



HOW TO EMBED SOCIAL VALUE INTO PUBLIC AND PRIVATE SECTOR PROCUREMENT

TERRY BREWER HEAD OF PUBLIC SECTOR DELIVERY
SOCIAL VALUE PORTAL

ADRIAN GIBSON PROACTIS
RACHEL MORGAN WEST MIDLANDS COMBINED AUTHORITY
JAMES HUNTER STAR PROCUREMENT
LORRAINE COX STAR PROCUREMENT



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#NSVC20

How to embed Social Value into Public and Private Sector Procurement

National Social Value Conference 2020

Adrian Gibson, Customer Service Director

About Proactis

1000+
enterprise clients

3 million+
users

2 million+
suppliers

100+
countries served

450+
employees

Worldwide
operations

Established
partner network



John Lewis Partnership



Supporting Finance & Procurement to realise digital trade for all

To realise the benefits of digital business processes using our innovative technology...



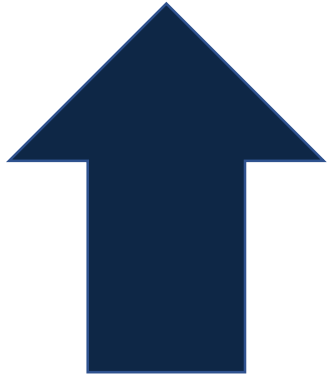
- Allow operations to concentrate on their day jobs.
- Sourcing technology core solution public & private.
- Gaining additional value from contracts/suppliers.
- Connecting buyers and suppliers.
- Partnering with complimentary solutions – SVP.
- Effectively manage or reduce risk to the business.
- Meet Social Value/CSR/Sustainability.

Drive Social Value

- 1) Identify a need.
- 2) Leverage technology.
- 3) Deliver efficient best practice process.
- 4) Develop and deliver a Social Value Strategy with...
- 5) Measurable & auditable results.



Insights



Inclusion of social value in tenders.



Increasing profile of contract management.

bePayd

Support for SME suppliers.

Help suppliers get their invoices paid sooner than they otherwise would have.

By being notified that invoices have been approved for payment and we offer to accelerate them for a discount.

bePayd makes the discounted accelerated payment and the buyer pays bePayd the full invoice value on the scheduled due date.

SMEs have cash flow challenges.

SMEs are often unattractive to traditional funders.

Access to cash can be complex, costly and slow.

Therefore late or slow payments can be crippling for SMEs.

Payment terms from buyers are considered a contributor to SME liquidity challenges.

Buyers have an obligation to stakeholders to optimise working capital.

Buyers can spend a disproportionate amount of time and effort supporting SME suppliers.

Automated notifications and creating access to early payments creates great value to buyers and their supply chain.



78%

of suppliers are
small or non-registered.

66%

of invoices are from
small or non-registered suppliers.

58%

of spend is with
small or non-registered suppliers.

A win-win for suppliers and buyers

Speeds up payment – effortlessly.

Improves suppliers' cashflow.

Strengthens suppliers' relationship with buyer.

Provides certainty that payments will be made.

Reduces unwanted conversations.



Strengthens relationship with supplier.

Demonstrates commitment to a key CSR issue.

Reduces the cost of handling payment queries.

Provides fresh insights into supply chain.

