



DRAFT

Halton's Social Value Procurement Framework



Social Value Procurement Framework

Introduction

This Framework sets out Halton Borough Council's approach to achieving Social Value through procurement and offers a way forward for both commissioners, buyers and procurement officers as a tool to inspire new thinking to deliver Social Value in all we do.

The council is committed to acting in a socially responsible way and would encourage the providers and suppliers it works with to do the same.

Our annual influencable spend is currently in excess of £70m; we trade with a range of 2462 organisations from National, Small Medium Enterprise (SME), to Micro and the Voluntary Community

and Social Enterprise (VCSE) sector. As a council we have been nationally recognised for the innovative work we have done with SME's and the Voluntary Sector by removing unnecessary barriers for them; including simplifying our procurement processes, introducing risk based sourcing and removing a prequalifying procurement stage for opportunities below the current EU threshold (£172,514). Ultimately, organisations are able to trade with us more effectively and we are proud that 88% of our annual spend is with SME's.

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 sustainable borough.

Social Value, why do it and when?

Because it's not difficult..... and because the outcomes are worth it! It's easy to dismiss Social Value through procurement as being too

difficult to achieve but it can make a great difference to people, service delivery and the council's ever diminishing resources. If we require providers and suppliers to deliver Social Value benefits whilst they deliver the main element of their contract means that Halton will benefit. We will get more, both directly and indirectly for our money.

Until the recent introduction of the Deregulation Bill (2014-2015), a key role for local authorities and their partners was to produce a Sustainable Community Strategy for their area; Halton will continue with its Sustainable Community Strategy (2011-2026), which has been endorsed by the Halton Strategic Partnership Board and sets out the overall vision, priorities and strategic context for Halton. The aim of the strategy is to enhance the quality of life of local communities through actions to improve the economic, social and environmental wellbeing of the area and its inhabitants. Our Social Value Procurement Framework naturally compliments this.

We have pushed our procurement boundaries further and in

addition to Halton's five Sustainable Community Strategy priorities we have included in our approach the six Marmot priorities which have come from 2011 Marmot Review, an evidence based strategy which looks to address the social determinants of health, the conditions in which people are born, grow, live, work and age and which can lead to health inequalities. It draws further attention to the evidence that most people in England aren't living as long as the best off in society and spend longer in ill-health.

We believe that both sets of priorities should be considered when developing desired outcomes and output indicators for achieving Social Value.

Social Value Policy and Legislation

The law has changed and there is now an additional duty on the council to do this. The Public Services (Social Value) Act, 2012 came into force during 2013 and introduces a statutory requirement for public authorities to have regard to economic, social and environmental well-being in connection with 'public services

contracts' within the meaning of the Public Contracts Regulations, 2006.

The new duty, therefore, only applies to contracts for services where the value exceeds the EU threshold. The Act requires local authorities to **consider** how what is being procured might improve the well-being of the relevant area and how, in the procurement process, it might act with a view to achieving that improvement. The Council is committed to using this framework for opportunities below the EU threshold; however, these will be assessed in terms of both relevance and proportionality.

How we will use this Framework

- For each procurement opportunity, above £1000, we will undertake a Social Value "Opportunity Assessment" which will identify output Indicators and outcomes that are appropriate for inclusion in the procurement process
- The output indicators and desired outcomes will be thematic and linked to the priorities of the Halton Sustainable

Community Strategy and at least one of the six Marmot Priorities

- The outcomes identified will be both relevant, transparent and proportionate for each procurement opportunity
- Our processes will be fully compliant with EU procurement law and the council's own Procurement Standing Orders, thus minimising any risk
- Our approach to Social Value will be a bespoke approach, tailored for each and every Tender or Request for Quotation (RFQ) opportunity
- We aspire to include where appropriate in each procurement at least one Social Value outcome
- Where outcomes are applied they will form part of the award criteria and included in the evaluation matrix. How this happens will be clearly explained
- Outcomes where appropriate will be built into awarded contracts and monitored; winning bidders will be expected to report on them to evidence how they are achieving Social Value

- Where we undertake procurement support on behalf of other Public Sector bodies we will encourage to use this Framework wherever appropriate
- We will endeavour to integrate wherever possible our methodology for the purpose of best practice

Our Procurement Principles

As we face increasing pressure on resources and an increased demand on public services, it is essential that we achieve the maximum value from each pound we spend. When we commission and procure services, we need to be outcomes focussed in addition to concentrating on outputs, by doing this we will ensure that the greatest impact **and** the best value for money for the residents of the borough are achieved.

