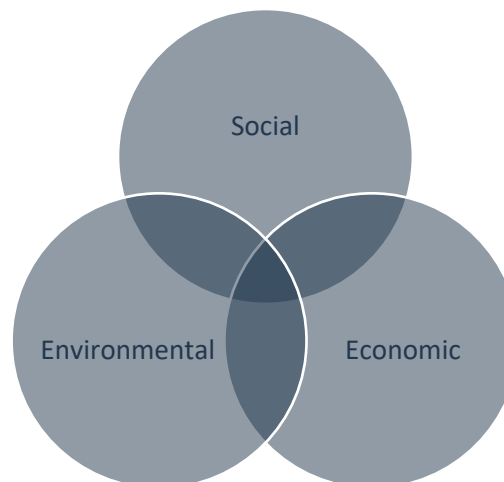


Social value through procurement



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THE SCOPE OF SOCIAL VALUE



HOW CAN WE DEFINE SOCIAL VALUE?

Social value refers to the total impact on people's quality of life. (Simetrica, 2019)

The UK Public Services (Social Value) Act 2012 requires public sector organisations to “have regard to **economic, social and environmental wellbeing** in connection with public services contracts; and for connected purposes.”

WHY IS SOCIAL VALUE IMPORTANT?

Why School Partners are interested in social value



CLIENT REQUIREMENTS FOR SOCIAL VALUE



HS2



Mechanisms used by clients include:

1. Social value requirements in project specifications
2. Inclusion of social value questions in invitations to tender
3. Defining minimum standards for suppliers e.g. Welsh Government's 'Code of Practice – Ethical Employment in Supply Chains'
4. Social value requirements in contracts.

PLANNING REQUIREMENTS FOR SOCIAL VALUE

- Planning authorities frequently require developers to meet targets on numbers of apprentices, local employment and trade with local businesses, particularly.
- They do this via section 106 planning requirements. These are typically passed onto the supply chain.



BOARD, SHAREHOLDER AND INVESTOR EXPECTATIONS OF SOCIAL VALUE

According to our Partners, the boardroom, shareholders and investors request the following information relating to social value:

- Performance against corporate KPIs
- Roadmaps for the coming year
- Specific issues e.g. volunteering, charitable works, community engagement, apprenticeships, 'local' employment, diversity & Inclusion, education, supporting the vulnerable, climate change and carbon, human rights, anti-slavery, prompt payment, Living Wage, transition to net zero carbon, stakeholder engagement, pay gap, GDPR and environmental performance, local spend, reinvestment, educational engagements, diversity statistics relating to women, BAME, under 25s and ex-offenders.



HOW SOCIAL VALUE IS GENERATED

We have broken social value down into five main topics:

1. Employment
2. Training and skills
3. Inclusive supply chain
4. Protecting the environment
5. Contributing to communities