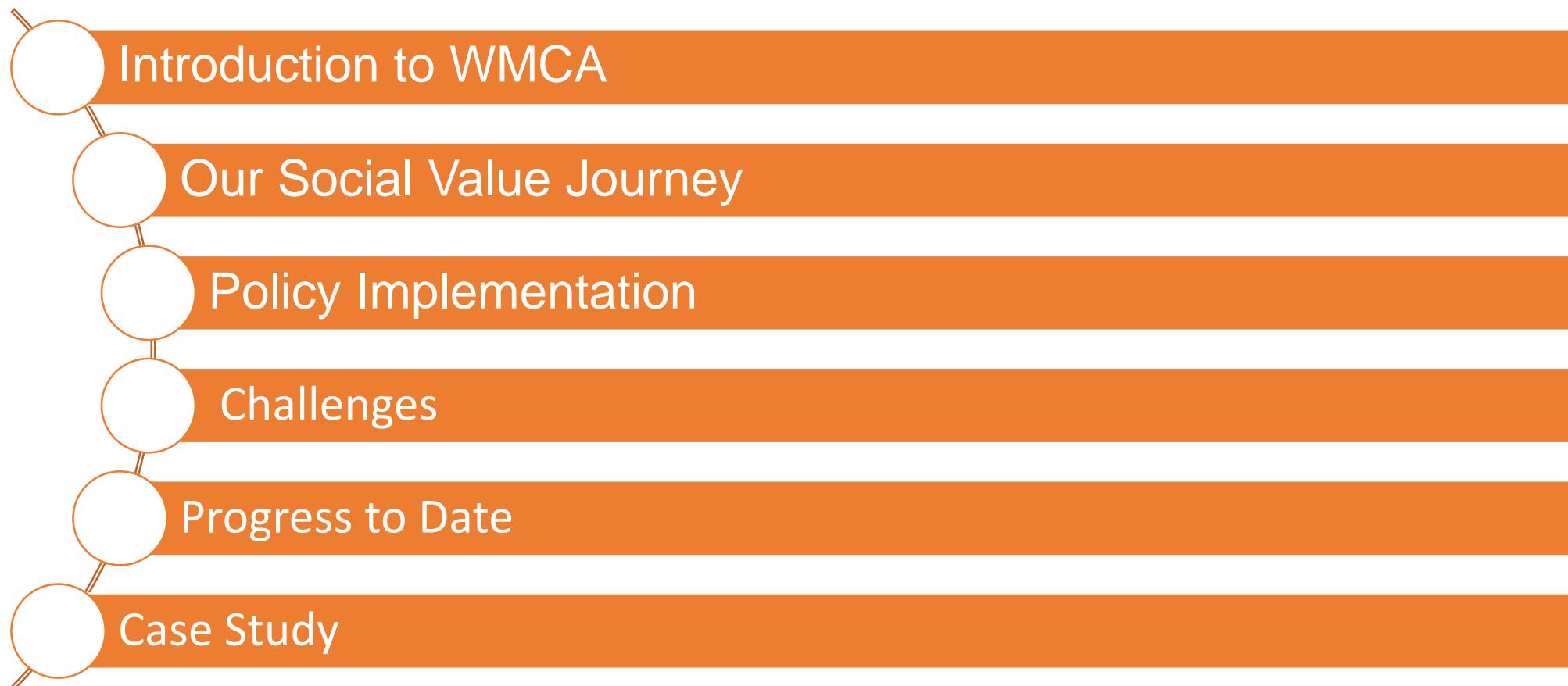
Provides new income opportunities.

**Secure and simple integration
with any finance system.**

Our Social Value Journey

Rachael Morgan, Procurement Manager

Agenda



Who are the WMCA?

We are 18 local authorities and four Local Enterprise Partnerships (LEPs) working together to move powers from Whitehall to the West Midlands and its locally elected politicians, who know this region best.

