



Spelthorne Borough Council Procurement Policies & Procedures

03_Delivering Social Value through Procurement

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1. Introduction

The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires public authorities to ‘have regard to economic, social and environmental well-being in connection with public service contracts’.

There are key provisions in the Procurement Act 2023 (PA23) for the consideration of social value. For example, PA23 includes a legal duty for all public authorities to have regard to maximising public benefit; the change to the evaluation of the Most Advantageous Tender (MAT) (previously Most Economically Advantageous Tender (MEAT)) now allows a stronger focus on social value; there is a transparency obligation to publish KPIs for larger contracts, often including social value.

The National Procurement Policy Statement (NPPS) and Procurement Policy Notice PPN 002/Social Value Model provide further guidance.

2. Purpose

This Procedure is designed to help Spelthorne Borough Council (SBC) procuring officers identify the opportunities for delivering social value – either through the way we procure; how we specify our requirements; or how we engage with the provider market - in order to maximise the social value benefits delivered for our community.

3. What is Social Value in Procurement?

Social value through Procurement is regarded as the wider, additional social, economic and environmental benefit which can be secured through the procurement or commissioning of works, goods and services.

Under UK law (starting with the **Public Services (Social Value) Act 2012** and strengthened by the **Procurement Act 2023**), public bodies are expected to consider how their purchasing decisions can:

- **Support local communities** (e.g. jobs for residents, apprenticeships, volunteering, community investment).
- **Grow the local economy** (e.g. opportunities for small businesses, voluntary groups, and social enterprises).
- **Protect the environment** (e.g. carbon reduction, waste minimisation, biodiversity).
- **Promote fairness and inclusion** (e.g. paying the Living Wage, tackling inequality, ethical supply chains).

As a public sector organisation with a large influenceable spend across a wide range of markets, SBC is well-positioned to secure social value benefits through the procurement of its contracts, delivering positive enhancements to the wider Spelthorne community.

Before starting the procurement process, officers should consider the social value which the procurement might offer.

4. Specifying Social Value outcomes from your Procurement project

When procuring your new contract for works, goods or services, officers should include social value aspects into the key evaluation criteria. And for contracts which fall under the PA23, social value **must** account for a minimum of 10%¹ of the award criteria. So, for example, the award criteria may be structured as follows:

Technical / Quality Criteria	50%
Price	40%
Social Value	10%

Appendix A provides examples of the Social Value considerations which officers could consider including.

Officers should include suitable KPIs in their tenders. These should be relevant to the size, value and scope of the contract. Appendix A lists some suitable examples.

If you are not clear how to include subject-related, proportionate benefits into your contract requirements, contact the Procurement Team at Procurement@Spelthorne.gov.uk.

¹ The only permissible exception to this minimum 10% of the overall score rule is where pre-market engagement demonstrates that the approach would significantly reduce competition due to a lack of market maturity in delivering social value.

5. Tracking Social Value benefits

It is critical to check that the social value requirements specified in your tender are delivered through the contract and project, and officers with responsibility for the management or administration of any such contracts should track accordingly.

Tender documentation should clearly state that it is the supplier's responsibility to monitor, measure and report the performance of the contract against all KPIs, including those for social value. Officers responsible for the management of the contract shall monitor the contract and supplier performance on a frequency to be determined according to the contract length, but no less frequently than every six months, and preferably quarterly.

Contact Procurement@spelthorne.gov.uk for any further information

Appendix A – Examples of suitable Social Value KPIs

1. Jobs & Skills

- Number of local residents employed through the contract (FTE and part-time).
- Number of apprenticeships created (split by age group: under 25, over 25).
- Number of work experience placements offered to local schools, colleges, or universities.
- Percentage of contract workforce recruited from within the borough.
- Number of training hours delivered to upskill staff or community members.
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2. Growth in the Local Economy

- £ value of spend with local SMEs / VCSEs (Voluntary, Community & Social Enterprises).
- % of supply chain spend retained within the local borough.
- Number of new business start-ups supported through the contract.
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3. Social & Community Wellbeing

- Number of volunteering hours contributed by suppliers and staff to local community projects.
- £ value of in-kind support or donations provided to local charities or community initiatives.
- Number of community events sponsored or delivered (e.g. job fairs, health and wellbeing sessions).
- Number of beneficiaries supported through social value programmes (e.g. disadvantaged groups, youth, long-term unemployed).

4. Environmental Sustainability

- Tonnes of CO₂ emissions reduced through contract delivery.
- % of waste diverted from landfill / recycled.
- Number of green initiatives supported (tree planting, biodiversity projects, renewable energy use).
- Reduction in business travel / switch to sustainable transport options.
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5. Innovation & Ethical Practices

- Number of innovative solutions implemented to improve service delivery or sustainability.
- Evidence of ethical procurement practices (e.g. Living Wage, modern slavery audits).
- Supplier adoption of recognised sustainability standards (e.g. ISO 14001, B Corp, Fairtrade).

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