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HUNTINGDONSHIRE DISTRICT COUNCIL

Procurement Outcomes - the Social Value Policy

Introduction and purpose

This policy sets out Huntingdonshire District Council's (HDC's) approach to Social Value and the implementation of the Public Services (Social Value) Act 2012 (the Act), as strengthened by the Procurement Act 2023 and the National Procurement Policy Statement. It explains how HDC will use procurement, commissioning, funding, partnerships and influence to create additional public benefit for residents, communities, businesses and the environment.

The policy is intended to define the outcomes HDC wants to achieve and provide a consistent policy basis for procurement and commissioning decisions. This policy establishes HDC's Social Value framework and sets out the outcomes, principles, governance arrangements and procurement requirements that will apply. Supporting procurement guidance may be developed from time to time to assist officers with implementation, evaluation, scoring and contract management.

The policy will:

- define what Social Value means to HDC;
- set out the relevant legislative requirements that govern HDC's procurement processes;
- demonstrate HDC's commitment to delivering Social Value;
- introduce HDC's Social Value outcomes and objectives so that procurement outcomes are relevant and meaningful; and
- set out how Social Value will be built into procurement and commissioning activity in a way that is proportionate to the size, subject matter, duration and impact of the activity.

Definition of Social Value

Social value in procurement is about making sure that what we buy creates an overall positive impact on our people and communities, the local economy and the environment. For HDC, this is linked to both the Corporate Plan and Huntingdonshire Futures.

For practical purposes, Social Value can be divided into three main areas:

- social: improving the wellbeing of individuals and communities, encouraging interconnectedness and mutual support among people;
- economic: promoting economic policies and business practices that support society's wellbeing by strengthening the local economy through increased local spend, SME access and supplier diversity;
- environmental: encouraging sustainable processes that take care of the social and physical environment, ensuring a viable future for everyone.

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Corporate Plan priorities	Place Strategy journeys	What this means for Social Value
Improve quality of life for local people Create a better Huntingdonshire for future generations Do our core work well	Pride in Place Inclusive Economy Health Embedded Environmental Innovation Travel Transformed	Every significant opportunity should show how it contributes to locally important outcomes, not just compliance, price or outputs.

Outcomes that matter for Huntingdonshire

HDC will prioritise six Social Value outcomes. These are broad enough to apply across services, but specific enough to guide commissioning, grant-making, supplier engagement and partnership conversations.

Outcome	What HDC wants to see	Corporate Plan fit	Place Strategy fit
1. Stronger local economy and good growth	More local spend where lawful and proportionate; greater access for SMEs, VCSEs and local suppliers; stronger supply chains; support for entrepreneurship and business resilience.	Forward-thinking economic growth; doing core work well	Inclusive Economy; Pride in Place
2. Jobs, skills and opportunity for local people	Employment pathways, apprenticeships, work experience, return-to-work routes, volunteering, digital inclusion and skills linked to growth sectors and community need.	Quality of life; economic growth	Inclusive Economy; Health Embedded
3. Health, wellbeing and prevention	Activities that improve physical and mental wellbeing, reduce loneliness and social isolation, keep people out of crisis and support community resilience.	Improve quality of life; keeping people out of crisis	Health Embedded; Pride in Place
4. Strong, connected and inclusive communities	Support for resident-led activity, community organisations, volunteering, local networks, safer communities and places where people feel they belong.	Quality of life; helping people in crisis	Pride in Place; Health Embedded
5. Climate, nature and environmental resilience	Carbon reduction, sustainable supply chains, biodiversity, waste reduction, climate adaptation, active travel and support for lower-carbon communities and businesses.	Better Huntingdonshire; lowering carbon emissions	Environmental Innovation; Travel Transformed
6. Accessible and thriving places	Improvements that support town centres, rural communities, visitor economy, safe and accessible public spaces, community assets and pride in local identity.	Better Huntingdonshire; quality of life	Pride in Place; Travel Transformed

In prioritising these six outcomes, the Council will seek proportionate evidence of the Social Value achieved. This should demonstrate what changed, who benefited, how the learning will inform future decisions, and how the public benefit created compares with the Council's investment, expenditure or influence. The nature and level of evidence required will be proportionate to the scale, value, duration and potential impact of the activity.

