

# How to capture social value at contract award and ensure measurable delivery

## Your Presenters Today



**Emily Gray**  
Facilitator



**Paula Jarvis** MCIPS  
Presenter



# We are eXceeding

eXceeding are a procurement consultancy and was founded on the principle of providing impartial, best practice procurement advice to all types of organisations, in order to help them achieve the best services and solutions for their needs.



# Recap on Previous Webinars

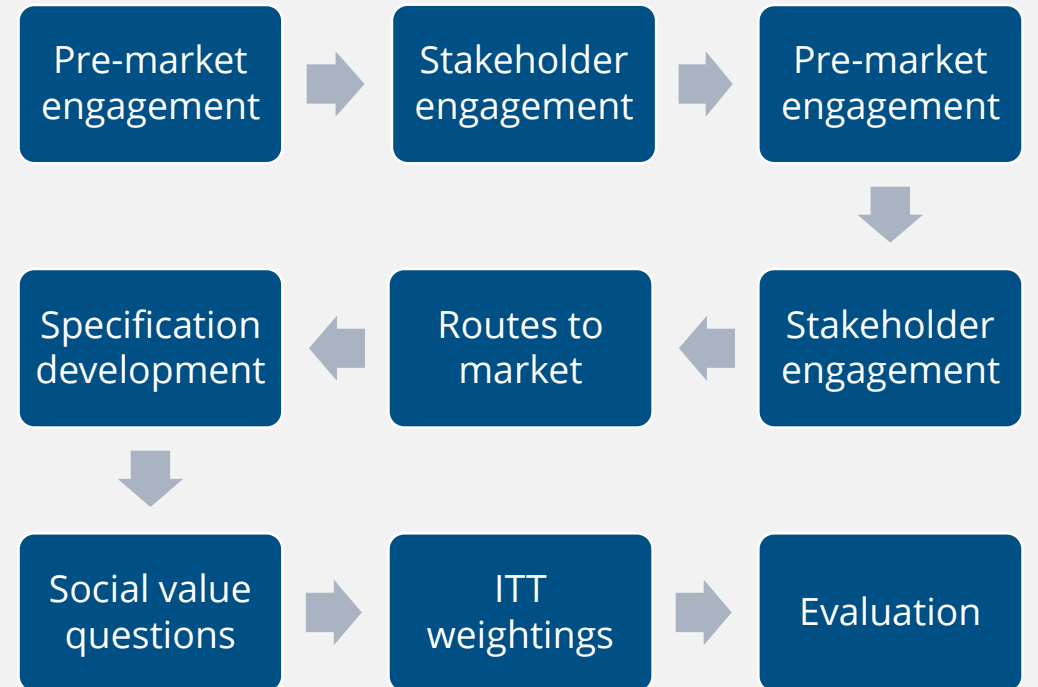
- What is Social Value?
- What is the Social Value Model?
- Are there alternatives to the Social Value Model?
- Where do we start as an organisation?



[www.exceeding.co.uk/blog/webinar-interpreting-and-applying-the-social-value-model/](http://www.exceeding.co.uk/blog/webinar-interpreting-and-applying-the-social-value-model/)

# Recap on Previous Webinars

- Execution process
- Routes to market
- Evaluation process



<https://www.exceeding.co.uk/blog/webinar-identifying-routes-to-market-and-evaluation-criteria-for-social-value-success/>

Please enter examples  
of good Contract  
Management from  
your organisation  
within the chat!

