

# The webinar will commence shortly

14:00 BST Thursday June 4th



# SVP WEBINAR The Art of Social Value Contract Management

#### Your Hosts and Panelists for today



**Guy Battle**CEO
The Social Value Portal



Terry Brewer

Head of Public Sector Delivery

The Social Value Portal



James Hunter
Head of Strategic Procurement
STAR Procurement



Carol Glenn

Social Value Programme Manager

Solihull MBC



#### Content

Welcome

Introductions to the Speakers

Format and Protocols

Social Value Contract Management

Thoughts from the coal face

- James Hunter, Star Procurement
- Carol Glenn, Solihull Metropolitan Borough Council

Panel Discussion

Q&A





### Social Value Portal

The Social Value Portal is the market leader in social value measurement and reporting.

Our management tool helps organisations calculate their social value in terms of environmental, social and economic contributions.

We want to help you to measure, manage and maximise your broader contribution to society.

#### **MEASUREMENT**

A nationally approved accounting methodology for measuring social value in terms of economic, environmental and social impact

#### **PROCUREMENT**

A procurement platform for social value to help organisations manage the tender process and to unlock social value in the supply chain

#### CONTRACT MANAGEMENT

An interactive solution designed to help organisations set targets and manage performance and store evidence

#### RFPORTING

Live reporting with interactive dashboards and displays including geospatial mapping of value by area







The TOMs are mapped against the Global Goals







#### What have we delivered to date?

The additional value created for communities through the social, economic and environmental inittaives an organisation takes or delivers through its projects

£13.8bn

Total value of contracts through portal to date

£2.1bn

Total local spend

705,000

Total no. volunteering hours unlocked

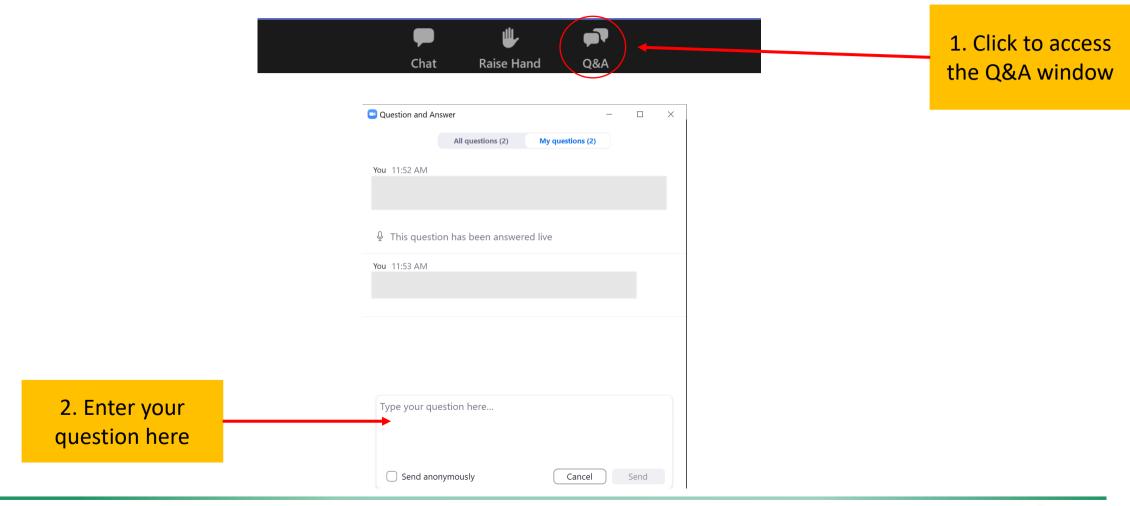
1,480

Total no. jobs registered for disadvantaged people +25%

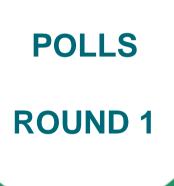
Average % social value delivered across public sector procurements