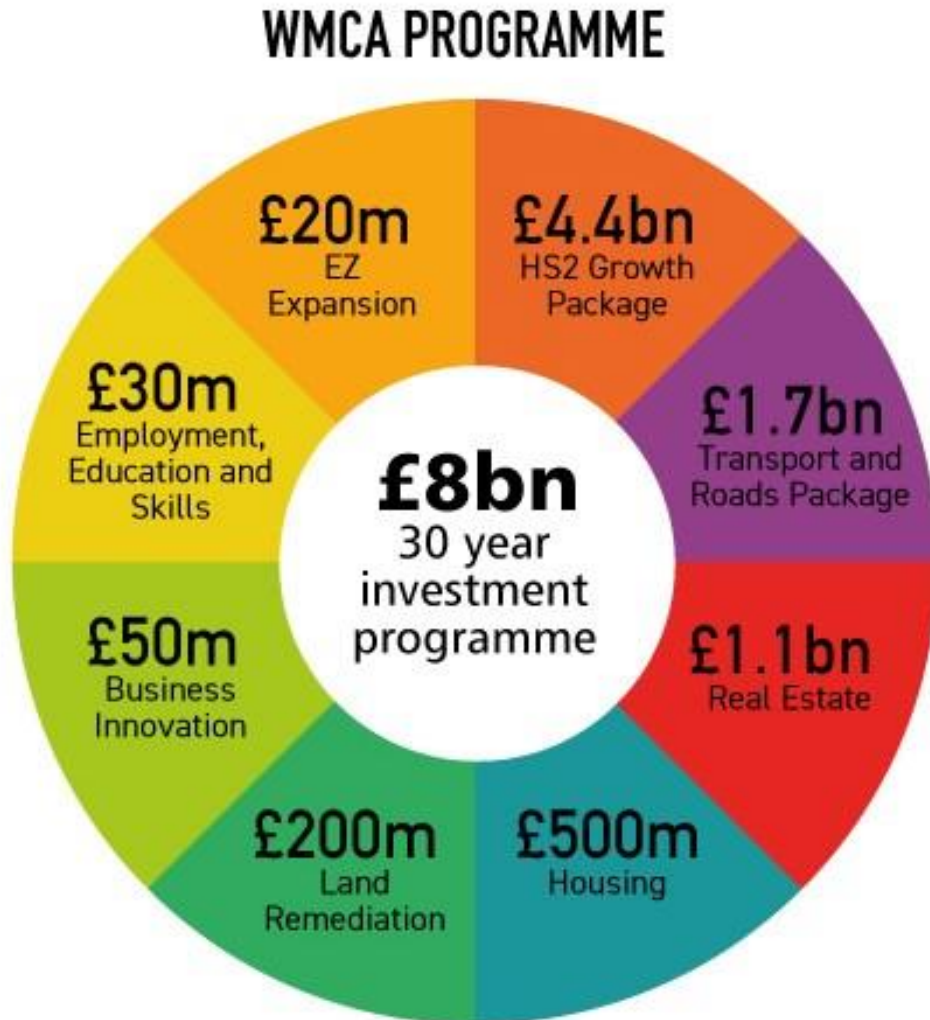
Building a healthier, happier, better connected and more prosperous West Midlands