This Social Value Procurement Framework will achieve this by ensuring that social, economic and environmental outcomes are embedded where appropriate into our procurement practices, not only to achieve greater impact from each procurement opportunity

but to act as a support mechanism to enable true consideration by Commissioners, Buyers and Procurement Officers.

Halton Borough Council is committed to, and expects that our providers and suppliers be committed to:

- Supporting the local economy including SME's and voluntary community and social enterprise (VCSE) sector
- Delivering at doorstep level wherever appropriate including the local supply chain
- Including measurable voluntary clauses in contracts to demonstrate both Social Value and value for money
- Supporting the business and voluntary community and social enterprise (VCSE) sectors through transparent and proportionate procurement processes and contracts
- Ensuring robust contract management is in place to monitor and measure social value outcomes in partnership with our providers and suppliers
- Paying our suppliers promptly through the Council's Early Payment Scheme

Taking full account of EU procurement law and our Procurement Standing Orders we **must** ensure that the Social Value “offer” that comes from a bidder must be either be:

- A voluntary offer where the bidder offers something that we can put in a voluntary clause but where this offer has not influenced the evaluation criteria that was published
- Where we build Social Value into evaluation criteria and it is weighted and the bidder can receive a percentage of marks on their Social Value submission

Finally, Social Value will not override the council and other public sector partners continuously seeking value for money but it will enhance the “offer” by providing tangible and measurable outcomes.

