

# Social Value Policy

September 2025

## Introduction

Chorley & South Ribble Borough Council aims to address a number of key challenges faced by the borough. Whilst Chorley & South Ribble are relatively affluent, there are still pockets of deprivation within certain neighbourhoods, some of which fall within 10% of most deprived areas nationally. Employment is high across the authority in comparison to other areas in Lancashire, but factors such as health disabilities and income deprivation impact many of our residents.

The councils have already delivered a number of projects and initiatives to help tackle these challenges and empower communities at a local level, such as:

- Delivering a credit union, becoming a living wage employer, and developing a Community Hub approach to neighbourhood working which engages communities in decision making linked to the priorities of local areas. The community hubs are used to find donations in kind from Contractors, volunteering opportunities and also to help engage hard to reach areas of the borough.
- £40,000 reinvested into the local economy through the use of local suppliers
- Apprenticeships for local residents, with apprentices contributing a total of 12 weeks across various projects , developing skills and strengthening the Borough's future workforce.
- Decarbonisation of a community used building, community education and biodiversity in the improvement of local green spaces.

Chorley & South Ribble Borough Council recognises the important role it can play in enabling Social Value through procurement activity and embedding this as part of the key decision-making process at the council. The introduction of this Social Value Policy will contribute to the current successes of South Ribble and Chorley and will support plans to address key challenges, particularly in relation to engaging communities, supporting the local economy and promoting environmental sustainability.

The aim of this policy is to set out our approach to social value and how we will integrate economic, environmental and social responsibility into our procurement processes.

## What is Social Value?

Social Value is the additional economic, social and environmental benefits that can be created when the Council purchases from an outside organisation, above and beyond the value of the Services purchased.

Social Value is defined by The Social Value Portal as:

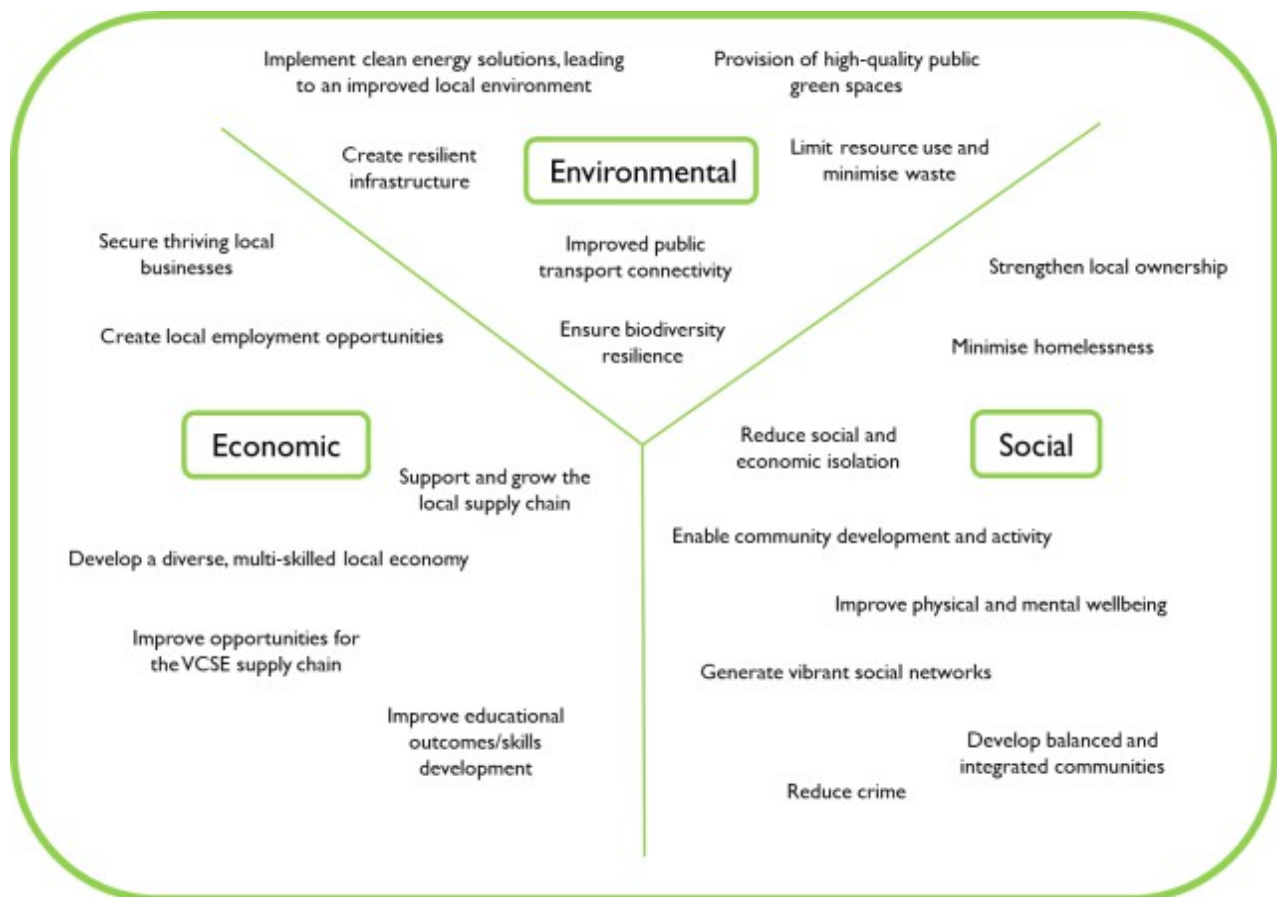
*“An umbrella term for the wider economic, social and environmental effects of an organisations activities. Organisations that make a conscious effort to ensure that these effects are positive can be seen as adding social value by contributing to the long-term wellbeing and resilience of individuals, communities and society in general.”*