Constituent Local Authorities



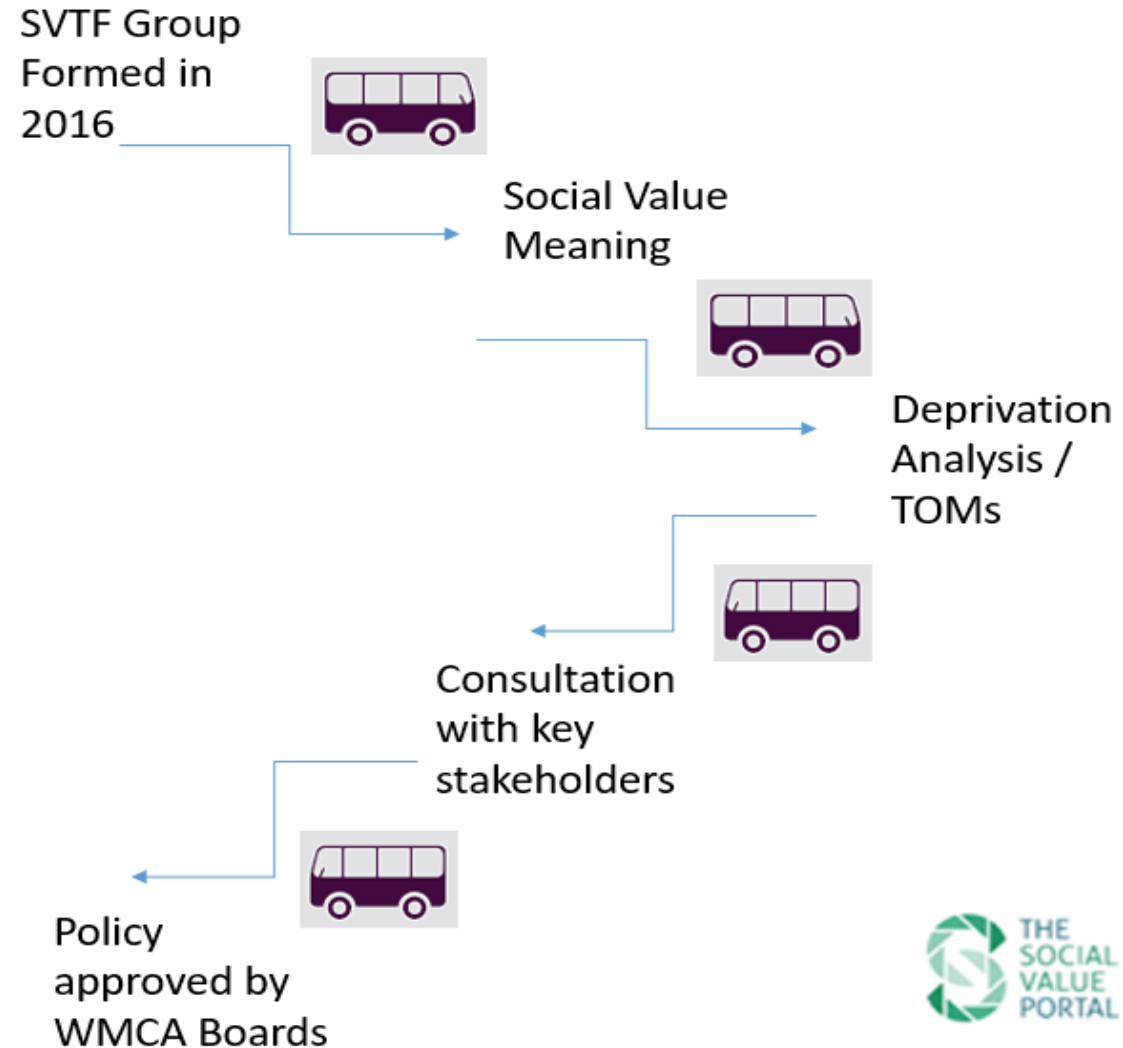
The Strategic Economic Plan



Devolution gives us a once-in-a-lifetime opportunity to change our region and focus on the issues that matter most to the people who live and work here.

Our Journey

- The WMCA Social Value Taskforce Group (SVTG) was formed in 2016.
- Our purpose: A collaborative approach!
- Representation from across the West Midlands
- What Social Value meant to the West Midlands
- TOMS were identified
- Consultation was key!
- September 2017: SV Policy Approved
- November 2017: Policy Launch
- April 2018: Implementation into procurement processes



Benefits of the Policy

A collaborative and
consistent collaborative and
consistent approach

Creation skills and
employment

A clear message to
suppliers and communities

More opportunities for
Small and Medium-sized
Enterprises (SMEs) and
Voluntary, Community and
Social Enterprises (VCSEs)

Addressing the local needs
of citizens

Promoting long term
investment into our
communities

Improving life chance for all

Application in the Procurement Process

Value	Process	Potential Outcomes and Results
Under EU Thresholds*	A light touch social value toolkit Application Themes, Outcomes and Measures (TOMs) included within the procurement process	Innovation around one or two issues such as community volunteering or linking up with a local school. Businesses will be expected to respond to small range of specific opportunities contained within the TOM Matrix. Suggested weighting: 5-10%
EU Thresholds and above*	Procurement Lead Officers will guide specifications and tender documents to ensure that considerations are made at commissioning stage and that TOMs are included within the tender process, ensuring that the evaluation scores and weightings are clearly set out	Businesses will be expected to respond fully to the TOMs matrix and commit to project specific deliverables that will be included within ongoing KPIs. Suggested weighting 15-20%

* For current EU thresholds please refer to <https://www.ojeu.eu/thresholds.aspx>

Implementation



Clear Training
Documents



Bespoke Sessions for
Faith Groups and VCSE



Internal comms to
promote Social Value



Award Winning Team!

