

Understanding Social Value -

29 Sept 2021

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Housekeeping



Be present in the room - cameras on please if possible



Talking is good! Please participate in group discussions, and feel free to ask questions using the raise your hand function



Slides and poll results will be shared



Leave your phones on for the MENTI polls (no app needed)



Comfort break

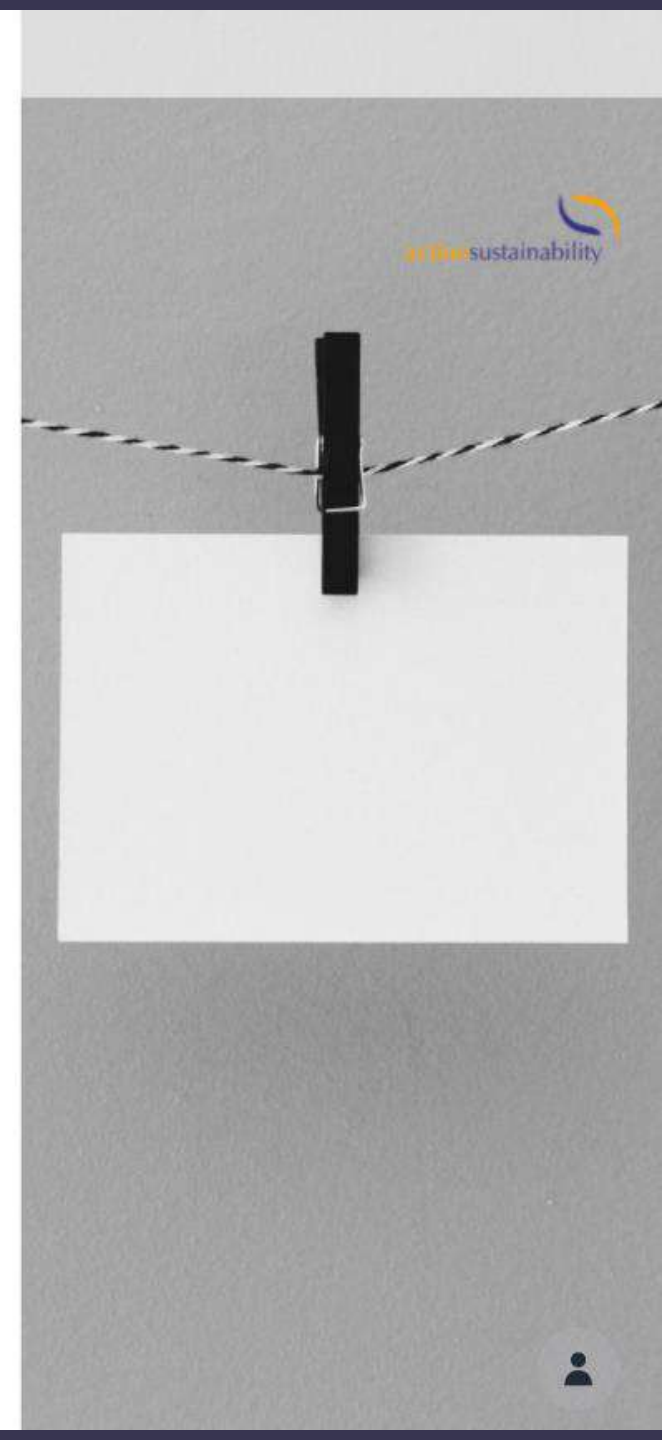
- Go to www.menti.com
- Code **8329 0957**
- Don't close down ZOOM!



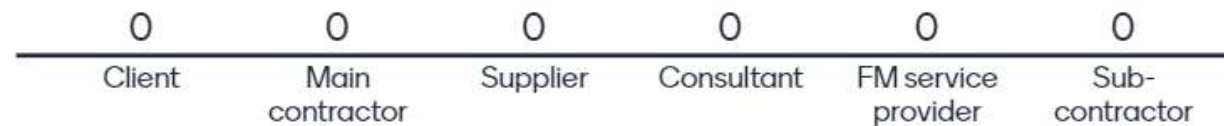
Go to www.menti.com and use the code 8329 0957

What's your role, and what do you want to get out of today?

Press S to show image



Indicate the type of organisation you are representing today



Learning objectives

- Understand what social value is, and **why** it matters
- Be able to explain **what** 'social value' means and understand the business activities that can generate it
- Have a structure for **how** to manage your social impacts
- Understand more about measuring and reporting social impacts and value



Is there a legal definition for social value?



0

Yes

0

No

00:06

What does social value mean?

UK Green Building Council: Social value is created when buildings, places and infrastructure support environmental, economic and social wellbeing, and in doing so improve the quality of life of people.

Social Value UK: “the quantification of the relative importance that people put on changes they experience in their lives”

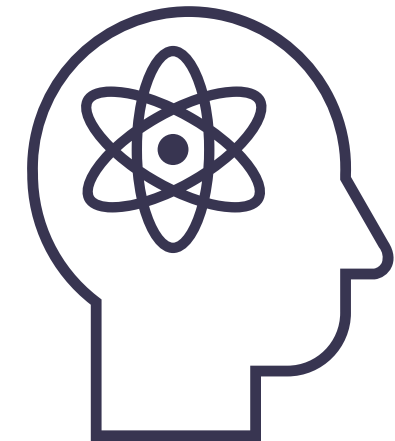
BS 89050: “(human) wellbeing in the short and long term”

Public Services (Social Value) Act 2012: consider... “how what is proposed to be procured might improve the economic, social and environmental wellbeing of the relevant area.”

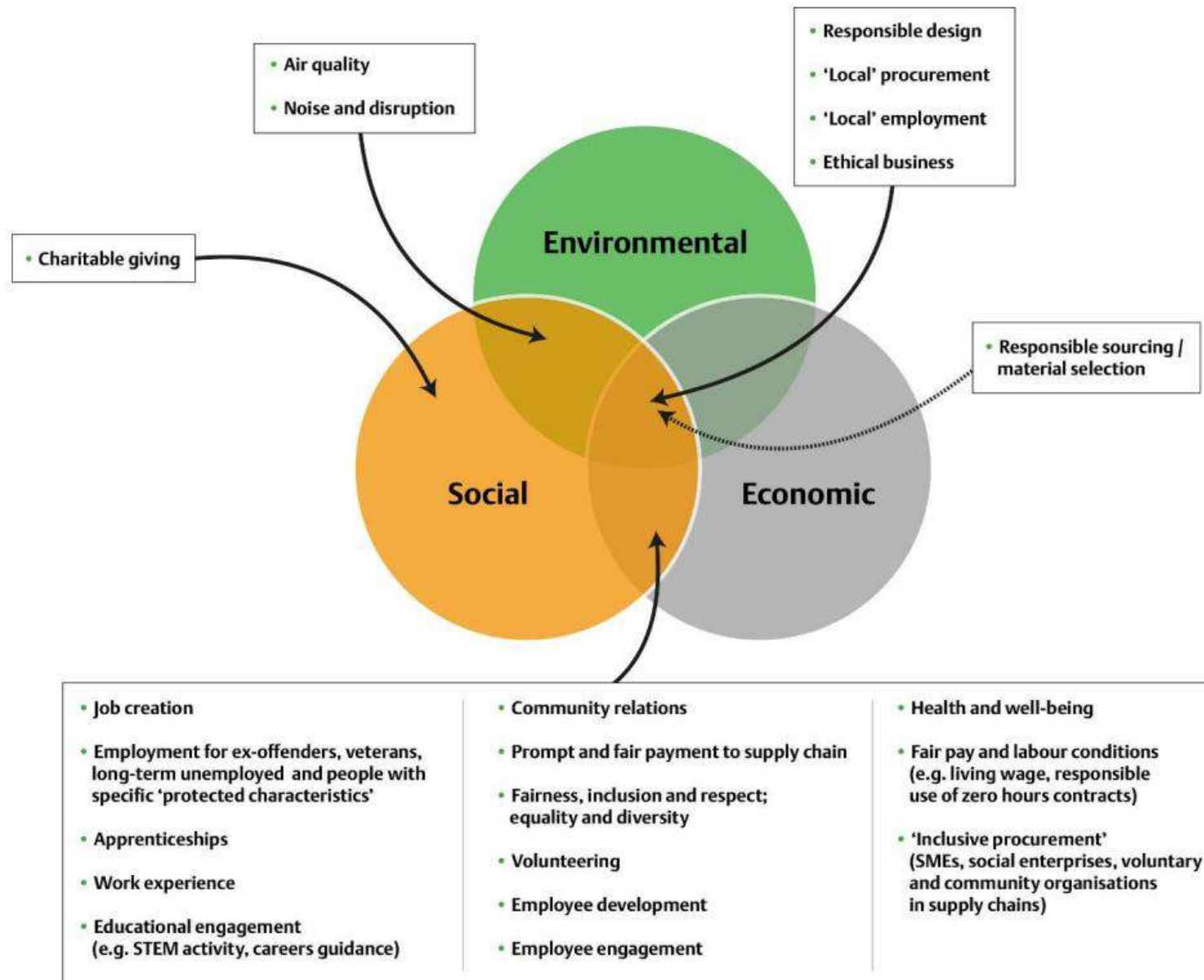
Simetrica: “the total impact on people’s quality of life.”