1. EMPLOYMENT

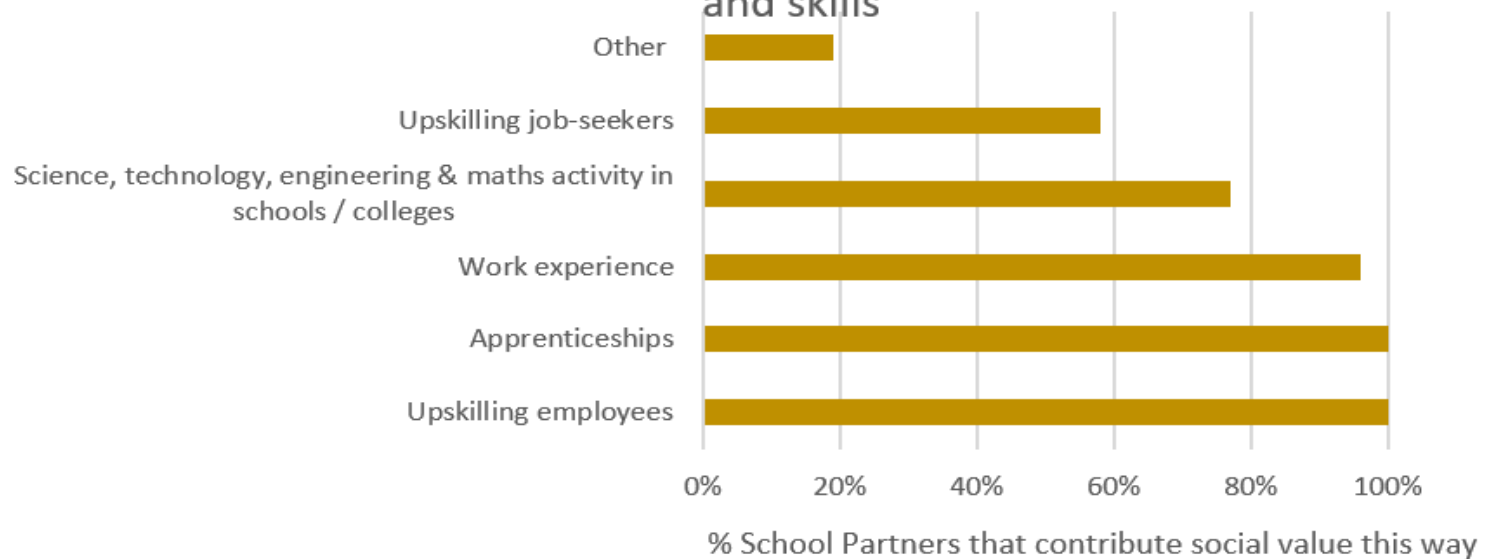
How School Partners contribute social value through employment



'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.

2. TRAINING AND SKILLS

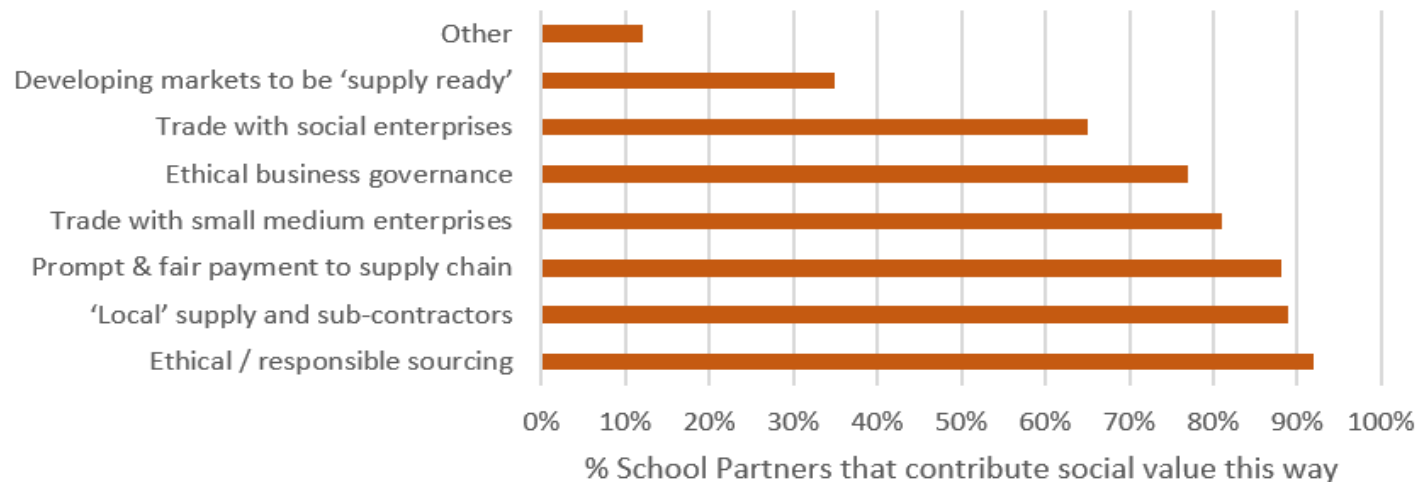
How School Partners contribute social value through training and skills



'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 upskilling. Offer training and up-skilling (as well as job opportunities) to under-represented groups.