Challenges



Stakeholder Buy in



Supplier Buy in



Contractual Commitment



Relevant Reporting



Delivered to Date

WMCA partners with the Social Value Portal to embed social value in its procurements.

Key Figures

- Social Value embedded in
25 contracts
- Engaged with
264 Bidders (111 are local)
- SV delivery completed in
4 contracts

ACCOUNT SUMMARY

Projects in Delivery Phase only

Total Committed Social Value:

£2,522,493.00

Total Delivered Social Value:

£2,532,104.85

Delivered Social Value Add(%):

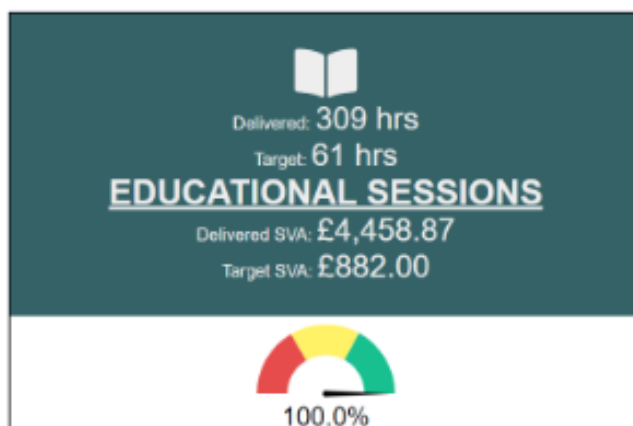
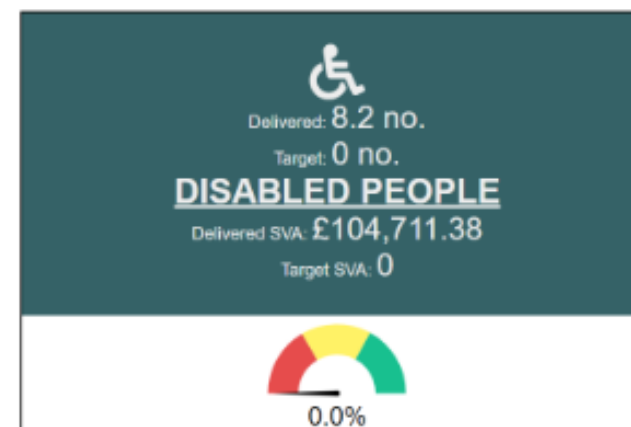
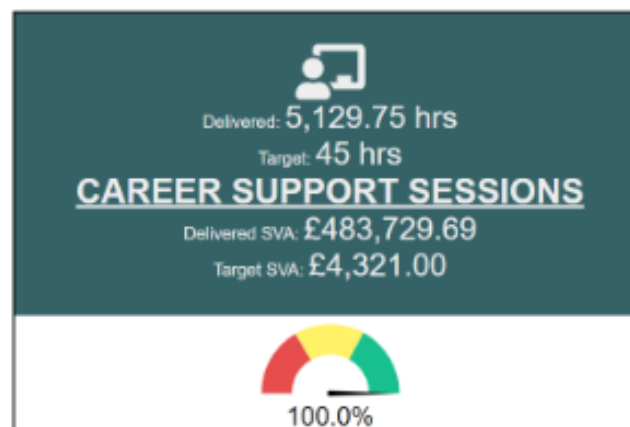
23.41%

Progress Against Targets(%):

