

Social Value

Enforcement Agency Services DPS (Ref no. 953)



Social value at YPO

As part of YPO's vision to be a leading public buying organisation we have spent the last few years developing our own social value strategy and agenda. Part of this included understanding our customers' key priorities in relation to social value and ensuring that where possible we consider this throughout our procurement processes when establishing framework agreements or dynamic purchasing systems.

YPO's five social values are:

- Good jobs with skill development and training opportunities
- Children and young people have access to good quality education and training opportunities to develop skills for future success in work
- Growing strong and sustainable economies and supply chains
- Increased equality, diversity, health and well-being
- Environmental improvement and protection

Where relevant we will consider these five core values and other areas of social value throughout the procurement and call-off contracts.

We want to look at ways that we can ensure that YPO frameworks can bring social value into your region.

Enforcement Agency Services DPS

The Enforcement Agency Services DPS is for contracting authorities to call-off for the collection of all debt which includes council tax, parking fines, non-domestic rates/business rates, road traffic penalties, sundry dept, housing benefit overpayments, clean air and ultra-low emissions penalties.

An enforcement agent's role is a lot more than collecting debt, they deal with customers who won't pay and customers who can't pay. For customers that can't pay they provide services which are a sensitive nature which includes;

- **Debt information** – enforcement agents have a knowledge of debt and will explain to debtors what priority debts are, inform of benefits available, put repayment plans in place
- **Identifying and signposting vulnerability** – all enforcement agents are highly trained to recognise and respond to vulnerabilities
- **Safeguarding concerns** – where a risk is identified agents will inform social services and police, where appropriate



CIVEA is the principal trade association representing civil enforcement agencies employing around 2,000 certificated enforcement agents that operate in England and Wales. CIVEA represents over 40 companies that make up over 95% of the entire enforcement industry and includes local authority revenue and collection teams. CIVEA’s members work to enforce civil debt on behalf of local authorities and Her Majesty’s Courts and Tribunals Service (HMCTS) including council tax, business rates, parking fines, magistrates’ court fines, employment tribunal awards, child support payments and commercial rent arrears.

CIVEA rules are designed to provide equal opportunities to all members regardless of size. Social value questions should not prohibit smaller firms from responding to an invitation to tender and should not favour larger firms. CIVEA does not allow its members to offer financial incentives that are anti-competitive.

For example, CIVEA rules state that:

No CIVEA member shall rebate any fees to the creditor, however that is expressed. (Rule 7.(2)c, April 2018)

This is in line with the Ministry for Housing Communities and Local Government Guidance for local councils on good practice in the collection of council tax arrears that states:

“Local authorities must ensure that bailiffs provide clear and accurate information about costs to the bill payer, including a breakdown of costs, outlining how much has been charged for the bailiff action. It is inappropriate for authorities to receive extra payment or profit-sharing from the use of bailiffs and the charging of fees. Contracts should not involve rewards or penalties which incentivise the use of bailiffs where it would not otherwise be justified.”

The CIVEA rules are critical to the fair functioning of the enforcement market and any member that contravenes the rules faces expulsion from the association. It is worth noting that many local authorities tend to specify membership of CIVEA as a condition of their tender applications, so expulsion from the association is a severe penalty.

Discuss what social value means to your organisation

When designing your further competition, it is important to discuss how social value supports your local authority community objectives. Social value means something different to each local authority, so it is important that enforcement agents understand what is important and what your key focuses are on social value for your call-off contract.

Social value in call-off contracts via Enforcement Agency Services DPS

Weightings

The weightings for further competition are;

Quality – 70% - 100%

Pricing – 0% - 30%

(Pricing is covered by The Taking Control of Good (Fees) Regulations (2014))

When creating your further competition, the quality section can be broken down into sub sections with sub weightings for example;

- Customer focus/service delivery 45%
- Management systems 20%
- Technology 20%
- MI reporting 10%
- Social value 5%

If you do have sub weightings the total percentage must add up to match your overall quality weighting for example 100%.

When procuring services of an enforcement agent the weighting should focus on outcomes for your customers. Enforcement agency contracts naturally provide social value, depending on what is stated in your specification will potentially influence to what extent social value objectives are achieved. Social value is important and should be integral to core service delivery.

Best practice examples of social value

YPO and CIVEA recognise the increased importance placed on social value commitments. However, CIVEA reports that the definition of social value has been expanded and it no longer represents its original intention. For example, a recent tender document placed particular focus on volunteering and providing 'donations' to local charities and organisations. This puts undue pressure on CIVEA members to balance social value commitments, especially financial, against other areas of the bid which also request 'added value'.

CIVEA argues that it's important for local authorities to make the social value question(s) specific to their communities. Guidance should focus on maximising social value through innovative ideas, rather than primarily monetary-based commitments, especially where this contravenes existing rules and guidance.

According to YPO and CIVEA a good social value question is:

- a) Tailored specifically to the local authority's priorities
- b) Covers economic, social and environmental components
- c) Requests details of how the commitments will be achieved and request evidence of delivery elsewhere to ensure commitments are realistic
- d) Incorporates the monitoring/reporting/KPI element which ensures a degree of accountability

As a guidance YPO and CIVEA have developed examples of social value award questions:

Example 1: The authority has identified the following social and ethical value objectives and outcomes as deliverable within the social value element of the bid:

- Supporting the community into sustainable employment (including the payment of the National Living Wage)
- Supporting local businesses
- Supporting local community participation and engagement e.g., reduce isolation, support local residents in need, volunteering opportunities
- Environmental sustainability

Of the deliverables related to the above please provide the following;

- a. Details of the social values that you will deliver as stated above
- b. Detail and evidence on how you will deliver the social values and that these are achievable
- c. Detail how you will manage and monitor delivery of the social values and how you will report this monthly to the contract manager

Example 2: To support our environmental goals please explain how your operations will reduce the impact on the environment e.g., mapping visits, monitoring fuel consumption, reducing the level of CO2 emissions in the delivery of the service (hybrid or electric vehicles). Please see Appendix x to view full details of the council's environmental strategy/carbon net zero commitments

Example 3: One of the council's social value priorities is to promote local skills and employment. Please provide details of any training and developments opportunities that may be provided.

Example 4: Please demonstrate how your proposal might offer the social, economic or environmental benefits to the community and consider social provisions over and above the provision of the services. This could include (but not limited to) improving skills, increasing local volunteering opportunities, promoting the local economy or improving environmental conditions over the council's administrative area. Bidders' attention is drawn to the fact that all proposals in response to this question must be directly linked to the council's administrative area.

Key Performance Indicators (KPIs)

Let providers know how they will be monitored and list the KPI's they must adhere to.

Examples of KPI's;

Example 1: Car miles driven using low emission or no emission staff vehicles used on this contract

Example 2: Percentage of local employees on this contract

Example 3: Number of weeks apprenticeships on the contract that have been completed during the year

Qualitative questions and KPIs are the best way to measure social value requirements because enforcement services are based on quality and not price. Where you choose to use a social value calculator the scores should not be the highest value gets the most points. There should be a measured approach that demonstrates that the social is in proportion to the contract value and importantly there should be questions to measure the qualitative evidence that the social value promised can be delivered.