3. SUPPLIER DIVERSITY / INCLUSIVE PROCUREMENT

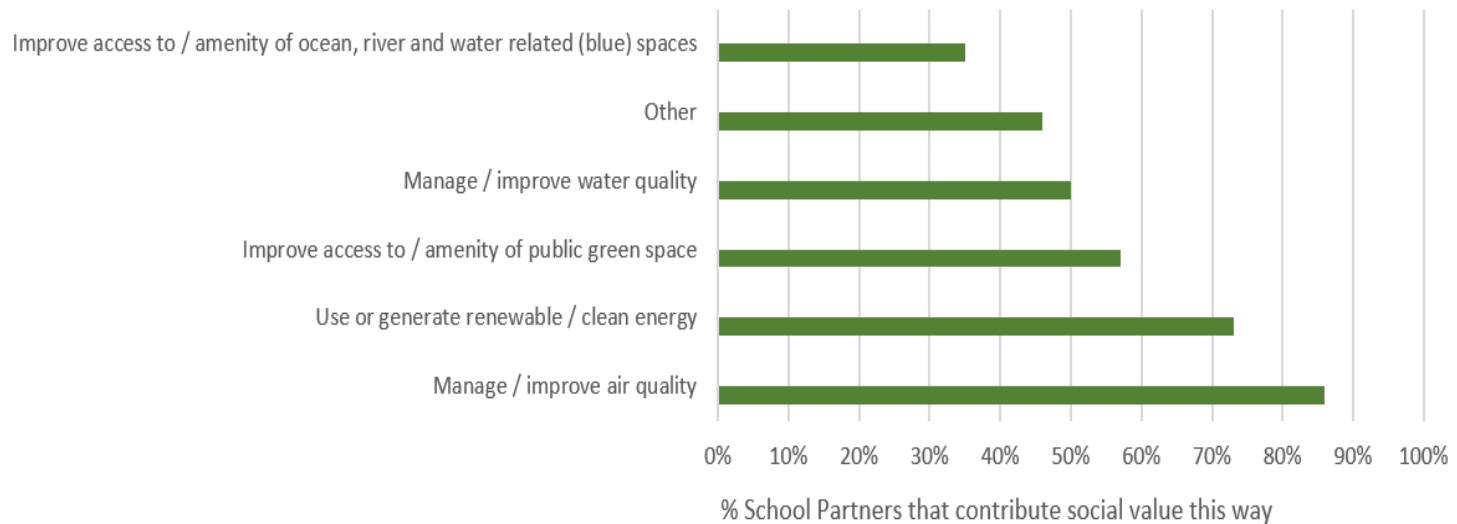
How School Partners contribute social value through supplier diversity / inclusive procurement



'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).

