



# Maximising Social Value & YORscep Launch Update 19<sup>th</sup> January 2021

# Introduction



- **Welcome**
- **Continuation of series of webinars now being rolled out monthly**
- **Duration 1 hour**
- **Q&As at the end of session**
- **Presentation slides available after the session**
- **Real Social Value**

# Presenter Profile



- **Phil Henderson (BA Hons, LLM)  
Masters in Public Procurement  
YORhub Performance Manager**
- **10 years experience managing YORhub  
building and consultancy frameworks**
- **Focus on performance management**
- **Last 3 years have covered social value as  
well, and applying it to YORhub activities**



# Agenda



- **Social Value**
  - **What is Social Value?**
  - **Why do we value it?**
  - **How do we value it?**
  - **Examples**
- **YORscep**
  - **New System**
  - **Direction**
  - **Opportunities**

# What is Social Value



- **Social value is the quantification of the relative importance that people place on the changes they experience in their lives.**
- **Some of this value is captured in market prices. It is important to consider and measure this social value from the perspective of those affected by an organisation's work.**

Jobs and  
economic  
growth

The three pillars are represented by star-shaped icons. The first is orange and contains the text 'Jobs and economic growth'. The second is green and contains the text 'Health, wellbeing & the environment'. The third is a darker green and contains the text 'Strength of community'.

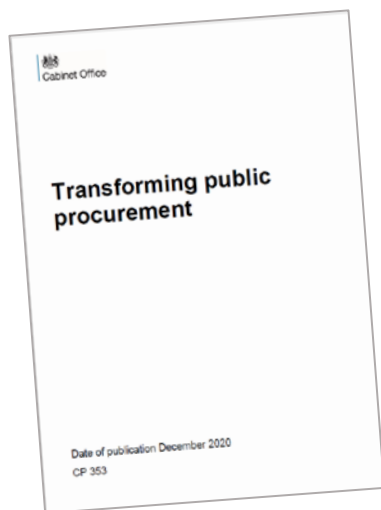
Health,  
wellbeing  
& the  
environment

Strength of  
community

# Why calculate social value



- **Social Value Act (2012)** – required to ‘consider’ social value
- **Emphasis on value for money (Local Government Act, Political pressure, Green paper)**



- **Understand the *true* impact our projects have**

# Why calculate social value

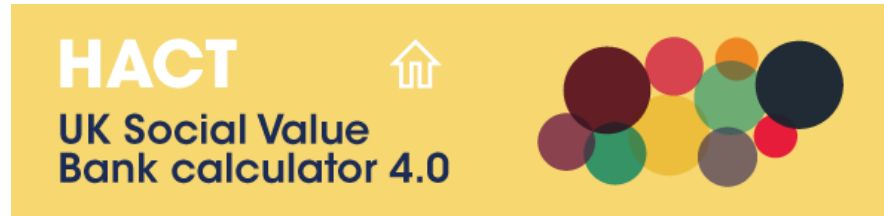


- Proves we are doing well/ the right things
- Improved reputation
- Putting a value makes things comparable  
E.g. one apprentice vs a school visit
- Tendering  
Help us determine the 'best offer' – see Construction Value toolkit from [Construction Innovation Hub](#)

# How to calculate social value



- Social Value Calculators



**SocialValue Calculator**  
*calculate social, economic and environmental value*



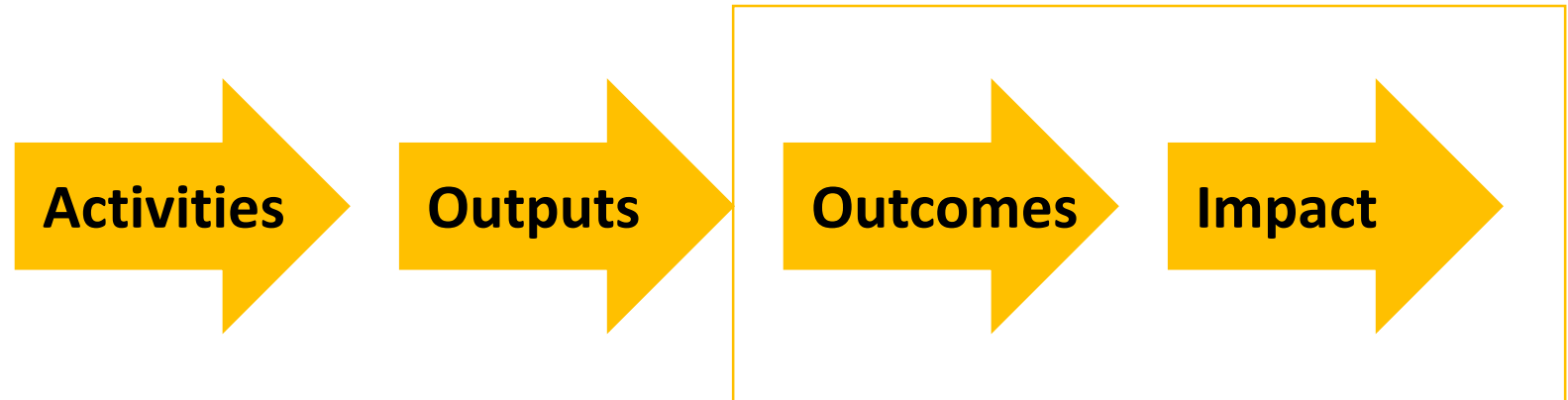
- [Social Value UK](#)



