

Ideas for Overview & Scrutiny – Scoping Paper- Appendix 5

Title	Implementing the Social Value Act 2012
Summary of Issue	<p>Social value requires public authorities to consider how the procurement of a service may improve the economic, social and environmental well-being of an area. This will require them to think beyond the price of an individual contract to consider the collective benefit of the community.</p> <p>In most cases, social value needs to be consider at the pre-procurement stage e.g. before they propose to enter into a contract.</p>
Request originator	CVSF
Lead officers	Claire T Jones
Committee Chair notified	Cllr J Kitcat
Relevant legislation/ summary of most recent legislative changes	<p>Best Value Statutory Guidance (September 2011) set out the principles of social value and urges councils not to make disproportionate cuts on charities. This has been used to hold councils to account. Sixteen charities had their grants from Derby City Council extended after challenging the authority using this guidance.</p> <p>Then the Public Services (Social Value) Act 2012 was passed which applies to all English public bodies including local authorities, government departments, NHS Trusts, PCTs, fire and rescue services and housing associations.</p> <p>According to Chris White MP 'The aim of the Act is to support community groups, voluntary organisations and social enterprises to win more public sector contracts.'</p> <p>This Act complements existing procurement law, rather than replaces it. While VFM is still the overriding factor, the legislation is to reinforce best practice in taking social factors into account.</p>
Policy context/ summary of most recent policy changes	<p>Increasing recognition of importance of getting most value from public spending, and directing those resources towards improving lives, opportunities and the environment.</p> <p>It is important because it may open up more contracts to voluntary and community sector providers as many can demonstrate social value.</p>

	http://www.cfps.org.uk/domains/cfps.org.uk/local/media/uploads/sroiguidancefinal.pdf
Pre-decision (Yes/No)	No
Committee Work Programme (date & link)	None
Key issues	<ul style="list-style-type: none"> • To consider what social value means to BHCC and assess how far the council is already considering this issue • To engage the wider community on what social value means to them, including the voluntary sector. Help them prepare for this change in the way we will procure. • To recommend the development of a policy for social value commissioning procurement • Develop a system for weighting public value in each specification • To consider how this requirement can be implemented effectively • Establish a monitoring system
Focus	<ul style="list-style-type: none"> • Is the council sufficiently prepared itself? If not the council can be held to account by voluntary organisations • Is the council engaging sufficiently with potential service providers e.g. third sector? • Could it change procurement patterns e.g. increasing numbers of services provided by third sector? • Is this approach possible in such financially straitened times?
Performance data (BHLIS/ CPP/ Inspection reports)	N/A
Key partners	Procurement Team CVSF
Possible outcomes	
Timetable	The Act comes into force in January 2013.
Panel/workshop/referral	Workshop
Co-option(?)	No