

STROUD DISTRICT COUNCIL

STRATEGY AND RESOURCES COMMITTEE

THURSDAY, 24 NOVEMBER 2022

Report Title	Stroud District Themes, Outcomes and Measures for measuring social value			
Purpose of Report	To approve the Stroud TOMs (Themes, Outcomes and Measures) for measuring social value.			
Decision(s)	The Committee RESOLVES to: a) Approve the Stroud District TOMs to measure and manage social value through procurement and other projects. b) Give delegated authority to the Strategic Director of Resources to make minor amendments to the Stroud District TOMs as necessary.			
Consultation and Feedback	<ul style="list-style-type: none"> • The Corporate Policy and Governance team, including Procurement. • The Strategic Leadership Team. • The Alliance Leadership Team. • The Economic Development and 2030 teams on the Stroud District TOMs. 			
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Options	<p>To not adopt the new TOMs and continue to use the National TOMs 2021 (Appendix C) which are not tailored to the priorities and key activities in the Council Plan.</p> <p>Although we will continue to deliver social value in line with the Public Services (Social Value) Act 2012, they will not be targeted towards achieving the objectives in the Council Plan.</p> <p>The new TOMs are also easier for both officers and suppliers to use.</p>			
Background Papers	None.			
Appendices	Appendix A – Stroud District TOMs Framework 2022 Appendix B – Attachment 1 - Core National TOMs 2022 Appendix B – Attachment 2 - Non-core National TOMs 2022 Appendix B – Attachment 3 - Light National TOMs 2022 Appendix C – National TOMs 2021			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	Yes	Yes

1. INTRODUCTION / BACKGROUND

- 1.1 Social value refers to the wider financial and non-financial value created by an organisation through its day-to-day activities, and it is defined by the Public Services (Social Value) Act 2012.
- 1.2 As a result of the Act, the focus within business processes, bids and tendering activity is no longer solely on traditional value for money measurements, and buyers need to consider the wider social impact that has been traditionally made through corporate social responsibility. The Act requires local authorities to consider economic, social and environmental wellbeing in connection with service contracts above the threshold for competitive tendering under the Public Contract Regulations 2015 (currently approx. £213K inc. VAT).
- 1.3 The Council has resolved to include social value requirements in both works and goods contracts on all contracts with a value of more than £75,000.
- 1.4 In November 2021, Strategy and Resources Committee approved the implementation of the Social Value Portal (SVP) to enable the Council to measure and manage the contribution the Council, and its supply chain, make to the district in terms of benefits to the community through its procurement activity.
- 1.5 The SVP is an online solution that allows organisations to measure and manage the contribution that their organisation and supply chain makes to the community, according to the principles laid out within the Social Value Act. It allows organisations to report both non-financial and financial data, and measures environmental, social and economic activities delivered through a project in terms that are meaningful to Stroud District residents and businesses.
- 1.6 The SVP have developed the National TOMs (Themes, Outcomes and Measures) Framework in collaboration with the Local Government Association. This framework offers a consistent measurement solution used by public, private and third sector organisations.

2. NATIONAL TOMS FRAMEWORK

- 2.1 The National TOMs Framework is a comprehensive toolkit for reporting and measuring social value to a consistent reportable standard. The five themes in the TOMs Framework link closely to the three themes identified in the Council Plan:



2.2 Earlier this year, the SVP updated the TOMs Framework in three ways:

- To make them simpler to use;
- To include more Environment outcomes and measures to help users respond to the climate crisis; and
- To enhance measures to give clients better clarity on how to capture social value creation.

2.3 The SVP made the Framework simpler to use as the number of measures within the National TOMs Framework had significantly increased over time. To make them simpler to use without limiting the scope of the Framework, the SVP divided the TOMs into three sets of measures, each with a distinct purpose and target audience (see Appendix B):

- **Light:** Curated set of 18 measures designed for newcomers to delivering social value and smaller value contracts. Allows for a concise evaluation of committed or delivered social value.
- **Core:** 40 measures covering a broad range of TOMs, designed to be sufficient for most standard applications and allowing for a comprehensive evaluation of committed or delivered social value.
- **Non-core:** The additional 280 measures, including all non-financial measures. These have been created for specific categories of procurement.

2.4 When the new sets of TOMs were released, the SVP recommended that local authorities should move away from using the entire TOMs Framework and instead use two tailored sets: one 'master' set that includes measures relevant to SDC priorities, and one 'light' set which is a smaller curated set of measures that can be used for smaller value contracts.

2.5 To determine which measures to use in these two sets, the measures in the TOMs Framework were cross-referenced with the key activities in the Council Plan, and those that would help with achieving the key activities were selected. The suggested measures for the jobs and growth themes were shared with the Economic Development team, and the suggested measures for the environment theme were shared with the 2030 team. Their input was used to select the final sets of TOMs.

2.6 The final sets of TOMs were then workshopped with the SVP to ensure there were no gaps or areas that were not covered, and to confirm that the selected measures in each set worked well with each other.

2.7 The two new sets of TOMs will streamline the process for both suppliers and officers, make submitting bids easier for suppliers, and improve the overall user experience. See Appendix A for the proposed Stroud District TOMs.

2.8 The full sets of TOMs that the Stroud District TOMs were selected from are available to view at Appendix B.

3. ANNUAL UPDATE

3.1 Since the SVP was implemented in November 2021, four tenders over £75,000 have gone live on the portal, with seven suppliers registering, five submitting bids through the portal, and successful bidders committing to £40,673.67 in social value. This is equivalent to 13.5% of social value added. One of the four tenders will close on 11 November so the figures are not available for the purposes of this report.

- 3.2** In addition to the tenders that have gone live on the Portal, we are now able to add Council projects to enable us to measure and monitor social value delivered outside of procurement.
- 3.3** SDC have worked collaboratively with the SVP to develop a Social Value operational workplan which sets out how we will continue to embed social value across the Council, including through providing additional training for officers, promoting the TOMs internally across multiple channels, and holding supplier engagement events to explain the Portal to suppliers and support them with including social value in their bids.
- 3.4** SDC have been described by the SVP as a leader amongst district councils with regards to social value. Several district councils are currently onboarding with the SVP and the SVP are planning on setting up a knowledge sharing group of district councils across the UK, where we can share good practice and lessons learnt and we have been invited to share our experience.

4. IMPLICATIONS

4.1 Financial Implications

There are no significant implications within this category.

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4.2 Legal Implications

There are no significant legal implications as a result of this report. The legal requirements of the Public Services (Social Value) Act 2012 are set out in paragraph 1.2.

One Legal

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4.3 Equality Implications

The Stroud District TOMs will help us meet Council Plan objective CW5.2 – ‘Adopt effective and transparent policies to reduce inequalities that result from socio-economic disadvantage in line with Section 1 of the Equality Act, the socio-economic duty, as an effective framework for tackling local poverty and economic inequality.’

4.4 Environmental Implications

There are no significant implications within this category.