

Report to: Lead Member Resources and Climate Change

Date of meeting: 20 September 2022

By: Chief Operating Officer

Title: The East Sussex Social Value Policy

Purpose: This report is to recommend the approval of the East Sussex Social Value Policy.

RECOMMENDATIONS:

The Lead Member for Resources and Climate Change is recommended to:

- 1) Approve the East Sussex Social Value Policy.
 - 2) Authorise the Chief Operating Officer to make, if necessary, minor modification to the Policy after finalisation.
-

1 Background

- 1.1 The development of a new East Sussex Social Value Policy will help to establish the authority's approach and ambitions regarding Social Value and help to embed Social Value into our culture. In addition, the policy would provide a platform for the delivery of Social Value through good commissioning, good procurement and good contract management. This will directly support both the economic recovery in East Sussex and the Council Plan.
- 1.2 In 2012 the government brought into law the Public Services (Social Value) Act, to ensure the application and consideration of social, economic or environmental benefits when commissioning and procuring contracts.
- 1.3 The Public Services (Social Value) Act 2012 requires the Council to consider:
 - How what is proposed to be procured might improve the economic, social and environmental well-being of the area where it exercises its functions; and
 - How, in conducting the process of procurement, it might act with a view to securing that improvement.
- 1.4 The act also suggests that "Before they start the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders."
(source: Social Value Act: information and resources - GOV.UK (www.gov.uk))
- 1.5 When the Act was originally introduced, it applied to Service based contracts with a value over the Regulatory Threshold (currently £177,898). However, the Council has chosen to comply with the principles of the Act and apply the same approach to all contracts, regardless of type, where the value of that contract is in excess of £100,000.
- 1.6 There are some important principles to Social Value which should form the basis of all considerations during the commissioning, procurement and contract lifecycle. These are:
 - The Social Value proposed should be of direct benefit to the local community in which the contract is performed (i.e. East Sussex);
 - The benefit should be derived as a result of the particular contract being awarded to a supplier; and

- It should be relevant and relate to community/societal, economic (skills, local spend etc) or environmental considerations. Further innovative proposals may be offered, but they should be linked to the three main themes.

2 Supporting Information

- 2.1 The Council has been successfully securing Social Value commitment in contracts for many years and the results are reported through the Council's Quarterly Monitoring process. The Policy simply formalises our approach to Social Value. The Social Value Policy (Appendix 1) will help officers of the Council to be clear on what their role and responsibility is with regard to social value. Above all, it seeks to embed Social Value throughout Commissioning, Procurement and Contract Management.
- 2.2 The Policy will allow for better social value outcomes to be delivered for the Council, which will in turn deliver greater social, economic and environmental benefits for our communities.
- 2.3 In order to embed social value into the culture of the Council, a suite of guidance will sit alongside the policy and will help Commissioners to consider social value early in the project lifecycle.
- 2.4 The Social Value Policy will act as a platform to find a common approach across the local communities and with other local contracting authorities. We have been in discussions with partners including District and Borough Councils, South East Coast Ambulance Service (SECAMB) and NHS partners already, with a view to finding a common approach to maximise the impact of social value delivered across the county. The view being that their communities are our communities and the more we work together, the greater the benefit will be. This constructive engagement will help us to align our approaches and identify priority needs and areas of focus.
- 2.5 To support the introduction of the Policy, the Social Value Review Group (SVRG) has been created and now meets quarterly. This cross functional group is made up of senior officers from the Employment & Skills team, Third Party team, the Environmental team and Procurement. At each meeting the group discusses any relevant policies or initiatives, captures the known needs of communities and the delivery strategies used to capture social value. For instance, a current focus is consideration of social value for Voluntary, Community and Social Enterprise (VCSEs) and options on a reporting mechanism to ensure delivery against contractual commitment can be monitored. One of the outputs from this group has been the East Sussex Social Value Needs and Strategies document, which identifies specific needs and challenges in each key area.

3 Conclusion and recommendations

- 3.1 A draft policy for social value was created to fulfil the need for a formalised and consistent approach to social value across all departments and services within ESCC.
- 3.2 The policy has been reviewed at the Place Scrutiny Committee, giving committee members the opportunity to comment and provide input to the document and to see how it relates to and supports the Council's strategic objectives and Buying Local initiatives.
- 3.3 It is recommended that the Lead Member for Resources and Climate Change approves the Social Value Policy and authorises the Chief Operating Officer to make, if necessary, minor modifications to the Policy after finalisation.

ROS PARKER
Chief Operating Officer

Contact Officer: Rozie McPhrazier

Email: Rosalie.McPhrazier@EastSussex.gov.uk

BACKGROUND DOCUMENTS

Appendix 1 The East Sussex Social Value Policy