4. PROTECTING THE ENVIRONMENT

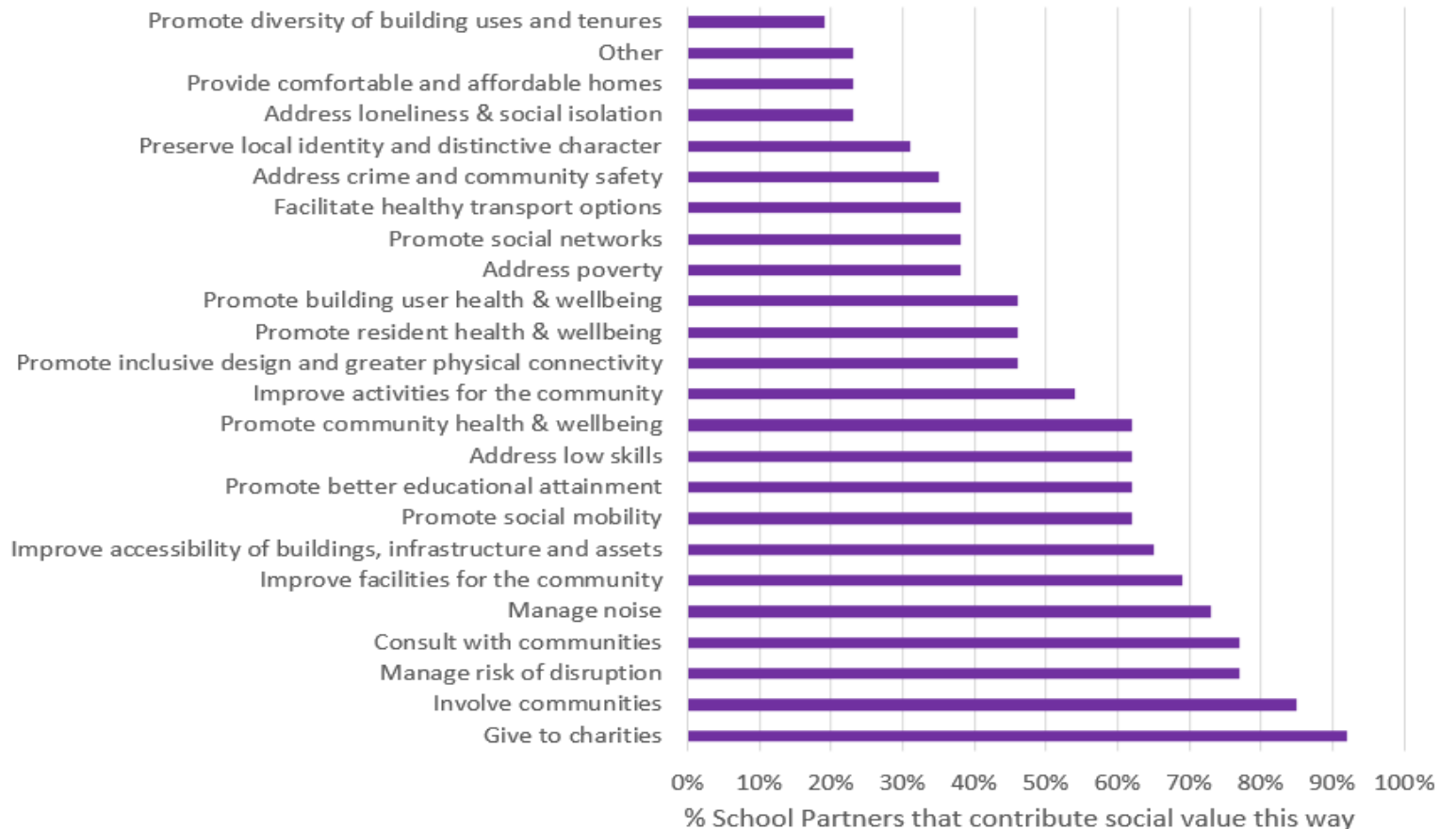
How School Partners contribute social value through the environment



'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.

5. CONTRIBUTING TO COMMUNITIES

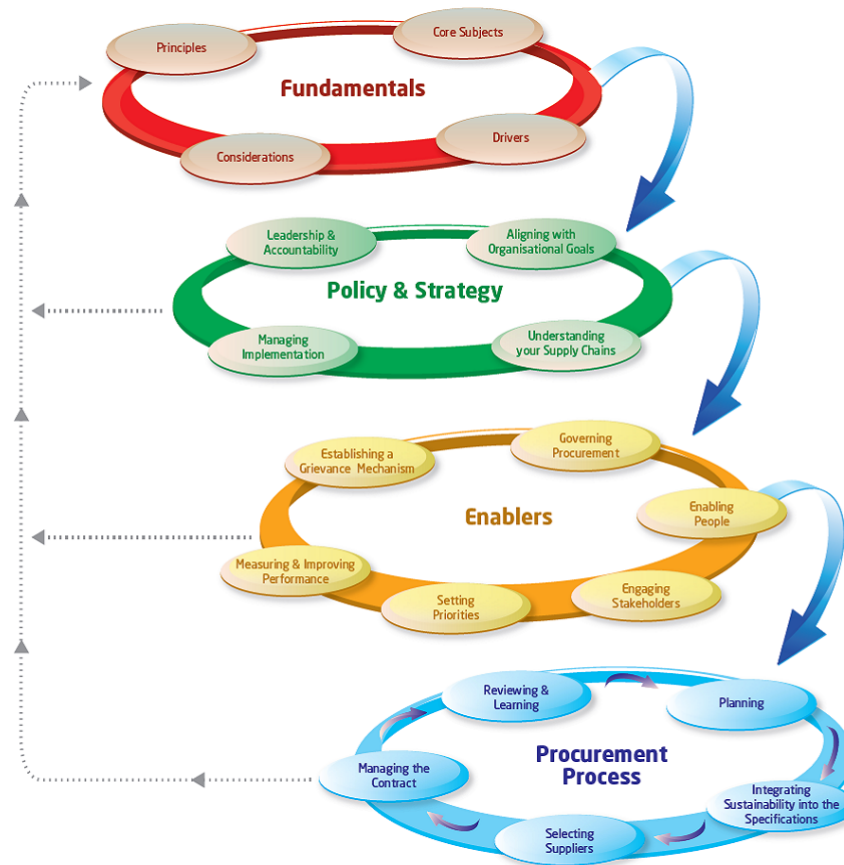
How School Partners contribute social value to communities