- Economic effects relate to the creation and maintenance of a strong local economy, and the encouragement of local innovation to make the economy more efficient.
- Social effects relate to ensuring equality and diversity and maximising social inclusion.

- Environmental effects relate to enhancing local biodiversity, reducing greenhouse gas carbon emissions, recycling and controlled consumption.

Examples of how these three ‘pillars’ of sustainable procurement can benefit the local community - economic, social and environmental- are set out in the diagram below.

In some instances, outcomes will cross over multiple areas. Interventions that meet multiple objectives are possible and should be pursued where deliverable.



The Public Services (Social Value) Act 2012, which came into force in January 2013, marked a significant step in encouraging public bodies to consider the broader impact of their procurement decisions. It required councils to consider how procurement might improve the economic, social, and environmental wellbeing of their local area. This allowed authorities to award contracts based on the most advantageous tender (MAT), rather than simply the lowest price.

Under the 2012 Act, contracting authorities were required to have regard to:

- (a) how what is proposed to be procured might improve the economic, social and environmental wellbeing of the relevant area; and
- (b) how, in conducting the procurement process, they might act with a view to securing that improvement.

Authorities were also encouraged to consider whether public consultation could help identify and realise these improvements. Importantly, any such considerations had to be relevant and proportionate to the subject matter of the contract.

However, while the 2012 Act was a positive step, it lacked clarity and consistency in implementation. There was no standardised approach to defining, measuring, or embedding Social Value across the full contract lifecycle, which led to varied practices across the public sector

### **The Shift: Procurement Act 2023**

The Procurement Act 2023, which came into effect in February 2025, represents a major reform of public procurement in the UK. It builds on the principles of the 2012 Act but goes further by embedding Social Value throughout the entire procurement lifecycle, not just at the evaluation stage

Under Section 12 of the Procurement Act, contracting authorities must “have regard to the importance of maximizing public benefit” when awarding contracts. This represents a shift from the Social Value Act which only required authorities to “consider” Social Value. This change places a greater obligation on local authorities to ensure public contracts deliver measurable social, economic and environmental benefits.

Although the National Procurement Policy Statement (NPPS) is separate from the Procurement Act 2023, as an authority we are legally required to ‘have regard’ to it under Section 13 of the Procurement Act.

The NPPS makes Social Value a clear priority and reinforces its role in government procurement.

Key changes include:

- A stronger emphasis on transparency, value for money, and public benefit.
- A requirement for contracting authorities to consider how procurement can deliver wider social, economic, and environmental outcomes.
- A more structured and measurable approach to Social Value, supported by tools like the Social Value TOM System™.
- Greater accountability for both buyers and suppliers in demonstrating how Social Value commitments are delivered in practice.

This shift reflects a growing recognition that public procurement is not just a commercial transaction, but a powerful lever for delivering strategic social outcomes—from reducing greenhouse gas emissions to supporting local employment and community wellbeing.

By accounting for social value directly through spending decisions and procurement processes, South Ribble and Chorley Borough Council can further deliver on their primary functions and corporate priorities through maximising benefit for the community that they have been established to serve.

Requiring suppliers to deliver social benefits while they deliver the main element of the contract means that there is a magnified benefit for the council. Incorporating social value into commissioning and procurement process can make a tangible difference to people in the community, to service delivery and to the council’s spending plans as a whole.

### **Chorley & South Ribble Borough Council’s Commitment**

Chorley & South Ribble Borough Council is committed to going beyond the minimum requirements of the Procurement Act 2023. The Council will embed Social Value considerations into all aspects of its commercial and procurement activity, wherever it is practicable and proportionate to do so.

To achieve this, commissioners must move beyond focusing solely on the core service being delivered. Instead, they must consider the overall value of outcomes, ensuring that procurement decisions contribute meaningfully to the borough's long-term social, economic, and environmental goals.