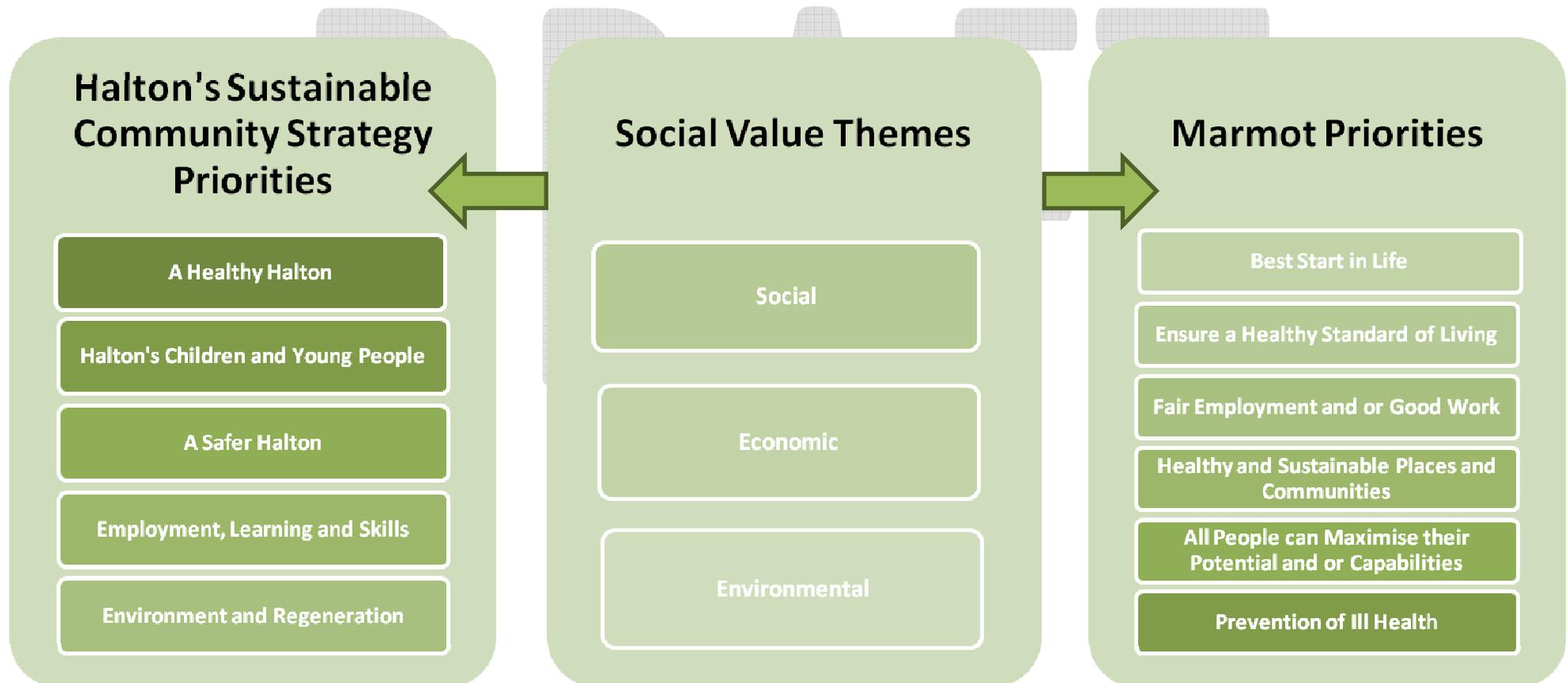


What Our Outputs Could Look like





Key Components of our Assessment Opportunity





Our Social Value Procurement Opportunity Assessment

Social Value Theme	Link to Halton's Sustainable Community Strategy Priorities	Link to Marmot Priorities	Outcomes	Output Indicator What the Business and VSCE Community could Offer	Voluntary Offer and or Award Criteria
Social	<p>A Healthy Halton</p> <p>Halton's Children and Young People</p> <p>A Safer Halton</p> <p>Employment, Learning and Skills in Halton</p>	<p>Fair employment and good work</p> <p>Best Start in Life</p> <p>Ensure a Healthy Standard of Living for all</p> <p>Prevention of Ill Health</p> <p>All People can Maximise their potential and or capabilities</p>	<p>More local people retained in Work</p> <p>Increased skills levels</p>	<p>Create new job opportunities in Halton</p> <p>Create apprenticeship opportunities for Halton residents</p> <p>Create and support work placements/work experience and vocational opportunities</p> <p>Offer work based learning opportunities</p> <p>Support people back to work by providing career mentoring, CV and career advice and guidance (including 50+)</p> <p>Supporting young people into work</p>	

			Improve Health Inequalities and Other	<p>through employability support (schools and colleges)</p> <p>Create opportunities for disadvantaged people including long term unemployed, ex offenders and people with disabilities</p> <p>Creation of healthy workplace schemes</p> <p>Offer accredited or recognised qualifications</p> <p>Bespoke to the procurement opportunity</p>	
Economic	<p>Employment, Learning and Skills in Halton</p> <p>Environment and Regeneration in Halton</p> <p>A Healthy Halton</p>	<p>Ensure a Healthy standard of living</p> <p>Fair Employment and Good work</p> <p>Prevention of Ill Health</p>	Responsible Businesses effectively contributing to the borough	<p>Secure a positive profile for Halton through positive stories in the media</p> <p>Develop Community Sourcing approaches to regenerate local communities</p> <p>Attract inward investment into the borough</p> <p>Time banking</p> <p>Create Employer volunteering schemes</p>	

			<p>An effective and resilient VCSE Sector</p> <p>Health related outcomes and Other</p>	<p>Business to business skill support</p> <p>Delivery of Meet the Buyer/supplier Events</p> <p>Provide opportunities to become part of the supply chain</p> <p>Work with VCSE sector to create increased volunteering opportunities in the borough</p> <p>VCSE organisations achieving the Star Standard foundation stage award</p> <p>VCSE organisations progressing to achieve the full Star Standard award</p> <p>Bespoke to the procurement opportunity</p>	
Environmental	<p>Environment and Regeneration in Halton</p> <p>A Healthy Halton</p>	<p>Healthy and Sustainable places and communities</p> <p>Prevention of Ill Health</p>	<p>Protecting Halton’s physical environment</p>	<p>Demonstrate Commitment to Environmental projects</p> <p>Development of community led initiatives</p>	

