

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

1. Introduction

The Social Value Policy 2021-2025 address the corporate priorities through setting out guidelines and commitments to how the Council maximise the added value from its procured supply base to support the sustainable growth of Waltham Forest and provide a better future for all, taking into account the uncertainty cause by the recent Covid-19 outbreak.

In November 2020, the Council set out its Public Service Strategy developed in response to Covid -19 crisis. The new corporate strategy is the driving principle behind how we deliver our corporate priorities, determined in collaboration with our residents, with nearly 17,000 residents taking part.

The Public Service Strategy's four immediate priorities defines the Council Social Value principles:

Connecting People with Jobs

Safe and Healthy Lives

Our 15-minute Neighbourhood

Confidence in Our Future

2. What is Social Value?

Social Value refers to the wider financial and nonfinancial value created by an organisation through its day to day activities in terms of the wellbeing of individuals and communities, social capital created and the environment.

Social Value is defined through the Public Services (Social Value) Act 2012 (Act) which came into force in January 2013 and requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract.

The Act sets out a number of requirements that public authorities must comply with before starting the procurement process by making social value a decision-making criterion when awarding contracts, including to consider:

- how what is being procured might improve economic, social and environmental wellbeing of its area
- how the improvement might be secured and whether to have a consultation on the potential improvement themselves on how they be secured.

The LBWF has adopted the following definition of Social Value developed by the Sustainable Procurement Task Force:

'A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment'

It is also defined as:

'The additional benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes.'

In addition to these definitions and in the context of the built environment, UK Green Building Council approach understands social value as the benefits that built places provide to their local communities. In this definition, the local community includes existing residents, businesses, and other stakeholders in the local area, and all those who interact with the place – now or in the future.

3. What does this document aim to achieve?

Waltham Forest Council has published two, five-year Sustainable Procurement Policies. Since then there have been several changes embedded into the procurement process to ensure the effective delivery of the commitments included in this statement. The Social Value Policy is a new policy developed with an aim to provide greater opportunity for the Council to deliver a consistent and flexible approach to achieve social

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

value through its procurement activities. The policy is linked to and address the Sustainable Development Goals (SDGs) principles that are designed as the “blueprint to achieve a better and more sustainable future for all”. The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

4. Implementation approach for embedding and measuring Social Value

In May 2019 the Council adopted the **National TOMs Framework** as basis of our standards and integrated these into the Council’s measurement approach. This approach has allowed us to measure and manage the social value contribution that our supply chain makes to society as a result of our spend. The National TOMs are available to review at the Social Value Portal (<http://socialvalueportal.com/national-toms/>).

Procurement plays a crucial role in our drive to deliver sustainable outcomes and the Council is committed to embedding social value throughout its practices and purchasing decisions. One of the keyways it can do this is by actively enhancing the wider social, economic, and environmental impacts of the goods, services and works it procures and the organisations it does business with. The Council believes that through this approach, we can achieve both, a return on investment on a whole life basis and generate benefits for the local economy and environment.

To enable this to happen, **Social Value has been embedded in our procurement for all tenders over FTS (find a tender - former OJEU) threshold with standardised 10% weighting.** Exceptions must be agreed by Strategic Commissioning Board (SCB) prior to market engagement. This approach enables us to improve the value of proposals based on a wide range of themes and outcomes for our resident’s benefit.

The Social Value in the Council is measured and reported through the Social Value Portal for consistency and transparency, using dedicated Council measures called LBWF TOMs (Themes, Outcomes & Measures). Social Value is measured in the Economic impact in GBP to an area.

The Council’s intention is to ensure that our supply chain contributes as much as possible to the overall wellbeing of our residents and we therefore include Social Value as part of the procurement process. When tendering to supply goods, services or works potential suppliers are required to provide details and evidence of how they meet the Council’s corporate priorities.

All suppliers are required to define target outcomes they will achieve across the lifetime of the project and submit a Social Value Method Statement detailing how they will achieve those targets. This approach allows the Council to contract manage the Social Value element efficiently and monitor the outcomes for the duration of the contract.

Defining ‘local’

All social value commitments should be appropriate to the local area and provide tangible and long-term benefits for local residents and economy.