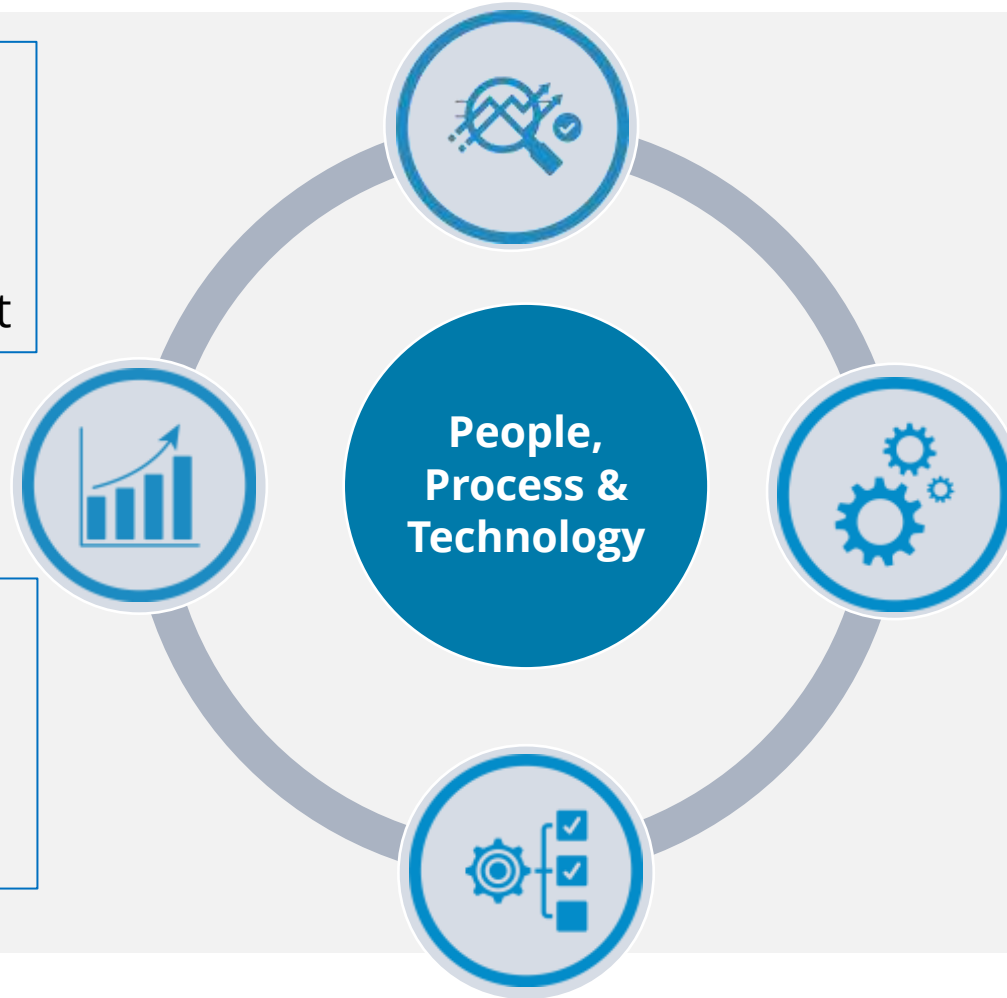
# Where to Start?

