



CASE STUDY

Overview

We aimed to embed Social Value into Procurement and Commissioning processes to deliver services which are innovative, improve community well-being, encourage local purchasing of goods and services and create local employment and training opportunities across the region.

The Public Services (Social Value) Act 2012 requires all public bodies in England and Wales to consider how the services they commission and procure might improve the economic, social and environmental well-being of the area. The Trust are committed to social value and wanted to ensure that social, economic and environmental wellbeing opportunities were maximised during the commissioning and procurement processes.

The process we have developed is generic covering the principles for procuring socially, visiting all stages of the procurement process and applicable to all size of business across industry, public, private and third sector organisations. Used widely this could result in consistent delivery of the Social Value Act with an opportunity to develop innovative thinking under a compliant framework. The principles ensure things are done in a structured way with social value embedded into working processes as business as usual before jumping straight into trying to measure social value when we are not in a position to do so.

How was an organisational social value strategy and list of outcomes developed and what considerations and consultations were made in its development?

Methodology

Take the Test

In our project with Aintree, we used the [Sustainable Supply Chains](#) (SSC) Social Value [Diagnostic Tool](#) (based on British Standards) enable so to assess how well the organisation are currently positioned and how well they have embedded social value into their

commissioning and procurement processes. The results of the diagnostic enable us to see where organisations are positioned and what areas need to be focused on to embed social value. This ensures organisations embed social value under a structured and recognised framework and deliver best practice consistently going forward.

The results of the diagnostic exercise suggested Aintree needed to address the fundamentals of social value by

The immediate challenge was to apply social value at an organisational level and work with Aintree to produce a social value strategy and a list of outcome measurements that sit underneath the strategy.

THE CHALLENGE

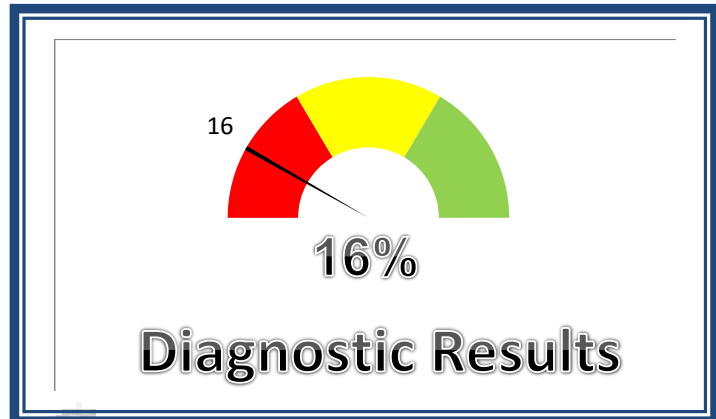
The methodology began with a self-assessment how well Aintree were currently positioned to embrace and embed Social Value

THE SOLUTION

identifying what social issues are important, building them into a policy and process and setting some clear objectives and targets and it was this diagnostic which helped shape the work we did to develop a bespoke social value strategy and list of outcomes.

During the development we considered the existing corporate plans, strategy documents, priorities and objectives and aligned our social objectives with those. Documents considered during this process were

- Corporate Strategy
- Healthy Liverpool Programme
- Annual Business Plan
- Sustainability Strategy 2010
- Quality Strategy
- Equality Outcomes Forward Plan



The initial project team consisted of the Head of Procurement and Supplies, The Procurement Manager along with Sustainable Supply Chains. However very early in the process a wider organisational task group was established and headed by the project sponsor, Paul Fitzpatrick – Director of Risk, Resilience, Estates & Facilities, along with representation from H.R., Estates, Learning, Communications, Work Experience and Volunteer Development and Healing Arts.

In consultation with the Task Group we conducted the prioritisation exercise to better understand the Social Value drivers of the organisation with every task group member having the opportunity to suggest and agree content and outcomes, from this we developed a social value strategy and a list of organisation wide social value outcomes which fell into the categories within the table (right)

SOCIAL	ECONOMIC	ENVIRONMENTAL
Employer of choice	Provider of choice for healthcare and through effective Procurement be a partner of choice	Reduce CO2 emissions from our operating processes
Improve opportunities and working conditions to develop staff potential (skills and training)	Create Local Jobs and Apprenticeship	Reduce CO2 emissions from Travel, Energy, Waste, Water and Procurement activity.
Provide a clean and safe working environment	Create education and training opportunities for local people	Protect and Enhance Green Space and Bio-Diversity
Encourage equality and diversity amongst staff and suppliers	Support Local Business and spend money locally	Promote Health Eating and Living Well
Engage and build relationships with the community	Build capacity and support for the the Third Sector (inc the voluntary and community sector)	Promote opportunities to participate in physical activity and recreation

In practice were you to apply the policy to a specific procurement, what steps were taken to do so?