CONTRIBUTING TO COMMUNITIES (CONTINUED)

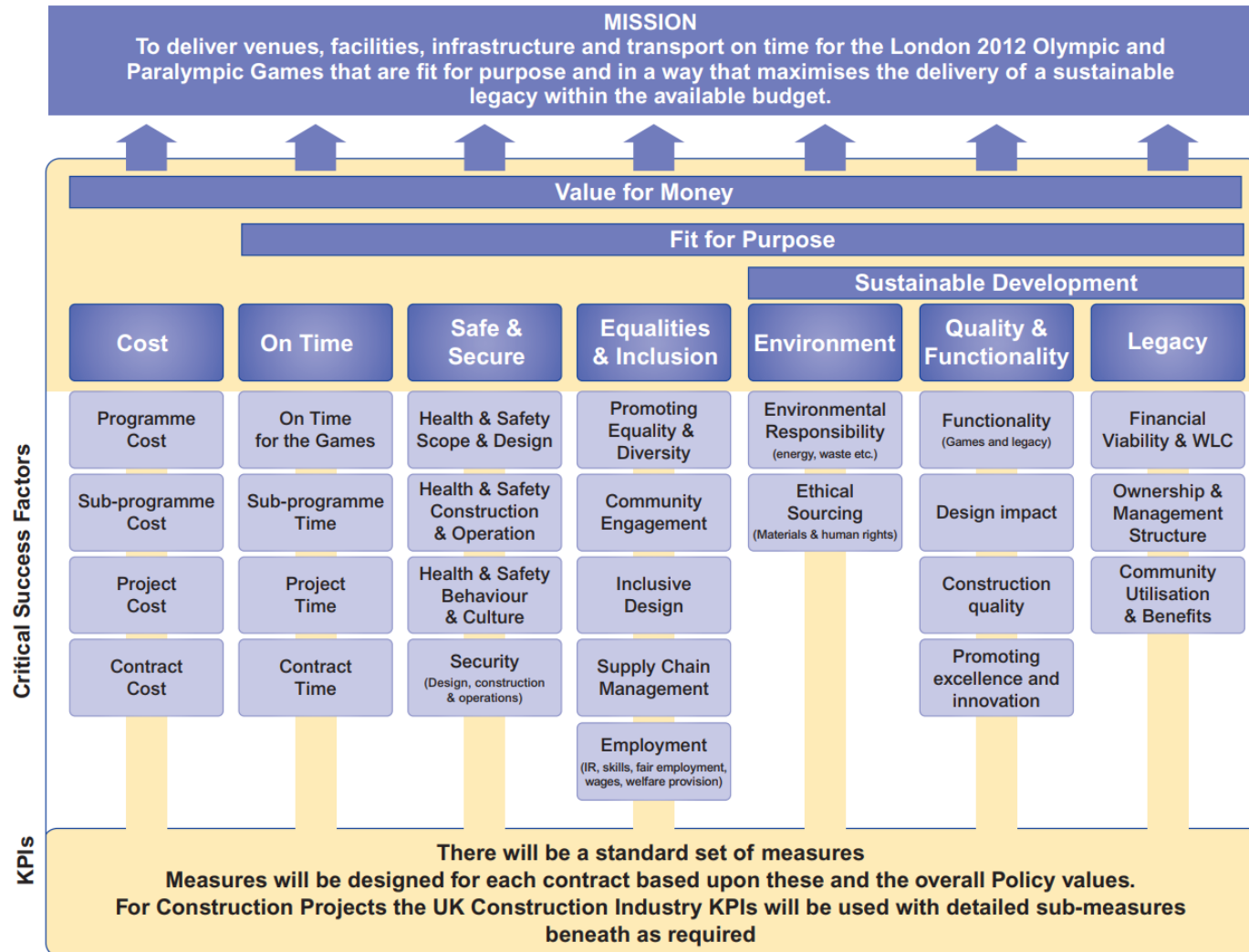
- **'Other'**: Sponsorship of local sports clubs. Charitable company golf day (10 beneficiary organisations receive proceeds). 'Helping Hand' volunteering days. Volunteering with local charities. Sharing skills with community organisations to help them grow. Cycle to work scheme. Electric vehicle (EV) charging points in communities. School workshops run at head-office and project locations. STEM Ambassadors (e.g. to attend schools and colleges and explain jobs in the built environment). Working with care leavers through a charity and a local authority. Working in harmony with communities we operate in. Housing for homeless.