## Reporting

- Monitoring
- Aggregating
- Recording
- Continuous improvement

## Contract Management

- Enforcement
- SRM
- SLA & KPI adherence
- Measurement



## Strategy

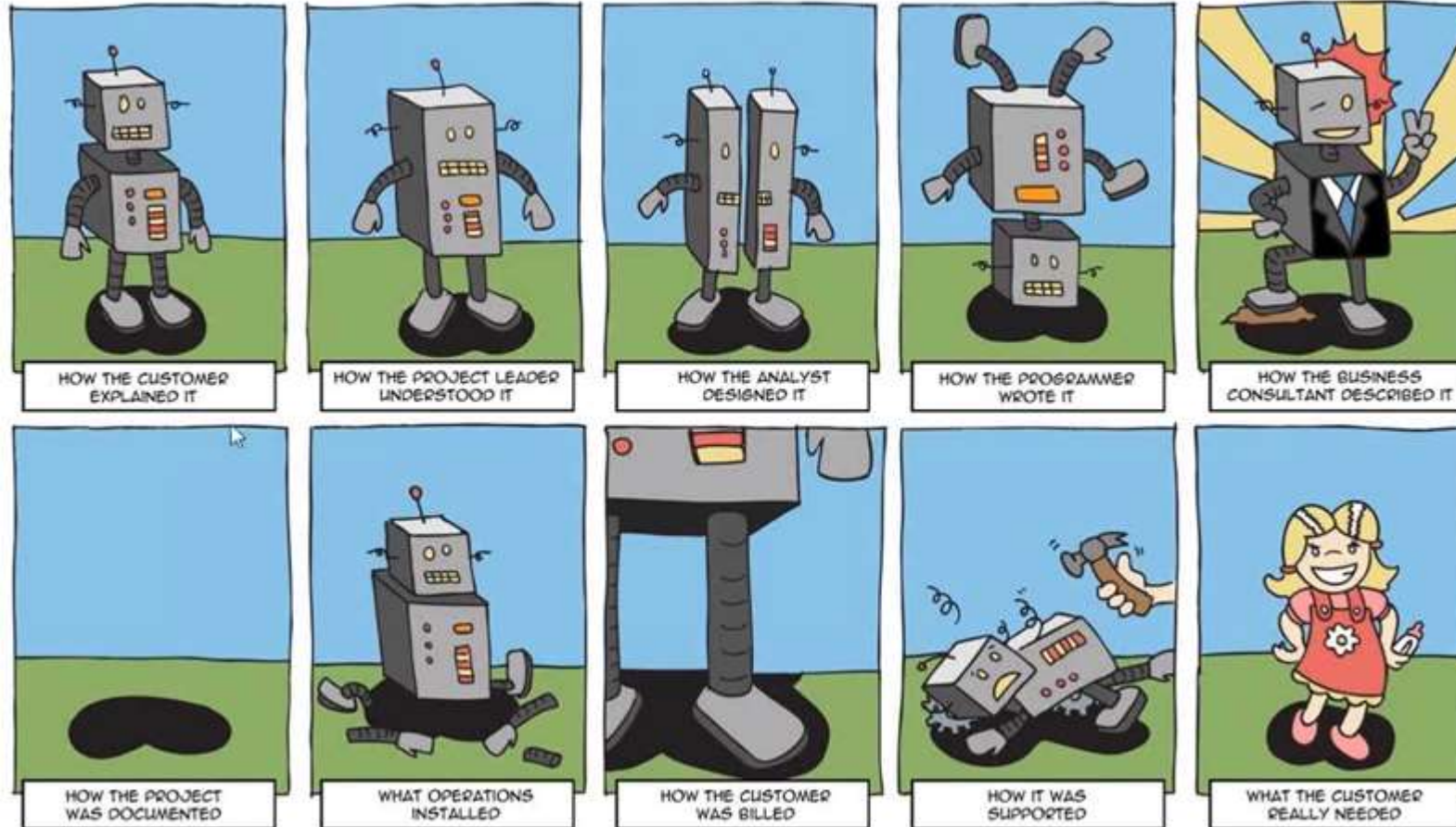
- Maturity analysis
- Stakeholder engagement
- SV policy
- Measurements
- Commitments

## Execution

- Training
- Communication
- Procurement process selected
- Specifications created
- Bidder evaluation



# What is Contract Management?



# Contract Award

- How binding is their response to a Quality Question on Social Value?
- How do I ensure they meant what they said?





