

A step by step guide for Council Officers on how to secure Social Value outcomes when tendering contracts on behalf of the Council.

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Introduction

What is Social Value?

Social Value is the additional benefits from a commissioning/procurement process that enhances the wellbeing of the local community. This is over and above the direct purchasing of goods, services and outcomes.

For example you may be purchasing software licenses, that is the direct purchase, and the Social Value secured on top could be that the provider ensures that the software is regularly tested with users with low digital skills.

Why Social Value is important

The Social Value Act 2012 requires Brighton & Hove city Council, as a local authority, to have regards to economic, social and environmental wellbeing in connection with our public services contracts.

But whilst this is a legal requirement, the council's Social Value ambitions go beyond just compliance with the act. We approach Social Value as a way

to drive every Council suppliers to engage with and support the local community in any way they can.

How to apply Social Value to contracts

The following steps aim to give practical guidance to Council officers on how to include, evaluate and monitor the impact of Social Value in contracts. All steps are to be completed by the service officer procuring the goods/works/services, with assistance from the procurement lead.

Step 1: Assess relevance and proportionality

Identify to what extent it is relevant and proportionate to include social value requirements within the procurement, taking into account factors including (but not limited to):

- the total contract value
- the contract length
- the product / service / work being procured
- the equality impact assessment
- the number of potential lots / providers

The default minimum weighting for the Social Value quality criterion is 10% but can be increased if there is a big opportunity for Social Value and this does not take away from achieving value for money from the contract. As an example, for the procurement of a contract to build a new sports complex, we would expect 10% or more to be allocated to social value. But if you are only buying 2 lawnmowers you may not be in a position to evaluate social value.

Step 2: Identify social value opportunities

Taking account of needs, including legal protected characteristics, resources and assets, identify what social value opportunities could be created or realised.

This can be done via:

- consultation with the current provider - where applicable
- engaging with stakeholders including service users

- conducting market analysis including assessment of how social value has been delivered in similar contracts in other areas
- reviewing the Equalities Impact Assessment

Collate, review and assess the information to identify common social value themes or areas and/or proposals that would be relevant and proportionate to the procurement.

For example you could conduct desktop research on potential service providers by checking their Social Value or CSR (Corporate Social Responsibility) website pages. Or if using a framework, you could ask the framework provider to share the bidders responses to the Social Value question.

This could give you an idea of the type of Social Value the market is currently creating.

Internal stakeholder engagement

Often identifying needs comes out of having the right discussion with the right people. Here is a number of stakeholders you could reach out to, to help you define the social value needs around what you are trying to procure:

- Internal stakeholders such as front line workers, public health specialists etc.
- skillsandemployment@brighton-hove.gov.uk
- educationandskills@brighton-hove.gov.uk
- equalities@brighton-hove.gov.uk
- sustainability@brighton-hove.gov.uk

For example, for the school meals procurement, the service surveyed the parents and engaged with a senior health improvement specialist and the skills and employment team. This enabled them to identify the following relevant social Value outcomes:

More local people in employment, a clean, accessible and sustainable city and thriving children.

With suggested outputs such as :

- To create Employment and Training opportunities particularly for those who face barriers to employment and/or are located in deprived areas, and for people in industries with known skills shortages or in high growth sectors.
- To provide Food Waste and Circular Economy Education for Families
- To support Childhood/Family Healthy Weight

Step 3 - Select outcome(s) and outputs

Now you have a general idea of the direction where you want the Social Value to go, you need to select one or more outcomes for the supplier to deliver.

The Social Value outcomes are the changes the council hopes to achieve through the Social Value generated by suppliers while performing the contract.

Once you have selected the outcome(s) you will need to also think of potential outputs to match that outcome.

The outputs are the measurable activities that the Supplier will undertake in order to deliver the outcome.

Please select from the BHCC Social Value Outcomes and Outputs document [\[insert link\]](#)

The outcomes chosen need to be relevant to the contract and be deliverable by the supplier to the BHCC community. For example if the contract is only 4 months long, you can't ask for apprenticeships as these take more than 2 years to deliver, or if the suppliers are not based near BHCC and have a full workforce already, refrain from asking for local job creation as this likely won't be possible.

It is recommended to focus on 1 or 2 outcomes max, then select or create suggested outputs.

For example if the Outcome chosen is “Preparing students for the world of work.”,

a suggested Output could be to “offer work experience/placements to local students”.

Suggesting outputs is super important, some suppliers are new to social value, some are not local, and all need a helping hand to understand what the council/BHCC residents need.

In the words of our suppliers: “The greatest challenge is understanding the specific priorities of that client and local area because it is contextually unique and we are often coming from a place of no prior local knowledge. It is therefore difficult to judge how best our investment can impact a local community without some targeted guidance.”

Not only that, but they are also likely to offer outputs that are not deliverable/suitable. For example, a supplier offered as social value some concrete benches, not only these were not sustainable, but also, they were a specific shape that was unusable for the Council! So whilst we do want to encourage creativity and not be too prescriptive, we also need to give guidance.

Step 4 - Populate the Specification document

The Social Value header of the [Specification document](#) is pre-populated with standard wording, you can now add the outcomes and suggested outputs in the spaces provided in the document.

If you chose to you can also include Social Value KPIs such as:

- Number of outputs/activities delivered on Time (as per the plan submitted) >90%
- Number of reports submitted on time >90%

Step 5 - Evaluate Social Value

Below is an example of a comprehensive Social Value question to ask suppliers:

Please provide:

a) A method statement detailing the commitment(s) your organisation will make to ensure that added social value outputs/activities under the contract deliver the outcomes as per [insert reference to location in Specification document]:

Your detailed statement should include as a minimum:

- Inputs – Resources of all kinds that will be used to deliver the outputs
- Outputs - Activities to be carried out over the course of the contract and their beneficiaries.
- Outcomes – how your outputs will deliver the longer-term change hoped to be achieved and how they will impact the relevant people, communities, or local areas.

b) the completed Social Value plan (blue sections only) [[insert link to SV action plan doc](#)]

NB: Suppliers are expected to demonstrate that they have researched and understood how their commitments will deliver the chosen outcome(s) for Brighton and Hove city council. This means that they will need to evidence that the activities and outputs are relevant for the local community.

For example a supplier offering business support to local third sector organisations would need to evidence in their answer how they will identify and engage with suitable candidates to receive such support.

Step 6 - Contract Management

The contract manager is responsible for monitoring the delivery of the Social Value outcomes and outputs the winning bidder committed to in their bid. It is important to start monitoring from the beginning of the contract to ensure the supplier is taking necessary actions.

Social Value should be added as a recurring agenda item in meetings with the supplier.

The social value action plan submitted by the supplier in their bid has been designed to be used as a contract monitoring tool also, to help contract manager ensure social value delivery is on track, and to facilitate discussions around Social Value with the supplier.

For more info and support with Contract Management, please visit [\[insert link to Contract and Supply page\]](#)

