



KIRKLEES COUNCIL
SOCIAL VALUE POLICY 2022
VERSION 2.5



Purpose

This policy sets out how Kirklees Council will harness its purchasing power, investment decisions and role as a major employer to maximise the economic, social and environmental benefits to our residents, communities and businesses. This is known as **social value**.

Maximising social value goes through every area of work whether commissioning, procuring or delivering services or playing a supporting role.

While this policy is primarily about how we as a Council operate, we will work alongside our partners to encourage others to embed social value in their operations, and to ensure our residents, voluntary and community sector partners and businesses are able to access the benefits.

What is social value?

Social value is the broad set of economic, social and environmental benefits that may be delivered in addition to the original goods or service being provided. They may include jobs and training, support of local businesses and community organisations, and to our environment. These benefits may be delivered through procurement, our employment practices, our grants and investments or other processes.

Local and National Policy Context

The legislative basis for social value in the UK is provided by the Public Services (Social Value) Act 2012¹. The 2012 Act introduced the requirement for public bodies to consider the social value that could be achieved through procurement decisions in a proportionate manner. There is therefore a very close relationship between this policy and our Procurement Strategy. It is also anticipated that social value will play a central part in the new National Procurement Strategy when this is published in 2023. We will review the policy to take this into account.

Social value is a key tool in supporting our People, Partners, Place approach and wish to extend its application well beyond the legislative requirements of the 2012 Act. As such we consider social value to be of relevance in all of our work and will be embedded in and play a key role in the delivery of our key partnership strategies:

- Inclusive Communities Framework;
- Inclusive Economy Strategy;
- Environment Strategy; and,
- Joint Health and Wellbeing Strategy.

Social value is one of our principal tools in ensuring that tackling the climate emergency underpin every aspect of our work. We also know that the COVID-19 pandemic has further exposed health and other inequalities with a disproportionate impact on many already disadvantaged communities, including young people and Black, Asian and Ethnic Minority

¹ <https://www.legislation.gov.uk/ukpga/2012/3/enacted>

residents. In this context, social value has a vital role to play as we recover from the pandemic and work to make Kirklees resilient.

Our Approach to Social Value

Our policy seeks to apply social value as widely as possible to maximise the impact of the Council in shaping our places; the context in which our communities come together; and the way our businesses operate. In this way social value will impact on:

- **Residents:** ensuring the creation of local jobs, the provision of training and raising the aspirations of young people as well as creating routes into employment and training for a range of disadvantaged groups. It also means ensuring our investments create good jobs that pay a fair wage, and that support workers' physical and mental wellbeing, and that inequalities within our workforce are reduced.
- **Communities:** strengthening local community organisations through volunteering, financial and in-kind donations and mentoring. Building community spirit and collaboration to reduce poverty and social isolation.
- **Businesses:** increasing opportunities for Kirklees businesses, within our supply chains – including voluntary sector organisations and social enterprises – and promoting positive business practices.
- **Environment:** improving the quality of our environment – our air quality, biodiversity and reducing our reliance on natural resources – and supporting our goal of reaching net zero by 2038. This all contributes to making our places ones we can be proud of while empowering our residents, communities and businesses to play their part.

The Council's approach to social value will be:

1. **Reflective of local need:** the Council will use social value approaches to deliver against the Kirklees shared outcomes and the specific needs identified through the Kirklees Partnership's top-tier strategies.
2. **In partnership:** the Council works in partnership with a range of public, private and voluntary sector organisations who employ local people and procure services. The Council will seek to achieve the greatest impact for Kirklees by establishing a shared understanding of social value and our priorities, and where appropriate providing shared resources that equip partners and their suppliers to achieve social value.
3. **Considered from the start:** effective delivery of social value requires it to be considered at the earliest stages of service evaluation, design and commissioning allowing it to be realised through the most appropriate mechanisms.
4. **Innovative:** we know that achieving the step change in outcomes we are seeking will require us to be innovative and test new approaches.

Our Shared Outcomes

The Council Plan² sets out eight shared outcomes (plus one – ‘efficient and effective’ for the Council) which frame all our work with people, partners and places towards achieving our vision of a strong, sustainable economy and great quality of life for our residents. Social value will make an increasingly important contribution to achieving these outcomes.