What are your clients asking for in relation to social value?



Social Value – what is it?

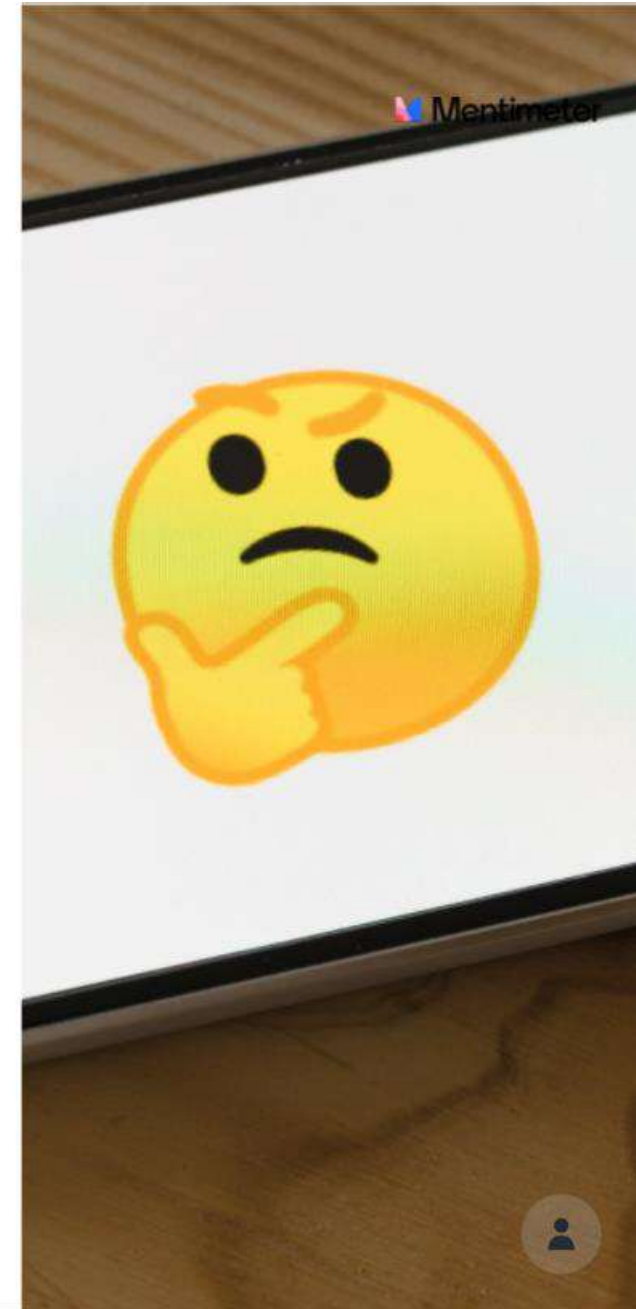


The scope of social value



Why does social value matter?

Press S to show image



Social Value – why does it matter?

- Improved **wellbeing** for stakeholders
- Help **clients** achieve project and organisational objectives
- Provide tangible **business benefits** to your organisation



Social Value – why does it matter?

Improve wellbeing

- Boost **wellbeing** and **quality of life** for **local communities**
- Directly address **meaningful societal issues** for stakeholder groups and affected areas
- **Minimise negative impacts** to stakeholder groups as a result of project activities.



Business benefits

- Improved **workforce satisfaction** and engagement (and retention)
- Helps to **win tenders** and **new business**
- Enhances **reputation**
- **Attracts investors**
- Improved **relationship** with **communities**



Help clients

- Meeting **legislative requirements**
- Helping to meet **business objectives** – client policy
- To **address stakeholder concerns**
- ‘**Doing the right thing**’ - (CSR)



Why is your organisation interested in social value?

- 1st Client expectations
- 2nd Investor / shareholder expectations
- 3rd To attract and retain staff
- 4th To manage corporate reputation
- 5th To improve relationships with the communities we work in
- 6th Local authority expectations
- 7th Legacy
- 8th Other

Figure 3: School Partner responses to question "Why is your business interested in social value?"



And don't forget the costs associated with NOT managing social value.



- Legislative and regulatory breach (e.g. of Equality Act 2010)
- Complaints and subsequent delay to operations or projects
- Negative media coverage and reputational harm
- Stranded assets: buildings and infrastructure (including plant) being built to regulatory minimums and requiring adaptation if/when standards are raised

What is the often referred to as the Social Value Act?

0	0	0	0	0
PPN 06/20	PPN 06/21	Public Services Act 2012	Public Services Act 2013	The Equality Act

00:17

Public Services Act 2012



Public Services (Social Value) Act 2012



Procurement Policy Note 06/20:

Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

Action Note PPN 06/20

September 2020

Issue

1. This Procurement Policy Note (PPN) launches a new model to deliver social value through government's commercial activities. Central government organisations should use this model to take account of the additional social benefits that can be achieved in the delivery of its contracts, using policy outcomes aligned with this Government's priorities.

Action

2. Social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject-matter of the contract, rather than just 'considered' as currently required under the Public Services (Social Value) Act 2012. Unnecessary burdens should not be placed on commercial teams or suppliers.

3. In scope organisations must:

- Familiarise themselves with the social value model at Annex A, including the menu of priority policy themes and outcomes that can be applied in new procurements.
- Ensure all those involved in commercial activity in the organisation complete the e-learning on social value which can be accessed via the [Government Commercial College](#).

4. Further detailed guidance on applying the model will be published on GOV.UK. Procurements related to construction, capital investment and infrastructure projects above £10m should use the priority themes and outcomes in applying the Balanced Scorecard for Growth (PPN 09/16) and the guidance on this will be updated.

Dissemination and Scope

5. This Procurement Policy Note (PPN) applies to procurements covered by the Public Contracts Regulations 2015, and applies to all Central Government Departments, their Executive Agencies and Non Departmental Public Bodies. Together these are referred to in this PPN as 'In-Scope Organisations'. Please circulate this PPN within your organisation, drawing it to the attention of those with a commercial and procurement role.

Timing

6. This PPN is effective from the date of publication. The social value model should be applied to all new procurements from 1 January 2021.

Background

7. Whilst the overarching objective for the Government's commercial activities will remain achieving the best commercial outcome, it is right that the Government applies its

- Major public procurement **must explicitly evaluate** social value with a **minimum weighting of 10%** of total score
- ‘**Social Value Model**’
 - Sets out **5 social themes**, and **8 associated outcomes**
 - Standardized framework for measuring and managing social value.
- **Evaluation of the social value** aspect of bids should be qualitative

Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

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4. Further detailed guidance on applying the model will be published on GOV.UK. Procurements related to construction, capital investment and infrastructure projects above £10m should use the priority themes and outcomes in applying the Balanced Scorecard for Growth ([PPN 09/18](#)) and the guidance on this will be updated.