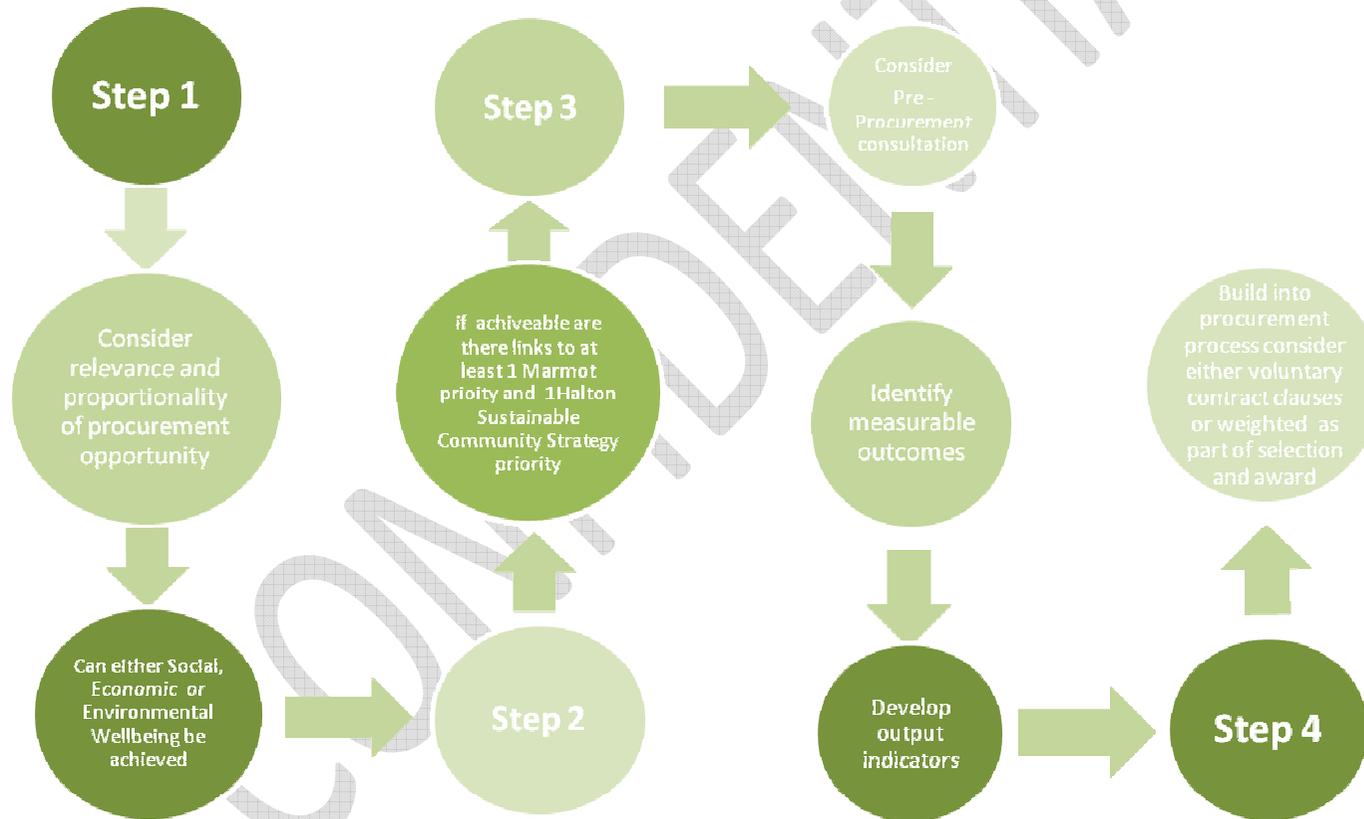
	A Safer Halton		Health related outcomes and Other	<ul style="list-style-type: none"> Commitment to improving environmental practices with demonstrable targets Reduce the amount of waste generated Reduce energy consumption Support sustainable travel Bespoke to the Procurement Opportunity 	
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Some of these outcomes/outputs are intended as a guide and may form part of the wider procurement process, award and evaluation criteria