PROCURING FOR SOCIAL VALUE



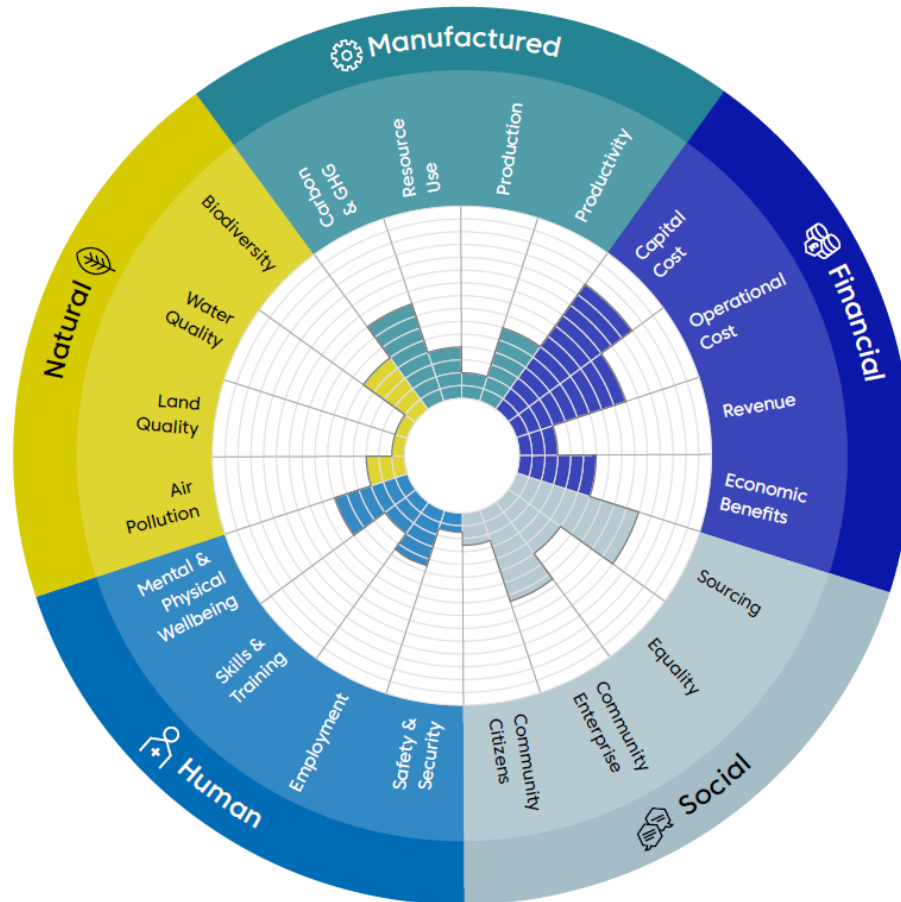
ISO 20400 framework for sustainable procurement