The table below highlights some of the types of social value activity we expect to realise and how they relate to the shared outcomes. While the core work of each of our services may align to only one or two outcomes, taking a social value approach means considering how we can maximise positive impacts across all of them.

| | | |
|---|--------------------------------|--|
|  | Shaped by people | <ul style="list-style-type: none"> • Providing growing opportunities for individuals and communities to shape the social value being delivered through services that impact them and the places they live and work. |
|  | Best start | <ul style="list-style-type: none"> • Support to care leavers and children with special educational needs and disabilities |
|  | Well | <ul style="list-style-type: none"> • Actions that tackle social isolation • Support health and wellbeing of local people |
|  | Independent | <ul style="list-style-type: none"> • Programmes that support digital inclusion • Business advice to voluntary and community sector organisations • Supporting communities and VCS organisations’ COVID recovery |
|  | Aspire and achieve | <ul style="list-style-type: none"> • Initiatives that support apprenticeships and supported employment • Employment, training, mentoring, and work experience for unemployed young people and adults, particularly for care leavers, ex-offenders and other Council priority groups • Commitment to paying the local living wage |
|  | Sustainable economy | <ul style="list-style-type: none"> • Support for business start up/enterprise • Use of local supply chains • Promoting opportunities for micro businesses, SMEs and VCSEs • Promotion of ethical procurement • Championing fair work |
|  | Safe and cohesive | <ul style="list-style-type: none"> • Increasing community volunteering • Support to enable communities to engage in local decision making and active citizenship • Initiatives that address poverty and homelessness |
|  | Clean and green | <ul style="list-style-type: none"> • Green travel initiatives • Emission reduction programmes • Energy efficiency actions • Tree planting and biodiversity programmes • Waste reduction/recycling initiatives • Volunteering to support green infrastructure • Commitment to reduce the use of single use plastics • Support for sustainable procurement |
|  | Efficient and effective | <ul style="list-style-type: none"> • Maximising the impact of all our investments for the benefit of Kirklees, its residents, businesses and communities. |

² www.kirklees.gov.uk/beta/delivering-services/council-plan.aspx

Where we will consider Social Value

Social value benefits are most commonly sought through the Council's purchasing (procurement) processes. They can also be considered when services are being delivered directly by the Council, through grant making, or by third parties where the Council holds influence such as through planning policy.

We want to embed social value in a much wider range of Council activities to optimise the benefits for residents, businesses and the environment. We will therefore consider social value in:

- Our employment practices: as a key local employer through pay and conditions, enabling our staff to maximise their wellbeing, professional development, and to undertake volunteering and other activities which support our communities;
- Commissioning services, beginning at the design stage;
- Procurement of all goods, services and works contracts with a value requiring a formal tender process;
- Discretionary grants to businesses and voluntary sector organisations;
- Non-treasury investments including shares, loans and property;
- Transferring assets to community groups and other asset disposals; and,
- Planning and development – particularly for major planning applications.

Optimising the social value of our investment decisions and other actions will require a step change in the Council's approach in this area. Our aspiration is to become an exemplar Council in our approach to social value, embedding social value through co-design in each stage of our processes and at the earliest opportunity, and exceeding the minimum requirements set out in legislation.

In this way the Council will aim to lead social value in Kirklees, pro-actively sharing good practice case studies and resources to support partners in seeking social value to maximise their positive impact in the district, and especially where services are commissioned in partnership.

Our Employment Practices

We're Kirklees and we're proud. That's the way we want people to feel around here, we want all our workforce to truly feel part of Team Kirklees, where people work well together to deliver our shared outcomes for the benefit of our communities.

Our People Strategy's vision is that we will achieve our shared outcomes through people with the right skills, values and behaviours working in partnership in our places.

Underpinned by our values of Inclusion, Kindness and Pride it sets out four pledges:

- **Inclusive employer of choice:** Our people are proud to work for Kirklees. Kirklees is a great, inclusive place where we attract, support and retain people who represent our communities. Our commitment to advancing inclusion in everything we do is clear, and our people feel their differences are valued and respected.
- **Effective and compassionate leadership:** Our people are led and managed effectively by skilled, people focused, compassionate and emotionally intelligent leaders at all levels. Our leaders create inclusive working environments where individuals can grow, develop and thrive.
- **Skilled, flexible and engaged people:** Our people are skilled, flexible and engaged in the work they do and the part they play in making Kirklees a great place. Wherever they work, our people are supported to be the best they can be in their job of today and tomorrow.
- **Healthy and well people:** Our people matter: wherever they work, their wellbeing and safety is our priority. Our approach to supporting physical, mental, social, financial and digital wellbeing is person centred, supportive, proactive and preventative to enable our people to thrive.

In addition to these pledges that contribute to creating good work which is inclusive for Kirklees residents, the Council is also committed to increasing take up of our Employee Supported Volunteering programme that gives all staff two days paid leave per year to participate in volunteering that supports local voluntary and community sector organisations.

Commissioning

We will require service commissioners to consider the opportunities to increase social value through the design of services and the most appropriate approach to realise it in delivery.