# How to calculate social value



- How do the calculators work?



- Two main 'factors' in determining social value
  - Proxies
  - Deflators

# How to calculate social value



## Bristol Accord

- eight characteristics of a sustainable community



# How to calculate social value



Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Thriving	7a. Increase in the creation of new micro- enterprises	Median turnover of micro-business	per business per year
		Average cost of starting a micro-business	per business
	7b. Increase in entrepreneurship and	Average earnings of a small business owner	per year
		Average cost of employing a graduate	per graduate
	7c. Increased employability of local people	Earnings differential realised by completing an HND/HNC equalisation	per year
		Employment Incentive costs	per person
		Employment gained - average increase in income	per person
		Better career profile leading to increasing personal financial benefits in future	per person
	7d. Development of innovation and value added	Innovation support (voucher scheme)	per business
		Average cost of a patent	per patent
	7e. Skills development and improvement for residents and workers (Including migrant workers)	Value to an individual of moving from unemployment to a secure job	per person
		Unfair dismissal financial settlement following a tribunal	per person
		Average increase in earnings from achieving and NVQ2	£ per hour
		Value of undertaking a part time course for work	Per person
		Adult learning course enabling someone to progress in work or in their career	Per person
		Average cost of a personal development course	Per person

# How to calculate social value

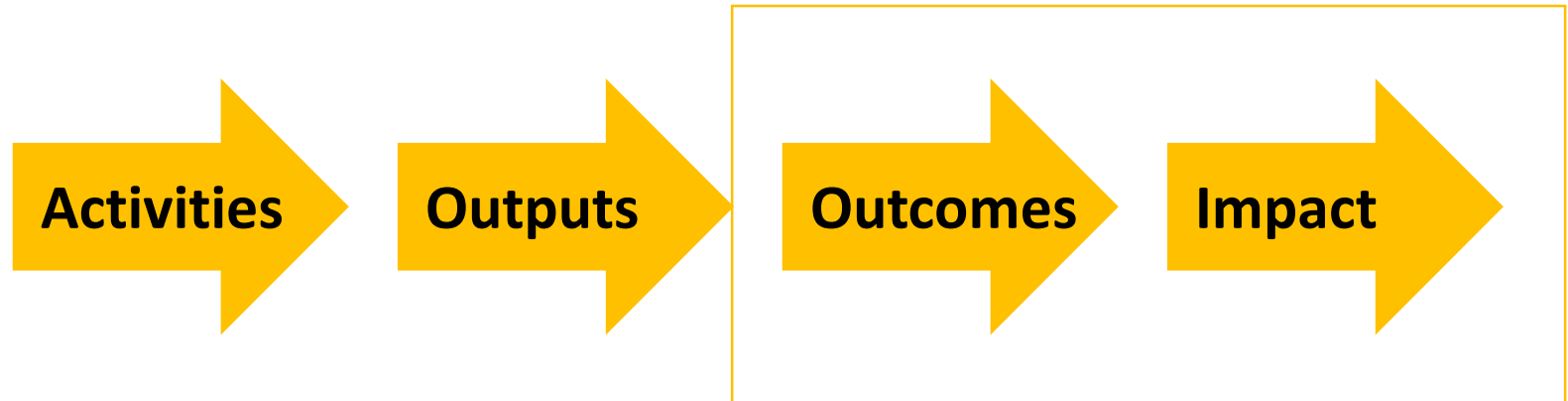


	Financial Proxy	Unit
National TOMs Framework	No. of local people (FTE) employed on contract for one year or the whole duration of the contract, whichever is shorter.	number of People
	No. of employees (FTE) taken on who are long term unemployed (unemployed for a year or longer)	number of People
	No. of employees (FTE) taken on who are not in employment, education, or training (NEETs)	number of People
	No. of employees (FTE) taken on who are rehabilitating young offenders (18-24 year olds)	number of People
	No. of jobs (FTE) created for people with disabilities	number of People
	No. of hours dedicated to supporting unemployed people into work by providing career mentoring, including mock interviews, CV advice, and careers guidance -(over 24 year olds)	number of hours x number of attendees
	Local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time)	staff hours
	No. of training opportunities on contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	number of opportunities
	No. of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	number of opportunities
	No. of hours dedicated to support young people into work (e.g. CV advice, mock interviews, careers guidance) - (under 24 y.o.)	number of hours x number of attendees
	attendees No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)	number of weeks
	Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)	number of placements
	Total amount spent with VCSEs within your supply chain	number of £s spent

