of becoming homeless, or who may be roofless, including the provision of home starter packs.
		Support the role of youth workers across parishes and market towns. E.g. Contribute towards a community fund
	Health and Wellbeing Sustain resilient people and communities, increasing both physical and mental wellbeing.	Increase the number of mental health first aiders across Herefordshire.
		Provide regulated debt management / budgeting awareness coaching. Support households in deprived areas/ care leavers with access to a road legal bike and promote its use.
	Crime and Justice Support our local people, communities and businesses to feel safe and in their homes, communities and places of work.	Reduce anti-social behaviour by work with anchor organisations to increase meaningful activity for young people aged 11 - 18 in rural areas.
ECONOMY	Economy Develop a strong local economy which builds on our rural county's strengths and resources.	Increase contracts with new businesses and SME's to support growth and resilience.
		Increase contracts with VCSE and promoting the use of SME's and Social Enterprises within the supply chain.
	Education and Skills Develop and increase high quality education and training that enables local people to fulfil their potential.	Support the council's commitment to the Equality Act and its corporate parent role by providing apprenticeship schemes which prioritise individuals from under-represented groups.
		Deliver work experience and/or volunteering opportunities for young people aged 14-24, including individuals from under-represented groups.
		Provide life skills training for vulnerable young people to increase their knowledge of healthy lifestyles, good financial planning, and positive mental health.
		Support the development of graduate scheme placements in Herefordshire.
		Increase digital inclusion through practical solutions including upskilling, sponsoring community initiatives, supporting increased access and better infrastructure.
	Jobs Support local businesses to grow jobs and keep unemployment rates low to help our rural county prosper	Support local employment to increase by: Up-skilling local supply chains Creating employment and training opportunities for local residents
		Stimulate wealth by creating new jobs across the local supply chain.

	Social Value Pledge	Example Value Indicators
		Help to increase the average wage earnings in Herefordshire in line with national average.
ENVIRONMENT	Environment Protect and enhance our environment, air quality and water and keep Herefordshire a great place to live and work.	Contribute towards achieving net zero carbon in Herefordshire by 2030 by reducing greenhouse gas emissions.
		Reduce waste and increase recycling and reuse of waste materials.
		Contribute towards achieving biodiversity net gain in Herefordshire.
LEADERSHIP	Leadership Herefordshire Council to lead and encourage others to adopt forward-thinking strategies that develop, deliver and measure social and local value.	Develop a social value supply chain charter to enable adoption through the supply chain.
		Deliver social value supply chain training to promote social value and support its adoption.
		Deliver supplier engagement events encouraging local VCSE and SME participation, promoting procurement opportunities and social value.

It is important to note that social value does not mean preferring local suppliers just on the basis of locality. This would be in contravention of EU and UK procurement legislation, and EU Treaty principles regarding transparency, equal treatment, non-discrimination, proportionality and mutual recognition.

4. GUIDING PRINCIPLES / KEY ELEMENTS

4.1. The Act helps to enable businesses of all sizes, from all sectors, to participate in procurement exercises.

The core requirement of the Act is that the council needs to **consider** social value in its commissioning and procurement activity. In doing so, it is vital that in seeking social value outcomes the council will:

- i. Be clear on what social value is whilst allowing officers to retain flexibility in deciding which outcomes should be included in procurements to ensure relevance and proportionality.
- ii. Apply meaningful weightings for social value in applicable tenders to ensure that it can be a differentiating factor when evaluating bids
- iii. Promote business opportunities as widely as is viable, to allow all types of providers, including social enterprises, voluntary organisations, SMEs, and microbusinesses (collectively termed “smaller providers”), to access the information they need to be able to tender in a timely way.
- iv. Hold “pre-tender” awareness events wherever possible.
- v. Work to ensure smaller providers are not disadvantaged by the council’s commissioning and procurement processes.
- vi. Look at a variety of contract models which offer opportunities to smaller providers, such as through lotting strategies which split tenders into smaller contracts. It is vital that there is a balance between minimising costs and acknowledging the importance of social value.