We will:

- Develop approaches to social value leadership appropriate to each service to embed social value principles and practice in new programmes/projects at the commissioning stage, share learning and good practice and provide challenge and support;
- Develop a social value toolkit that equips officers to consider and deliver social value throughout the commissioning cycle; and,
- Build a catalogue of good practice examples that supports consistent approaches and increasing impact.

Procurement

Procurement activities are a critical enabler of our social value policy. Building on emerging Government procurement policy, we will:

- Set out clear expectations to all suppliers in relation to their compliance with all relevant legislation and good business practice in relation to modern slavery, equalities and diversity, health and safety and fair working practices – meeting these requirements is a fundamental pre-requisite for suppliers and they will not be considered as part of any social value assessment;
- For all contracts with a value over £100,000 a minimum social value weighting of 10% where appropriate will be applied to the tender evaluation process; the standard weighting will be considered on a case-by-case basis and increased where appropriate, e.g. where the social value benefits are disproportionate to the contract value;
- Where possible, dividing larger contracts into smaller lots to optimise the opportunities for local suppliers to bid; and,
- Ensure social value commitments are built into all procurement contracts and are legally binding, with appropriate monitoring for the purposes of compliance.

Planning and development

We recognise that the Council must be an exemplar in its approach to social value if we are to seek a step change in the commitment of private sector developers and investors. We will:

- Ensure social value is considered in the first Local Plan review to optimise the planning policy framework for delivery of social value through major planning applications;
- Require applicants for major developments to prepare a social value statement as part of the information required to validate their planning application;
- Negotiate social value obligations for all major developments, within the exiting Local Plan policy framework and subject to meeting legal tests of the S106 process, and use Section 106 agreements and other levers to ensure commitments are achieved;
- Provide advice and support on social value through the Council's pre-application service and during scheme implementation.

Grants to businesses and voluntary sector organisations

Discretionary grants will continue to provide an opportunity to deliver social value. The Council's business grant schemes already build job outcomes and other social value benefits into the appraisal/decision process. We will:

- Adopt a consistent approach to social value across our various grant schemes to ensure fairness and equity;
- Require all applicants for grants of £50,000 or more to provide a statement of social value benefits and how these will be realised, for consideration as part of the investment decision process; and,
- Monitor grant recipients for compliance and take action, potentially including clawback of funds, where appropriate.

Asset Transfer

The Council owns a significant number of assets across the district. We recognise that community-owned and community-run assets act as a catalyst for realising local aspirations by improving local assets, supporting local initiative and building new connections. We have therefore committed in our Asset Transfer Policy to:

- Empower communities through asset transfers;
- Find ways to promote asset transfers in our place-based community engagement work as an option for communities to achieve their aspirations; and,
- Build and maintain a relationship with groups before, during, and after transfer to ensure that the asset continues to be available for the community.

Non-treasury investments

The Council invests its surpluses and reserves in both short and long-term investment funds with a focus on risk, liquidity and yield and in accord with its annually approved Treasury Management and Investment Strategy. The Council's long-term investments are made in funds with ethical and sustainability objectives, taking full account of environmental, social and governance standards and the Council will continue to ensure its investments generate income in an ethical and sustainable manner.

The Council will also seek to agree a review of West Yorkshire Pension Fund investments with the other member authorities to maximise social value opportunities.

Building our capacity

Unlocking the benefits of social value through the Council's procurement and investment decisions and its role as an employer will require investment in our systems and capacity to champion and support social value at each stage of project development, commissioning and implementation. We also need to strengthen the links between suppliers and key Council/partner services to optimise the delivery of social value, improving coordination and removing duplication of activity. We will:

- Appoint an Executive Social Value Champion to ensure consideration of social value in all executive decisions;
- Identify social value leads in each directorate of the Council to support social value providing them with training to understand the concept and how it applies to their areas of work;
- Work with directorate social value leads to develop clear and practical guidance;
- Further consider the possibility of creating central capacity to support delivery of social value in key projects;
- Reinvigorate partnership work with anchor institutions (including the University of Huddersfield, Kirklees College, NHS partners) to maximise and coordinate social value delivery; and,
- Establish a Social Value Programme Board, chaired by the relevant Council Portfolio Holder, to monitor the implementation of the Social Value Policy and oversee preparation of an annual monitoring report.

Measuring our impact

Improving the way we measure social value is essential to driving the step change in our approach and to realising the benefits for residents, voluntary and community organisations, businesses and the environment. We will:

- Apply the National TOMs Framework (Themes, Outcomes, Measures) where suitable supported by appropriate tools and systems;
- Use alternatives drawing on best practice and where possible maximising alignment with the TOMs, where the TOMs Framework is less relevant to the projects/services being commissioned; and,
- Report on social value committed and delivered within our corporate reporting framework.