A Local Person - is defined as a person that resides within Waltham Forest Council’s geographical boundaries (the local area) at the time of their initial application for employment in relation to the Contract.

Local Supplier - shall mean a supplier who performs any part of a Contract from premises within geographical boundaries of London Borough of Waltham Forest, London Borough of Newham, London Borough of Enfield, London Borough of Haringey, London Borough of Redbridge, London Borough of Hackney, and Epping Forest withing M25 area.

5. Social Value Principles – Golden TOMs

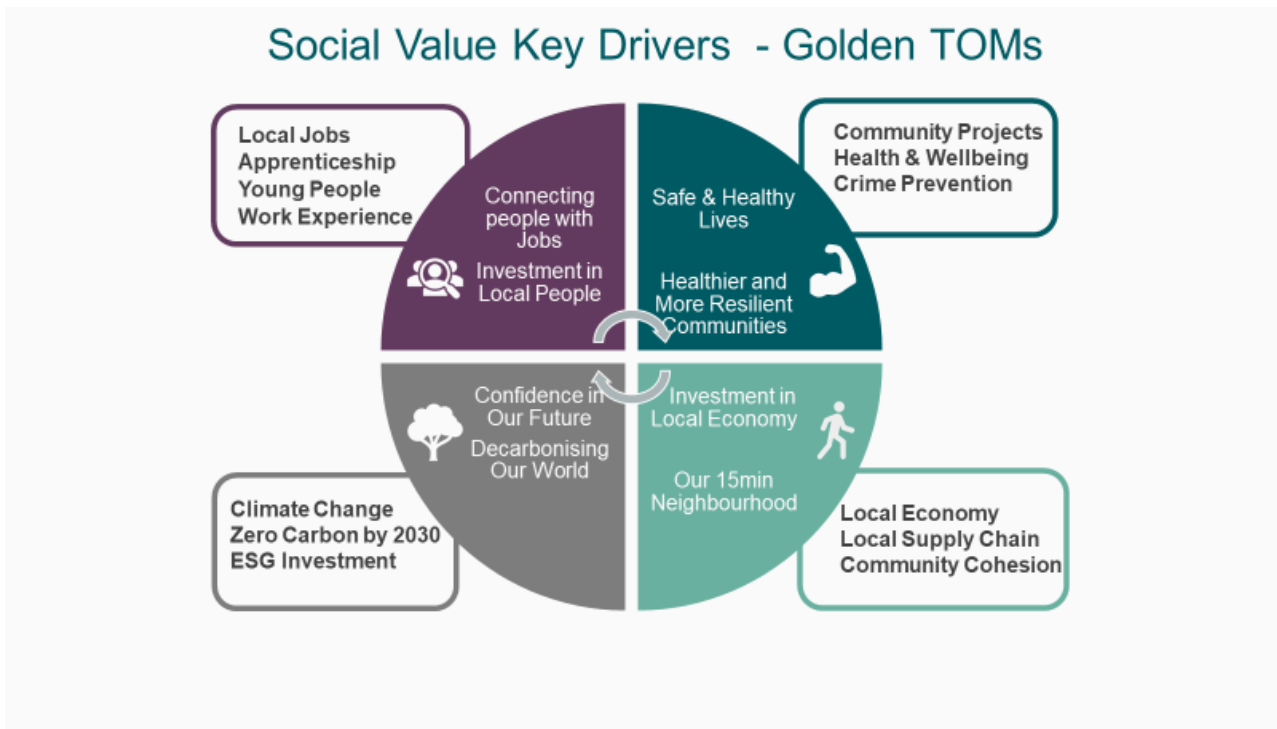
The purpose of the social value is to deliver community benefits above and beyond the basic contract terms and to secure additional social benefits in line with the LBWF identified priorities. The Council’s Social

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

Value Principles have been developed to support the vision, priorities, and actions of the Council’s corporate strategy to make London Borough of Waltham Forest the “Borough of Excellence”.