#### How and ask a Question

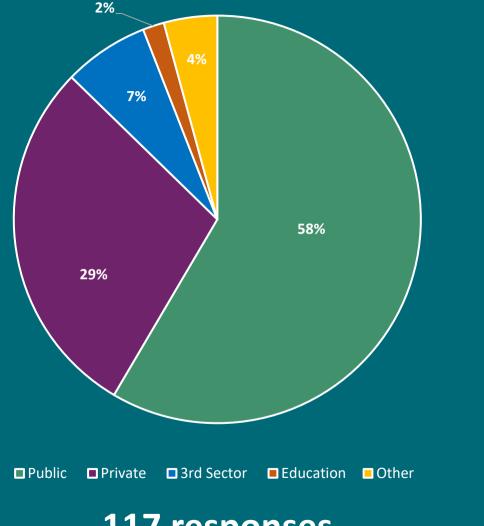




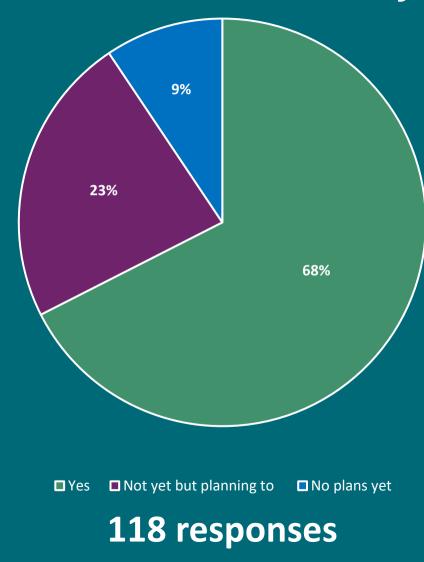


- 1. What sector are you from?
- 2. Do you ask for social value in your tenders?
- 3. What % weighting do you use in your tenders for social value?
- 4. BUYERS: Have you had any instances where a contractor has failed to deliver on social value offered?

#### 1. What Sector are you from?

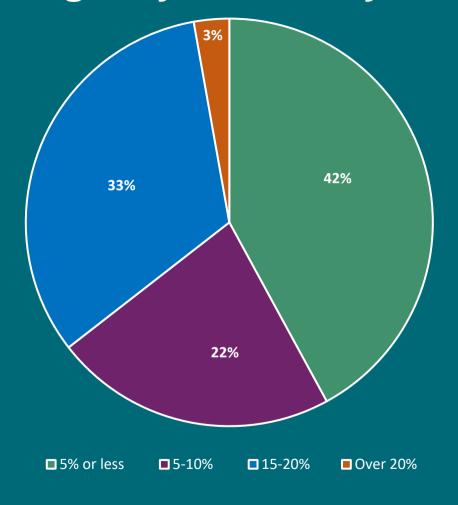


#### 2. Do you ask for social value in your tenders?

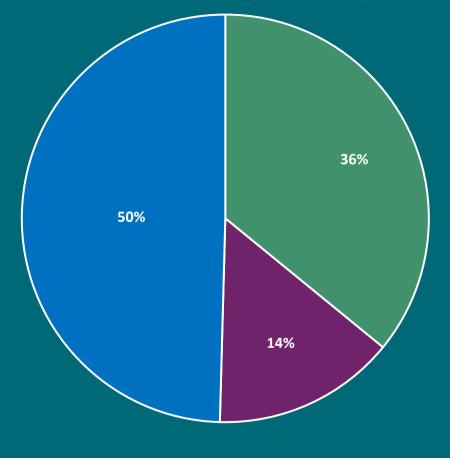


10 | Social Value Portal - Investor Desk

#### 3. What % weighting do you use in your tenders for SV?



## 4. BUYERS: Have you had any instances where a contractor has failed to deliver on social value offered?



■ Yes ■ No ■ Not Relevant

## The Art of Social Value Contract Management

Terry Brewer, Public Sector Lerad, Social Value Portal

Cindy Nadesan





#### Why is Contract Management Important?

Public Sector Organisations are concerned that:

- it is sometimes difficult to turn SV commitments made by winning bidders into tangible deliverables
- contractors are failing to deliver with the result that expected SV benefits are not being realised during the contract term.

Weightings in procurement are increasing.....

Social Value Weightings in Local Authority Procurements	
Birmingham	10%
Bradford	10%
Bristol	20%
Coventry	10%
Enfield	5%
Essex	10%
Manchester	20%
Redbridge	10%
Sheffield	15%
Solihull	<b>5%- 15%</b>
Southwark	10%
STAR	<b>15% - 20%</b>
Waltham Forest	10%
Wirral	10% - 15%
WMCA	<b>5% - 20%</b>



#### Good SV Contract Management Starts Pre-Procurement

#### The more you put in at the start the more you'll get out:

- Pre-market engagement
- Tender documentation set out working relationship,
   SV outcomes and measures, provide basis for enforcement

#### Importance and clarity:

- The importance organisation places on social value *i.e. through weighting*
- What the organisation means by social value i.e. by using the TOMs
- Ensuring that social value outcomes are linked to the organisation's priorities