5. IMPLEMENTATION

5.1. The council spends approximately £130m per year with external suppliers in revenue and capital expenditure. This makes social value very important to our commissioning practices. By recognising the social value in what suppliers can provide through all stages of the commissioning cycle, the council can maximise the benefits achieved by the money it spends.

5.2. In order to promote and monitor social value, a number of key activities will be part of implementing the Social Value Statement:

- i. A Member Champion will be identified to provide guidance on the development and implementation of social value for Herefordshire.
- ii. All directorates to maximise early market engagement as part of their commissioning Activity.
- iii. Social value to be considered in the development of commissioning and procurement strategies and reflected in appropriate decision making governance.
- iv. Social value to be a key feature of the commercial training delivered to internal stakeholders involved in commissioning and procurement activity.
- v. Social value will be a key feature of supplier information or training on “how to do business with the council”

5.3. All directorates will seek verifiable social value outcomes that:

- i. Are relevant to the purpose of the commissioning or service delivery.
- ii. Are delivered within the geographical scope of the contract.
- iii. Can legitimately be included in contract specifications or service plans.
- iv. Contribute to achieving the council’s priorities as laid out in Herefordshire Council’s County Plan 2020-2024 (available [here](#)).

5.4. The council will be unambiguous in its intention to secure social value when it communicates with the marketplace, whether this is via service specifications for a particular contract or more informal communications.

5.5. At the start of a commissioning activity the council should develop service specifications and/or existing service designs that identify:

- i. Why is the service being commissioned; what is the need?
- ii. What is the best form of community or service-user engagement or consultation? Consideration should be given to how service users can actively participate in the designing, delivery and quality-monitoring of their service.
- iii. Which social value outcomes we need to achieve from the commissioning exercise, and how can it contribute towards meeting the council’s overall priorities.

6. REPORTING ON SOCIAL VALUE

6.1. It is the responsibility of all Service Managers to consider how they achieve and measure social value through service planning and delivery. Social outcomes and impact should be captured and identified in contract decision reports and social value measured within contract management practices.

6.2. The council will work with partners to ensure that there are practical tools and frameworks to support social value that:

- i. Complement the Herefordshire Commercial and Commissioning Strategy 2017-2021.
- ii. Do not have negative financial or staffing implications.

6.3. The council’s corporate Social Value Measurement Framework can be used and the National Themes, Outcomes and Measures also offer a useful guide of best practice. The council continues to work with best practice organisations to further develop this resource.

7. RESPONSIBILITIES

- 7.1. **Cabinet Member Champion:** to act as sponsor for the social value statement and to provide advice and guidance when required.
- 7.2. **Commercial Services:** responsible for guiding the council's strategic approach to developing social value through collaboration with partners and market development.
- 7.3. **Service Managers and Commissioners:** responsible for communicating a commitment to social value through engagement with the market, and for ensuring that social value is effectively embedded in service planning and delivery. To work with Commercial Services, other council stakeholders listed below and/or partner organisations to achieve and demonstrate social value.
- 7.4. **Talk Community Division:** to promote the benefits of social value, provide initial advice as well as information and signposting to tools and techniques for measuring social value to Voluntary, Community and Social Enterprise sector.
- 7.5. **Energy and Environmental Management:** to provide guidance on how social value can be achieved in relation to environmental sustainability.
- 7.6. **Economic Development Team:** to provide guidance on how social value can be achieved in relation to Herefordshire's workforce, industries and economy.
- 7.7. **Equality, Records and Information Compliance Team:** to provide guidance on how social value can be achieved in relation to Herefordshire's social equality, diversity and integration.
- 7.8. **Adult and Community Learning Team:** to provide guidance on how social value can be achieved in relation to community education and skills.