Opportunity Assessment Stepped

Approach





Halton Borough Council Case Study

The use of Voluntary Clauses to achieve Social Value through the Highways Term Maintenance Procurement Process Jointly Procured with Warrington Borough Council

- *The contract delivers measurable social benefits – targeted employment and training are included, delivering measurable employment apprenticeships and training opportunities both through the contract and via support for the local supply chain.*

Question section Extract from ITT Document and winning Bidders responses

Quality (Stage 1)

Quality of Service 40%	
Method of assessment	Assessed by consideration of the Tenderers plans for:
Approach to Combining the Operations of both Councils	6%
Proposals to drive Cost and Performance Improvement through Collaborative Contracts	5%
Proposals to drive Continuous Improvement over the term of the contract	4%
Proposed Management Structure and Key Personnel	3%

Proposals for Supply Chain Management and Engaging SME's	4%
Compliance with Employers Objectives in relation to Environmental Impact Planning	2%
Proposals for Winter Maintenance Service	4%
Added Social Value and Community Benefits	4%
Project Planning	4%
Mobilisation and Demobilisation Proposals	2%
Management and Mitigation of Disruption Risks and Business Continuity Planning	2%
Marking Guidance	<p>*Submission for this section should be dealt with by responding to the questions detailed in the tender questions table later in this document, in the format described in the question table.</p> <p>Each question will be marked in accordance with the statements in the marking matrix above. Max 40% of overall mark available, scored on scale of 0-5 in accordance with the matrix (table A) with 0-5 score factored to represent the % available for the individual questions in accordance with table B above. Scores will be rounded to 1 decimal place.</p>

Q8	1.1.8	Added Social Value and Community Benefits
Question	<p>Halton and Warrington Borough Councils would like to realise the potential for a contract of this type to add social value and community benefit and would like to establish a voluntary agreement and measure any benefit through the application of key performance indicators.</p> <p>What are your company's proposals for this contract in respect of the above?</p>	
Required Standard	<p>Tenderers proposals identify measures which indicate their approach to:</p> <ul style="list-style-type: none"> partnering with organisations such as The Halton Employment Partnership and Warrington Employment, Learning and Skills Partnership to address issues of worklessness, and the development of construction skills in the workforce. Interaction with schools colleges and training providers to provide work experience, work placements and training opportunities The promotion of trade apprenticeships and training opportunities for adults, school leavers, and young people and their 	

	<p>retention in employment following training.</p> <ul style="list-style-type: none"> • The development of trade skills and on-going training within your existing workforce. • Measuring and reporting on the above issues.
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Winning Tenderers ITT Response

Tenderer's Proposals Q8. 1.1.8

Added Social Value and Community Benefits Halton and Warrington Highways Improvement and Maintenance Term Services Contract 2013 - 2019 Page 1 of 4 **Strategy**

As a major employer operating across the UK, we recognise that X has an important role to play within the communities in which we operate. We look to support the aspirations of our clients who aim to make the communities they serve better places to live and do business and we seek to be sensitive to local community and their social and economic needs.

To ensure this contract has a positive community impact, particularly in relation to employment and skills, we will:

Develop an Employment and Skills Plan

We will work with the Council, the Employment Partnerships and other stakeholders to develop an Employment and Skills Plan. This Plan will outline the initiatives that will be put in place and exactly how these will benefit the community. This will be a targeted plan that will develop as part of our mobilisation approach that will identify specific activities and initiatives, clearly defined owners, agreed KPIs and targets to ensure we focus on those areas that will maximise benefit for the local community.

This will constitute much more than a voluntary arrangement it will be part of our commitment to deliver value and benefits to the local community. We will commit to the initiatives and suggest that a suite of KPIs on 'Localism' is developed from this Plan.

Work with schools and educational facilities

Working with young people to develop an understanding of our industry and work placement opportunities will enable them to make educated decisions about their futures. Additionally, through our community benefits initiatives, we can work with schools to give children important life skills, such as road safety and environmental awareness.