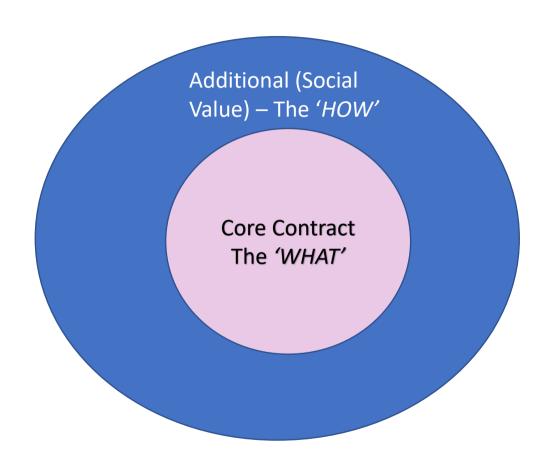
**Contract Management Cycle** 



#### **Key Points**

#### Key points to include in contract documentation

- Delivery timing of SV offers
- Change mechanism
- Continuous improvement
- Contractualisation of offers
- Focussed questions that deliver focussed offers
- Be clear that you want 'additionality' for the contract not core contract





#### Working with Clients to Avoid Pitfalls of Contract Management



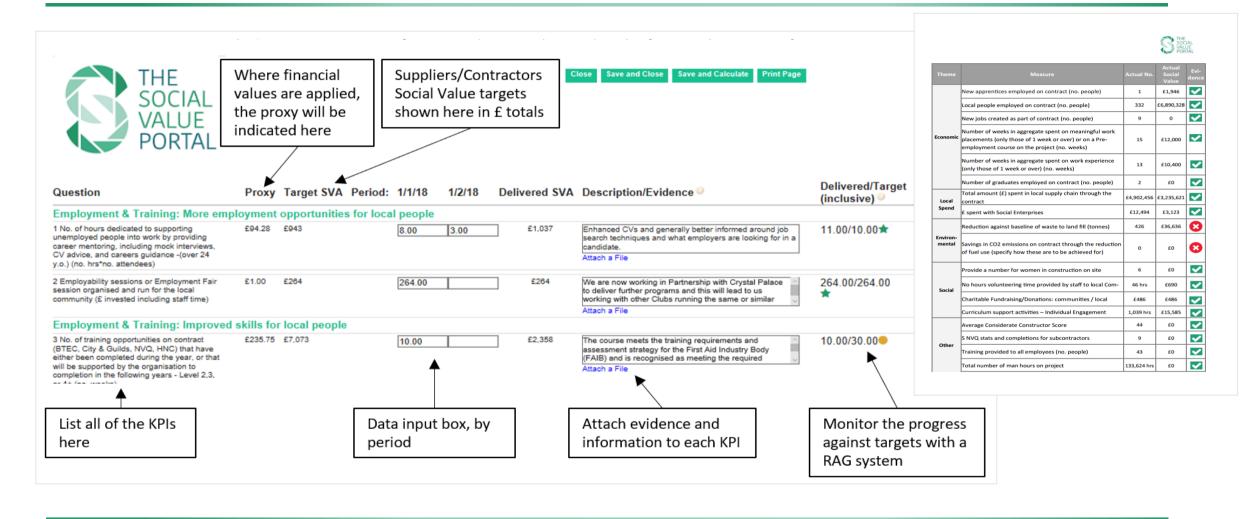
We work with clients to bespoke the TOMs framework to reflect the specific needs and priorities of contracting organisations providing clarity on scope & goals and engaging stakeholders early on in the process which enables the legal team to ensure that appropriate clauses are included in contracts

- The TOMs framework provides the flexibility for change during the contract term
- The Social Value Portal uses technology to simplify the handover and performance management process with our team quality assuring the data and evidence of benefits delivered

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#### Contract Management on the Portal





#### What if it all goes wrong?





#### Remedies: techniques that might be employed

#### **Negotiation**

Maintain overall SV % but find alternative measures

#### **KPIs**

#### Liquidated damages

 In the event of any non-delivery of SV offers made the council will calculate the cost to it of providing the SV not delivered and will recover those costs

#### Retention

 Relate retention to either est. profit or SV% as part of overall contract value

KPI [insert KPI number]	Social Value Delivery
Performance Standards:	Social Value was defined and set out by the Public sector organisation in the tender documentation. The contractor committed to delivery of a programme of SV targets during the contract and is required to adhere to this programme. Monitoring against performance will be reviewed at Quarterly meetings with the contractor. In preparation for these meetings the contractor is required to provide details of SV commitments d and evidence that they have been delivered.
Porformance points:	

#### **Performance points:**

[XX] points for a failure to deliver on any SV target in any Monitoring Period with a 10-calendar day rectification period.



