
Social Value Policy

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Corporate Policy &
Governance

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Document Responsibility		
Name	Document title	Service
Sarah Turner	Social Value Policy	Corporate Policy & Governance

Document Version Control			
Date	Version	Issued by	Summary of changes
October 2021	1.0	P&G Team	Approved by Council
May 2025	2.0	Sarah Turner	Initial draft document to reflect changes in legislation and best practice, also to proposed changes to how we measure SV.
January 2026	3.0	Jo Spain	Amendment to UK threshold

Policy Review			
Updating frequency	Review date	Person responsible	Service
3 Years	June 2028	Senior Procurement & Commissioning Officer	Corporate Policy & Governance

Document Review and Approvals		
Name	Action	Date

1 INTRODUCTION

1.1 Purpose and scope

- (a) This Social Value Policy is intended to assist us, including our officers and members with measuring Social Value through our commissioning and procurement processes.
- (b) This policy outlines the approach that we will take in order to ensure that we consider economic, social and environmental wellbeing in connection with our contracts.

1.2 What is Social Value?

Social Value has been defined as the additional benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services, works and outcomes. Social Value can be measured in terms of economic, social and environmental activities and outcomes.

Economic outcomes provide contributions to the local economy and economic growth that supports social outcomes. Includes retaining, recirculating and leveraging funds in the local area and a wider contribution to skills, tackling unemployment and maintaining employment.

Social outcomes contribute to a vibrant and healthy community. Includes community-based actions such as local relationships, partnerships and people. Equality, diversity, cohesion and inclusion.

Environmental outcomes relate to protecting, promoting and enhancing the environment. Includes supporting local activities that improve the environment.

2 BACKGROUND AND NATIONAL CONTEXT

2.1 The Public Services (Social Value) Act 2012 came into effect in January 2013, detailing the responsibilities of a contracting authority when procuring contracts subject to procurement legislation to take into account the “economic, social and environmental wellbeing of the relevant area” in its procurement activity.

The Public Services (Social Value) Act 2012 states that we must consider:

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

2.2 The National Procurement Policy Statement (NPPS) published in February 2025 sets out the Government’s strategic priorities for public procurement. It states that in carrying out a procurement covered by the Procurement Act, we

must have regard to the importance of delivering value for money. Achieving value for money is always the overarching priority in public procurement. It also states that we can deliver value for money by:

- driving economic growth and strengthening supply chains by giving small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs) a fair chance, creating high quality jobs and championing innovation;
- delivering social and economic value that supports the Government's missions including by working in partnership across organisational boundaries where appropriate; and
- ensuring the right commercial capability and standards are in place to procure and manage contracts effectively and to collaborate with other contracting authorities to deliver best value.

2.3 The Procurement Act 2023 require buyers and suppliers to publish Key Performance Indicators on key commitments and emphasises the importance of social impact in tender evaluations, encouraging suppliers to contribute positively to society.

2.4 Our current **Social Value (SV) Policy** was approved in October 2021. It exceeds the legal requirements of the Public Services (Social Value) Act 2012 as it requires social value requirements to be included where appropriate to do so in the procurement of goods, works and services of contracts valued over £75,000 (£90,000 including VAT). The SV submission forms part of the successful Supplier's contract with the Council.

3 SOCIAL VALUE POLICY AIMS AND OBJECTIVES

Aims

3.1 The primary aim of this Social Value Policy is to ensure that our spending and procurement practices generate wider social, economic, and environmental benefits. This means considering not just the cost of a contract but also its potential to improve the lives of individuals and communities, boost the local economy, and promote sustainable practices.

3.2 We will ensure that our social value measurement and delivery is aligned with our Council Plan, and other key strategies and action plans and the Climate Strategy and the Equality, Diversity, Inclusion, Equity and Belonging (EDIEB) Action Plan.

Objectives

3.3 The mains objectives of this policy are detailed below; the measurement tool is being developed and will be in place by end of September as a new method of measuring the added social value created through our procurement activity:

- Provide an outcomes-based measurement framework that measures all contributions to the local priorities.

- Introduce a social value management tool that supports the delivery of these strategic priorities for the people and environment.
- Provide a consistent approach to measuring and reporting social value throughout the procurement and contract management lifecycle.
- Define and implement a robust, transparent and efficient measurement solution for assessing and awarding the social value component of tenders and managing relevant supplier performance during the contract lifecycle.