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Legislative Requirements

The Public Services (Social Value) Act 2012 requires public authorities to have regard to economic, social and environmental well-being in connection with public services contracts. Under the Procurement Act 2023, contracting authorities must now also have regard to the importance of maximising public benefit when awarding all contracts, whether for goods, services or works.

In accordance with section 1 of the Public Services (Social Value) Act 2012, the Council will consider, before commencing a relevant procurement, how the proposed procurement might improve the economic, social and environmental wellbeing of the relevant area and how the procurement process might secure that improvement. Consideration will be limited to matters that are relevant to what is being procured and proportionate in all the circumstances. The Council will also consider whether consultation should be undertaken to help identify relevant needs, outcomes or opportunities.

This now represents a broader and stronger policy expectation, because it supports a move away from a narrow cost-focused approach and more towards procurement decisions that take account of wider public benefit, value for money and the Most Advantageous Tender.

The Procurement Act 2023 also strengthens planning, transparency and accountability by requiring Social Value to be considered early in procurement activity where relevant and proportionate. This includes considering whether larger contracts could be divided into Lots to encourage SME and VCSE participation and for relevant £5 million plus contracts, setting up and publishing at least three Key Performance Indicators.

Where Social Value commitments are captured as contract commitments or KPIs, they must be capable of monitoring through contract management arrangements and, where applicable, public reporting on supplier performance.

HDC commitment and policy principles

HDC is committed to making the most out of every pound it spends and will embed a Social Value approach into procurement and commissioning activity. The Council will pursue outcomes that contribute to Corporate Plan priorities, Huntingdonshire Futures and the needs of local communities.

The Huntingdonshire Futures Place Strategy is a long-term, community-shaped vision developed with residents, businesses and partners. HDC's Social Value approach will support delivery of the Place Strategy journeys through procurement, commissioning and partnership activity.

Integrating Social Value into procurement and commissioning should not only support delivery of the Council's Corporate Plan objectives, but also provide wider benefits, including greater supplier diversity, increased stakeholder engagement, improved collaboration and stronger, mutually beneficial relationships with the VCSE sector.

HDC will apply the following principles:

Principle	What this means in practice
Local relevance	Social Value should respond to Huntingdonshire's needs, not generic promises. Offers should be linked to one or more of the outcomes above.

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Principle	What this means in practice
Proportionality	Expectations should be relevant to the scale, duration, subject matter, and market for the activity, avoiding unnecessary barriers for SMEs and VCSE organisations.
Additionality	Benefits should go beyond normal contract delivery, statutory duties, or basic good practice wherever possible.
Partnership and co-production	Where outcomes affect communities directly, HDC will value approaches shaped with residents, community groups, town and parish councils and partners.
Transparency and evidence	Outcomes should be capable of being monitored through quantitative data, qualitative evidence, case studies, or Social Return on Investment analysis.
Learning and improvement	Monitoring should not just prove value; it should help HDC and partners understand what works, replicate good practice, and improve future decisions.

Applying Social Value through procurement and commissioning

This policy applies to all contracts whether or not the value of the contract is above the relevant threshold for goods, services or works. HDC will look to incorporate a Social Value element in procurement and commissioning activity where this is lawful, proportionate, and relevant to the subject matter and impact of the requirement.

Low value procurement processes below £100k

For lower value purchases, the focus will be on encouraging local supplier (PE postcode) participation where permitted, making the process straightforward and reducing unnecessary barriers for SMEs and VCSE organisations. Service leads should consider:

- inviting local suppliers where possible to participate in the procurement process;
- setting minimum requirements at an appropriate and proportionate level;
- ensuring specifications are achievable by smaller businesses while still meeting the Council's needs;
- engaging the market early where this will improve participation and outcomes; and
- supporting suppliers to understand HDC processes and systems.

Higher value or higher impact procurement processes above £100k

For higher value or higher impact procurements, HDC will take a more targeted approach. This policy will assist commissioning leads and Procurement in identifying relevant outcomes, designing proportionate tender requirements and ensuring commitments can be effectively monitored.