#### What if it all goes wrong?

#### BUT...

Remedies should be viewed as a last resort; the establishment of good relations with the contractor is essential.

Social Value is about creating additional well-being and this is most often accomplished through the building of positive relationships that look for opportunities and mutually beneficial solutions.

Its worth remembering...

The vast majority of contractors are committed to delivering Social Value

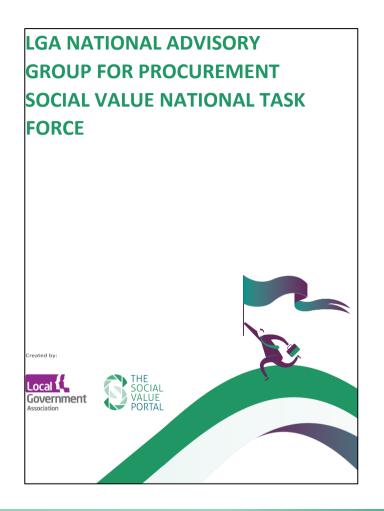




#### National Social Value Taskforce

The NSVTF has produced a Guidance document that collates good practice from across the public sector to provide public sector organisations with tried and tested methodologies to enable successful delivery of SV through simple and clear processes.

https://socialvalueportal.com/performance
-contract-management/

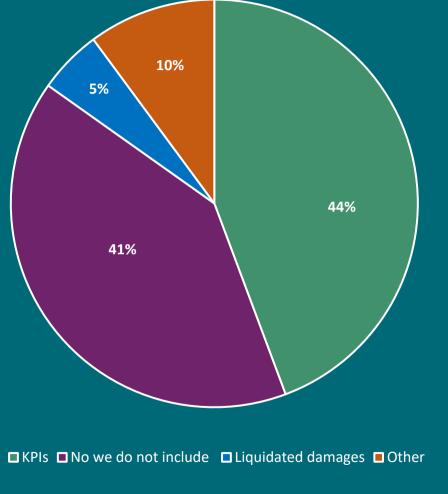




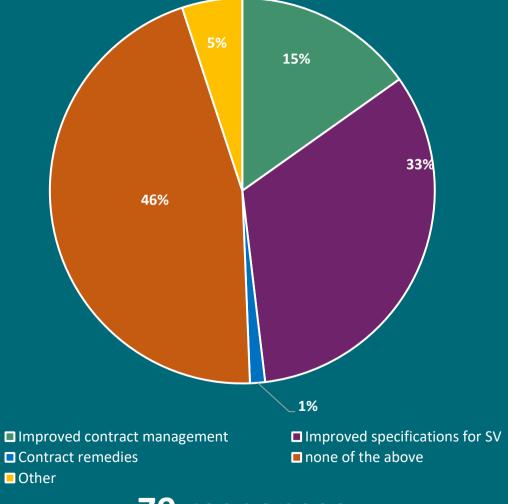


- 1. BUYERS: Do you include remedies in your contracts for social value delivery failure?
- 2. SUPPLIERS: What would incentivise you to provide better delivery of social value?
- 3. BUYERS: Have you ever had to apply remedies for non- delivery of social value?

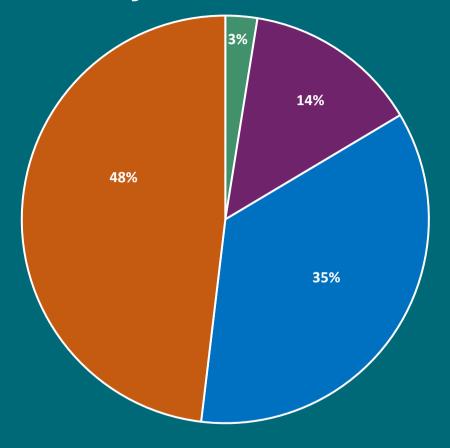
1. BUYERS: Do you include remedies in your contracts for social value delivery failure?