Focus on developing the skill base of our existing workforce

Providing our workforce with the skills required to undertake their roles efficiently and effectively is a fundamental requirement. We will undertake annual performance reviews with every employee, which will look at future aspirations and how we can provide them with the skills to enable them to progress in their careers in X. This will be particularly important in respect of TUPE transferees, see below for more detail. This approach will be extended to include engagement and management of SMEs to support their growth and development.

Partnership working with organisations

Working in partnership with both the Halton Employment Partnership (HEP) and the Warrington Employment Learning and Skills Partnership (WELSP) is a key priority for X, as it will be through these groups that we can obtain understanding of the needs and objectives of the community and regional stakeholders and be aware of local initiatives. During mobilisation, our General Manager will set up meetings with the partnerships and other stakeholders such as both region's Local Strategic Partnerships to align our needs with the regional objectives and develop a clear and focused Employment and Skills Plan.

Once the Employment and Skills Plan has been agreed, we would propose to hold six monthly review meetings with all the parties involved in its compilation to monitor progress against the Plan and to continually evolve the objectives and targets in line with regional need. Our General Manager will attend all of these meetings on behalf of X, along with any necessary experts such as our HR and Training Managers. Our Education and Skills Plan will ensure we fully understand the needs of the community and enable us to develop and implement plans to address these needs.

Initiatives to address worklessness

When the need to recruit arises on this contract, or within our wider regional business, we will engage with the HEP and the WELSP. Although we will always recruit candidates based solely on merit, using the employment partnerships will enable us to ensure that we are advertising the vacancies in the most appropriate media to make the opportunity visible to all people, including the long term unemployed.

Throughout the year we will work with the employment partnerships to offer work placements or work experience positions wherever we can. We will also make the members of our Strategic Board and Operational Board on this contract available to help mentor and coach the unemployed in Halton and Warrington, through activities such as open days, speaking at events, CV assistance and mock interviews. Our collaborative approach will support local agencies with addressing the challenge of worklessness, especially the long-term unemployed, and ensure that transferable skills are developed as part of the programme to facilitate improved longer-term prospects.

Initiatives to address development of construction skills

Due to the nature of the work that we undertake on the public highway, we require our employees to be competent and qualified to ensure the works are executed safely and to the required standard. We have in place clear and defined processes to ensure all personnel have the necessary skills to complete their roles. In order to ensure that the level of construction skills is increasing across the region we will:

Utilise work placements as an opportunity to take on capable, but not necessarily qualified, people and train them to the required standard;

Offer 'Role swaps' with our supply chain and the Council, so our respective employees gain insight and understanding into other elements of the service and increase their skill base;

Share best practice, including our systems and procedures with other parties such as SMEs to help develop the overall standard throughout the industry (See Q5 for further detail).

Our approach will support the development of a sustainable workforce that will be flexible and responsive to the changing needs of the Council throughout the term of the contract. Through developing the skill set of our employees, we are in turn providing the community with a population who possess a recognised skill set, making individuals more employable thereby positively contributing to the local economy.

Interaction with schools, colleges and training providers

Recruiting school leavers or young people is difficult for X, due to the health and safety restrictions involved with our activities. All employees must be aged 18 to work on our sites and all plant operators must be 21.

However, we acknowledge that providing opportunities for young people is vital for both the community and for the development of a young and dynamic workforce, therefore we will take on at least two work placement students every year and two work experience students per Lot per year.

We anticipate that work experience students will be 16 years of age and are usually embarking on a college course, which will result in a career in the construction industry. We will approach schools and colleges throughout the year to offer this opportunity to a variety of students, including St Chad's High and Great Sankey High, both of which have an Engineering focus. During the placement, we will ensure that the students spend time in various departments, including our technical laboratories. This will provide less academically focused students with guidance on a more a vocational career and hopefully garner interest amongst students as a potential path to employment.