Service leads and the Procurement Team will, during the pre-procurement stage, consider whether proportionate consultation or engagement is required and assess the market as appropriate. The decision, including where consultation is considered unnecessary, should

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be recorded in the procurement planning documentation. Where consultation or engagement is undertaken, it may involve relevant service users, residents, community and VCSE organisations, town and parish councils, internal stakeholders, partners or potential suppliers, depending on the nature of the requirement. This will assist the Council to establish:

- the Social Value outcomes that are relevant and proportionate to the contract;
- how the procurement process can be designed to encourage delivery of those outcomes;
- whether the contract should be divided into Lots to support SME/VCSE participation; and
- what evidence, KPIs or contract management arrangements will be needed to monitor delivery.

Where appropriate, HDC will consider dividing larger contracts into Lots to make opportunities more accessible to SMEs, VCSE organisations and specialist suppliers. Decisions will take account of the nature of the requirement, market capability, value for money, effective contract management and the need to avoid unnecessary barriers to participation.

Prospective suppliers will be required to provide evidence of a Social Value offer that aims to meet specified outcomes. HDC will typically apply a minimum Social Value weighting of 10% in applicable procurements, proportionate to the scope, value, risk, market and potential impact of the contract.

The weighting can be applied in one of two ways:

1. The Social Value weighting will form part of the overall Quality score. Where this applies, Officers should look to maintain the minimum 10% e.g., if the total Quality weighting is 50% and Price is 50% the specific Social Value question/s should have a minimum 20% weighting that sits within the Quality section
2. The Social Value weighting is standalone, outside of Quality and Price weightings. Where this applies, Officers should apportion specific weightings on Quality, Price and Social Value e.g., Quality 40%, Price 50% Social Value 10%

The Procurement Team will provide further practical guidance for suppliers to support transparency and equal access. HDC's Social Value outcomes and objectives will be clearly communicated through procurement documentation and supplier engagement activities so that suppliers can tailor their proposals accordingly.

Monitoring: Social Value Engine

The Social Value Engine will be HDC's primary monitoring tool for Social Value outcomes. It will be used to evidence the impact of activity where outcomes need to be quantified, compared, reported or learned from across projects, grants, partnerships and relevant supplier commitments.

The Social Value Engine is an online Social Return on Investment platform. In practical terms, it helps convert agreed outcomes into a consistent estimate of value by using

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recognised outcome measures and financial proxies. It supports both forecasting and post-delivery evaluation, enabling HDC to understand not only what was delivered, but what changed for residents, communities, businesses and the environment.

Monitoring through the Social Value Engine should be proportionate. Some activity will need detailed quantitative evidence; some will be better supported by narrative reporting, case studies, resident feedback or partner evidence. The key test is whether the evidence is sufficient to show the outcome achieved and to support learning and accountability.

The Council will identify appropriate officers to act as Social Value Engine Champions. These officers will support service leads, contract managers and procurement officers in identifying relevant outcomes, selecting suitable measures, reviewing evidence and ensuring consistent reporting.

Monitoring focus	Example evidence	Why it matters
Inputs and activity	Funding, spend, supplier commitments, volunteer hours, project reach	Shows what HDC and partners invested or enabled.
Outputs	People supported, businesses engaged, sessions delivered, tonnes of carbon avoided	Shows delivery against agreed commitments.
Outcomes and value	Wellbeing, resilience, employment, local income, carbon, community connection, SROI ratio	Shows whether activity made a meaningful difference.

Robust information on the type and impact of Social Value gained through the Council's procurement and commissioning activity will be reported annually as part of procurement governance and performance reporting. Reporting should summarise outcomes delivered, who benefited, where benefits were created, learning for future commissioning and opportunities to scale or replicate successful activity.

Direct investment in the Community Health and Wealth Building Fund (CHaWS)

Where a supplier, partner or organisation cannot reasonably make direct, contract-specific commitments - or where a financial contribution would create clearer and more locally targeted impact - HDC may invite or accept a direct investment into CHaWS as an alternative Social Value route. This must not be treated as a way to buy advantage in a procurement process; it is an outcomes-led option for delivering public benefit where it is proportionate, transparent and aligned to the Council's priorities. HDC should always look to encourage suppliers to make an impact through their individual direct action.