## 2. SUPPLIERS: What would incentivise you to provide better delivery of social value?



## delivery of social value?



■ Yes, Often ■ Yes, but only a few times ■ Not at all ■ We do not include remedies



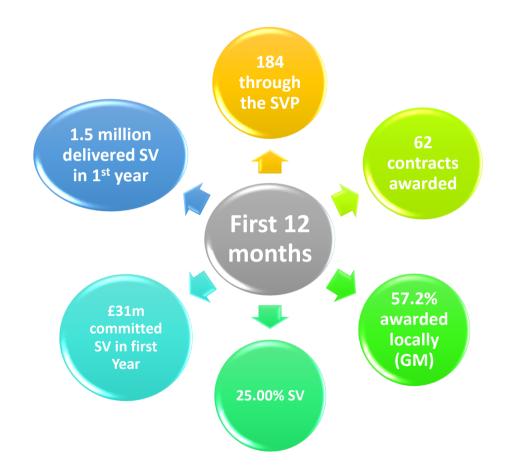
#### James Hunter Head of Strategic Procurement





#### **Activity and Outputs**





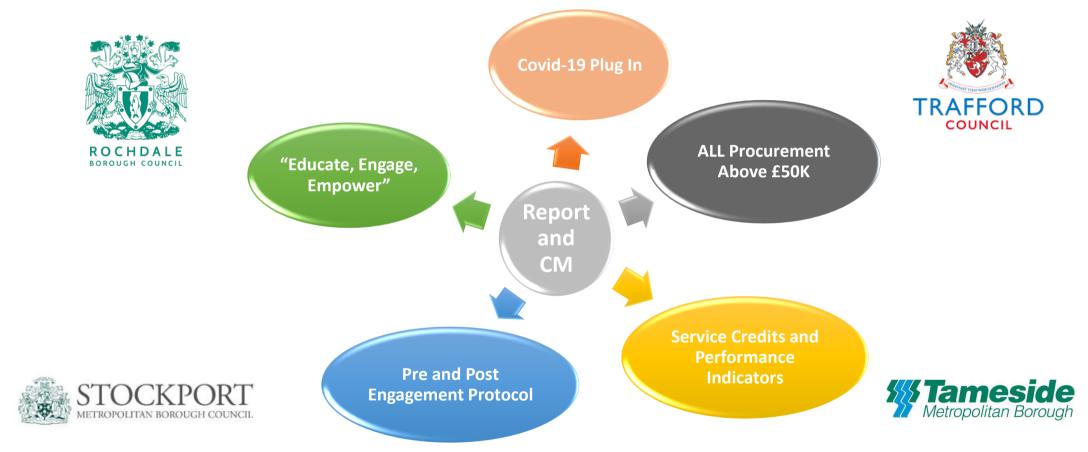








#### Why Contract Management Works?





#### **Key Lessons Learned/What's Next?**











#### **Social Value in Solihull MBC**

**June 2020** 

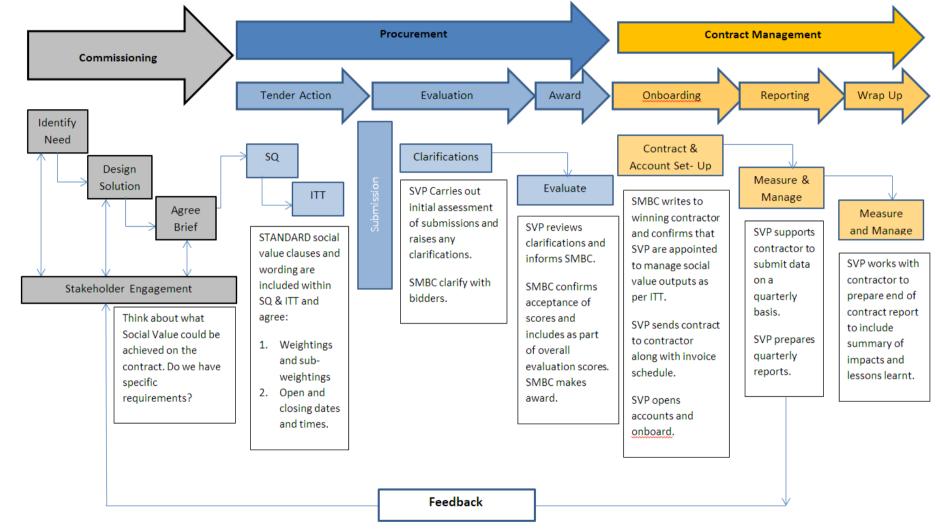
**Carol Glenn Social Value Programme Manager** 







## When should we consider Social Value?







### **Challenges**

- Stakeholder buy-in
- ❖Pre market engagement is key
- Raising Awareness
- School Visits
- ❖The missing link





#### **Case Studies**

- Stationary
- School Tills Cashless Catering
- "Menu of Opportunities"
- **❖**COVID-19





Carol Glenn Social Value Programme Manager Solihull MBC 0121 704 8212 cglenn@solihull.gov.uk





## Q&A and Panel Discussion

7<sup>th</sup> April 2020

Anna McChesney-Gordor
Sol Tannir
Cindy Nadesan



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## With Thanks For more information contact

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