The next steps for the Trust will be to put the Strategy and Framework into action. The Strategy itself gives the Trust some options when it comes to applying social value and it is best practice to apply the strategy in a proportionate manner and be tailored to reflect the service or goods to be procured. It is the role of service commissioners and procurement leads to consider, on a contract by contract basis, the potential social value outcomes that could be delivered through the procurement process and the most appropriate strategy to achieve these.

Improving the economic, social and environmental well-being of the region needs to be considered before commencing the commissioning and procurement process as it is an opportunity to influence the selection of a supply solution that can provide both the most economically advantageous service and go beyond the basic contract terms and deliver wider benefits for the community.

To help achieve this the strategy provides options to ask for specific social outcomes and/or look to the market for innovative solutions.

1. The framework can be used when the Trust has defined its social value priorities within a strategy; has insight into the category market; has held pre-market engagement and the potential value of the contract is at least £10,000 (in line with spend threshold guidance within the Strategy). The guidance ensures that social value is considered in a relevant and proportionate manner dependant on the value of the contract and the contracting organisations market knowledge. All in all the framework should be used when the Trust clearly know what social value(s) they aim to achieve from the tender.
2. The statement can be used when the Trust has little or limited knowledge of the market and have not carried out any pre-market engagement this is often at times when the procurement is urgent or has not been planned adequately. However the statement leaves room for more innovative responses to questions from bidders.
3. There is no reason why both the framework and the statement could not be used at the same time as we have specific organisational outcomes but at the same time would always look to the market for innovative solutions.

There is also facility within the framework to convert outcomes into PQQ and ITT questions.

In terms of measurement methodology, as this is early in the process for the Trust we agreed that the initial framework should reflect the Social, Economic and Environmental impacts identified but should be straightforward to implement and measure. The framework will be continually reviewed in the future and enhanced as the Trust matures within the Social Value model.

How will this strategy benefit the organisation?

The strategy will benefit the Trust in many ways but first and foremost it is the beginning of taking a pro-active approach to embracing the social value agenda into day to day working practices and doing something really positive for the region. The Trust task group have created some specific social outcomes that are priorities to the Trust and aligned to organisational values.

Organisational Value - Developing the strategy clearly defines the priorities of the Trust and establishes realistic goals and objectives consistent with the mission which can be clearly communicated to stakeholders, the community, suppliers, prospective employees and patients.

The strategy provide a base from which progress can be measured and a clear direction in how to move the social value agenda forwards in line with organisational values and priorities and help build a roadmap to the organisation's vision for the future, as well as a game plan to get there.

Financial - Social Value when applied properly can combine social and financial benefits to deliver cost savings, reduce waste and offset demands on resources.

Aintree has the opportunity to realise many benefits from applying this policy from social to financial and from public relations to mitigation of risk.

THE BENEFITS

Engaging suppliers who deliver social value and enable the Trust to meet their priorities and targets helps plug the gaps created from funding cuts and resource issues from service cuts. Increasing recycling will reduce waste to landfill and with it landfill costs.

Risk - Embedding Social Value into the Trusts commissioning and procurement processes will ensure compliance with the Social Value Act and reduce the risk of challenge from unsuccessful suppliers. It can also “if applied properly” reduce the risk of reputational damage caused by dangers that can lurk within the supply chain.

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Employer of Choice - In order to attract and keep the best and most talented workers the Trust can demonstrate its commitment to Social Value and extend that commitment to career opportunities as well as satisfaction in daily work. This can result in increased productivity and a higher level of employee engagement in the workplace, getting that extra commitment “discretionary effort” often comes from employees working from an organisation that inspires them where they are appreciated and feel they are doing a meaningful job which is of benefit to the outside world.

P.R. - Social Value is also a great P.R. tool which will help the Trust develop a unique differentiation that sets it apart from competitors and helps it stand out amongst its peers. Let celebrate the fact we spend significant amounts of money with local suppliers, have created jobs and training opportunities for local people, we are an employer of choice or we have reduced CO2 emissions and promote healthy lifestyles.

Are there unique challenges that face an NHS Trust in embedding social value and how were they tackled?

Not really as we followed a generic process which covered the principles for procuring socially, visiting all stages of the procurement process and applicable to all size of business across industry, public, private and third sector organisations.

The test for the Trust will fall out of the results we get from the measurement and reporting exercise as that will give us a better understanding of how the NHS supply chain react to the demands of delivering Social Value and in a market that has been driven by price in recent years the results should be interesting.

To follow the progress of this and other social value projects keep in touch with us via our website at <http://sustainablechainsltd.co.uk/>

