



**Decision No 2017/57**

**REPORT TO:** POLICE AND CRIME COMMISSIONER FOR LANCASHIRE AND CHIEF CONSTABLE

**REPORT BY:** Brett Biscomb, Procurement and Commissioning Lead  
Jacqueline Collett, Procurement and Contracts Manager

**DATE:** 21st March 2017

**TITLE:** Joint Social Value Policy

**Appendix A refers**

## **EXECUTIVE SUMMARY**

The Public Services (Social Value) Act 2012 requires 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.

This Policy will be an appendix to the current Procurement Strategy and sets out the Office of The Police and Crime Commissioners and the Lancashire Constabularies joint approach to dealing with Social Value throughout their procurement and commissioning activity.

In summary :

- The policy will be an appendix to the Procurement Strategy.
- It provides for a joint approach via Lancashire Constabulary and the OPCC.
- Sets out realistic activities linked to the Police and Crime Plan.
- Social Value is incorporated into evaluation criteria, where appropriate to do so,
- Will be explored in meet the buyer events
- Examples include fair employment practices, paying the living wage, employment opportunities, local supply chains, environmental and sustainability issues
- It will maximise spend within Lancashire and NW region where permissible to do so.

## **RECOMMENDATION**

It is recommended the Police and Crime Commissioner adopts and agrees to the application of this Policy.

**Decision taken by the Police and Crime Commissioner for Lancashire:**

<b>Original decision, as set out in the attached report, approved without amendment</b> (please delete as appropriate)	<b>YES</b>	<b>NO</b>
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**Original decision required to be amended and decision as detailed below:**

**The reasons for the amended decision are as detailed below:**

**Police and Crime Commissioner: Comments**

**DECLARATIONS OF INTEREST**

The PCC is asked to consider any personal / prejudicial interests he may have to disclose in relation to the matter under consideration in accordance with the law, the Nolan Principles and the Code of Conduct.

**STATEMENT OF COMPLIANCE**

The recommendations are made further to legal advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation.

<b>Signed:</b> <i>Clive Ainsworth</i> <b>Police and Crime Commissioner</b> <b>Date:</b> <i>27th March 2017</i>	<b>Signed:</b> <b>Chief Officer:</b> <b>Date:</b>
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<p><b>Signed:</b> </p> <p><b>Chief Constable</b></p> <p><b>Date:</b> 28/3/17</p>	<p><b>Signed:</b></p> <p><b>Chief Finance Officer:</b></p> <p><b>Date:</b></p>
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## **PART I**

### **1. Background & Advice**

The Public Services (Social Value) Act 2012 came into force during 2013. The Act introduces a statutory requirement for public authorities to have regard to economic, social and environmental well-being in connection with public service contracts within the meaning of the Public Contracts Regulations.

The duty therefore, only applies to contracts for services/goods where the value exceeds the OJEU threshold.

The Act requires Public Sector bodies 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.

Whilst the Act positively encourages economic, social and environmental well-being to be taken into account, this still needs to be done within the context of existing constraints within EU public procurement rules and other legislation. This means that any specific benefits which may be sought from a procurement exercise must remain relevant to the contract and proportionate and not risk distorting the outcome of the competition by giving them undue emphasis.

#### **What do we mean by Social Value?**

The term 'social value' refers to approaches that maximise the additional benefits created through the delivery, procurement or commissioning of goods and services, beyond those directly related to those goods and services.

For the OPCC, this means our commitment to meet our needs to provide services in a way that produces social, economic and environmental well-being may be improved, and how procurement may secure those improvements.

Social Value is about using the money we have more strategically, to produce a wider benefit. It also describes the values and principles which inform our behaviours and approaches.

The Act, in line with the statutory Best Value Duty, sets out three key themes to be addressed in seeking social value:

- Social
- Economic
- Environmental

#### **Policy Application**

Within Lancashire Constabulary and the OPCC we procure a wide range of services, and it is recognised that there can be no 'one size fits all' model. This Policy with therefore need to be applied in a proportionate manner and be tailored to reflect what is being procured and how. It is the role of service commissioners and procurement leads to consider, on a contract by contract basis, what Social Value opportunities and outcomes may be relevant to that contract.

The Act applies to services contracts and contracts above the EU threshold which combine service with the purchase or hire of goods.

If the procurement is carried out in emergency circumstances, not due to any delay on our part, making it impractical to comply with the Act, then we may need to disregard the requirements. This is as set out in the Act.

## **2. Consultations**

The views of the Lancashire Constabulary Contracts and Procurement Manager have been sought in the preparation of this Policy to ensure both independent judgement and legislative compliance.

## **3. Link to the Police and Crime Plan**

The Policy directly supports the Police and Crime Plan by ensuring value for money in procurement and endeavouring to achieve Social Value for our communities.

## **4. Implications:**

### **4.1 Risk management**

The Policy should only be applied in accordance with the Public Services (Social Value) Act 2012.

### **4.2 Financial considerations**

There are no costs to either the OPCC or Lancashire Constabulary in the application of this Policy.

### **4.3 Equality considerations.**

An Equality Impact Assessment has been undertaken and no negative impact has been identified.

## **5. Background Papers**

Social Value Policy.  
Equality Impact Assessment