BALANCED SCORECARD



PROCURING FOR VALUE – TO BE ROLLED OUT IN 2021

Assigning 5-Capitals Weightings



Example Project Value Profile

Different types of Indicators and metrics

e.g. Number of young people benefiting from taking part in scheme

Review

Plan



Measure
Outputs &
outcomes
- impacts



Do
Inputs

e.g. Number of hours employees spent volunteering on a 'Try traveling by train' scheme



e.g. Number of young people with increased confidence as a result of taking part in scheme



$$\begin{aligned} &\text{Social impacts} \\ &\quad \times \\ &\text{Monetised values} \\ &\quad = \\ &\text{Social value} \end{aligned}$$



There are a number of publicly available and licensed social value banks that provide pre-defined lists of monetizable social value metrics and indicators.

More and more organisations across different industries are using these banks as a starting point for standardising their assessments into social value to better understand positive and negative impacts from their activities. Relevant value banks include:

HACT social value bank (HACT):

- Pro: Publicly accessible library and metrics cover a broad range of impact areas
- Con: Limited ability to record and calculate progression of performance.



National TOMS:

- Pro: Nationally recognised and increasingly used in tendering
- Con: Limited scope and description of metrics and/or support for reporting findings with qualitative and other quantitative metrics.



Common Social Impact Framework for Rail (CSIF):

- Pro: Combines financial proxies with quantitative and qualitative metrics in one space.
- Con: Designed specifically for the rail industry so limited in its application to other sectors.

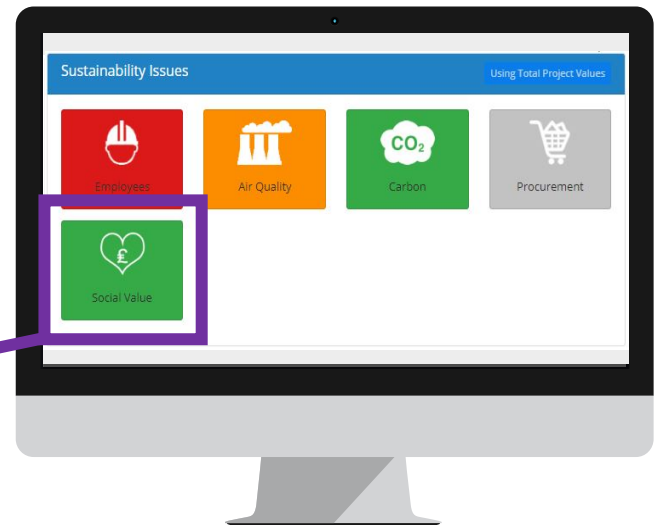
A Common Social Impact Framework for Rail

Metric	Monetised value	'Robustness' of monetised value	Who benefits to this £ value?
Number of hours of volunteer leave (or equivalent) used / provided	£14.65 per hour of volunteering provided (National TOMS)	Red (non-robust) because it's a measure of community investment rather than social impact	?
Number of people volunteering at least once per month for at least two months	£3,249 per adult volunteer per annum (pro rata); where they volunteers at least once per month for at least two months (HACT Social Value Bank)	Green (robust) – because its based on outcomes and calculated in a manner compliant with UK Treasury Green Book principles	The person volunteering; in 'wellbeing'
Number of young people with high confidence]	£9,283 per youth per annum (HACT Social Value Bank)	Green (robust) – because its based on outcomes and calculated in a manner compliant with UK Treasury Green Book principles	The young person benefiting from the activity; in 'wellbeing'

Reporting Process - Overview

The process for reporting and monetising social performance through the Tool is simple:

1. Data gets reported against a metric
2. The indicator is calculated from the corresponding values in the bank (using conversion factors to apply the relevant financial proxy)
3. The monetised value shows up in your dashboard

