

Social Value Policy

Office of the Police and Crime Commissioner for
Lancashire and Lancashire Constabulary

April 2017



**Lancashire
Constabulary**

police and communities together



1. Introduction

- 1.1. The Office of The Police and Crime Commissioner for Lancashire (OPCC) and Lancashire Constabulary recognises the important role they can play in enabling sustainable development through their procurement and commissioning activity. In 2016/17 we spent approximately £46 million via procurement activity. Through our approach to social value, we will integrate economic, environmental and social sustainability into our procurement and commissioning processes.
- 1.2. This policy outlines the approach that will be taken in order to ensure that all resources are used wisely, that we protect and enhance the environment whilst ensuring the efficient use of resources and delivery of value for money.
- 1.3. There is no 'one size fits all' model for achieving social value; it is an area where providers and commissioners nationally are learning about how best to achieve and evidence it.

2. What is Social Value?

- 2.1. The Public Services (Social Value) Act 2012 requires for the first time, all public bodies in England and Wales to consider how the services they commission and procure might improve the economic, social and environmental well-being of the area. It asks public bodies to consider the ways that they could most benefit society as part of each decision made.
- 2.2. Social value requires commissioners to think about how they achieve outcomes in a more integrated way. Rather than thinking about services in isolation or in the short term, this approach requires commissioners to consider long term costs and sustainability and how inclusion of additional social value outcomes can potentially reduce pressures in other areas.

3. Aims and Objectives of the Policy:

- 3.1. The overarching intent of this policy is to ensure procurement and commissioning activity maximises social, economic and environmental benefit for the OPCC and Lancashire Constabulary while delivering value for money.
- 3.2. **Our aims are:**
 - 3.2.1. To further our sustainable procurement objectives to protect and enhance the environment, e.g. by reducing waste, limiting energy consumption and procuring materials from sustainable sources.

- 3.2.2. To promote the local economy by supporting micro, small and medium sized enterprises and the voluntary and community sector in Lancashire to thrive, and by doing so promote training and employment opportunities for the people of Lancashire.
- 3.2.3. To involve local people and organisations in how we meet the needs of local communities through the commissioning cycle and procurement process.

3.3. Objectives:

In order to achieve our aims we will:

- 3.3.1. Involve local people and organisations in determining social value outcomes by beginning engagement and/or consultation at the earliest possible opportunity in a commissioning/procurement process.
- 3.3.2. Agree proportionate and relevant social value outcomes with the marketplace at pre-procurement stage, and ensure that they are linked to OPCC and Police and Crime Plan priorities.
- 3.3.3. Apply a methodology that ensures a minimum of 2.5% of the quality element of the price/quality ratio will be allocated to social value, when it is identified in the commissioning/procurement process that additional social value outcomes are relevant and appropriate.
- 3.3.4. Work with internal staff, the marketplace and communities to improve understanding of social value, our Policy and evaluation methods.
- 3.3.5. Maximise local spend within both Lancashire and the North West region whenever permissible to do so.

4. The Principles of the Policy:

The following principles underpin our policy:

4.1. Creativity

To use social value as a platform to encourage innovation both within and external to the OPCC and Lancashire Constabulary.

4.2. Flexibility

To embed flexibility and a 'can do' approach to social value to secure the best outcomes by opening up the commissioning/procurement process to a broader range of organisations and businesses.

4.3. Collaboration

To develop a shared vision for social value between the OPCC, Lancashire Constabulary, communities, stakeholders and organisations and businesses to benefit the whole County. To promote collaboration within the OPCC and Lancashire Constabulary so that procurement processes impact on shared priorities for the County.

4.4. Leadership

To ensure key messages are effectively communicated and progress is monitored with strong leadership, guidance and coordination, making sure the OPCC and the Lancashire Constabulary delivers an effective social value policy.

4.5. Sustainability

To recognise longer term social value outcomes over quick wins.

4.6. Equality

To ensure that groups with protected characteristics participate in the shaping, delivering and monitoring of our social value policy.

- 4.7. The Public Services Act requires public bodies to consider social value in service contracts (and contracts for goods or works where there is a service element) above a prescribed financial threshold. However our implementation of the duties in the Act will be as wide as practicable so that we can achieve maximum impact.
- 4.8. This policy does not set out a single approach to the creation of social value in Lancashire. However, social value will be considered during the commissioning cycle and procurement process of all contracts, including those that are below the EU Procurement Thresholds. Proportionate and relevant social value requirements will always be included in contracts.
- 4.9. Engagement with people and communities is vital to encourage innovation and ensure services are well designed for the people who use them. Engaging and consulting at the earliest opportunity will enable us to find out what the potential social benefits could be and to learn about benefits that we may not have considered. Knowing what local providers can offer also avoids the OPCC and Constabulary asking for outcomes which are not relevant or proportionate to what their business or organisation can deliver. It also helps us to take into consideration the needs of smaller providers.
- 4.10. Commissioners are required to determine social value outcomes in discussion with providers at pre-procurement stage. Outcomes should be proportionate and relevant to a contract and linked to the priorities in the OPCC's Police and Crime Plan.

5. Social Value and the Priorities contained within the OPCC's Police and Crime Plan

Under the Public Services (Social Value) Act 2012, the Police and Crime Commissioner for Lancashire has a duty to seek social value in contracts. This is done by considering:

- How the goods, services or works being procured might improve the economic, social and environmental well-being of the Lancashire area.
- How added social value can be secured through the procurement process and in fulfilment of the resulting contract.

Examples of added social value may include:

- Championing fair employment practices, such as paying the Living Wage.

- Supporting employment opportunities and training provisions such as apprenticeships.
- Sourcing items such as food stuffs, ICT and uniforms from ethical sources.
- Helping businesses particularly small ones, get fit to compete and win contracts.
- Encourage improved practices with our suppliers to promote equal life chances for all.
- Initiatives to reduce the significant negative environmental impact of goods and services.
- Pioneering responsible procurement to deliver improved quality of life and better value for money for our people, our businesses and our County.

Parallel to this, the Crime Plan for Lancashire reflects the views of local communities, local authorities and other agencies across the region and outlines 4 priorities for policing:

1. Protecting Local Policing
2. Tackling Crime and Re-offending
3. Supporting Vulnerable People and Victims
4. Developing Safe and Confident Communities

If you are successful in any tender and are awarded contract status, you will be expected to actively support the Commissioner to achieve the above aims, including any specific outcomes your company will deliver.

These outcomes must be at no additional cost to awarded contracts.

6. How will social value be achieved?

- 6.1 Consider social value at the pre procurement and commissioning stage
- 6.2 Apply appropriate weighted criteria within the quality aspect of any procurement process
- 6.3 Encourage local suppliers to engage and apply for tendering opportunities
- 6.4 Encourage local suppliers to attend meet the buyer events to promote social value and sustainable services within the local economy
- 6.5 Promotion of procurement toolkits to internal and external stakeholders to embed social value in the procurement of goods and services

7. Evaluating Our Approach

- 7.1. We will evaluate the impact of this Policy to show how we are delivering on our aims and objectives. As part of this, we will conduct an annual review of the Policy in line with our Procurement Strategy and the way it is applied. We will also further develop our understanding and use of different evaluation techniques to show which interventions are successful in producing positive social, economic and environmental outcomes in Lancashire.