It is important to note that there is no one-size-fits-all approach to Social Value. Each contract must be assessed individually to determine how it can best deliver on these priorities in a way that is both relevant and proportionate.

The intention is to use criteria when involving social value considerations as part of the tender evaluation as 15% thereby challenging suppliers to be innovative in their delivery.

### **Key advantages**

Adoption of this policy can provide the following benefits: -

#### ➤ **Community Benefits**

Maximising opportunities for organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area.

#### ➤ **Encouraging a diverse base of suppliers**

Promoting supplier diversity, including the participation of small and medium sized enterprises (SME's) and 3<sup>rd</sup> sector organisations, and local suppliers in general.

#### ➤ **Promoting fair employment practices**

Ensuring workforce equality and diversity within supply chains, promoting and encouraging fair working practices in general including promoting and encouraging our contractors and suppliers to pay the real Living Wage

#### ➤ **Meeting targeted skills and training needs**

Offering a range of apprenticeship, training and skills development opportunities as well as employment opportunities.

#### ➤ **Ethical Sourcing Practices**

Ensuring compliance with UK, EU and international standards, promoting fair trade and fair pricing policies, tackling corruption, child labour, animal welfare, blacklisting of union members and similar social issues.

#### ➤ **Promoting greater environmental sustainability**

Minimising waste and pollution, supporting carbon reduction initiatives, low carbon technology solutions, sustainable resource and transport considerations, furthering energy efficiency and other sustainability programmes.

South Ribble and Chorley Borough Council place great importance on climate emergency and are fully committed to being net zero emissions by 2030.

## Policy Context

Chorley & South Ribble Borough Council's Corporate Strategies are at the heart of everything we do and sets out the council's vision:

Chorley:

*"Enabling strong communities, a resilient economy, excellent services, a greener future and successful people."*

The Strategy presents the council's refreshed corporate priorities of:

- Housing where residents live well
- A green and sustainable borough
- An enterprising economy with vibrant local centres in urban & rural areas
- Healthy, safe and engaged communities

South Ribble:

*"A listening, engaging and responsive council that makes the best use of its resources to enable every person and community to thrive in a vibrant, green and fair borough."*

The Strategy presents the council's refreshed corporate priorities of

- Health and Happy Communities
- Green and Clean Neighborhoods
- Opportunities for Everyone
- An Exemplary Council

Implementation of this Social Value Policy and the delivery of Social Value through procurement will help to deliver the Visions and Priorities which underpin and set the foundation for this Social Value Policy

The Social Value Policy is also informed by and feeds into the council's wider policy frameworks such as the Climate Emergency Strategy for South Ribble & the Climate Change Strategy for Chorley. We are committed to embedding community wealth building principles into our Skills Framework by prioritising local economic resilience, inclusive growth and creating a circular economy for our Borough. By supporting local businesses, VCSE's and social enterprises, we aim to retain wealth within our communities and create sustainable employment opportunities. Our approach ensures that procurement, commissioning, and skills development initiatives are aligned to strengthen the local economy, foster innovation, and build long-term partnerships that benefit residents and businesses alike.

## Delivery - How will we implement this policy in practice?

In practice this policy will be applied as follows:

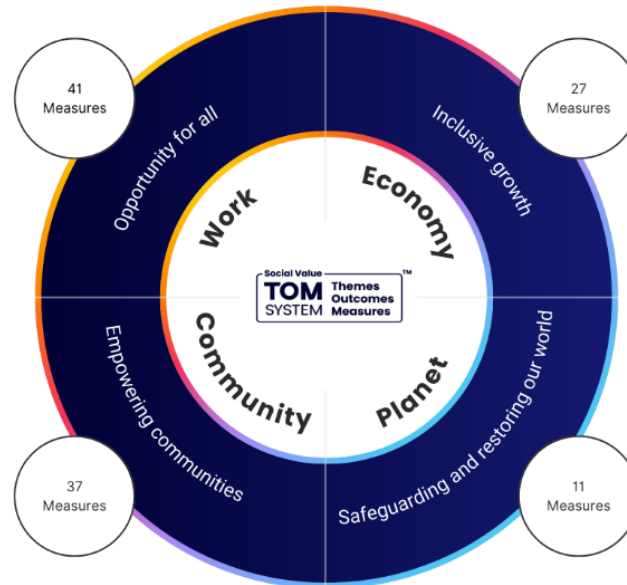
- 1) As a minimum, all officers undertaking procurements of over £100,000 will be required to consider



- a. if and how what is being procured could improve the social, economic and environmental wellbeing of the area in accordance with the Council Corporate Strategy and
  - b. how social value elements could be included as part of the specification and as part of the scoring and evaluation process.
- 2) The council must ensure that, in accordance with Section 1(6) of the Public Services (Social Value) Act 2012, Social Value elements are included only where they are relevant to what is being procured, and that the Social Value elements are proportionate. They must also be so as not to discriminate against bidders from outside of the local area.
  - 3) The standard weighting for Social Value will be a minimum 15% of the overall evaluation score for all Contracts above £100,000. Where it is feasible and beneficial, the SV weightings may be higher than the specified minimum.