100.38%



Delivered to Date – Dashboard



Case Study Example

JOBS & SKILLS



1 LOCAL person
employed on contract



Local people employed on the
contract

20%

SOCIAL

Donations to local
community projects

£10,000

RESPONSIBLE REGIONAL BUSINESS GROWTH

£50,000 Local supply chain spend

100% Contracts including commitments to ethical procurement

Thank you for Listening

If you would like to receive a copy of the WMCA Social Value Policy, please email:

rachael.morgan@wmca.org.uk

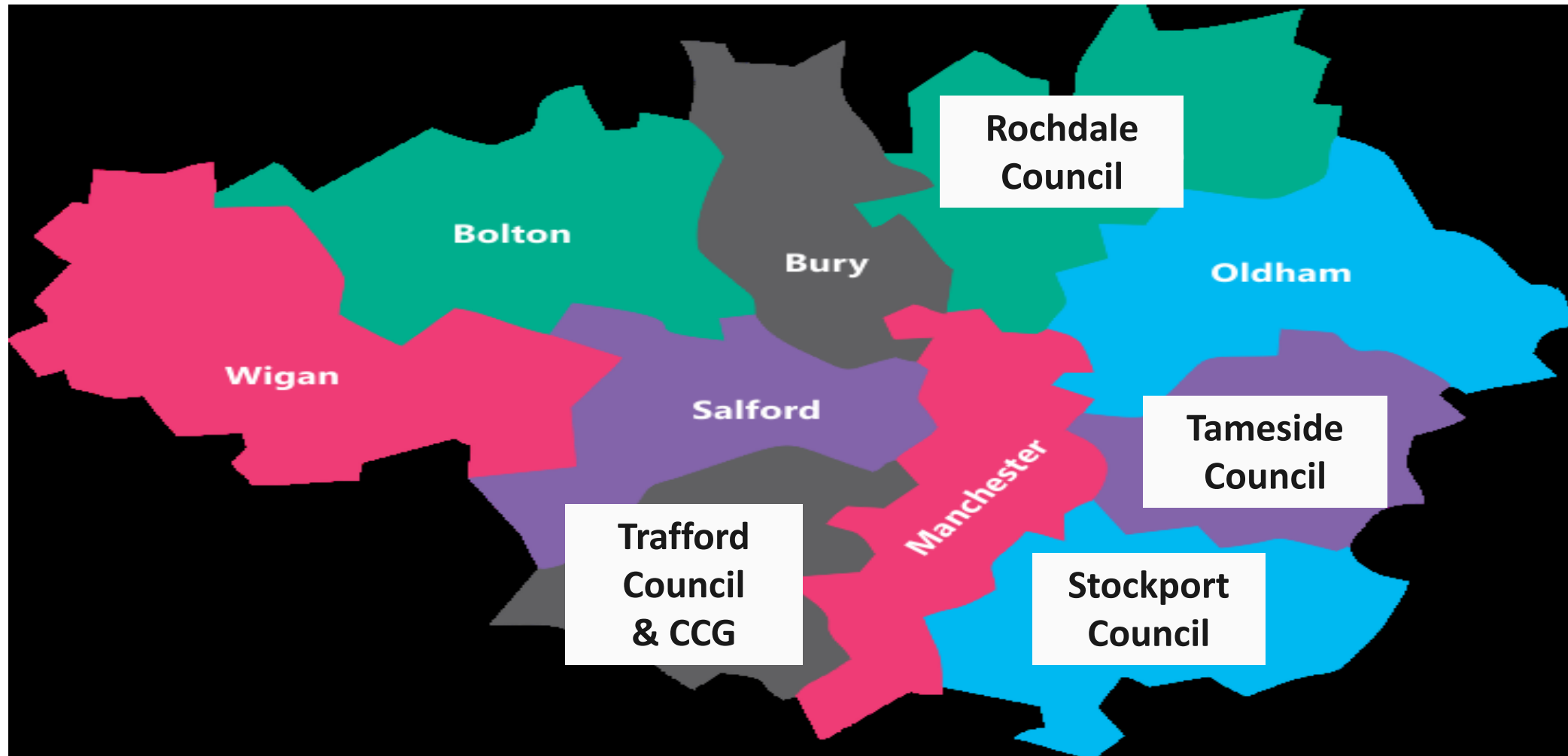
or visit:

