



Social Value UK,
Graeme House,
Derby Square,
Liverpool L2 7ZH

Dear Friends and Colleagues,

PROCUREMENT AND SOCIAL VALUE

This letter sets out the critical contribution that the UK procurement profession, commissioners and social value practitioners can make to embedding social value into an organisations approach to procurement. I believe that for social value to be maximised requires organisations to embed social value into its procurement strategies, policies and operating practices. This letter invites your participation in the Contract for Change programme by sharing existing best practices and case studies to incorporating social value into procurement while working with colleagues to develop and design best practice approaches.

We want to capture as many insights and contributions from as broad a range of stakeholders as possible, so please see procurement in the context of this letter incorporating commissioning, procurement and commercial functions.

1. Background

Social Value is an internationally recognised definition of value that incorporates broader factors such as racial and gender equality or environmental impact alongside traditional, financial outcome measures when decision making. Embracing a broader definition of value has enormous potential to change how we understand the world around us, and the decisions we take on where to invest our resources.

I have recently been appointed as a Non-Executive Director at Social Value UK to help increase the impact procurement and procurement professionals can have in shaping and advancing social value thinking and practice.

To this end, I am working pro-bono with Social Value UK to bring together volunteers to collaborate with us, to expand our professional influence to create greater social value. This work will involve the development of procurement approaches, techniques and the dissemination of expertise.

I believe this initiative is a major opportunity for the procurement profession to make a significant contribution to a national policy initiative which has implications at every level of society and within each of the organisations we work for and organisations we work with.

Considering this challenge, I believe that it can be best met by harnessing know-how from procurement and social value practitioners from across civil society, the public and private sectors. The intention being to approach development in an inclusive and collaborative manner, informed by a wealth of talents and experience incorporating current best practices and developing new and innovative approaches.

2. Social Value UK / Social Value International

Social Value UK is one of a number of national network organisations established across the globe working to embed best practice in social value, build awareness and influence policy. Social Value UK is a not for profit organisation, that is growing the UK's national network for social value, building upon the standards and global best practices established through Social Value International.

Further detail about Social Value UK can be found below and in attached PPT.

<http://www.socialvalueuk.org/about-social-value-uk/>



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Social Value Network UK | Limited by Guarantee | Company Number SC322057
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Social Value International is a member led charity which shares a common goal to change the way society accounts for value. Social Value International works with its members in the development and implementation of core principles for social value measurement and analysis, to refine and share practice, and to build a powerful movement of like-minded people to influence policy.

Further details for Social Value International can be found at:

<http://socialvalueint.org/>

3. The Opportunity

Approaches to implementing social value within procurement have taken great strides forward over recent years. This has included the development of legislation and policy, while various practical techniques such as measurement tools and methodologies have been adopted. Both procurement professionals, stakeholders and suppliers now have a far greater understanding of the potential of social value, with many procurements already incorporating specific social value evaluation criteria.

The opportunity today is to amalgamate existing work and create an extensive and readily available body of best practices that will enable practicing professionals and organisations to embed social value more effectively into strategic and operating practices. I want to create a broad 'principles-led' approach to social value that can be embedded throughout an organisation from functional strategy all the way down to detailed procurement operating practices. This would include embedding social value creation in:

- Organisational procurement strategy development;
- Business planning and business case development;
- Procurement and commissioning policy, governance and processes;
- Category management, including pre-market engagement, specification development, sourcing, contract management and SRM;
- Performance management, measurement of outcomes and Social Return on Investment (SROI).

4. The Approach

To gather examples of best practice procurement approaches across civil society organisations, the public and private sector, then combine, develop and share these to create a suite of strategic and operational approaches, tools, templates and guidance that will benefit all stakeholder groups.

The initial step is to collaboratively establish the following:

- Terms of Reference;
- An implementation plan;
- Best practice guidance;
- Agreed suite of specific tools and templates;
- Develop practical case studies.

The entire approach (relevant documents, e.g. Terms of Reference), process and intellectual property will be made freely available via Social Value UK to add to the body of knowledge that already exists.

5. Governance

As a matter of principle, we want the programme to be inclusive and meet the needs of all stakeholder groups, as such governance can develop and change over time. The mechanism for achieving this inclusivity will be built into the Terms of Reference.



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We have defined our stakeholders as Interested Parties, Steering Committee and Working Groups.

i. Interested Parties

Any person, group or organisation can become an 'Interested Party' by expressing an interest in contributing to the programme or receiving its output. We will provide monthly updates on progress, request feedback on any drafted output and provide further opportunities to contribute.

ii. Steering Group

A group of stakeholders who are prepared to voluntarily commit some time each month to help shape and guide the programme. They will provide expertise and insight into different aspects of procurement, supply networks and social value. We will provide support for the Steering Group, location for meeting and/or remote conference call access, shared document space and secretarial services.

iii. Working Groups

Will deliver best practice content in those areas specified by the steering group. This will include case studies, tools and techniques and best practice guidance.

iv. Programme Management Team

Will comprise volunteers who will work with the existing core Social Value UK team to support and monitor the management and delivery of the programme. We have several people who have already volunteered to the day by day management and development of materials being created to ensure we can support the programme.

The core team coordinating the work currently include:

Catherine Manning – Social Value UK
Jo Parkes Newton – Flying Squirrel
Lindsay Rosul – Apsiz Services

5. Timescales

We intend to hold our first Steering Group meeting on 10th December 2019 and publish Terms of Reference and plan by the end of December.

6. How Can you Help?

i. Get Involved

We want to involve as many people from as wide a range of backgrounds as possible in this work. If you feel you have something to contribute to any of the groups described above, please get in touch by emailing Lindsay.Rosul@apsiz.co.uk by 22nd November 2019.

ii. Contribute

If you have any guidance, case studies, documents or templates to share, please also send these to the following email: Lindsay.Rosul@apsiz.co.uk. This will help us baseline what is already available and inform the outline programme plan.

Thank you for your support and assistance.

David Shields
Non Executive Director Social Value UK