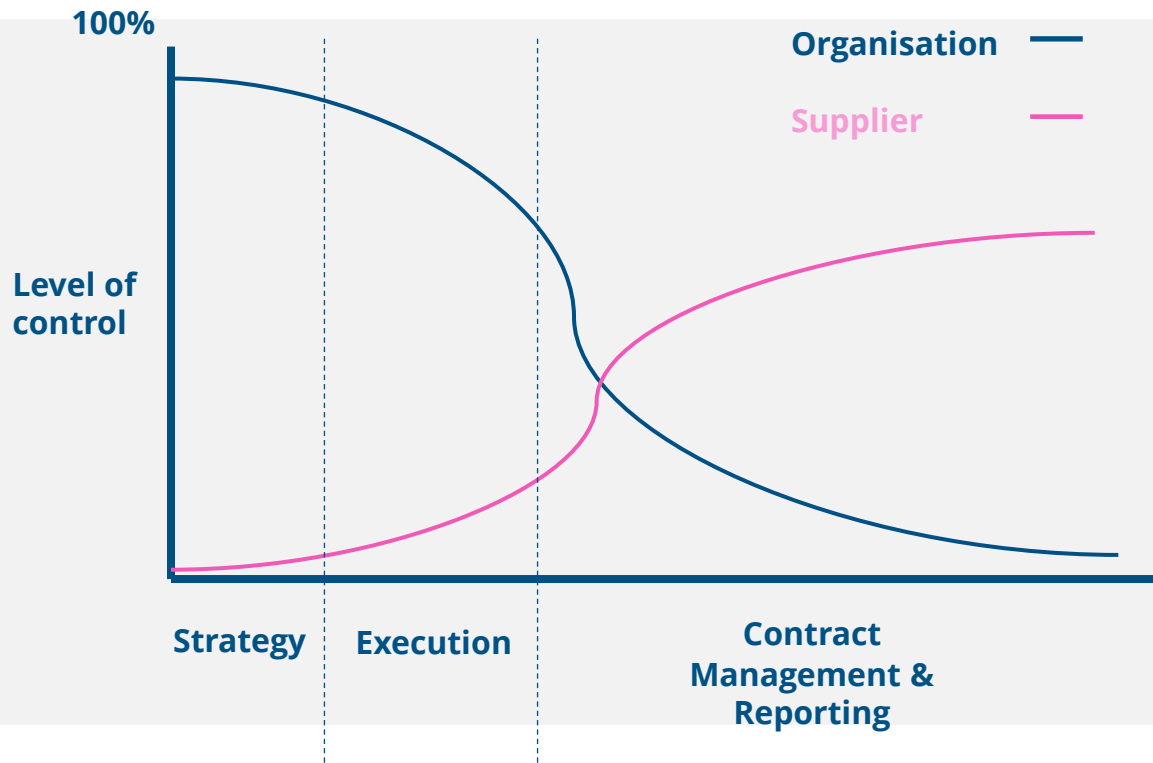
slido



**Where do you think Contract Management should start within your organisation?**

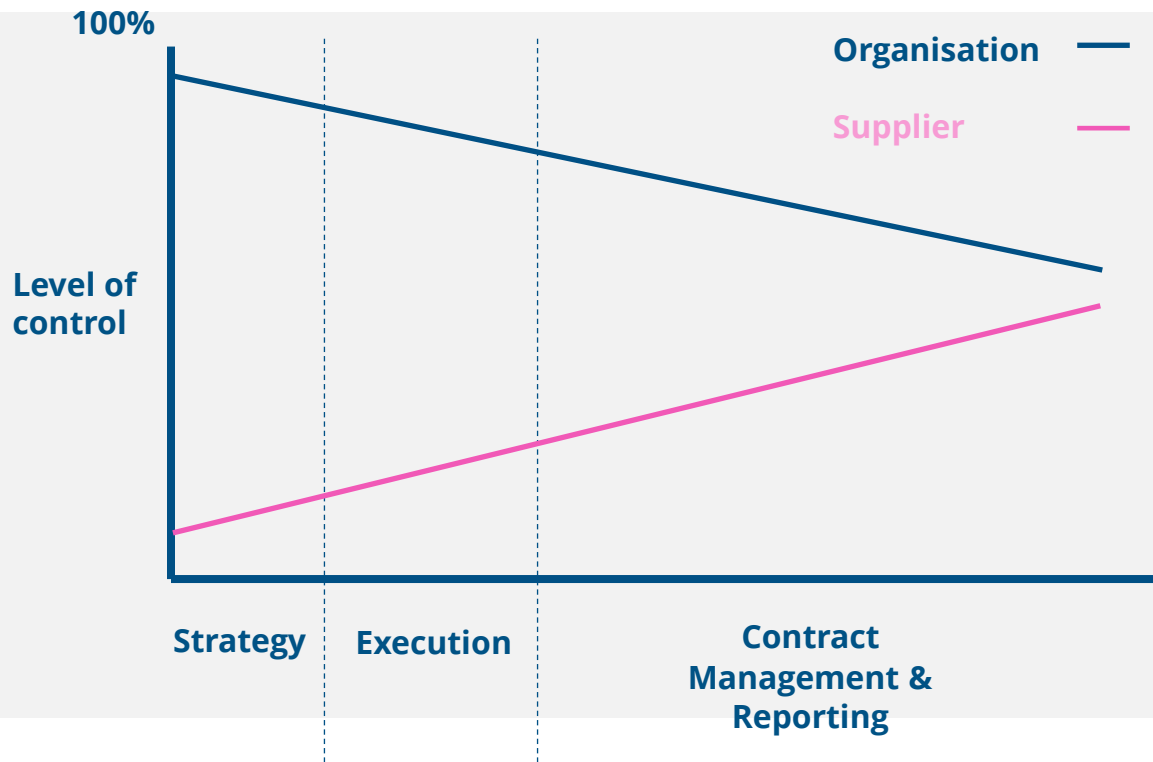
① Start presenting to display the poll results on this slide.

# Reality of Who Has Control Without Contract Management



- Change requests?
- No SLAs or KPIs?
- Service credits?
- Enforcement?

# What Successful Contract Management Looks Like



- Partnership
- What is contracted for is actually delivered
- Innovation
- Cost savings
- The parties want to continue working together

# Essex Case Study

Essex County Council has contributed its experience in achieving savings targets (over £150 million over three years from procurement and contract management).

