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# Social Value Policy

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Corporate Policy &  
Governance

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Document Responsibility		
Name	Document title	Service
Hannah Barton, Policy and Projects Officer	Social Value Policy	Corporate Policy and Governance

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6 September 2021	1.0	Hannah Barton	First version of draft
15 October 2021	1.1	Hannah Barton	Incorporated feedback on procurement wording and roles and responsibilities from Senior Policy and Governance Officer
25 October 2021	1.2	Hannah Barton	Added more detail to delivery and review sections following feedback from Corporate Policy and Governance Manager
15 November 2021	1.3	Hannah Barton	Incorporated feedback from One Legal regarding social value being relevant and proportionate to procurement

Policy Review			
Updating frequency	Review date	Person responsible	Service
3 years unless required earlier	Date document should be reviewed e.g. September 2024	Policy and Projects Officer	Corporate Policy and Governance

Document Review and Approvals		
Name	Action	Date
Name of staff member/committee that has reviewed and/or approved the policy	E.g. consulted, reviewed, approved	Date of review or approval

# 1 INTRODUCTION

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## 1.1 Purpose and scope

- (a) This Social Value Policy is intended to assist Stroud District Council and its staff and members with measuring Social Value through its commissioning and procurement processes.
- (b) This policy outlines the approach that will be taken in order to ensure that Stroud District Council considers economic, social and environmental wellbeing in connection with its contracts.

## 1.2 What is Social Value?

**Social Value** has been defined as the additional benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services, works and outcomes. Social Value can be measured in terms of economic, social and environmental activities and outcomes.

**Economic outcomes** provide contributions to the local economy and economic growth that supports social outcomes. Includes retaining, recirculating and leveraging funds in the local area and a wider contribution to skills, tackling unemployment and maintaining employment.

**Social outcomes** contribute to a vibrant and healthy community. Includes community-based actions such as local relationships, partnerships and people. Equality, diversity, cohesion and inclusion.

**Environmental outcomes** relate to protecting, promoting and enhancing the environment. Includes supporting local activities that improve the environment.

# 2 BACKGROUND

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The Council recognises the important role it can play in enabling Social Value through its procurement activity. In 2020/21 we spent approximately £29 million via our procurement activity and through our approach to social value, we will integrate economic, environmental and social sustainability into our procurement processes.

The Public Services (Social Value) Act 2012 came into force in January 2013, cementing the responsibilities of a contracting authority when procuring contracts subject to public procurement regulations to take into account the “economic, social and environmental wellbeing of the relevant area” in its procurement activity.

The Public Services (Social Value) Act 2012 states the authority must consider:

- a) how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area; and
- b) how, in conducting the process of procurement, it might act with a view to securing that improvement.

Stroud District Council intends to further commit itself to the Act by going beyond the Act's requirements and implementing this policy into all aspects of its commercial and procurement activity where it is practicable to do so. Used properly, additional social

value can be beneficial to suppliers and councils, and represent a joint effort to exploit maximum value from procurement.

### 3 WHY IS STROUD DISTRICT COUNCIL DOING THIS?

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In order to really deliver social value and have it fully embedded and considered, buyers must move away from just considering the core contract being delivered by a supplier to one that recognises the overall value of outcomes delivered.

Requiring suppliers to deliver social benefits while they deliver the main element of their contract means that there is a magnified benefit for the Council. Incorporating social value into our commissioning and procurement process can make a tangible difference to people in the community, to service delivery and to the council's spending plans as a whole.

Adoption of this policy can provide the following benefits:

- **Encouraging a diverse base of suppliers:** Promoting supplier diversity; including the participation of small and medium sized enterprises (SMEs) and third sector organisations, and local suppliers in general;
- **Promoting fair employment practices:** Ensuring workforce equality and diversity within supply chains;
- **Meeting targeted recruitment and training needs:** Offering a range of apprenticeship, training and skills development opportunities as well as employment opportunities;
- **Community benefits:** Maximising opportunities for Stroud District organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area;
- **Ethical sourcing practices:** Ensuring compliance with UK and international standards, promoting fair trade and fair pricing policies, tackling corruption, child labour, animal welfare, blacklisting of union members and similar social issues;
- **Promoting greater environmental sustainability:** Minimising waste and pollution, supporting carbon reduction initiatives, furthering energy efficiency and other sustainability programmes.

This Social Value Policy fully supports the council's corporate priorities in:

- Environment and climate change
- Community resilience and wellbeing
- Economy, recovery and regeneration.

### 4 DELIVERY

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In practice the Social Value Policy will be applied as follows:

- i. As a minimum, all procurements over £75,000 will be required to include social value metrics as a part of the scoring and evaluation process where appropriate. However, wherever possible to do so, procurements below this value should also seek social value benefits from contracts. Social value metrics must be proportionate and relevant to the subject of the procurement.
- ii. The standard weighting for social value will be a minimum 10% of the overall evaluation score and where it is feasible, this may be higher.
- iii. The National Themes, Outcomes and Measures (TOMs) measuring tool as agreed by the Local Government Association will be used to capture social value

- offers from bidders to ensure offers can be evaluated in an open, fair and transparent way.
- iv. Once a procurement exercise is concluded, the responsibility for ensuring the committed social value benefits are actually delivered will fall to those officers responsible for contract management of that individual contract.

#### 4.1 National TOMs Framework

The National TOMs Framework (Appendix A) was developed in collaboration with the Local Government Association and offers a consistent measurement solution used by public, private and third sector organisations. The framework provides a minimum reporting standard for measuring social value and consists of five themes, 20 outcomes and 48 measures.

Stroud District Council's three strategic priorities are aligned with the themes within the TOMs Framework:



Figure 1: How the Council's strategic priorities relate to the themes within the TOMs Framework.

Stroud District Council will use the National TOMs Framework to measure and report on Social Value. The TOMs will be reviewed annually to ensure continued alignment with the Council's priorities.

#### 4.2 Procurement below £75,000

Officers procuring works, goods or services contracts under £75,000 should seek advice and guidance from the Corporate Policy and Governance team on how to seek social value benefits. The National TOMs Framework can be utilised for contracts of any value.

### 5 REVIEW

Stroud District Council will review its Social Value Policy a minimum of every 3 years, or as required due to changes in legislation. In doing so, it will take account of any changes in legislation pertaining to the Public Services (Social Value Act) 2012, the Local Government Act, UK legislation and any changes to the council's priorities when it is reviewed.

## **6 ROLES AND RESPONSIBILITIES**

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- The corporate performance management framework will enable members through each committee to review progress on contracts and social value outputs which relate to their committee.
- The Corporate Policy and Governance team are responsible for oversight of this policy and its implementation at the Council.
- Any officer responsible for procurement with a contract value of £75,000 or over is responsible for measuring and evaluating Social Value in their contracts as per this policy.

## **7 RELATED DOCUMENTS**

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- Procurement Strategy 2019 -2023
- Contract Management Framework
- Performance Management Framework
- Social Value Statement