

Oldham Council Example

Social value procurement framework

03-05-13 v. 5

1. Introduction

As a Co-operative Council we are committed to acting in a socially responsible way and to influencing the organisations we work with to do the same. Our values and priorities in this respect are detailed in our Ethical Framework, which was agreed by Cabinet in October 2012.

One of the key tools at our disposal in making the Ethical Framework tangible is our approach to commissioning and procurement. We spend in excess of £232million with 5,700 trade suppliers each year, so by formally and consistently considering social value in the decisions we make in spending this money, we can make a major contribution to delivering a Co-operative Borough.

2. How do we plan to use this framework?

- For each procurement exercise, we will identify which of the outcomes in the table below are appropriate for inclusion.
- Appropriate outcomes will be identified from the table below on the basis of what is relevant and proportionate for each contract.
- This means that our approach to social value is a bespoke approach, tailored for each and every contract.
- Every tendering exercise will include at least one of the outcomes listed below.
- Suppliers will be scored on their responses to the question about how they will deliver against these outcomes.
- Suppliers will also be scored on their responses to an accompanying question about how this will be measured and verified.
- The responses of the winning bidder will be incorporated into the contract and the ensuring contract management and monitoring process.

3. Our procurement principles

As we face increasing pressure on resources and increased demand on public services, it is imperative that we achieve the maximum value from every pound that we spend. When we commission and procure, this means that we need to focus on

outcomes rather than outputs to ensure that we achieve the greatest possible impact and, therefore, the best value for money on behalf of Oldham's residents.

Our social value procurement framework seeks to achieve this by ensuring that social, economic and environmental outcomes are systematically incorporated into procurement practices, so that we can achieve greater impact from each and every contract. Tenders will be scored against these outcomes, and contracts will be monitored against them.

In addition to the specific outcomes listed in the table below, we are also committed to a set of principles which guide every commissioning and procurement exercise that we carry out:

We are committed to, and we expect our suppliers to be committed to:

- supporting the local economy, including through any sub-contracting;
- delivering at neighbourhood-level wherever appropriate;
- reducing demand for public services and including appropriate incentives in contracts, such as contract extension opportunities for suppliers who effectively reduce demand;
- supporting the community and voluntary sector through our suppliers and contracts;
- fostering positive relationships between and within different communities (both geographical communities, such as Limeside or Shaw, and communities of interest, such as people in a particular age group or people of a particular faith);
- robust enforcement in cases where suppliers fail to deliver agreed outcomes;
- working positively with suppliers to deliver the maximum possible social value together (e.g. we might offer a supplier discounted use of our buildings in order to enable district-based delivery of services across the borough);
- paying our suppliers promptly;
- engaging our staff and working constructively with trades unions;
- endorsing / promoting suppliers who engage successfully and positively with our social value approach to procurement;
- upholding and maintaining our ISO14001 environmental management system accreditation;
- 100% compliance with environmental legislation and health and safety legislation.

4. Our Social Value Procurement Framework

Theme	Outcomes: What are we trying to achieve?	What could this mean in practice for suppliers? What could they deliver? (NB. These are <u>examples only</u> – not an exhaustive list)		
a) Jobs, growth, and productivity	Outcome 1: More local people in work	Create x number of new jobs in the local economy (i.e. within the borough of Oldham)		
		Create x number of traineeships (including apprenticeships) for Oldham borough residents		
		Provide x number of days of meaningful work experience for Oldham borough residents		
		Support x number of people back to work by providing career mentoring for job clubs, including mock interviews, CV advice, and careers guidance		
		Supporting young people into work by delivering employability support (e.g. CV advice, mock interviews, careers guidance) to x number of school and college students		
		Employ x number of ex-offenders (or other group of people who typically face additional challenges in competing in the labour market)		
		Outcome 2: A local workforce which is fairly paid and positively supported by employers	Pay staff the Living Wage	
	Increase rates of pay for lowest-paid staff by x%			
	Improve the skills levels of existing staff by training x% of the workforce to Level 2/3/4 (for example)			
	Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff			
	Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date			
			Outcome 3: Thriving local businesses	Support x number of new business start-ups by running practical workshops with enterprise clubs
				Support the local economy by spending x% of total expenditure in the local supply chain (i.e. within the borough of Oldham) - this could be measured with tools such as LM3
		Support the local supply chain by spending x% of total expenditure in a 10-mile radius / within the borough of Oldham		
Outcome 4: Responsible businesses that do their bit for Oldham		Attract £x worth of inward investment into the borough		
		Secure positive profile for Oldham through x number of positive stories in the national media		
		Support Oldham's Fairtrade Town status by ensuring that x% of food products in the supply-chain is Fairtrade		
		Secure £x-worth of investment in, or in-kind contributions to, fuel poverty initiatives in Oldham		
		Support staff, service users and residents to fundraise £x for the Co-operative Oldham Fund (and/or match-fund x% of the total funds raised).		
		b) Resilient communities and a strong voluntary sector	Outcome 5: An effective and resilient third sector	Contribute x number of hours of business planning support / financial advice / legal advice / HR advice to community and voluntary organisations through an Employer-Supported Volunteering scheme
				Provide facilities for use by community and voluntary organisations for x number of hours per year
Work with community and voluntary organisations to create x number of new volunteering opportunities in the borough				
Support local third sector organisations through the supply chain by spending x% of total expenditure				

		with community and voluntary sector providers based in the Oldham borough
	Outcome 6: Individuals and communities enabled and supported to help themselves and each other	x% of service users supported to self-help
		Coordinate and run a befriending scheme to reduce social isolation (and thus prevent the consequences of social isolation) for x number of older people
		x% of customers directed towards lower-cost forms of contact (eg. phone or web rather than face-to-face), including training service users to use IT as necessary
		Support x number of service users to engage in volunteering
		Support x number of service users into work experience / paid work / training
		Work with x number of service users to design / deliver the service
		Deliver the service on a localised basis so that the average distance to travel to access the service is reduced by x miles
		x% of residential social care users supported to live independently
c) Prevention and demand management		Outcome 7: Acute problems are avoided and costs are reduced by investing in prevention
	Support more people to manage their finances effectively by increasing the number of residents who save with Oldham Credit Union by x	
	Support prevention by running education and publicity campaigns with specific targets (e.g. support x number of staff / residents / service users to stop smoking / increase their physical activity / access money advice)	
d) A clean and protected physical environment	Outcome 8: We are protecting our physical environment and contributing to climate change reduction	Reduce the amount of waste generated by x% compared to previous contract
		Reduce the amount of waste sent to landfill by x% compared to previous contract
		Reduce carbon emissions by x% per year
		Reduce overall energy consumption / water consumption by x% per year
		Increase the use of renewable energy / community-generated renewable energy as a proportion of total energy consumption by x% over the lifetime of the contract (without increasing overall energy consumption)
		Support x number of households to better manage their energy demands through improvements in the fabric of their homes, bringing them out of fuel poverty and contributing to climate change goals