



Mike Reader
National Director

How to embed social value into public sector contracts
SPACES Conference 2016

Agenda

1. Overview of the Act
2. CSR vs Social Value
3. Defining Social Value
4. How we approach Social Value as a consultant
5. Assessing and measuring Social Value

Learning Outcomes

At the end of this session, we hope you will have an understanding of:

- How to define the Social Value outcomes and requirements relevant to your organisation,
- How consultants will approach making Social Value commitments,
- The challenges associated with Social Value measurement.



Public Services (Social Value) Act 2012

1.0 The Public Services (Social Value) Act 2012

The Public Services (Social Value) Act 2012

Social value is “the benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes”.

- The Act came into force in January 2013.
- Provides guidance and legislation requiring Authorities in England and Wales to consider Social Value in their activities.
- Applies to all projects over the OJEU threshold.

What does the Act say?

The Act requires public bodies to consider how the services they commission and procure might improve the economic, social and environmental well-being of the area.

It doesn't specifically define what improvements might be.

It also doesn't include specific rules of measurement.

Why is it important?

Authorities face increased pressures on budgets.

Drives Authorities and Service Providers to think differently about service delivery.

Encourages engagement of Third Sector.

Moves the focus away from price, towards value.

Is it working?

Best practice case studies prove the Act can make a positive difference.

But... we are in the early stages of adoption as an industry.



2.0 CSR vs Social Value



All that benefits the community isn't Social Value!

Social Value is an outcome that is specifically related to a procurement exercise or contract you place.

General CSR activities, from charity raising to STEM ambassadors can only be counted as a Social Value Outcome for your project if they are unique to your project or procurement.



3.0 Defining Social Value



Workshop 1

What could consultants do to provide Social Value for your organisation?



Sellafield





A major university





A long term housing partnership



Help us help you

Create out a Social Value policy or strategy

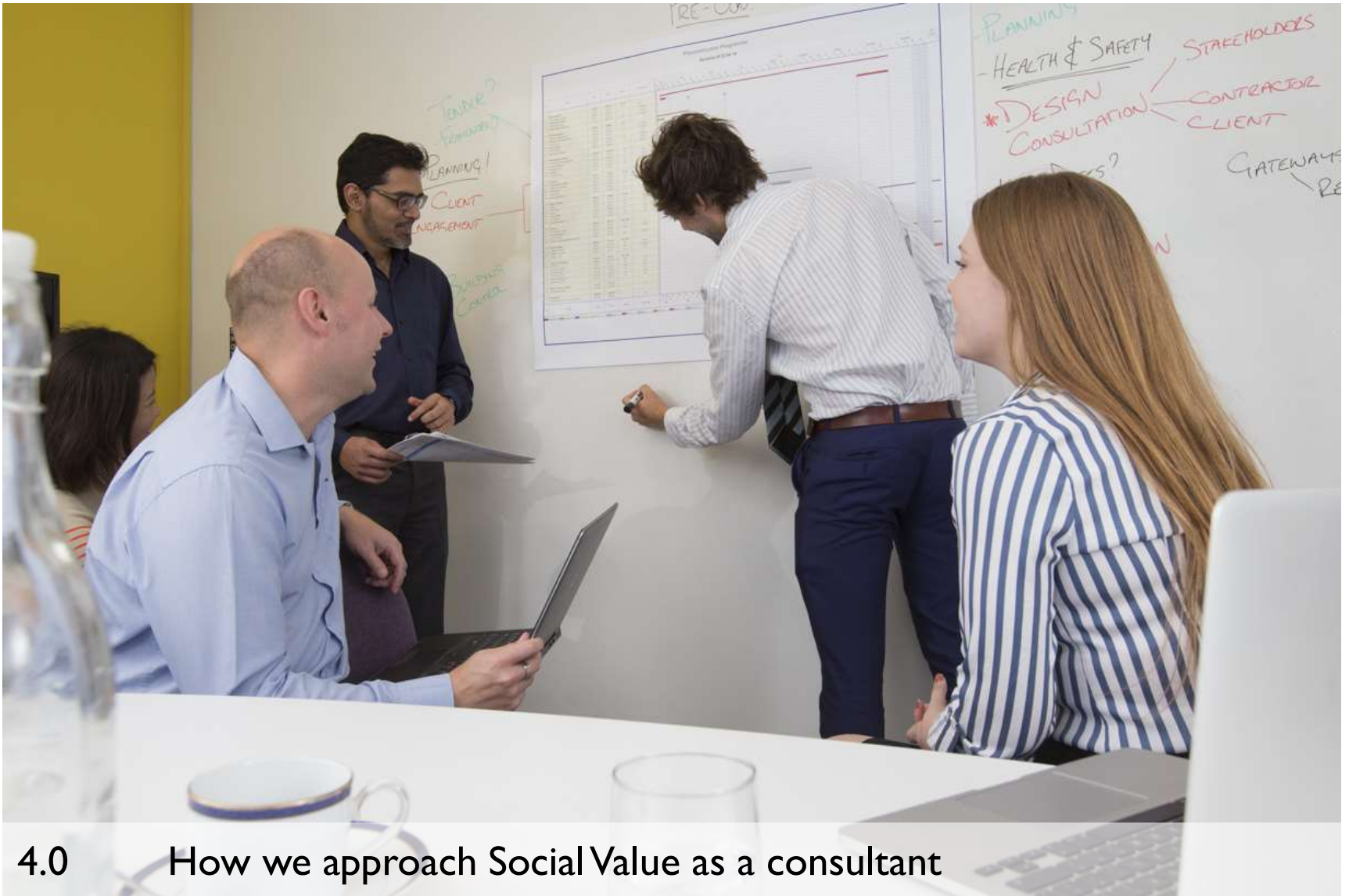
Engage your stakeholders

Are there existing schemes you can benefit from?

Make it relevant

Make it achievable

Most importantly... be specific!



4.0 How we approach Social Value as a consultant



How we approach social value

We don't build things!

But we can offer...

Intellectual property

Training and upskilling

Community give back

Job creation

School, college and university engagement

Direct vs. indirect social value

Direct

Training and upskilling

Job creation

Community work

Indirect

Contract improvement

Consultancy service design and strategy

What to look for

- Innovation
- Quantification
- Relevance to your contract
- Scale and suitability compared to the fees you'll pay
- Alignment to your social value policy / needs / strategy
- Partnerships and work with third sector organisations
- Evidence



Essex Contractor Framework





5.0 Assessing and measuring Social Value



Workshop 2

Take a couple of your previous answers...

How would you measure and quantify these?

Finding a base

Everything can be tied back to a financial benefit...

You just need the data or methodology to achieve it.



Tangible vs. intangible social value

Tangible

£ invested

Hours donated

Intangible

Environmental benefits

Healthier communities

Common pitfalls

- Comparing apples with pears
- Taking £ investments at their unweighted value
- Including CSR in Social Value
- Undervaluing intangible Social Value impact
- Accepting unrealistic offers

Ultimately....

We need you to hold us to account!



In summary

The Act requires you to consider how Social Value will be achieved by your procurement exercise.

Be specific on what you want to achieve.

Consider how consultants will respond and align your questions to get the answers you need.

Ensure you have a fair and realistic way of assessing offers.

How your consultants to account!

Further reading and resources...



Lord Young's review of the Social Value Act



Social Value Hub



Inspiring Impact Hub



mikereader@pickeverard.co.uk



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