CHaWS sits alongside the Community Health and Wealth Building Strategy and supports community-led activity that improves quality of life by addressing the root causes of poor health and economic inequality. Direct investment into CHaWS enables contributions to be pooled and targeted at local projects with clear governance, monitoring and evidence of impact.

Contributions into CHaWS should be monitored through the Social Value Engine wherever appropriate so that HDC can report value created, learn from funded activity and

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demonstrate how business investment is improving outcomes for Huntingdonshire communities.

CHaWS outcome focus	What investment should support	Policy fit
Economic resilience	Projects that help residents, community organisations and local places build financial confidence, skills, enterprise, volunteering and local income.	Inclusive Economy; quality of life; doing core work well
Social connection	Community-led activity that reduces isolation, strengthens volunteering, builds local networks and helps people participate in community life.	Pride in Place; Health Embedded
Physical and mental wellbeing	Initiatives that improve wellbeing, support prevention, build confidence and help keep people out of crisis.	Health Embedded; quality of life

Supplier engagement and inclusive access

The Procurement Team and Economic Development Team will work together to maximise knowledge of, and access to, local businesses. This will make it easier to identify local businesses, promote relevant opportunities, support suppliers to understand HDC procurement processes and encourage stronger relationships with SMEs, VCSE organisations and community-led providers.

HDC will seek approaches that reduce unnecessary barriers to participation while maintaining fair competition, transparency, value for money and compliance with procurement legislation.

Governance and review

Ownership of this policy should sit with the Council's senior leadership arrangements for Social Value, with input from Procurement, Communities, Place and Climate, Finance, Performance, Legal and relevant service leads. Responsibility for Social Value does not sit solely within Procurement; it is a shared responsibility across commissioning, procurement, contract management and supplier delivery.

The policy should be reviewed alongside the Corporate Plan annual refresh, changes to the Place Strategy delivery plan, procurement legislation and learning from Social Value Engine reporting.

Together, the Social Value outcomes, implementation requirements, monitoring arrangements and governance provisions contained within this document form HDC's Social Value framework.

Appendix A – Social Value Governance and RACI Matrix

The RACI matrix below sets out the respective roles and responsibilities for implementation of this policy and should be used alongside relevant procurement governance arrangements.

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Activity	SL	P	ED	T	SRO	PB	CM	CD	SUP
Determine whether Social Value applies	R	C	C	I	A	I	I	-	-
Determine appropriate Social Value weighting	R	C	C	I	A	I	-	-	-
Approve exception or non-application of Social Value	C	C	I	I	R	I	-	-	-
Consider and record whether consultation or engagement is required	R	C	C	C	A	I	C	-	I
Undertake market engagement	R	R	C	I	A	I	-	-	I
Identify relevant Social Value outcomes	R	C	C	C	A	I	-	-	-
Develop Social Value questions and evaluation approach	R	C	C	I	A	I	-	-	-
Promote opportunities to local suppliers	I	C	R	I	A	I	-	-	-
Evaluate Social Value submissions	R	I	C/R	I	A	I	-	-	-
Approve award recommendation	C	C	I	I	A	I	-	R	-
Incorporate commitments into contract documents	C	R	I	I	A	I	-	-	-
Monitor delivery of Social Value commitments	I	C	I	C	I	I	R	-	R
Collect KPI and evidence data	I	I	I	C	I	I	R	-	R
Annual reporting on Social Value delivered	C	R	C	C	A	I	R	-	I
Review Social Value Policy	C	R	C	C	A	I	I	-	I

Key: R = Responsible, A = Accountable, C = Consulted, I = Informed

Abbreviation	Role	Abbreviation	Role
SL	Service Lead / Contract Owner	PB	Procurement Board
P	Procurement Team	CM	Contract Manager
ED	Economic Development Team	CD	Corporate Director
T	Transformation Team	SUP	Supplier
SRO	Senior Responsible Officer / Budget Holder		