<https://www.wmca.org.uk/media/1921/social-value-policy.pdf>



James Hunter
Head of Strategic
Procurement

Lorraine Cox
STAR Director



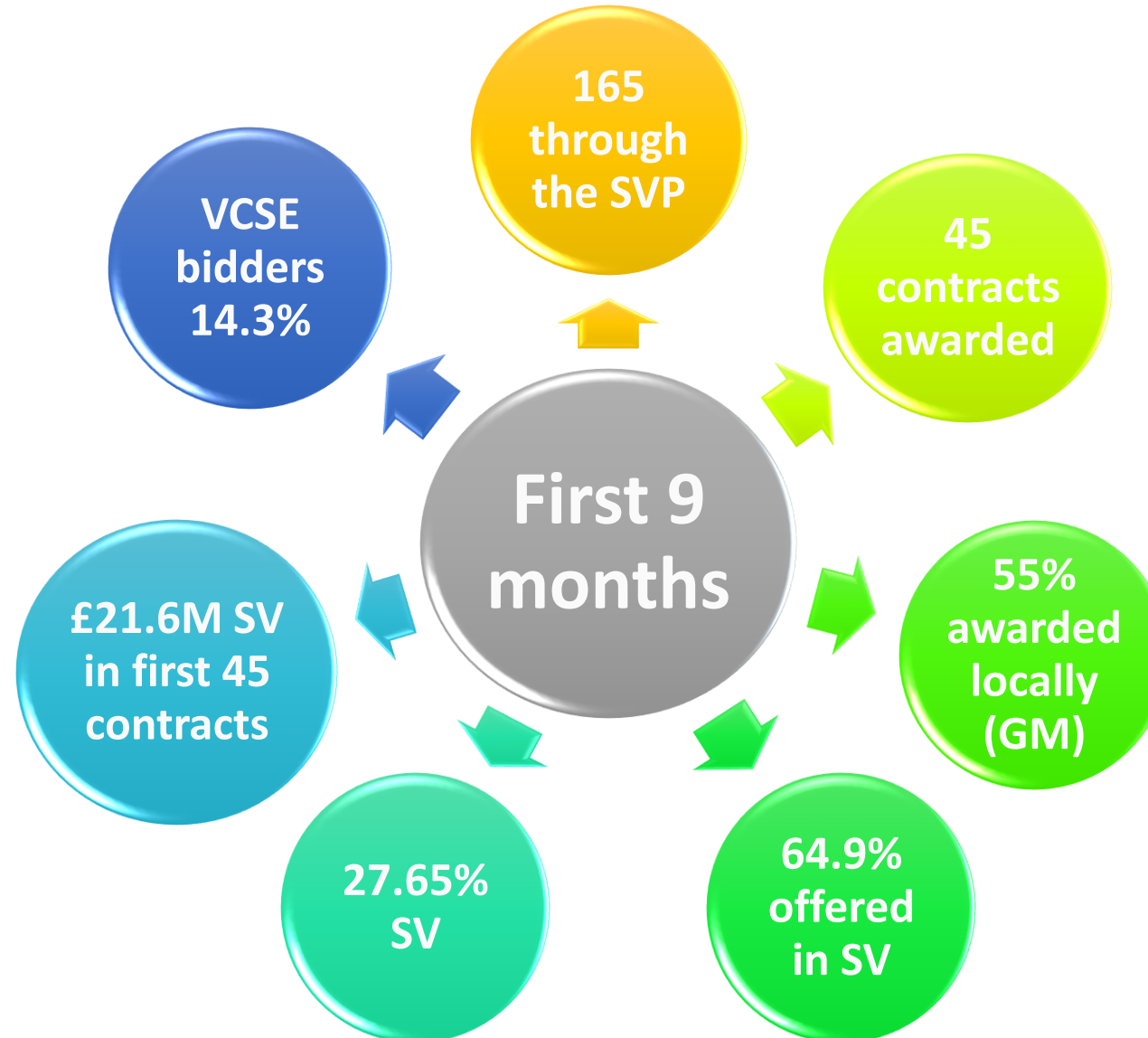
*** Leads 65%+ of
GM/AGMA
Collaborative
Procurement**