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Social Value – PPN 06/20 themes and outcomes

Themes		Policy outcomes
Theme 1	COVID-19 recovery	Help local communities to manage and recover from the impact of COVID-19
Theme 2	Tackling economic inequality	Create new businesses, new jobs and new skills
		Increase supply chain resilience and capacity
Theme 3	Fighting climate change	Effective stewardship of the environment
Theme 4	Equal opportunity	Reduce the disability employment gap
		Tackle workforce inequality
Theme 5	Wellbeing	Improve health and wellbeing
		Improve community cohesion

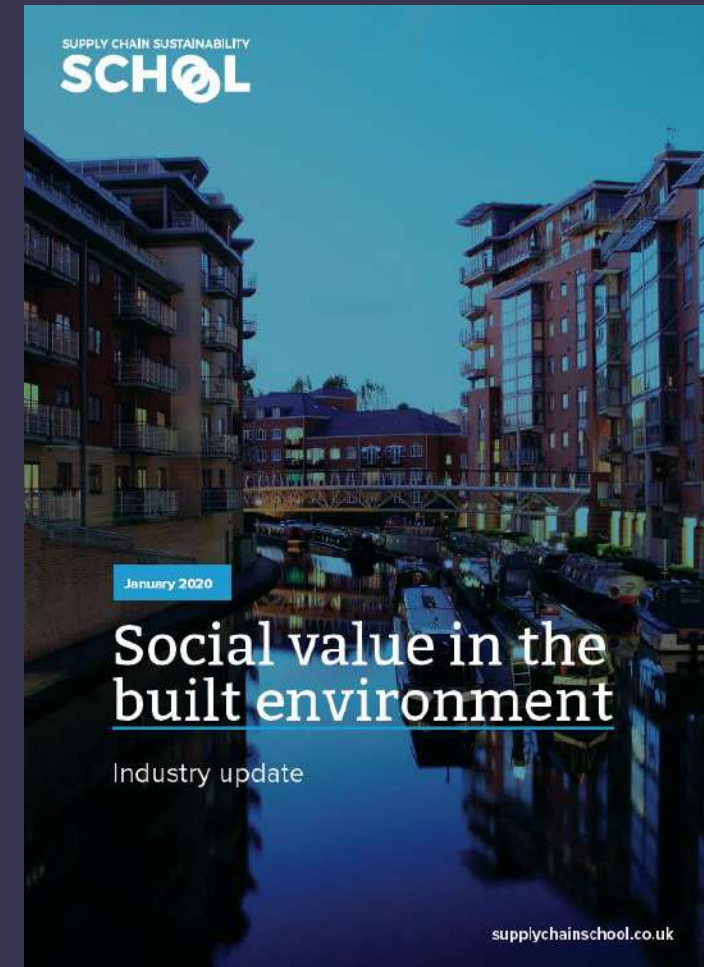
Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

Action Note PPN 06/20 September 2020

- Notes**
1. This Procurement Policy Note (PPN) launches a new model to deliver social value through government commercial activities. Central Government organisations should use this model to take account of the additional social benefits that can be generated in the delivery of its contracts, using policy outcomes aligned with this Government's priorities.
 2. Social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject-matter of the contract, rather than just 'incorporated' as a condition required under the Public Services (Social Value) Act 2012. Contracting vehicles should not be placed on commercial terms or suppliers.
 3. In social organisations must:
 - Facilitate businesses with the social value model at Annex A, including the entry of priority policy themes and outcomes that can be applied to new procurements.
 - Ensure all those involved in commercial activity in the organisation complete the 'embedding social value' model can be assessed as the 'Embedding Social Value' model.
 4. Further detailed guidance on applying the model will be published on GOV.UK. Procurements related to construction, capital investment and infrastructure projects above £10m should use the priority themes and outcomes in applying the Balanced Scorecard for Growth (BSG) and the guidance on this will be updated.
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How social value is generated: 5 key impact areas

- **Employment** (e.g. health and wellbeing activities, volunteering)
- **Training and Skills** (e.g. Upskilling employees, apprenticeships)
- **Supplier Diversity / Inclusive Procurement** (e.g. local supply, ethical business governance)
- **The Environment** (e.g. air quality, green space access, biodiversity)
- **Communities** (e.g. give to charities, address low skills)



What does 'local' mean in the context of social value?



0 0 0 0

Within a singular local authority area Within the UK Anywhere in the world Whatever the client says it means

00:07



Workshop – in your groups..

- Introduce yourself to others in your breakout group – name, company and role
1. Choose 1 or 2 of the following impact areas: **Employment, Training and Skills, Supplier Diversity/ Inclusive Procurement, the Environment, Communities**
 2. What activities could you do to generate social value (consider both at project and organisational level) in this impact area?
 3. What are the key challenges / barriers in relation to generating social value?

Cameras and mics on!



Nominate someone from your group to feedback to the wider group at the end

Social Value – impact areas

1. Employment

2. Training and Skills

3. Supplier Diversity / Inclusive Procurement

4. Communities

5. Environment

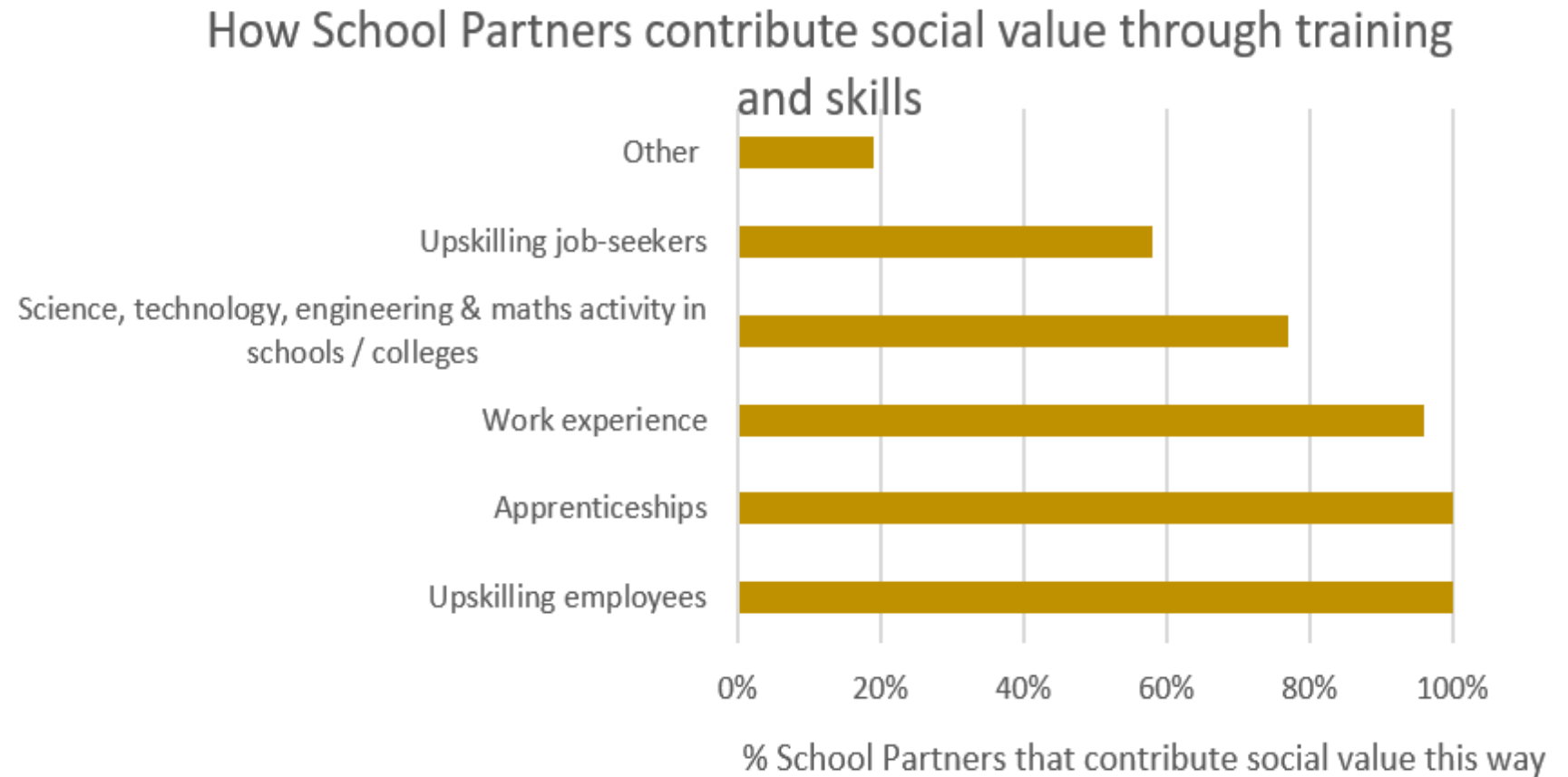
How School Partners contribute social value through employment