On our term surfacing contract for Blackpool Borough Council we identified a need to recruit two Traffic Management personnel. We advertised the job roles in a variety of medias, including through the Blackpool “Build Up Programme”. The “Blackpool Build Up” programme is a 4 year £1.8 million project run by Blackpool Borough Council and Blackpool and Fylde College, aimed at training adults in construction skills. All learners on the Blackpool Build Up Programme are aged 21 and over, unemployed or in receipt of benefits and living in a Blackpool postcode. All learners seeking work placements and employment have a personal plan which clearly identifies attendance, punctuality, attitude towards work and ability as well as a reference from their tutor. The programme also provides training. The two successful candidates were selected from the programme and have been given a training plan as Traffic Management Trainees for X.

We will also commit to working with schools and colleges through Science, Technology, Engineering and Maths (STEM) ambassadors. STEM ambassadors work with young people to promote careers in STEM industries. As a diverse national business we have a number of employees in various roles that will offer their services as STEM ambassadors in Halton and Warrington, including our Operations Manager, surfacing and civil engineering personnel, geologists, sustainability personnel and quarrying personnel. The number of events in the region our STEM ambassadors will attend will be agreed with the Council and will feature in the Employment and Skills Plan.

In 2010 we entered into an agreement with Wolverhampton University to provide internships for unemployed graduates to give them much needed work experience within some of the functions in our Ettingshall office. We were able to offer a number of roles and one converted into a permanent role. The permanent role went to a graduate who lives in Walsall, he was seconded to the operational team at our term contract in Walsall. Having graduated in Civil Engineering, he had been unemployed for 18 months until the secondment.

We will work with local universities including the University of Chester, Liverpool and John Moore’s University to arrange similar programmes for this contract.

In addition to our interaction with schools and colleges from a recruitment perspective, we will work with them to provide wider community benefits, such as a greater understanding of road safety through attendance at assemblies or an appreciation of their local environment, through visits to our restored quarries. (See below for more details.)

Promotion of trade apprenticeships and training opportunities and retention following training

We commit to having two apprentices per Lot on this contract (in addition to the two apprentices on the TUPE list) throughout the duration of the contract. Additionally should we be awarded both Lots 1 and 2, the continuity of work we would be able to provide to our supply chain partner Lambros Ltd, would allow them to recruit one apprentice of their own. These apprentices would be recruited and selected through the Employment Partnerships, contributing to their own targets of recruiting 100 apprentices in 2012.

Every year, new apprentices join the four-year apprenticeship scheme for our Buxton Lime and Cement business. Practical, on-the-job training is complemented by vocational training for NVQ level 3 and the BTEC National Certificate in Engineering. Trainees have the opportunity to gain an in-depth knowledge of the industry and benefit from the experience of senior team members, which motivates them to develop their careers at X. Since 2009 we have recruited 28 mechanical and electrical trade apprentices through this scheme.

Wherever possible we will retain personnel in the role that they were recruited for. However, this is not always possible, particularly where people have been recruited for seasonal work. In the instances where we cannot retain people in the same roles, we will use our strong regional presence to redeploy people on to other contracts and activities, providing them with the necessary skills to undertake different roles. This approach will contribute to the local employment figures, reducing the local NEET statistics and adding value to each employee as they will gain recognisable qualifications.

Development of trade skills with the existing workforce

An individual's training must serve a number of purposes, although the two main criteria are that:

- a) courses must satisfy the needs of the business and its ability to deliver the Service, and
- b) that it must add value to the individual's development.

The employee and their line manager, with input from the Regional Training Manager if necessary, identify training needs through the annual review process, 'My X Plan.'

Each of our regional offices maintains a training and skills matrix. This contains a list of all employees along with what training they have completed, and when. This is used to ensure that all training is up-to-date. To prevent any shortage of skills, at least two people (more if necessary) from each office must hold any specialist certification or training such as EPIC licences to operate plant and machinery. Tenderer's Proposals

Based on the information in the training and skills matrix, each office compiles an annual training plan. Where there is a shortage of a particular trade or skill identified, an individual who has expressed interest in that field during their performance review will be put forward to undertake the training. This ensures the business can operate as normal in the event of retirement or resignation, as well as providing opportunities for development of our existing workforce. Additionally, this will ensure that a legacy is left for the next iteration of this contract, as the personnel who deliver it are trained to execute their roles, safely and expediently.