The key areas of focus (Golden TOMs) have been identified using the Corporate Strategy baseline and aligned with the Council core priorities:

- **Connecting People with Jobs - Investment in Local People**
- **Safe and Healthy Lives – Healthier and More Resilient Communities**
- **Our 15min Neighbourhood – Investment in Local Economy**
- **Confidence in Our Future – Decarbonising Our World**



The Council will, where relevant, seek to achieve these key social value outcomes and the associated measures through a range of its functions and activities in addition to its duties under the Act. These Golden TOMs will be reviewed regularly to ensure that they fit for purpose and enabling the Council to achieve its aims within the corporate strategy.

6. Measuring our Success

The Council uses procurement as a mechanism to provide socioeconomic and environmental benefits to our residents. To understand the positive effects of our activities we theme Social Value under the three pillars of sustainability; Social; Economic and Environmental. This allows us to see how our actions have contributed to the long-term wellbeing and resilience of individuals, residents, and communities to our borough as well as society in general.

Theme: Social

We will continue to use our supply chains to deliver social and community benefits in the borough through encouraging initiatives which promote healthy and inclusive communities. Our borough is one of the most diverse areas in the country, with 48% of residents from a minority ethnic background, and we are eager to ensure there are equal opportunities for all in training and job opportunities.

We are committed to ensuring that the environment our residents work in, is conducive to supporting a healthy and productive workforce. In doing so, we actively encourage businesses to sign up to the Mayor’s ‘Healthy Workplace Award’ which promotes a range of activities and pledges to improve the working environment of employees. Some of these areas of support include the promotion of staff wellbeing, flexible

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

working and consultation on paying the cost of living wage. We encourage our suppliers to take such steps to support the wellbeing of their workforce.

The Mayor of London is benchmarking what good work looks like in London and we are actively encouraging our suppliers and local businesses to work towards and achieve this standard. It provides employers with a set of best employment practices alongside information and resources to help achieve them. By achieving the Good Work Standard, businesses of all sizes and sectors signal their commitment to healthy, fair and inclusive workplaces.

We are an accredited living wage employer by the Living Wage Foundation, committed to paying all permanent and agency staff at least the voluntary London Living Wage (LLW) rate. As part of tender submissions, where appropriate, we require an Equal Opportunities policy to be provided. We are signed up to the Co-operative Party's Charter on Modern Slavery and issue an annual Anti- Modern-Slavery and Human Trafficking Statement. We are committed to procuring sustainable food and use the 'Government Buying Standards for Food and Catering Services'. We have set out our Public Service Strategy with aspirations to create a new relationship with communities, support residents into sustainable jobs, provide upskilling and learning pathways and address the climate emergency issues.

Theme: Economic

Waltham Forest has benefitted from significant business growth with the annual growth rate of new businesses being 12%, nearly twice the London average of 7%, and three times the UK average of 4%. We are ideally placed for new businesses due to our efficient transport links and connectivity, high quality public realm and green space, and a growing diverse population of over 275, 000. The Council has a key role to play in driving local economic growth and encouraging the growth of Small and Medium Enterprises (SMEs).

We are ideally placed for new businesses due to our efficient transport links and connectivity, high quality public realm and green space, and a growing diverse population of over 275, 000.

The Council has a key role to play in driving local economic growth and encouraging the growth of Small and Medium Enterprises (SMEs). Some 99% of the enterprises in Waltham Forest are small and medium sized businesses employing fewer than 50 people. The Council can support these local businesses by spending more with local SMEs both directly and indirectly through the supply chain, improving the skills needed to run a business and developing a highly capable workforce.

Unemployment in Waltham Forest has risen rapidly to 5.4% in the past 18 months and it's higher than the 4.9% for London as a whole and 4.2% unemployment in the UK. The rate of change in North East London has been faster than ever before, and we want to ensure our residents get to share in the benefits with fairly paid sustainable jobs, a range of opportunities, and the social infrastructure to ensure Waltham Forest is a place for everyone.

As we enter the recovery phase our in-house Employment, Business and Skills team continuous to offer employment support and skills training an aim to assist residents into sustainable employment and support capacity building initiatives for local businesses.

Theme: Environmental and Climate Change

In April 2019, Waltham Forest declared a Climate Emergency and committed to creating a cleaner and more energy efficient borough with recommendations from a Climate Emergency Commission, an independent panel of experts informing our Climate Emergency response up to 2030. Over the last 10 years we have met our carbon reduction targets set out in our previous Climate Change Strategy (September 2008), and we have published an Air Quality Action Plan for 2018-2023 to tackle pollution.

