

Social Value Policy 2025-2027

Serving people, Improving lives

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Foreword

The Council has undertaken a thorough review of its procurement function and practices over the last two years and continues to drive change in this area as set out in the Council's Procurement Strategy and in accordance with the Procurement Act and the Governments Procurement Policy Statement.

The Council's Procurement Strategy highlights the Council's need to maximise opportunities for social value to be delivered through its procurement activities. This document provides the Council's policy approach to ensuring social value is maximised to deliver on the Council's priorities for its communities, place and economy.

Whilst social value has been secured through contracts with key suppliers, this policy provides clarity around what and how social value can be delivered. It provides a steer to officers and contractors as to how social value opportunities can be maximised and what activities the Council would like suppliers to contribute towards.

As we move forward with Local Government reorganisation and ultimately seek to align our approach to social value with other local authorities, regard has been had to the existing social value position of neighbouring authorities and the East Midlands Combined County Authority.

Chief Executive

What is Social Value?

Social Value is defined by the Public Services (Social Value) Act 2012 which came into effect from January 2013. It allows the Council to consider wider value that can be created through the way that public services are commissioned, procured, and delivered, and these values can be a mixture of financial and non-financial benefits that are created by an organisation.

A defined and agreed approach to Social Value ensures the Council will consider the benefits to the local community, its individuals and the environment, to deliver better value for money.

The Public Services (Social Value) Act 2012 requires the Council to consider some central themes as outlined below. The Council can choose the best approach to the value it will achieve within these themes:

- **Economic Wellbeing** – e.g. supporting local businesses and employment
- **Social wellbeing** – e.g. promoting community cohesion and tackling inequalities
- **Environmental wellbeing** – e.g. reducing carbon emissions and promoting sustainability

For Social Value to be effective, the Council must ensure that the benefits that it wants to achieve are measurable, there is a closer working relationship between the Council and the organisations and individuals it works with, and that there is a focus on achieving value for money that goes beyond the minimum requirements of a contract. The Council will take a direct approach to securing social value through contract management and embed target monitoring in all its activities.

What are our aims and objectives?

The Council's Gedling Plan sets out the corporate priorities for the organisation. A review of this plan is underway to provide a more focussed delivery plan as we move

towards Local Government Re-organisation. It is important that our social value requirements wherever possible align with the outputs of our strategic plans.

In addition, the Council has detailed action plans to deliver on its Equality, Diversity and Inclusion objectives and carbon reduction ambitions. Again, social value outputs should wherever possible support these ambitions and plans.

The Council has a commitment to equality and diversity in all its approaches and our policy on this can be found on our [website](#). Throughout all our procurement exercises, the Council will follow the requirements of The Procurement Act 2023 and ensure that bidders are treated fairly and equally whilst giving local enterprises opportunities to participate where they can in line with the Councils Procurement Strategy.

The Council has developed four specific themes that will have outcomes and criteria that bidders will be evaluated against within each procurement exercise that the Council undertakes. The themes are developed to have a positive impact on the residents of the borough, and the themes are as follows:

- Enable healthier, safer, and more connected communities
- Enhance skills for development opportunities and jobs
- Increase digital enablement
- Cleaner, greener spaces and combat the climate emergency

To provide clarity for bidders in relation to the Council's objectives, officers have engaged with Directors and Assistant Directors across service areas to establish the key priorities and objectives within the service area that could be met through Social Value. As a result of this engagement, Appendix A provides a list of priorities, outcomes and assessment criteria to allow for greater transparency in projects where social value can be delivered.

There is a need for proportionality on all the Council's procurement opportunities and expectations must be achievable with expected outcomes relative and proportionate to the value of the contract.

When will we consider Social Value?

Gedling Borough Council will aim to go beyond the minimum legal requirements of the legislation in place. Whereas national legislation places an expectation to consider and deliver Social Value where it is possible on all of its more expensive contracts which are known as being Above UK Threshold, the Council will look for opportunities to deliver Social Value wherever it is possible and realistic to achieve regardless of the estimated contract value.

- **Contracts with estimated values of between £10,000 and £30,000**

All procurement processes will consider social value to be delivered and 5% of the total score available will be based on social value

- **Contracts with estimated values of between £30,000 and UK Threshold**

All procurement processes that are advertised will consider social value to be delivered and a minimum of 5% of the total score available will be based on social value

- **Contracts with estimated value of UK Threshold level and above**

All procurement processes that are advertised will consider social value to be delivered and a minimum of 10% of the total score available will be based on social value

Why are doing this?

There are several key benefits of embedding Social Value into public sector procurement and with the introduction of The Procurement Act 2023, the Council can look beyond the net cost of a contract and delivering Services and Works in a functional way. The main benefits can be summarised as follows:

1. **Maximise Public Benefit**

The Council can deliver tangible improvements and opportunities to local communities. The Procurement Act 2023 mandates the public sector to have regard to maximising public benefit.

2. Better Value for Money

Social Value allows the Council to move away from what has traditionally been referred to as the Most Economically Advantageous Tender, to what is now defined as the Most Advantageous Tender, meaning the Council can look for a more community and society-based approach from suppliers. The Council can look to develop closer working relationships with its suppliers which may help budgets go further.

