

# SOCIAL VALUE POLICY 2020-2023

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Maximising the value of every  
pound spent



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# 01.

# PURPOSE

NEPO and its Member Authorities are committed to accelerating environmental, social and economic prosperity and delivering social value in the North East as part of all collaborative procurement activity.

This policy refers to the achievement of social value through regional procurement governance, processes and practices. It recognises that social value is delivered widely across Member Authorities' procurement, planning, regeneration and community functions and seeks to complement these activities.

To do this, NEPO:-

- Supports and facilitates, where appropriate, the delivery of the social value agenda of NEPO Member Authorities through the NEPO Social Value Delivery Group
- Ensures that social value is integrated and robustly considered in all collaborative procurement exercises and ensures that social value delivery is achieved through effective contract management
- Provides a route for NEPO Associate Members to access social value for their own geographic areas and communities, where required, when accessing a NEPO solution.

# 02.

# BACKGROUND

The Social Value Act came into force on 31 January 2013 and places a duty on public bodies to consider social value before procuring services. Public bodies must consider how the service being procured can help improve the **economic, social and environmental** well-being of the relevant area.

## SOCIAL VALUE DEFINITIONS

Although there is no formal definition of social value, the government defines it as:

*“a concept which seeks to maximise the additional benefit that can be created by procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves”.*

Chris White, MP and proposer of the Social Value Act, explains social value further:

*“We mean ‘value’ not in its narrow [financial] sense but in its true sense - recognising the importance of social, environmental and economic well-being across our communities and in our lives”.*

# 03.

# POLICY CONTEXT

This NEPO Social Value Policy refers and reflects the social value policies, statements, charters and pledges of our Member Authorities and Associate Members as the context for its development as well as the Local Government Association's National Procurement Strategy.

## AIMS

- **Create opportunities for improving the living standards of North East residents** – encouraging suppliers to use local supply chains and source labour from the North East to maximise the 'multiplier effect' in the North East economy
- **Promote opportunities for small and medium sized enterprises (SMEs), social enterprises and voluntary and community organisations** – encouraging closer working practices between sectors and more 'social innovation' in commissioning
- **Promote inclusion** – target effort towards those in greatest need or located in deprived areas in the North East
- **Promote employment and economic sustainability** – tackling unemployment and labour market inactivity by creation of jobs, skills, training and volunteering opportunities and by encouraging a better quality of jobs in the North East in terms of pay and progression opportunities

# AIMS

- **Recognise the effects on the environment that business processes create** – developing initiatives to improve the North East environment, reduce environmental impact and promote a culture of reduce, reuse and recycle in the North East
- **Position Social Value as an intrinsic part of the sustainability agenda** – ensuring that all three pillars of economic, social and environmental sustainability form an aspect of achieving wider benefits through procurement
- **Encourage Associate Members to access social value as required through their use of NEPO solutions** and therefore further support the export of local supply base talent to other regions.

# 04.

# SOCIAL VALUE OUTCOMES

NEPO will achieve positive social value outcomes by including social value in the design of procurements themselves, through selection and award criteria and effective contract management.

NEPO will also seek to assess and adopt emerging best practice through NEPO Governance processes.



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