'Other': Increase representation of women within the organisation, Development of employees over and above 'business as usual'. Mentoring. Reverse mentoring. Payment of Living Wage through the supply chain. Stimulate the employment market - attract individuals to parts of the business it's been historically difficult to recruit to. Employ locally. Host job fairs in communities. Host workshops and share knowledge to promote fairness, inclusion and respect. Promote health and wellbeing at head-office and project locations. Free employee assistance programme.

Social Value – impact areas

1. Employment
2. Training and Skills
3. Supplier Diversity / Inclusive Procurement
4. Communities
5. Environment

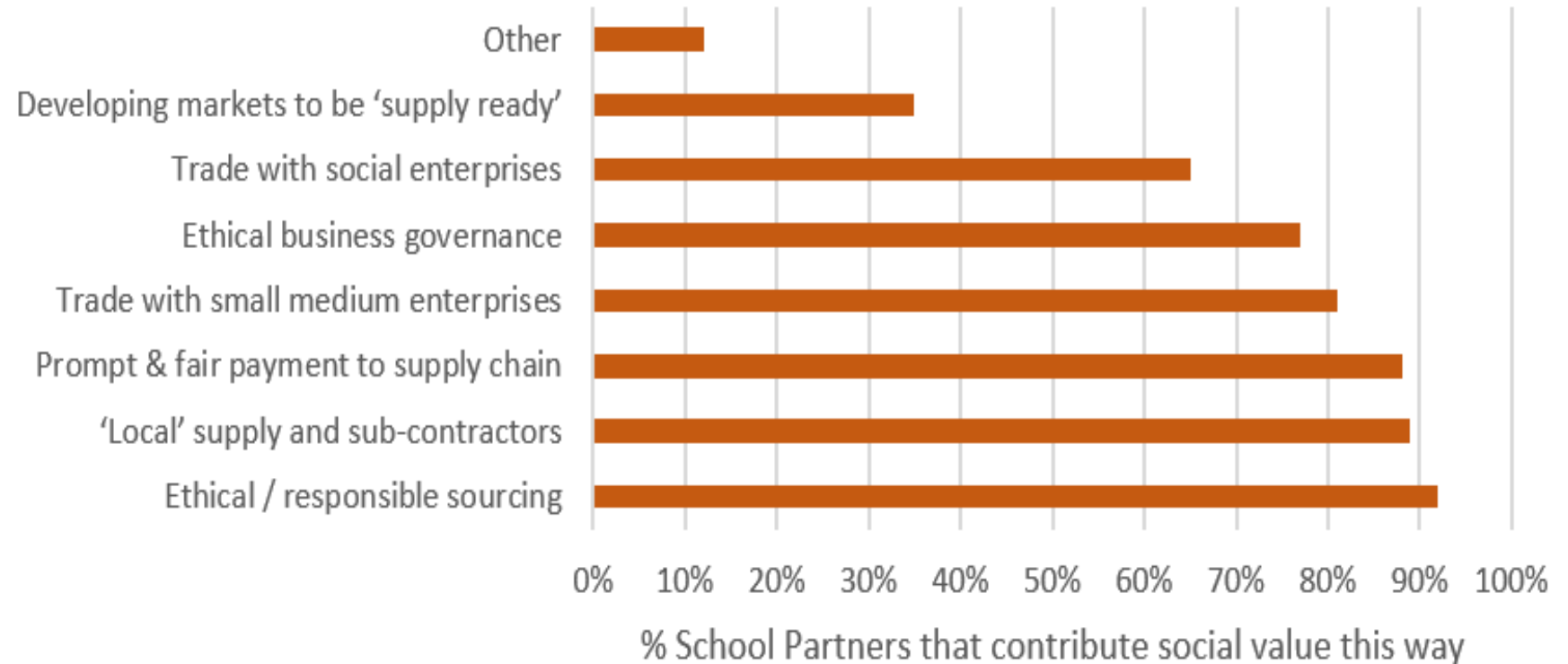


'Other': Use the CITB levy to upskill employees. Graduate training schemes. Sponsoring students. Helping schools with pupil reading. Work with homeless charities providing work experience, training and up-skilling. Offer training and up-skilling (as well as job opportunities) to under-represented groups.

Social Value – impact areas

1. Employment
2. Training and Skills
3. **Supplier Diversity / Inclusive Procurement**
4. Communities
5. Environment

How School Partners contribute social value through supplier diversity / inclusive procurement

