

Report to the Leader of the County Council
Report submitted by: Head of Service - Procurement
Date: 4 February 2016

Part I

Electoral Divisions affected:
All

Social Value Policy and Framework

(Appendix 'A' refers)

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Executive Summary

The draft Social Value Policy and Framework sets out the legal context for social value and the proposed approach for the County Council to deliver social value through its commissioning and procurement activities.

The aim of the policy is not to alter the commissioning and procurement processes, but to ensure that the County Council gives consideration to the wider impact of the service's delivery in line with the requirements of the Public Services (Social Value) Act 2012. The policy will enable the County Council to demonstrate more effectively how the choice of a supplier through a tendering process not only provides the most economically advantageous service, but one which also secures wider benefits for the community.

This is deemed to be a Key Decision and the provisions of Standing Order No. 25 have been complied with.

Recommendation

The Leader of the County Council is recommended to approve the Social Value Policy and Framework attached at Appendix 'A'.

Background and Advice

The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It is now a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark upon it.

The County Council has been implementing the Act on an ad hoc basis. This policy provides an opportunity to deliver a cohesive yet flexible approach to generating

social value through public procurement and allows the County Council to demonstrate more effectively how this is being delivered in practice.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Failure to approve the recommendation may potentially lead to difficulties for the County Council in demonstrating effectively how social value is being delivered through commissioning and procurement activity and compliance with the requirements of The Public Services (Social Value) Act 2012.

Legal

The requirements relating to social value set out in the legislation are subject to the procurement regime enshrined in the Public Contracts Regulations 2015. Where there is a potential for the two to conflict, the procurement obligations must take precedence. The policy must be applied in relation to tender exercises in such a way as to ensure that the fundamental requirements of proportionality and non-discrimination are met and that competition is not distorted. Thus, social value objectives which could be achieved as part of a contractual relationship with a contractor must not give rise to inappropriate requirements, nor should they directly or indirectly result in contractors from other member states or areas being disadvantaged. An example of the type of evaluation that could lead to challenge would be scoring a local contractor higher than one from another member state on the basis that its proximity to Lancashire will invariably reduce pollution.

List of Background Papers

Paper	Date	Contact/Tel
The Public Services (Social Value) Act 2012	2012	Rachel Tanner/ 01772 534904

Reason for inclusion in Part II, if appropriate

N/A