Essex achieved its savings in part from simple measures such as consolidating contracts. For example, it used to have about 80 separate suppliers for all aspects of highways maintenance, ranging from grass-cutting to design. It has re-tendered these in a single contract, where one supplier manages all the others.

Essex also wanted to active contract management to meet its wider corporate social responsibility objectives. These include such provisions as support for local charities (e.g work experience placements for the Essex Coalition of Disabled People), volunteering opportunities, apprenticeships and providing 'world of work' days in local schools.



Essex County Council

<https://www.local.gov.uk/sites/default/files/documents/L13-795%20Making%20savings%20from%20contract%20management.pdf>

# Caerphilly Case Study

When Caerphilly Borough Council wanted to trial Passivhaus-standard homes, Willmott Dixon constructed 12 one-bedroom apartments in Trethomas and six homes in Trecenydd. All are super-insulated and airtight, reducing energy bills for residents and carbon emissions for the council.



# Supplier Relationship Management (SRM)



Contract duration



Risk



Trust



KPIs





# SLA & KPI Adherence

An SLA is an agreement between you and your customer that defines how your relationship will work in the future. Key performance indicators (KPIs) are the metrics chosen to gauge how well a supplier performed against agreed standards.

How can Social Value be included within my KPI's?



# Measurement

**Why should we measure Social Value in Contracts?** – If you include Social Value within your ITT, but then do not back that up with measuring, reporting and monitoring, there is no incentive for the Supplier to either carry it out at all, or to carry out only the bare minimum.



# Measurement

## Blackpool Council and Leicestershire County Council

1. Create a database that details the social value outputs we have captured at the procurement or contract management stage of the procurement cycle. This will be regularly distributed both internally and externally to ensure that social value outputs are utilised to their maximum potential.
2. Build a suite of case studies to practically demonstrate a range of approaches and outputs we have achieved with social value.
3. Communicate successes widely; encouraging good practice and improve public confidence. (Blackpool only)
4. Consider and trial social value measurement (combining narratives with statistical data), which will ultimately allow more sophisticated use of social value returns within both commissioning and procurement processes.

# Measurement

NHS, as discussed previously as a main priority of Social Value is the Theme Fighting Climate Change, NHS England provided the following for possible use as a question to ask at Tender and how this can be measured after award.

Example of Health Focused Question	Examples of Contract Management
Detail how, through the delivery of the contract, you plan to reduce your carbon emissions (both in your supply chain and embedded carbon within products) through the provision of the product/service	• Supplier to initially submit the annual forecasted baseline for every different type of emissions generated in the delivery of the contract
	• Supplier to detail half-yearly (or as appropriate) the activities undertaken to reduce this impact
	• Supplier to detail the proportion of materials sourced from and/or products manufactured in the UK (or relevant region)
	• Supplier to detail alongside each planned and undertaken activity the emissions reduction (shown in both actual amount and as a % of the total emissions of the tender).

# Enforcement

What if your organisation doesn't have the resources for a contract manager?

- Where should contract management start within the life cycle?
- Stakeholders/budget holder
- Pareto Principle

## Examples of the Pareto Principle at work:

- 20% of your clients are responsible for 80% of your business
- The top 20% of investors own 80% of your company's assets
- The most focused 20% of your effort goes toward 80% of your work



# Reporting and Aggregating

- What's important?
- Why do we ask for social value commitments?
- What do I do with all the data?
- What's aggregating?





# Monitoring and Continuous improvement

- How will you ensure the data is up to date and correct?
- What lessons have you learnt from previous Social Value inclusions in Contracts and how will you use the data to ensure that future contracts will be more successful?



# Success Stories



## Transport and infrastructure sectors in the UK

Since the project was initiated in 2019, TfL's supply chain has created over 5,500 apprenticeships and 5,000 jobs for unemployed Londoners

## Swale Borough Council

The council and the supplier worked together to reduce costs by 12 per cent. This saved the council around £425,000 over the remaining two years of the contract, without damaging service quality.



to be  
inspired is great,  
to  
**inspire**  
is  
incredible



**Head Office:**

2-3 Blotts Barn, Books Road, Raunds  
Northamptonshire, NN9 6NS

**Registered Address:**

20-22 Wenlock Road, London, N1 7GU

eXceeding Limited  
<http://www.exceeding.co.uk/>