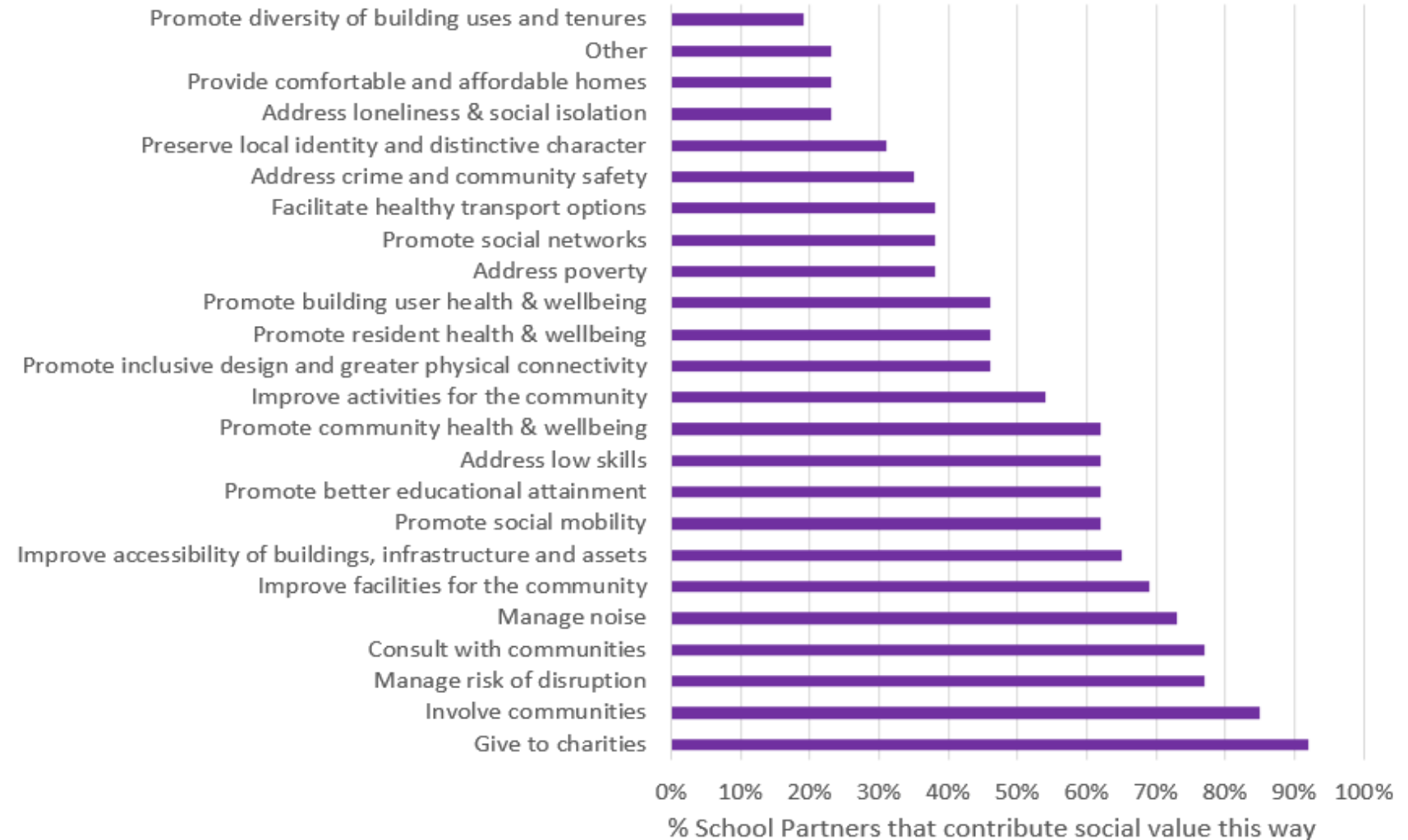


'Other': Supply chain brokerage support. Contractor guarantee scheme (which gives users assurance on the labourers they employ). Fair Tax member (improves revenue to UK Treasury). Consideration of where components come from and whether they are ethically sourced. Strategy for outreaching to, and engaging with, social enterprise. Local spend. Prompt payment (helps all but especially SMEs in the supply chain).

Social Value – impact areas

1. Employment
2. Training and Skills
3. Supplier Diversity / Inclusive Procurement
- 4. Communities**
5. Environment

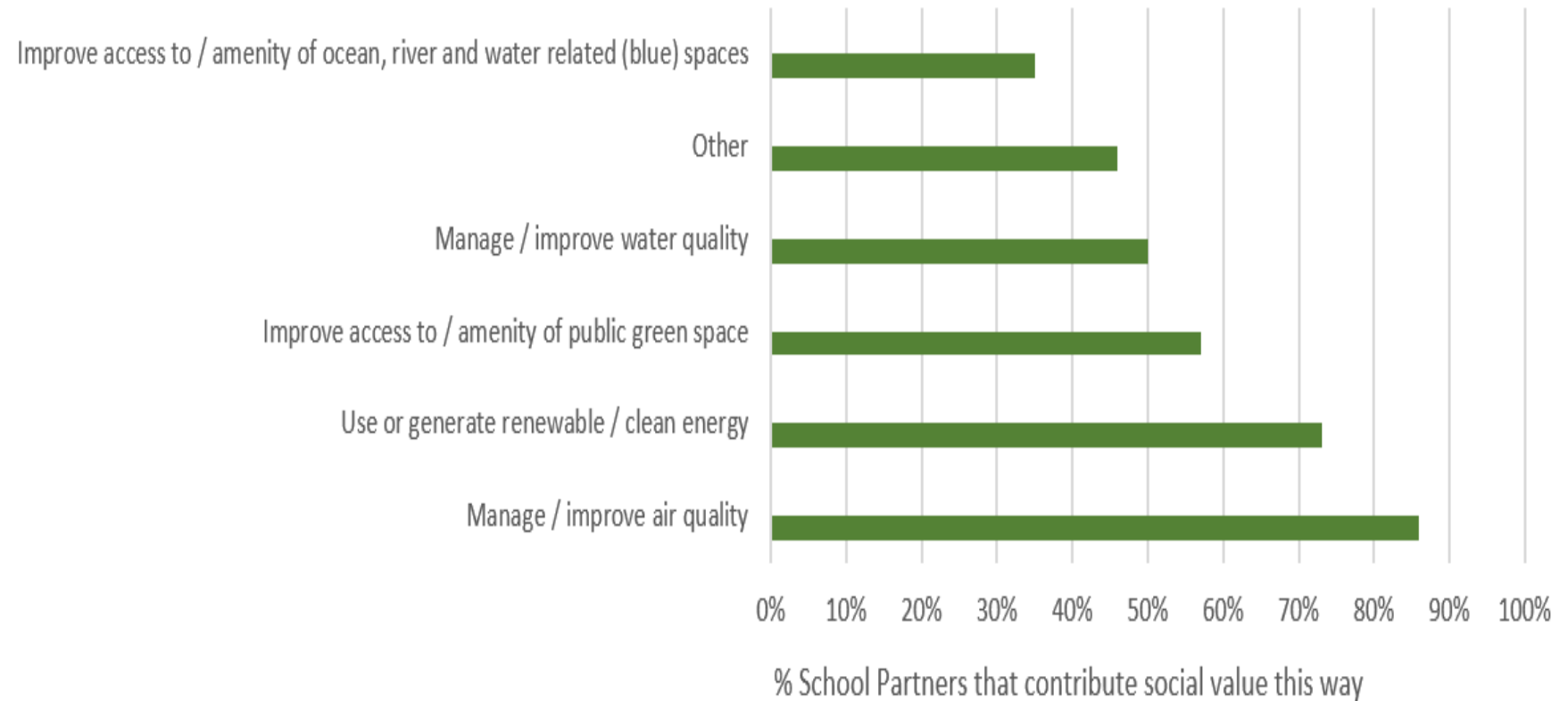
How School Partners contribute social value to communities



Social Value – impact areas

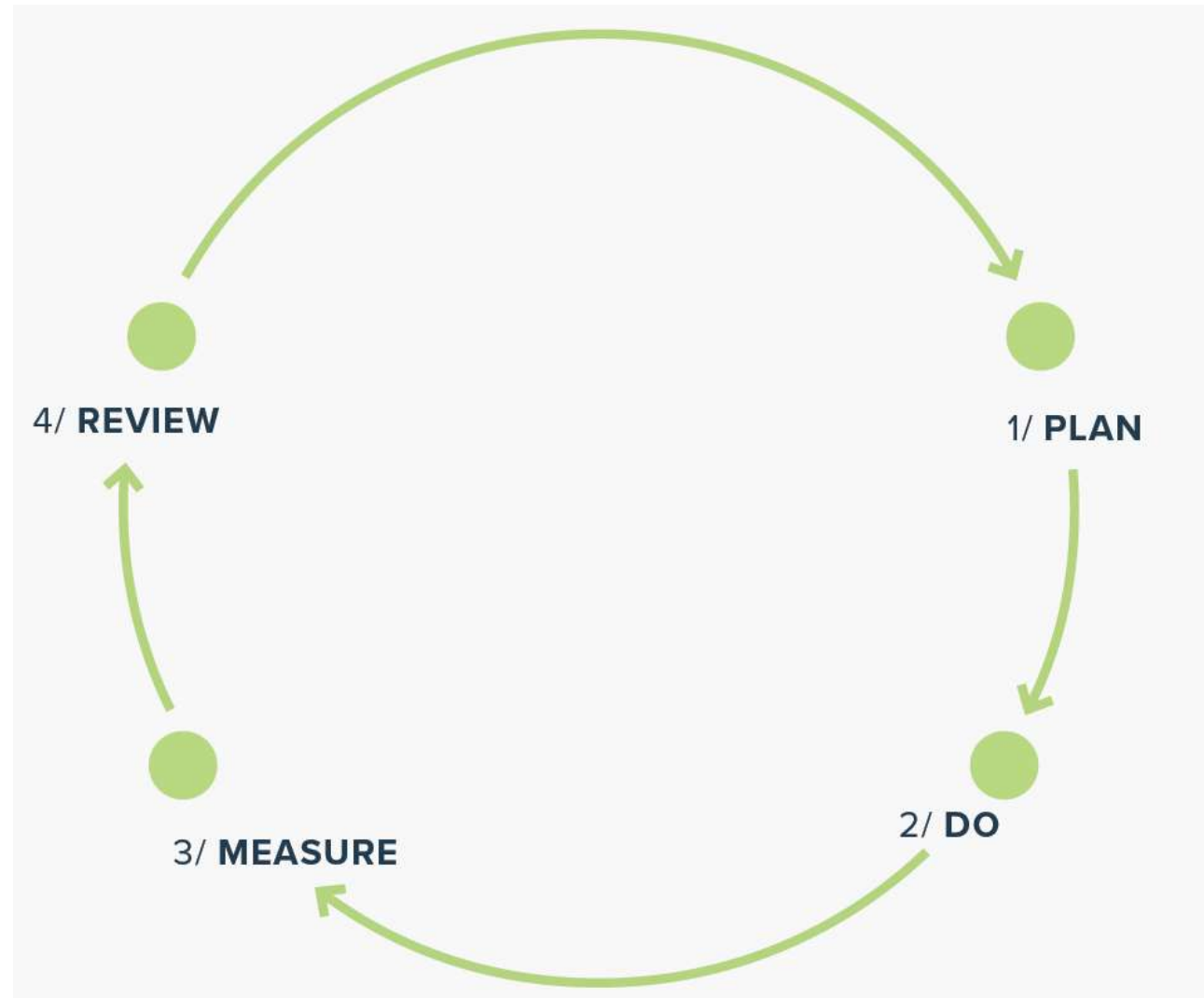
1. Employment
2. Training and Skills
3. Supplier Diversity / Inclusive Procurement
4. Communities
5. Environment