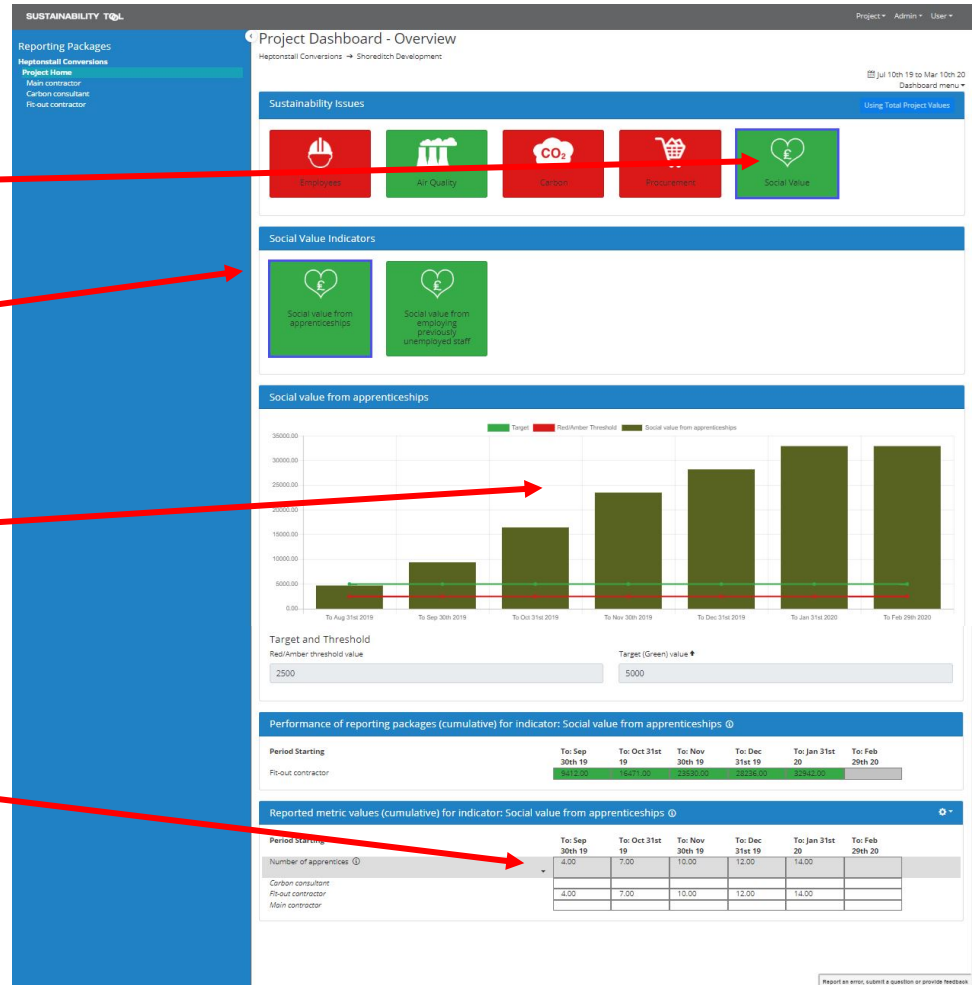


<https://uk.sustainabilitytool.com/>

Monetised Social Performance

Dashboard Features

1. Social Value issue tile (RAG rated)
2. Social Value Indicator tiles – completely customisable to each client.
3. Data graphs show cumulated monetised social value, accounting for both benefits and disbenefits.
4. Data tables show the reported base units providing reference to monetised performance.



Example social impact reporting – London Bridge station redevelopment

66 previously unemployed local (Southwark) residents entered and remained in work

Social value of 66 unemployed people gaining full time employment: £949,080 (plus £1,020 each for any that have children aged 11 to 15).

24 recruits to the Thameslink Sultan Apprenticeship Programme; 14 have, so far, successfully completed apprenticeships, are now in skilled, full-time employment.

At least 193 job opportunities shared with people around major works; offering wages of c £6m per annum



The difference we are making

Reporting our social value achievements from 2017



www.wilmottdixon.co.uk
All stats are for Wilmott Dixon and our sister companies Be and Forbm



The IMPACT of our activities in the community



Design

- Publication “Social Value and Design of the Built Environment”
- “Where can I find out more” information
- www.supplychainschool.co.uk/socialvalue then click through



Construction & asset use

- Briefing paper & Appendices (e.g. Tools & frameworks)
- Videos & case studies
- 2 part e-learning module
- www.supplychainschool.co.uk/socialvalue



SUPPLY CHAIN SUSTAINABILITY



Thank you!



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