Approval for proposed evaluation criteria and weightings shall be obtained in accordance with the thresholds included in the Council's Contracts Procedure Rules. Where it is believed that the nature of the procurement may not realise sufficient social value to justify the standard minimum weighting, then Cabinet or EMD approval for the recommended approach will be sought. Further competition procurements conducted through framework agreements will need to comply with the framework process including evaluation criteria boundaries.

- 4) For relevant contracts the council may require potential suppliers to submit details on how they will deliver social value through delivery of the contract across the five following areas:
  - Promoting local skills and employment (Jobs)
  - Supporting growth of responsible regional business (Business)
  - Creating healthier, safer and more resilient communities (Social)
  - Decarbonising and Safeguarding our World (Environment)
  - Promoting social innovation (Innovation)
- 5) The National Social Value Measurement Framework (the 'National TOMs') as agreed by the Local Government association, will underpin and empower the objectives of this policy, by allowing us to direct, unlock, measure and report the Social Value during project cycles. It enables us to contract manage its delivery through regular data entry and reporting. The council has partnered with the Social Value Portal to help support and facilitate this process.
- 6) The National TOMs Framework contains 4 principal issues or 'Themes', 14 core 'Outcomes' and 38 core 'Measures' ('TOMs'):
  - Themes – overarching strategic themes
  - Outcomes – objectives or goals that will realise the delivery of the Themes
  - Measures – specific and measurable initiatives or activities that can be delivered to achieve the Outcomes.



The National TOMs Framework provides a flexible, measures-based calculation framework designed to articulate Social Value outcomes in terms that can be objectively is designed to provide Measures that suppliers can deliver as part of their local authority contracts. A customised lite version of the National TOMs will be used to measure the additional Social Value generated through the council’s procurement process. Larger Strategic procurements may use a customised version of the full core set of National TOMs. Further information on the TOMs framework can be found [here](#)

## 7) Supporting and Encouraging the Local Supply Chain, VCFS and SME’s

Spending money locally generates value across our supply chain and effectively delivers it to local people. A higher proportion of money re-spent in the local economy means more income is retained locally, resulting in more jobs and potentially higher pay. All of these outcomes may lead to better living standards for local people.

It is therefore important that we place appropriate value on the spending of money in our local economy. To do this, where the market and the law allows, we will aim to target our procurement spend towards Lancashire-based organisations. We will do this by:

- Inviting at least one local supplier wherever possible when inviting quotations. This has been built into, and is a requirement, of the Council’s Contracts Procedure Rules.
- Training and raising awareness with all officers who may be involved in the procurement process of the importance of understanding and proactively engaging with the local market.
- Using simple streamlined, template procurement documents.
- Advertising tenders and inviting quotes using the regional, easy to access and free of charge, regional e-portal, The Chest.
- Maintain a procurement information area on the council’s website including a link to the Chest and a “How to” guide for contractors and suppliers.



- Pay our suppliers promptly and ensure prompt payment down the supply chain.
- Consider reserving the procurement by supplier location and for Small and Medium sized Enterprises (SMEs) / Voluntary, Community and Social Enterprises (VCSEs) as provided for in Procurement Policy Note (PPN) 11/20 where appropriate and relevant to do so. In such cases, approval will be obtained in accordance with the Council's Contracts Procedure Rules

#### 8) Contractualisation of Social Value Offers

Once a procurement is concluded the winning bidder's social value offer shall be "contractualised", i.e. it will be incorporated in the contract documentation as part of the service the supplier is required to deliver. The council contract manager shall monitor and report on these periodically as part of the contract management process to ensure the benefits are delivered.

- 9) This policy will be communicated to all staff, providers and partners. It will be published and promoted on the Tenders and Contracts area of the council's website and a link to the policy shall be included in the council's template tender documentation, providing a clear guide to bidders as to our aims and objectives and how they can offer social value in their bid submission.
- 10) A Social Value Toolkit has been developed and published outlining the council's approach to achieving Social Value for residents and communities and providing support, information and guidance to suppliers when considering working with the council and bidding for council contracts.

## Review

The council will annually review this Social Value Policy. In doing so, the review will take into account any changes in legislation pertaining to the Public Services (Social Value Act) 2012, the Procurement Act 2023, the Local Government Act, Public Contracts Regulations 2015 and any changes to the Council's priorities. Periodic review will also measure the impact of the policy including what has been achieved through contracts with social value offers.

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