The Council has also implemented the multi award winning "Enjoy Waltham Forest" cycling and walking programme to encourage more sustainable modes of transport in the borough. In addition, the Mayor of London's Ultra Low Emissions Zone (ULEZ) will be expanded to cover half of Waltham Forest in 2021.

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

The Council declared a LBWF declared a Climate Emergency in April 2019

<https://democracy.walthamforest.gov.uk/mgAi.aspx?ID=32233>

The Council worked with an independent Climate Emergency Commission panel of experts to advise how best to tackle the Climate Emergency reducing carbon emissions to reach net zero carbon by 2030

<https://www.walthamforest.gov.uk/content/climate-emergency-commission>

The Commissions' response report is available in the link below:

https://www.walthamforest.gov.uk/sites/default/files/18428%20Waltham%20Forest%20Climate%20Emergency%20Brochure%20A4_VIS11%20-Spread.pdf

An important recommendation related to the importance of the Council's procurement activity is to maximise the ability of the Council, its suppliers, and their supply chains to tackle the Climate Emergency.

The Council wants to ensure, by April 2022, that all new procurement conducted will have strict environmental measures and a credible net zero-carbon plan to influence suppliers and their wider supply chains to be greener.

The Council spends on average £300m per annum on procurement of services and has a very important role to play in showing community leadership in tackling the Climate Emergency, operating in a much greener and environmentally friendly way. This is also true of its suppliers and supply chains, requiring active changes to reduce carbon emissions.

The Council is currently working on developing its formal response to the Climate Emergency which will be published later in 2021.

The environmental aspects of a procurement activity should be established individually for each commission and service. For example, a service supply contract should include aspects such as low emissions sustainable travel and transport, accessing locally grown food, using environmentally friendly materials, recycling and re-using materials, use of low carbon transport, energy efficient buildings, use of FSC wood, Marine Stewardship Council standards.

For a physical construction project these should include aspects such as strong BREEAM (beyond Very Good), Passivhaus equivalent or high Home Quality Mark standards. Provision of communal low carbon heating networks including District Heating Networks across sites where appropriate. Water efficiency and energy efficiency standards, minimising overheating and need for active cooling in buildings, maximising re-use of any waste heat, use of Sustainable Urban Drainage and increasing biodiversity, tree planting and rainwater harvesting. Developments should comply with high planning policy standards including virtually car free developments, use of electric vehicles for deliveries and servicing – particularly with the extension of the Ultra-Low Emissions Zone (ULEZ) across the borough south of the North Circular Road (A406) from October 2021.

7. Contract management and enforcement

A Suppliers performance is monitored and managed on the implementation of their stated approach and delivery of outcomes post-contract award.

There may be genuine, justifiable reasons for the non-delivery of a Social Value offer from the winning supplier. In these circumstances the Council will work with the winning supplier to determine what social value, to an equivalent Social Value proxy value, the supplier will deliver instead.

If the supplier is not able to deliver any Social Value obligations as committed in the procurement activity or otherwise commits a breach in that regard during delivery of the contract then the Council will seek remedies, in accordance with the contract, in cases where the supplier fails to deliver agreed outcomes.

Social Value Policy 2021- 2025 – London Borough of Waltham Forest

The Council wishes to be transparent about Social Value being generated from its procurement activity and will publish the winning supplier's Social Value commitments on its web site. At the end of each fiscal year the Council will make publicly available a RAG rated report detailing the winning supplier's performance in delivering social value commitments.

To support the Council in its transparency of the Social Value being generated, as a part of contract management obligations, the successful suppliers are required to contract directly with the Social Value Portal (SVP) who will provide the following services to the supplier;

1. Online account with SVP to allow contract management and project reporting account
2. Technical support with data entry (e.g. access and functionality issues)
3. Confirmation of evidence required to satisfy requirements
4. Quarterly reports showing progress against targets
5. End of project summary report and case study

The Social Value Strategic Board will be formed to provide strategic oversight of the effectiveness and achievements of this policy and further support the progress of the core objectives and impacts. Where appropriate, the Social Value Strategic Board will report relevant items to the Senior Management Board.