How School Partners contribute social value through the environment

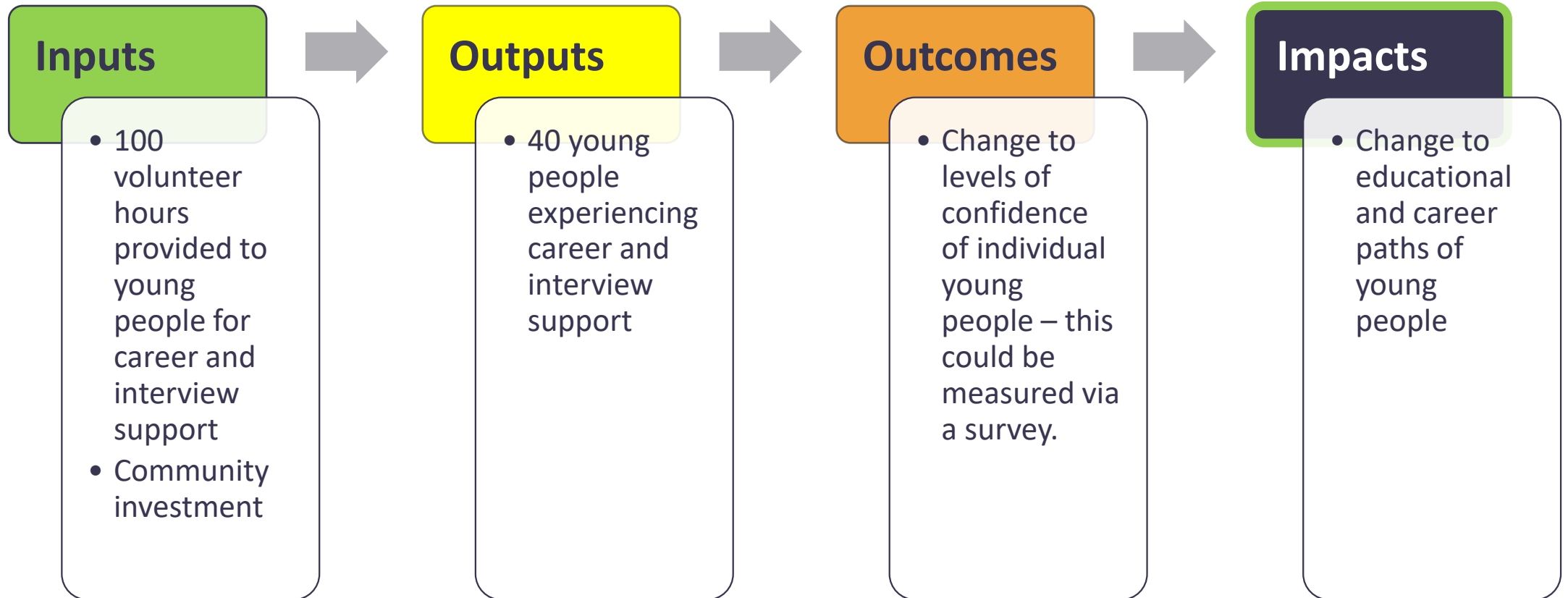


‘Other’: Circular economy. Waste reduction. Diversion of waste from landfill. Use of recycled materials rather than virgin. Reusable packaging. Removal of single use plastic. Carbon and emissions reduction. Pollution prevention training to operatives. Transport management to minimise disruption. Plan deliveries to minimise emissions. Use electric vehicles in commercial fleet. Retro fit plant. Monitor resource (paper, water and fuel) usage. Reduce building energy use. Install renewables (e.g. solar PIPVs and bus shelters). Electricity from renewable sources. Biodiversity enhancements. Biodiverse planting. Use lifecycle costing approaches.

How to manage social value



How to measure



Who does what to who? How?
Who benefits?



How to measure

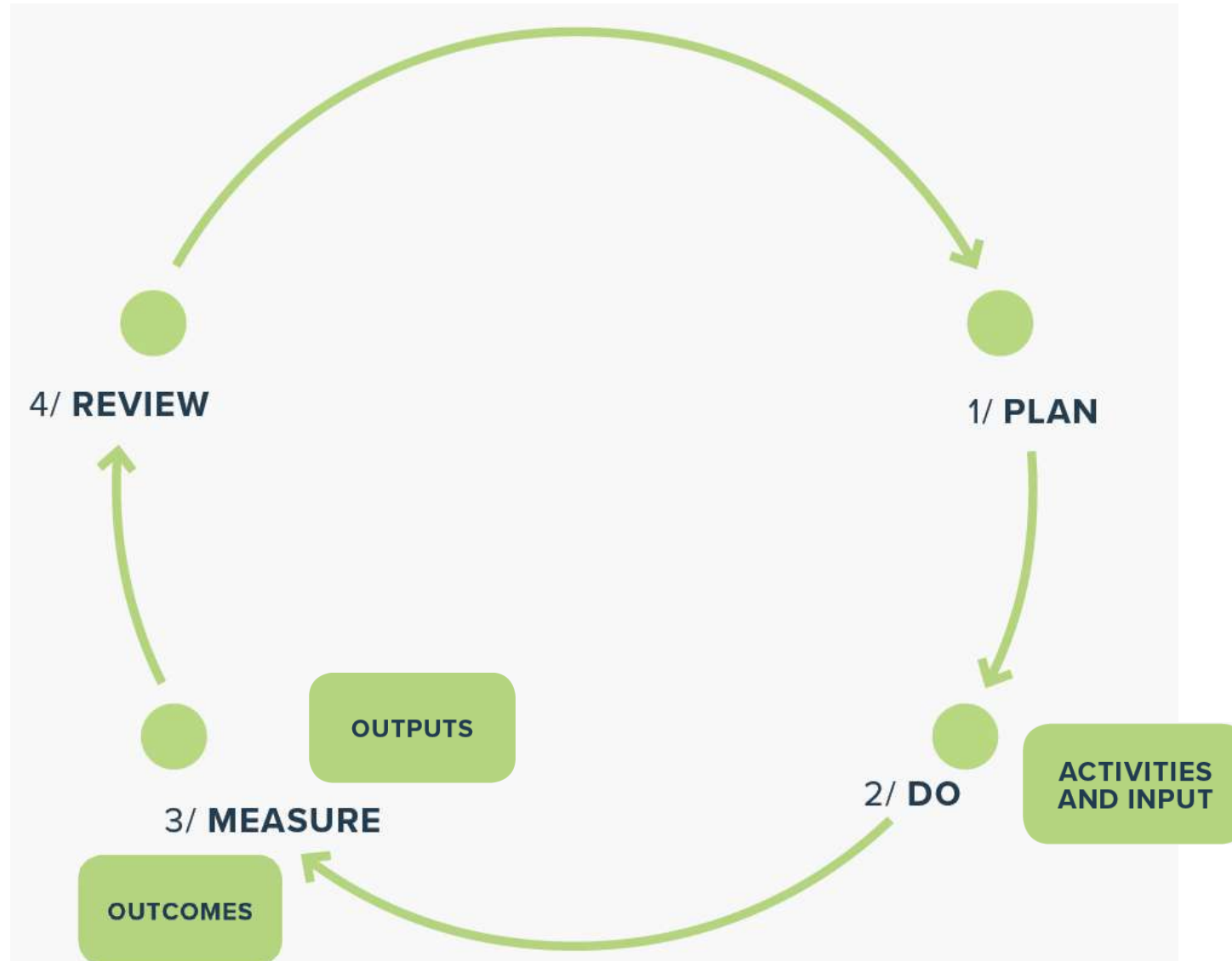


Figure 10: Verified benchmarks, marks and indices used by Supply Chain Sustainability School Partners



