

Social Value Policy and Ethical Standards



EALING COUNCIL

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1. Introduction

- 1.1 This policy outlines London Borough of Ealing's approach to social value and ethical standards to be adopted across our commissioning and commercial practices.
- 1.2 Since the adoption of Public Services (Social Value) Act 2012 ("the Act") in 2012, the council has had some success in generating social and economic benefits through its contracting relationships. A review of our approach in 2021, identified the need for a 'bolder' and integrated approach, aligned to the Council Plan and strategic priorities.
- 1.3 Building on existing foundation, Ealing Council intends to further commit itself to the Act by going beyond the Acts requirements and implementing this policy and related guidance into broader aspects of its commissioning practices where it is practical to do so. In doing this, both the detail and spirit of the Act can be delivered across Ealing's commercial and contracting practices.

2. Background

- 2.1 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 wellbeing of the area for which they are responsible.
- 2.2 Following years of austerity and the crisis caused by Covid-19, the development of this policy marks a radical ambition to use our spending power to work with our partners and suppliers to advance social, economic and environmental outcomes for our residents and communities.
- 2.3 Our experience has shown that social value practices cannot be improved solely by adoption of a policy, rather it will need to be achieved through internal and external collaborative partnerships.

3. Our approach

Tendering and contracts

- 3.1** The Council is committed to supporting the local economy, voluntary and community sector organisations, residents and businesses and already undertakes a number of activities to support the local community.
- 3.2** Our refreshed approach builds upon the Council's existing social value practice through the adoption of a new social value tool, developed and aligned to our strategic priorities.
- 3.3** The list of social value benefits will be considered and form an integral part of the commissioning strategy rather than an 'add on' to the procurement process.
- 3.4** The specific strategic priorities will be agreed as part of the commissioning strategy to ensure they are proportionate and relevant to the type and value of each contract (see diagram below).

CREATING GOOD JOBS

- New contract related roles filled by Ealing residents
- Apprenticeships – Level 3 & 4
- Work experience placement for Ealing resident with learning difficulties
- Work experience placement for school leavers
- Work experience placement for young offenders
- Supply chain opportunities

TACKLING THE CLIMATE CRISIS

- Number of low or no emission vehicles included on project
- Car miles saved on the project (eg cycle to work programmes, public transport or car pooling programmes, etc)
- Voluntary time dedicated to the creation or management of green infrastructure, or to keep green spaces clean

FIGHTING INEQUALITY

- Work in partnership with local VCS groups to address food poverty
- Mentor a local SME, support with business planning, accessing supply chains, etc
- Support for local businesses or third sector organisations in the areas of bid writing, marketing and promotion
- Funding for VCS groups for activity focussed on reducing social or economic inequality

- 3.5** The use of the new tool will ensure consistency of application and evaluation of social value benefits when awarding contracts.
- 3.6** All our social value benefits will be aligned to the Council Plan priorities and structured within the key priority themes. For example;

CREATING GOOD JOBS

TACKLING THE CLIMATE CRISIS

FIGHTING INEQUALITY

- 3.7** Since the adoption of Social Value, the council has applied social value in some high value contracts with 5% of the overall evaluation criteria attributed to social value. Through the implementation of this policy we will apply higher weightings and lower the threshold at which social value is considered.
- 3.8** We will develop our current list of social value benefits to ensure contracts offer the maximum social, environmental and economic benefit to our residents and communities.
- 3.9** Our refreshed approach will ensure social value benefits are specific to each contract, monitored in the same way as core contract deliverables and work with contractors to ensure timely delivery of benefits offered.

Supply Chain and Community Wealth Building

- 3.10** To support our local Supply Chain and Community Wealth building commitments, we will seek to implement the welcomed public procurement practices announced through Governments Procurement Policy Notification (PPN 11/20): reserving below threshold procurements.
- 3.11** We will review our procurement thresholds to support, and channel greater procurement spend directly and through supply chain to our local economy to help accelerate our economic recovery.

- 3.12** Building on our existing commitment of fair pay and employment practices, our social value policy sets out a new ethical code of conduct for adoption by all council contractors.
- 3.13** Our ethical code of conduct sets out what the council expects from its suppliers in terms of their own ethical practices and as well as their supply chain and challenges suppliers to go further than just compliance.
- 3.14** We will incorporate these standards to form part of our procurement decisions and acceptance as part of our supplier adoption processes.

4. Measuring our performance

- 4.1** Development and implementation of policies and tools are not enough to achieve our social value commitments. Our experience has demonstrated the need for greater collaboration with our contractors, providers and key partners to ensure successful delivery of social value benefits.
- 4.2** Our Commercial Hub team will take lead in supporting our contractors and contract managers to ensure delivery of committed benefits to appropriate beneficiaries. This will require commitment and support from our Economic Growth, Third Sector and HR teams. Commitment to social value will be the collective responsibility of Commissioners, Contract Managers, Senior Leaders and not just one department.
- 4.3** We will seek to review our resourcing requirements to create a new Social Value Lead to Champion our approach to social value and act as central point of contact across the council as well as with our partners.
- 4.4** The benefits realised through social value and performance against our ethical standards will be reported to the Joints Contracts Board and to Cabinet through an annual procurement report.

Ealing Council is committed to ensuring high standard of ethical practices across our trading relationships. As part of our commissioning and commercial processes, the Council requires contractors to agree to our Ethical Code as a condition of trading with the council and to confirm that supplies, services and works are safe, that workers are treated with respect and dignity and that manufacturing processes are environmentally responsible.

Wages and Benefits

- All persons engaged in the performance of the contract, including all persons employed or otherwise engaged by any approved subcontractor, are paid wages which are equal to or exceed the current rate of Real Living Wage at the date of payment

Prevention of Involuntary Labour

- Suppliers shall not use any form of forced, bonded, indentured, or compulsory labour. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice

Health and Safety

- Comply with regulatory health and safety standard and provide a work environment that is safe and conducive to good health
- Comply with national laws or industry standards on employee working hours, whichever affords greater protection

Antidiscrimination & Equality Duty

- Suppliers shall not practice any discrimination in hiring, compensation, training, promotion, termination or retirement either directly or indirectly
- Suppliers are expected to be committed to eliminating discrimination, promoting equality of opportunity and fostering good relations between persons with protected characteristics and those who don't, within their own and their supply chains working and employment practices

Trade Union Membership & Disputes

- Afford employees the freedom of association with the rights to join an independent trades union or other workers association and to carry out reasonable representative functions in the workplace
- Provide clear and accessible processes for resolving disputes with employees

Environment

- Supplier shall comply with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and reduce carbon emissions. We expect our suppliers to take climate protection appropriately into account in their own operations and in the performance all council contracts

Blacklisting

- Suppliers shall prohibit the systematic compilation of information on trade unionists and its use to discriminate against those individuals because of their trade union membership or because of their involvement in trade union activity

Construction Charter

- Council is responsible for the procurement of a multitude of construction projects and supports the Unite Construction Charter
- Contractors bidding for Ealing construction contracts are directed to the Unite Construction Charter which forms part of this standards

Council Plan 2021-22

https://www.ealing.gov.uk/downloads/download/233/council_plan

Applying Exclusions in Public Procurement, Managing Conflicts of Interest and Whistleblowing

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/780802/A_Guide_for_Commercial_and_Procurement_Professionals.pdf

Real Living Wage

<https://www.livingwage.org.uk/what-real-living-wage>