3. Local Economic Growth

The Council in line with its Procurement Strategy will look to give opportunities to Small and Medium Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs) and local suppliers where possible to stimulate the local economy.

4. Environmental Sustainability

Where possible the quality of the environment will be considered and commitments to reduce carbon emissions, promote energy efficiency, recycling, sustainability, and support biodiversity wherever possible.

5. Social Inclusion and Equity

Procurement can be used to promote fairness and opportunities and remove barriers where the requirement is defined in an opportunity.

6. Improved Supplier Relationships

The inclusion of Social Value will encourage the need to collaborate with suppliers and their supply chains, and look to lead innovation and better value for money

7. Legal and Policy Compliance

Social Value will help the Council meet its obligations under relevant legislation including:

- Public Services (Social Value) Act 2012

- Procurement Act 2023
- Procurement Policy Notices (PPNs) like PPN 06/20 and PPN 002
- Equality Act 2010 and
- Modern Slavery Act 2015

8. Measurable Impact

To be successful, social value must have an impact that is tangible. The Council will therefore monitor the themes, outcomes and assessment criteria on a project-by-project basis to quantify outcomes (e.g. apprenticeships and jobs created, carbon savings) and track delivery across the contract lifecycle

How will we achieve Social Value?

As part of the procurement process contractors will have access to this policy to assist them in putting forward proposals for social value submissions. Delivery of the social value will then be embedded through contractual terms and key performance indicators and strong contract management.

The Council's procurement processes will embed Social Value in various ways and the implementation of it comes from planning at the pre-procurement phase, right through to the invitation to tender, and eventually the contract delivery.

- **Social value Objectives published** – Appendix A provides the list of social value priorities and objectives the Council wishes to see delivered from 2025-2027. This list is publicly available for anyone wishing to submit a quote or tender to the council.
- **Preliminary Market Engagement** – The Procurement Act 2023 directs Councils to consider undertaking preliminary market engagement and where the Council needs to understand the market better, the Council will conduct a formal process where possible to understand what suppliers can (and are prepared to) offer. When utilised, all suppliers are encouraged to participate in these exercises when formal Notices are published. The Council recognises that it will need to look further than just standardised approaches

and gain an understanding of what already has been achieved plus what change is needed to deliver the Social Value requirements. Raising awareness with stakeholders on the Council's Social value priorities will be key during this stage.

- **Contract Standards** – Minimum requirements, priorities, desired outcomes and evaluation standards will be available to bidders in procurement exercises. The Council intends to use at least one qualitative question on every procurement that asks bidders to consider and deliver social value. Social value questions will carry a specific weighting that will be explained in the Council's procurement documentation. As part of this document, expectations will be set out as to the level of social value required along with provision of Appendix A, and terms for contract will be available from the outset in all procurement exercises to set out the Council's position when social value requirements are not delivered.
- **Key Performance Indicators (KPIs)** – KPIs will be outlined within the tender pack and there will be a minimum of three KPIs on all procurement opportunities issued by the Council in line with the Gedling Constitution. KPIs are used to evaluate the performance of suppliers through the lifecycle of the contract. Consequences of failure to meet KPIs will be outlined within the terms for contract issued with the tender pack. Where appropriate KPIs will be provided to monitor delivery of social value requirements.
- **Procurement Evaluation Processes** – The default approach on procurement opportunities that are advertised will be to be inclusive of social value in the evaluation criteria on all procurement exercises. The percentage of score available for the delivery of social value will be defined within the tender pack in every exercise. Our tendering documents have been overhauled and updated to include this to explain the mechanisms that this entails. Evaluation will also be based on the ability to deliver on the priorities set out in Appendix A.

The Council may ask for specific social value priorities, outcomes and assessment criteria to be delivered, for example, to confirm the total number of jobs and apprenticeships created that can be measured, or the total volunteering hours, or even the carbon footprint reduced by. A specific

template for bidders to complete in some circumstances will be provided with tenders to help measure this if required.

- **Contract Management** – The Council will undertake monitoring of the suggested approaches made by suppliers to ensure the benefits of the approach are realised. Suppliers may be invited to provide evidence of the achievements made throughout the lifecycle of the contract and the Council will track achievements. Should a supplier be unable to deliver on the commitments made, the Council may consider remedies are sought accordingly. This could include changing suppliers, Service Credits when monitoring KPIs and Liquidated Damages.

Review of this policy

It is expected that as more contractors bid and deliver on the Social Value priorities that the document will be reviewed and updated. the update will require ongoing engagement with service areas. Review of the priorities should be undertaken on an annual basis and any updates agreed by the Executive.

Appendix A

Focus Areas, Aims and Objectives of Social Value in Gedling Borough Council

To deliver social value within the borough, the Council wants to have a positive impact on the community based on our vision, the desire to add value to contracts and achieve value for money.

Gedling Borough Council has set a number of priorities that we would like to achieve. Attached to each priority are several outcomes that provide specific direction where the social value should be focussed, and assessment criteria where bidders on procurements can focus their attention when replying to qualitative questions within procurement exercises that will ultimately help our residents. A full breakdown is provided on a separate document.

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