Employment

% of directly employed people paid relevant Living Wage Foundation Living Wage

% of workers on fixed hour, PAYE contracts

Number of people moving from unemployment into part time and full time employment

Rate of employee turnover

% of people that are (1) women (2) identify as Black, Asian or minority ethnic (a) throughout workforce (b) in management positions (c) who are Directors and/or on Board

% of workers declaring a disability or impairment

Gender pay gap

Training and skills

Number of people completing accredited training

Number of people completing non-accredited training

Number of apprentices that are (1) on 'traditional' apprenticeships (2) existing employees being upskilled

Supplier diversity / inclusive procurement

£ spend with small medium enterprises (SMEs)

% of total spend that is with small medium enterprises (SMEs)

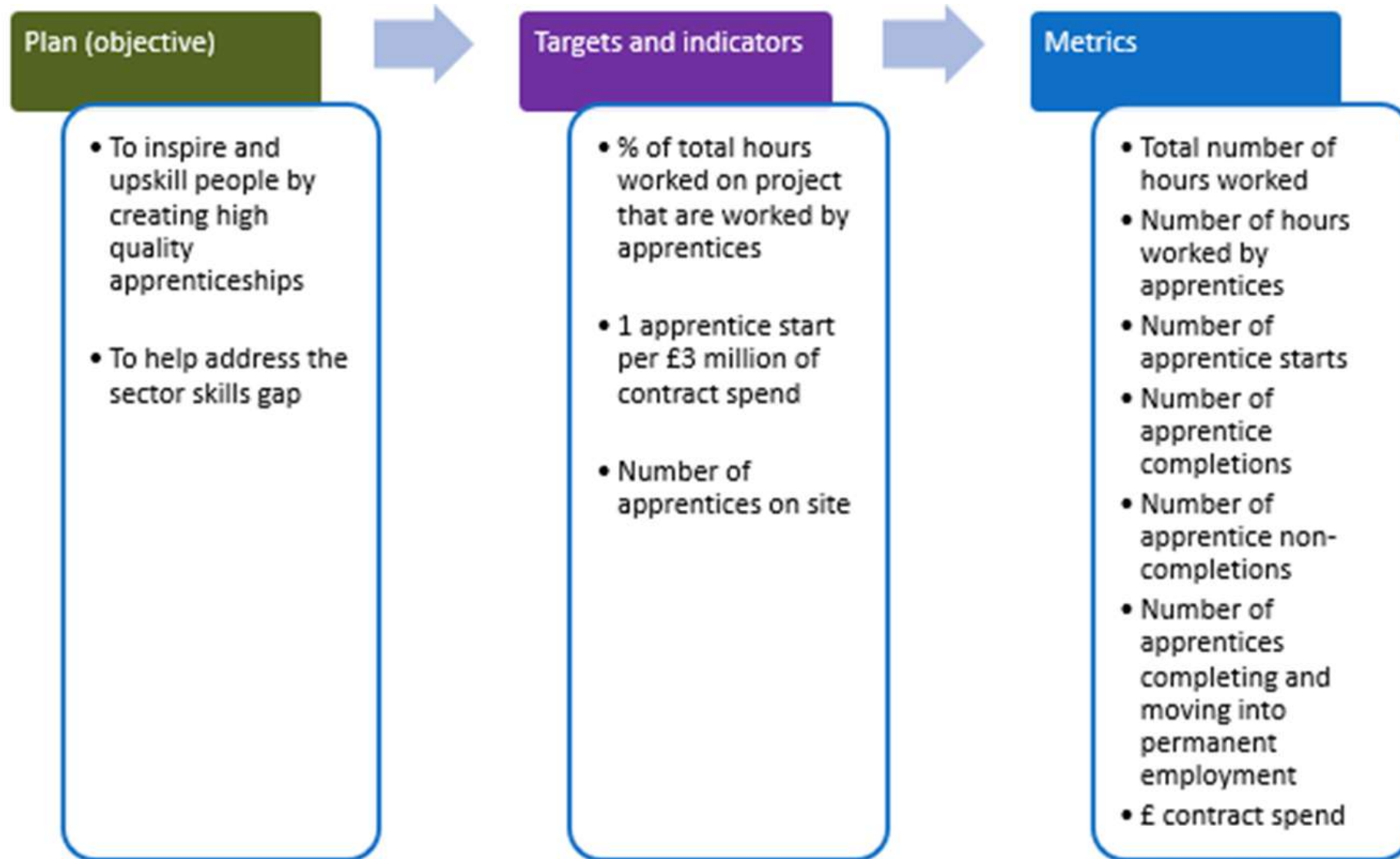
£ spend with social enterprises

Communities

£ donations to charities and community groups

£ value of (1) goods (2) in-kind donations and (3) volunteer time provided to charities and community groups

% of complaints closed off, and with no further action required, within 28 days of complaint



Social Value – measurement



Impact metric
(net inputs, outputs or outcomes)

x

£ “Monetised value”