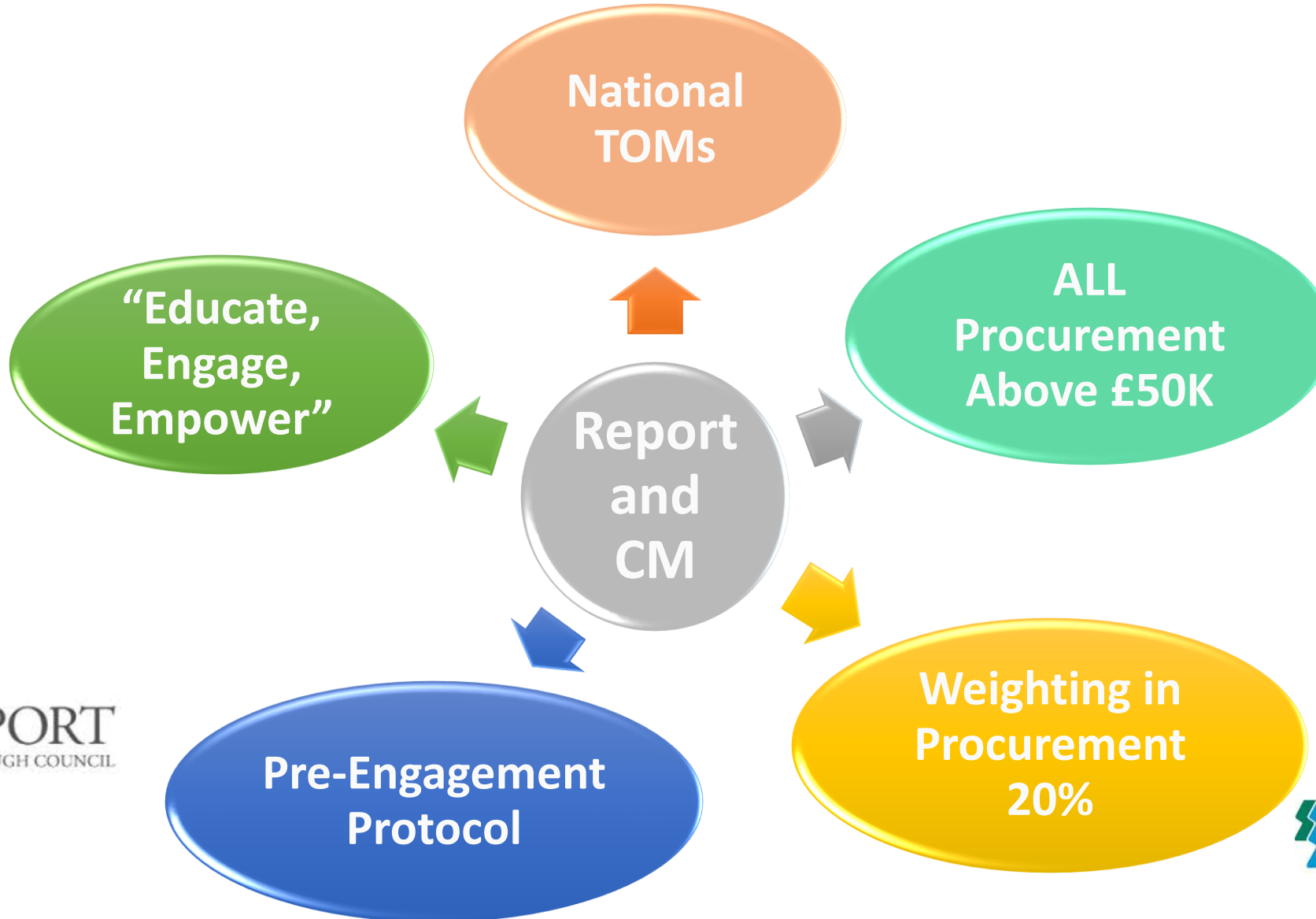
*** Regional
Commissions
(GMCA/HSCP)**



*** National
Commissions
(Procurement and
Shared Services)**

*** International
Links: Canada;
Melbourne and
Auckland**









PANEL DISCUSSION:

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