4 HOW WE WILL MANAGE SOCIAL VALUE (SV)

- 4.1** Social value is a way of thinking about how resources are allocated and requires us to look beyond the cost and quality of awarding a contract and to take a broader look at the potential collective benefit to the local community and the district.
- 4.2** Our definition of social value is ‘a process whereby we procure and commission goods, services and works in a way that achieves value for money on a whole life basis in terms of generating benefits to society and the economy, whilst minimising damage to the environment’.
- 4.3** Our Council Plan [2025-2029](#) sets out the Council’s vision and overall priorities. The Plan identifies 5 strategic priorities that we want to achieve for local residents and businesses; 4 of these align to the SV outcomes as set out below:

Council Plan Strategic Priority	Social Value Aim	What this means
Local Economy	Economic Outcome	Supporting growth of responsible businesses. Creating employment and skills opportunities. Supporting locally based and resilient supply chains.
Communities and Wellbeing Housing	Social Outcome	Healthier, safer and more resilient local communities. Reducing inequalities.
Environment, Climate and Nature Housing	Environmental Outcome	Decarbonising and safeguarding our local environment. Implementing sustainable practices.

- 4.4** In order to implement this we seek measurable and verifiable social value outcomes that:
- are relevant to what is proposed to be procured and proportionate to the contract value,
 - can legitimately be included in contract specifications, and
 - contribute to achieving the Council’s priorities.

5 SOCIAL VALUE DELIVERY, MEASUREMENT AND MONITORING

5.1 Social Value will be applied as follows:

- A proportionality and relevance test to ensure that Social Value considerations are integrated effectively into procurement and contract management without becoming overly burdensome or irrelevant.
- The standard weighting for social value will be a minimum 10% of the overall tender evaluation score.
- Contract values where Social Value will be applied:

	Tier 1 Applied where possible	Tier 2 Light Touch application tailored by nature of the contract	Tier 3 Fully apply social value
Goods and Services	<£90,000	£90,000 to UK Threshold (£207k)	Over UK Threshold (£207k)
Works	<£90,000	£90,000 - £1m	Over £1m

- A suite of measures has been developed that link to the Council Plan priorities: Local Economy, Communities and Wellbeing and Environment, Climate & Nature, and Housing these have proxy values aligned to the measure to enable a Social Value evaluation to be completed.
- Social Value outcomes and related key performance indicators will be incorporated as contract outcomes in contract documents, and contract managers will take ownership of ensuring all Social Value committed to is delivered, and details are entered into the measurement tool.
- A report outlining the Social Value that has been achieved will be produced annually and reported to the Strategy & Resources Committee as part of the annual procurement update. The report will include the committed and delivered Social Value, where the commitment is detailed in the bid submitted and subsequently included as part of the terms and conditions of contract. The delivered Social Value is the detail of the actual delivery of Social Value.
- It is intended to create a register on Ideagen to detail the Social Value commitments and delivery to provide corporate oversight.

5.2 There are occasions where the application of Social Value in a contract is not appropriate, as shown below. This list is not exhaustive and advice must be obtained from the Policy & Governance Team before excluding Social Value from a procurement procedure.

Social Value requirements will not be applied to:

- Where a contract is divided into Lots and an individual lot is value below £90,000, although the total value of all Lots in the contract is above £90,000.
- Where a sole trader is awarded a contract.
- Where the contract term is less than 8 weeks.

6 ROLES AND RESPONSIBILITIES

- An annual report will be produced by the Policy & Governance Team detailing the amount of Social Value created through procurement and contract management and reported to the Strategy and Resources Committee.
- The Policy & Governance Team are responsible for oversight of this policy and its implementation at the Council. They are also responsible for promoting the Social Value Policy and measures to officers and members; and providing training on the use of measures when procuring.
- Any officer responsible for procurement with a contract involving Social Value is responsible for measuring and evaluating Social Value in their contracts as per this policy. They are also responsible for ensuring that the Social Value through their contracts are recorded on the SV measurement tool

7 FUTURE DEVELOPMENT

- 7.1** As part of the development of Social Value measurement across the authority we intend to expand the scope of the policy to cover other council activity where the social value outcomes of that activity are measured.
- 7.2** This includes the refreshed Council Plan actions, where appropriate, other projects we are undertaking and some 'Business as Usual' activity.
- 7.3** Once the measurement of social value in procurement and contract management has been embedded, we will then broaden the scope of measurement to include the other areas identified, this will be start from Q1 26/27.

8 REVIEW

- 8.1** We will review our Social Value Policy a minimum of every 3 years, or as required due to changes in legislation. In doing so, we will take account of any changes in legislation relating to the Public Services (Social Value Act) 2012, the Local Government Act, UK legislation and any changes to the council's priorities when it is reviewed.

9 RELATED DOCUMENTS AND PROJECTS

- Council Plan

- Procurement Strategy
- Contract Management Framework
- EDIEB Action Plan and Equality Impact Assessments
- Stroudfunding – Crowdfunding platform
- Community Wealth Building Project
- Project Management Toolkit