= Monetised social value

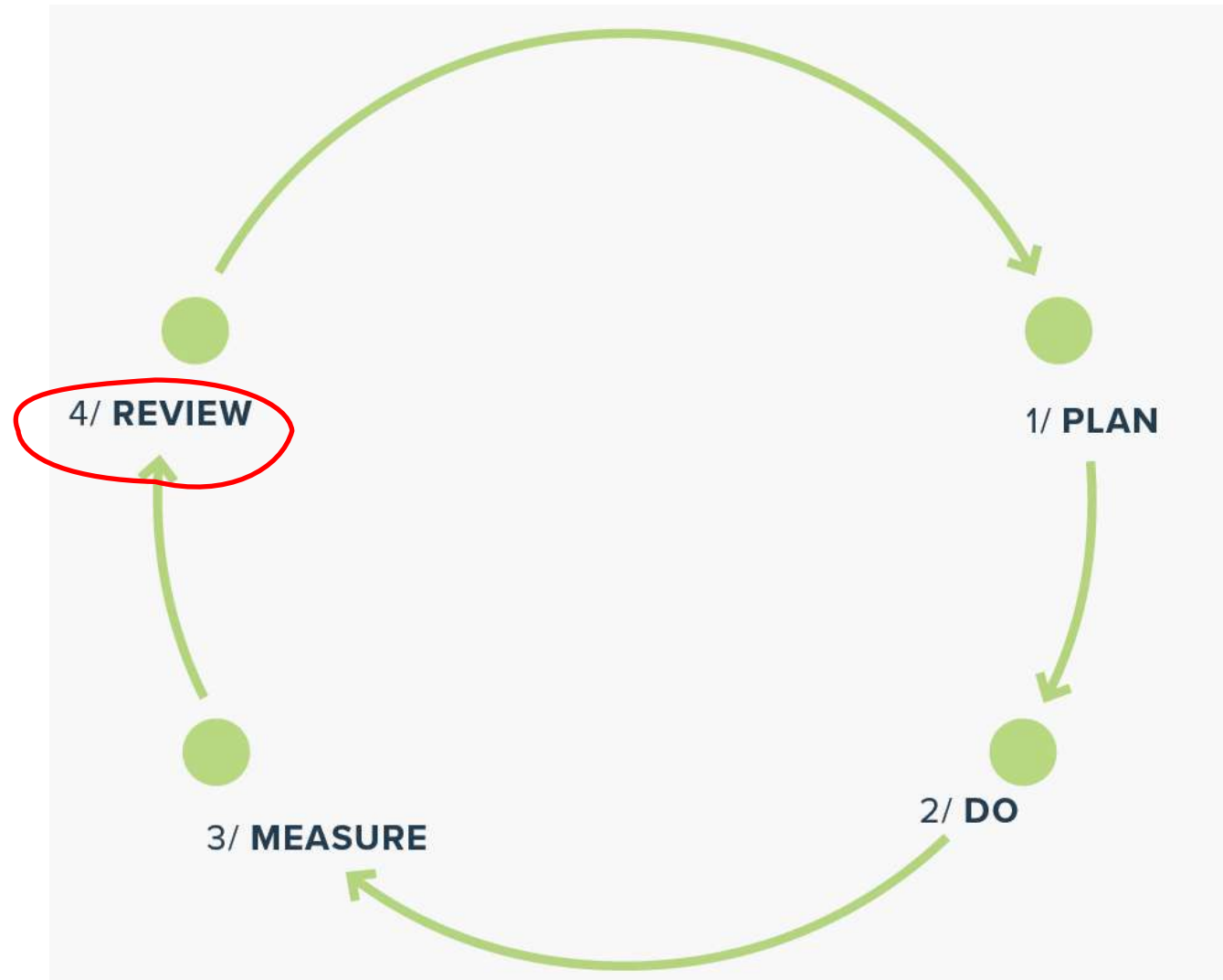
Social Value – measurement

A Common Social Impact Framework for Rail



$$\begin{array}{c} \text{Social impacts} \\ \times \\ \text{Monetised values} \\ = \\ \text{Social value} \end{array}$$





The difference we are making

Reporting our 2019 social value achievements



www.willmott-dixon.co.uk

All figures are for Willmott Dixon

What we invested in our people



What we invested in the community



What we've done in the community



The IMPACT of our activities in the community



All in this together

Responding to each family member's emergency need



Social Value generated by CaN Work 20-21





**TRAINING AND SKILLS, WASTE
AND RESOURCE EFFICIENCY**

**HMP Foston Hall
streetlamp project**

DOCUMENT / PRESENTATION

Learn how a project to
decommission 14,000 streetlamps
delivered £34,262 of social value



Reading from the Start - VINCI social
value



Supporting local people to Get into
Construction



Wellbeing In The
Built Environment



Social Value & Design of the Built Environment

DOCUMENT / PRESENTATION

How social and community sustainability can be achieved through creative design

Expert

 60 minutes



WELLBEING

UKGBC Framework for Defining Social Value

WEB LINK

A framework for defining and delivering social value on built environment projects

Intermediate

 45 minutes

Learning pathways



Social Value: What is it and Why is it Important?



Social Value: Defining and Delivering

**Learning
pathway -
Social value:
defining and
delivering**



COMMUNITY, EMPLOYMENT

Social Value: Part 2

E-LEARNING MODULE

INTERMEDIATE

REQUIRED

⌚ 30 mins



COMMUNITY, EMPLOYMENT

Trends in Social Value Deliverables: Webinar Recording

VIDEO

BEGINNER

⌚ 90 mins



COMMUNITY, EMPLOYMENT, TRAINING AND SKILLS

Social Value in the Built Environment: Webinar Recording

VIDEO

BEGINNER

⌚ 90 mins



COMMUNITY

Supporting local people to Get into Construction

DOCUMENT / PRESENTATION

BEGINNER

REQUIRED

⌚ 10 mins



COMMUNITY, TRAINING AND SKILLS

Reading from the Start - VINCI social value

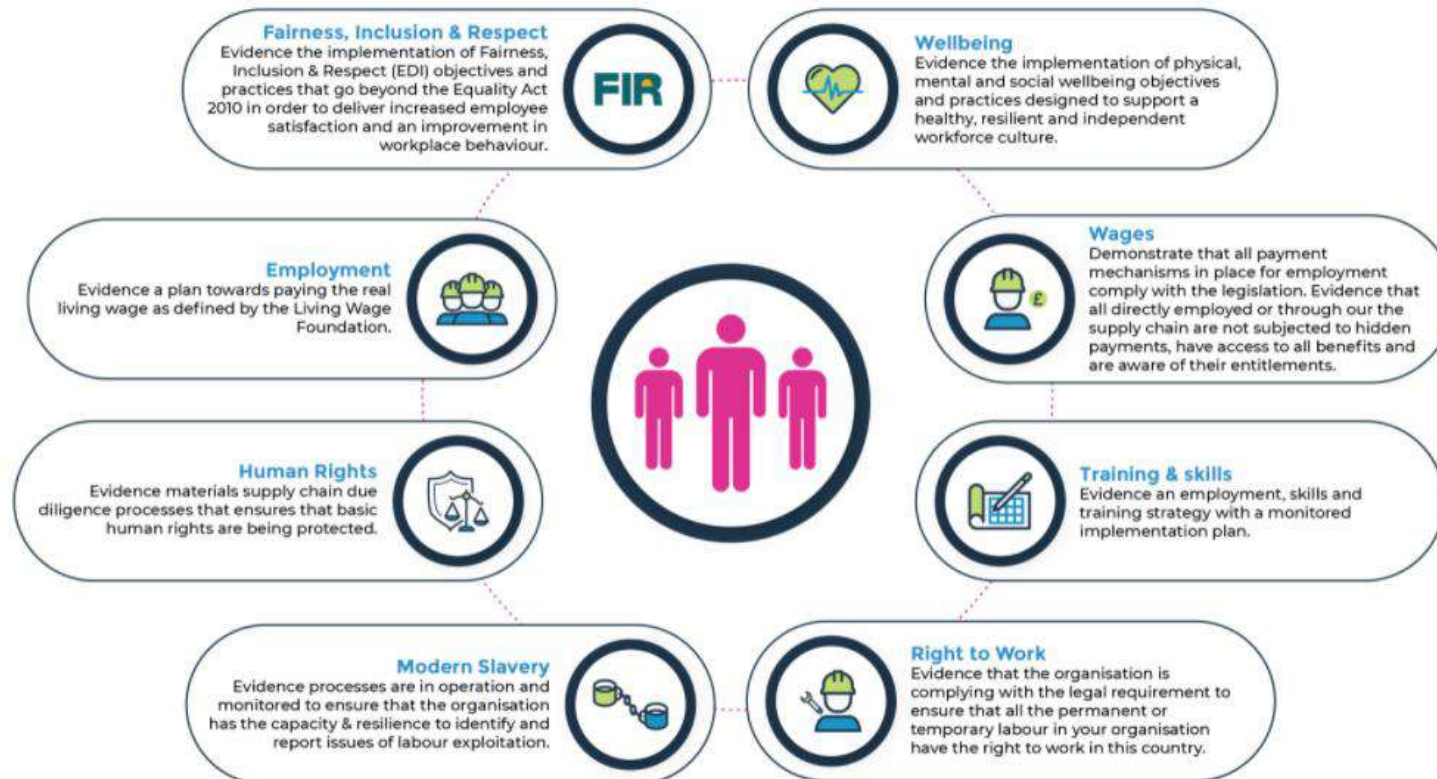
DOCUMENT / PRESENTATION

BEGINNER

REQUIRED

⌚ 10 mins

People Matter Charter – *the workforce strategy for the built environment*



Learning objectives

- Understand **why** social value matters
- Be able to explain **what** 'social value' means
- Have a structure for **how** to manage your social impacts
- Understand more about measuring and reporting social impacts and value



Go to www.menti.com and use the code 3501 2434

What support would you like from the School to help you with social value?

Press S to show image



Feedback please!



Thank you for your time

For more information, please contact

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www.actionsustainability.com

