

**KNOWSLEY COUNCIL SOCIAL VALUE PROCUREMENT FRAMEWORK**

**2022 - 2026**

1. Introduction

This Social Value Procurement Framework outlines how we will secure Social Value through procurement to secure the best possible outcomes for our communities. It should be read in conjunction with the Council’s Responsible Procurement Strategy.

What is Social Value in Procurement?

In the context of procurement, Social Value is considered as the wider benefit gained by a local community from the delivery of public contracts. This can be the community as a whole, or more specifically disadvantaged individuals, minorities, local businesses and Voluntary and Community Social Enterprises (VCSEs), as well as the environment through the better spending of public money.

In summary it can include the delivery of benefits across the following areas:

* Social
* Economic
* Environmental

Strategic Context

Social Value can be obtained from all aspects of activity within the Council, but particularly through 3rd party expenditure. Social Value is a ‘golden thread’ used globally and nationally from the United Nations, National Legislation, and regional strategies.

The Councils Priorities, as set out in its 2022-2025 Council Plan are:

* **Effective Support for those in Need** – ensuring that all Knowsley residents are able to access the support and services they need.
* **Inclusive Growth and Skills** - ensuring that all of Knowsley’s communities are able to share in the opportunities from local economic growth.
* **Achieving Net Zero 2040** – ensuring that the Council plays a leading role in local action to address the Climate Emergency.

Where we are now

The Council has recognised and adopted consideration of Social Value since the introduction of the Social Value Act in 2012. Social Value is included in most procurement activity with bidders asked to demonstrate what they will do to deliver social value should they be successful.

On average, Social Value is given a 5% weighting in all procurements, of all values. Lower value contracts have limited scope for inclusion of Social Value given the restricted duration, or low economic value.

Following a review of the Council’s approach to Social Value in procurement, it has been identified that there are improvements that can be made to further how Social Value is included in procurement activity, and further secure commitments from suppliers.

2. Our Framework

Social Value Procurement Framework 2022-2026

This 2022 strategy sets out our ambitions and deliverables over the next 4 years. Our framework and approach will be underpinned by an 8 Step Objectives Plan:

Each of these Objectives will be underpinned by the following Delivery Plan:

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| **Objectives** | **Delivery Plan** |
| 1. Support Organisations to be ‘Tender Ready’
 | * Provide training to Local Businesses on Social Value and Climate Agenda
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| 1. Target Social Value to Council Priorities
 | * Develop new ways of working that target Council Priorities to secure and deliver impact and tangible outcomes
 |
| 1. Maintain or Increase Local Spending
 | * Continue to drive local spend improvement with Strategic Spend Analysis
* Continue to use Risk Based Sourcing as an approach to drive local spend below Regulation Thresholds
 |
| 1. Review our approach to seeking commitments to deliver Social Value
 | * Develop new ways of working that map and target Council Priorities to secure and deliver impact and tangible outcomes
* Retain the ability to include Social Value for procurements with a value of less than £25k, but not report on this activity
* Require Social Value to be included in all procurement activity with a value between £25k and relevant Regulation threshold\*, with a minimum weighting of 15%
* Require Social Value to be included in all procurement activity with a value above Regulation threshold\*, with a minimum weighting of 20%
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| 1. Challenging the delivery of Social Value through the Supply Chain
 | * Supply Chain Analysis to be undertaken to inform a targeted plan
* Develop an approach with wider regional organisations to enable brokerage within the supply chain
 |
| 1. Review our approach to Measuring, Reporting, and Delivering Social Value Outcomes
 | * Review and develop improved Social Value contract management, practices, and reporting to evidence impact and outcomes
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| 1. Use this Strategy and Law to Direct Change
 | * Ensure the National Procurement Policy Statement is being addressed in our actions
* Use existing and new legislation to target local – e.g. Light Touch Regime, Small Lots provision, etc.
 |
| 1. Produce Annual Social Value Statement on what has been achieved
 | * Complete the Social Value Maturity Index and action plan
* Review achievements in the past 12 months and publish a statement on what has been achieved and what needs to be addressed in next 12 months
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\*Regulation threshold meaning the threshold for applying the Public Contracts Regulations 2015 or Concessions Contracts Regulations 2016 (and as may be amended / succeeded).

Version Control

| **Version** | **Amendments / Changes / Updates** | **Made By** | **Published** |
| --- | --- | --- | --- |
| **1** | Original | Michael Sellors | XX/XX/2022 |