Due to the long term nature of the surfacing works that we were awarded for Birmingham PFI, we needed an additional Surfacing Supervisor. Through the performance review process, we identified one of our Plant Operators, Carl Cooper, had shown an interest in becoming a Supervisor. Carl was offered a Trainee Supervisor position for 6 months, where he would work closely with Paul Conlan, our Contracts Manager for the PFI. At the end of the 6 months we reviewed Carl's performance and due to his progress were able to offer him a full time Supervisor's role. Carl completed all the mandatory training to be a Supervisor such as IOSH and since taking on the role full time has been enrolled on NVQ Level 3 for Roadbuilding.

Wider community benefits

Communication with communities is vital to ensuring our service has a positive impact. We will liaise with our partners and stakeholders to understand how we can all support local community projects and initiatives. We will provide wider community benefits on this contract through:

Implementing our 'X in the Community' initiative

'X in the Community' is a business-wide initiative that works to build awareness of our industry and what we do. We do this through engaging with key groups in the community, such as schools, colleges and local interest groups. Our links with local schools have been particularly effective; site visits to active and restored quarries educate children about the environment, school visits by our staff build road safety awareness and our dedicated education website for Key Stages 2 and 3 called Quarryville, helps children understand what we do operationally.

Supporting local charities and community projects through X's Regional Fund

The regional fund provides funding in support of community-based projects organised by local organisations, charities, voluntary groups, community groups, educational institutions and environmental bodies. We will work with the Service Manager to identify projects looking for support, ensuring that they:

- o Are within a 10 mile radius of a fixed X site/depot;
- o Benefit the local community, environment, biodiversity or education;
- o Show evidence of being well managed with efforts attributed to fundraising locally

We can also offer this support through the service based fund described in Question 2.

Mitigating disruption to our neighbours by integrating them into our operations

We have community based 'Engagement Plans' at all of our production operations. This process takes account of local issues to provide clear guidance to site managers on how to develop specific community plans and targets over a five-year period, enabling us to develop closer links to our neighbours and learn from best practice across different sites. Due to the long term nature of this contract, we will produce an 'Engagement Plan' for our proposed combined depot location, ensuring that we engage with the community in which it is located.

Measurement and Reporting

We propose that our Employment and Skills Plan and our progress against the targets it contains are developed to be a suite of KPIs on this contract. We have enclosed a draft Employment and Skills Plan in Appendix L. The targets in the Plan will be agreed by the Strategic Board during mobilisation and

progress against the targets will be monitored monthly by the Efficiency Adviser. Progress against the Employment and Skills Plan will be presented back to the board on a quarterly basis, where they will be given the opportunity to review the targets and add in any new objectives.

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Tenderer's Proposals
Appendix L: Draft Employment & Skills Plan

No.	Category	Proposal/Activity	Annual Target	Notes/A
1	Partnership Working	Hold 6 monthly meetings with the LSP and employment partnerships	Attendance of all Tarmac representatives or suitable replacements at every meeting	
2	Work Experience Placements	Take on at least 2 work experience students (Aged 16 to 18) from local schools and colleges, per Lot, per year	4 work experience placements completed per year	
3	Work Placements	Take on at least 1 work placement candidate, through the Local Employment Partnership per Lot per year	2 unpaid work placements provided by the contractor per year	
4	Employment	Recruit required personnel from the local area	At least 80% of personnel recruited each year must reside in a WA or LL postcode. Recruit 4 operatives by end of 2013.	
5	Site Visits	Host site visits from schools, interest groups and stakeholders.	Hold 6 site visits per year with local stakeholders or interest groups on either contract sites or in local Tarmac fixed sites.	
6	Events	Each STEM Ambassador to attend at least 2 events/hold competitions per year	At least 6 events/competitions attended by STEM ambassadors	
7	Qualified Workforce	All operatives will be accredited to NHSS 12D	Training plan for all operatives in place, with accreditation for 25% of operatives completed	
8	Apprenticeships	Recruit 2 apprentice per Lot per year	Maintain at least 3 apprentices at all times throughout the contract	

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