



# Incorporating Social Value

  
PERSONAL  
VALUE

  
HEALTH &  
WELLBEING

  
DOMESTIC  
VIOLENCE

  
ANIMAL  
WELFARE

  
THE ARTS

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*Seratio*<sup>TM</sup>  
making everything intangible in the world  
measurable, applicable and deliverable

  
MODERN  
SLAVERY

  
IMPACT  
INVESTMENT

  
SOCIAL VALUE

  
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# About Seratio



## ▶ Seratio:

- ❖ A spin out of Northampton University's Centre for Citizenship, Enterprise and Governance (CEEG).
- ❖ Seratio is the UK's largest provider of social value consultancy and measurement.
- ❖ World-leading S/E Ratio metric - measures intangibles through a robust methodology and a scalable platform.
- ❖ Enables all organisations to measure their social impact over time and public sector to measure the delivery of social value in individual procurement projects.
- ❖ In public sector Seratio works with its clients throughout the life cycle of the procurement process to design, develop and measure the delivery of social value.

# Background

## ▶ The S/E Ratio:

- ❖ Developed by CCEG - working in partnership with over 90 Universities and business schools around the world
- ❖ Fully transparent and auditable - developed under Creative Commons 4.0
- ❖ Compliant with all UK and EU legislation on Social Value measurement
- ❖ S/E Ratio has been recognised and recommended within Lord Young's 2015 review of the UK's Social Value Act 2012
- ❖ Provides a bench mark of performance, measuring outputs, outcomes and impacts.
- ❖ Can be consistently applied from the smallest organisation to the largest corporate entity, across private, public and third sectors and in any territory in the world.

# Milestones

- ▶ Over 3 years of applied research has taken place to develop and gain widespread acceptance of the S/E Ratio
  - ❖ Applied to organisations worth over £2,771bn
  - ❖ Tracked £13.7bn of created social value in the UK
  - ❖ Contracted to measure Social Earnings in the supply chains of a number of local authorities and NHS Trusts
  - ❖ Applied Internationally – advising government policy in India, Indonesia, Spain, USA amongst others.

# About Social Value

## What is Social Value?

- ❖ Loosely defined as “the additional benefit to the community from the commissioning and procurement process over and above the direct purchasing of goods, services and outcomes”.
- ❖ Tangibles and intangibles.
- ❖ Difficult/time consuming to measure accurately.

# Social Value as Part of the Landscape

- ▶ Recognition of the need for greater transparency on social impact as part of the drive to improve performance, awareness and perception

## Public Sector:

- ❖ Reduced public spending budgets have put pressure on non-statutory services and social value is a way to deliver services with scarce resources.

## Private Sector:

- ❖ Global drive towards increased transparency and humanitarianism in corporate behaviour - companies seeking to be seen as 'good citizens' by improving the social impact of their actions.

## Voluntary Sector:

- ❖ NGOs, third sector organisations and voluntary groups need to articulate their social returns as they bid for funds and people's money

# Public Sector Procurement and Social Value

- ▶ Delivering social value through the procurement process.
  - ❖ Public Services (Social Value) Act 2012 has increased public sector focus on social value.
  - ❖ Has provided an impetus for increased multi-party engagement in the delivery of social value.
  - ❖ Although not an obligation to deliver social value through procurement, the more forward thinking public sector bodies are using it to formalise the process of doing so.

# Public Sector Procurement and Social Value

- ▶ Delivering social value through the procurement process.
  - ❖ Up to 10% of tender marking being allocated to social value provision.
  - ❖ Setting criteria for social value in tenders e.g. education & awareness, increased take up of a particular scheme.
  - ❖ Requiring concrete proposals – should be quantified.
  - ❖ Social value component being evaluated and performance of winner being monitored over the life of the contract.
  - ❖ S/E Ratio makes much of this now made possible without undue overhead through S/E Ratio.

# Public Sector Procurement and Social Value

- ▶ Delivering social value through the procurement process.
  - ❖ 15-20% social value delivery considered to be a reasonable and attainable target.
  - ❖ Four general areas of focus:
    - People & skills
    - Capacity and resources
    - Localisation
    - Environment – carbon footprint
  - ❖ Two recent tenders:
    - Tender 1 – Highest 21%, average 14.2%
    - Tender 2 – Highest 21%, average 18.25%

# The Approach to Social Value Provision in Tenders

## Answer the Question

- ❖ Focus on the contracting authority's priority areas.

- ❖ Ensure proposals are quantifiable.

*If it can't be measured it can't be counted.*

- ❖ Don't be afraid to get creative...especially if it allows you to use your core competency, capacity etc.

# The Approach to Social Value Provision in Tenders

- ▶ Align your CSR or Social Value activities to those of your customer.
  - ❖ Already have CSR budget or are engaged in social value.  
*Make it work for you.*
  - ❖ Think about partnerships - Third Sector has great experience and expertise in a broad range of social value activities.

# Thank You

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