# How to calculate social value



- How do the calculators work?



- Two main 'factors' in determining social value
  - Proxies
  - Deflators

# How to calculate social value



- What are the 5 Deflators?
  - Deadweight (social value which would have happened anyway)
  - Leakage (lost outside of target area)
  - Attribution (to what extent can you claim it)
  - Displacement (moving social value from rather than creating new)
  - Drop off (lasting effect – e.g. start 10 apprentices, how many finish)

# How to calculate social value



## How do you set these?

- Research

Outcome	Time period (yrs)	Evidence	Time period identified	Deadweight	Attribution	Drop off
Apprentices (project initiated)	6	<a href="http://www.southampton.gov.uk/moderngov/documents/s17298/Appendix">http://www.southampton.gov.uk/moderngov/documents/s17298/Appendix</a>	Duration of apprenticeships last between 1 - 4 years + 2 year impact after - 6 years		10% on average on attribution showing in other construction reports	33% - 1/3 of apprentices drop out <a href="http://cver.lse.ac.uk/textonly/cver/pubs/cverbrf004.pdf">http://cver.lse.ac.uk/textonly/cver/pubs/cverbrf004.pdf</a>
Apprentices (project initiated)		<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32304/12-812-evaluation-of-apprenticeships-learners.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32304/12-812-evaluation-of-apprenticeships-learners.pdf</a>	80% still in employment post apprenticeship. Concrete evidence showing that apprentices still make progress one year after completion	8% showed they wished they had done something else and the apprenticeship was not their first choice	College, family, job centre - 26% (12&14%)	20% drop off - 80% still in employment. 18% were unemployed after completion of the apprenticeship
Apprentices existing	8		Duration of apprenticeships last between 1 - 4 years. (as above) - + 2 year impact and greater chance of staying in employment as they were an existing employee + 2 = 8 years	4% said they did not really want to do the apprenticeship	10% drop based on the above but as they were already working there are less people to credit - 10% given to account for family and friends influence	10% drop off - based on above but less as they are more likely to stay in employment as an existing employee (track record of staying in work)

- Use TOMs (National Themes, Outcomes and Measures framework) - deflators already applied

- Assumptions



# How to calculate social value



- **What does all this mean for you?**
- **First steps**
  - **What are your targets?**
    - **Set in a framework or the contract?**
    - **What is important to your authority?**
    - **Who are your stakeholders?**
    - **Do any national policies affect/ impact on your project?**
    - **Funders requirements?**



# How to calculate social value



- **When setting targets consider how will they be measured?**
  - **What data do you need to collect?**
  - **Can you rely on the source?**
  - **Do you have the resources to monitor performance?**
- **Monitoring is often overlooked but it is critical**
  - **you can set fantastic targets but without a clear plan on how to monitor performance you will never be able to demonstrate or value the impact**

# Examples



## YORbuild2 - Project Specific Employment and Skills Plan Form - Benchmarks

Scheme Name:	West Yorkshire Playhouse	YORbuild Lot No.:	5
Client:	Leeds City Council	Start on Site Date:	01 February 2018
Contractor (if known):		Completion Date:	31 October 2018
Region:	West	Contract Value:	

YORbuild Record of Weekly Outputs		Framework outputs	Value adjusted outputs	Lot Weightings	Project Specific Outputs	Project Specific Weighting
1) New Entrants and Skills Development	1) School/College/University site visits (no. of visits)	10	10	0.5	10	0.5
	2) School/college workshops (no. of workshops)	5	5	0.5	5	0.5
	3) Work experience under 18 years (no. of placements)	6	6	1	6	1.0
	4) Work experience - 18+ years (no. of placements)	6	6	1	6	1.0
	5) Apprentices existing (no. of person weeks)	150	125	1.5	125	1.5
	6) Apprentices project initiated (no. of persons)	6	5	2.5	3	2.5
	7) Project Initiated Higher Level Skills- (no. of persons recruited)	3	3	1	1	1.0
2) Employment Initiatives	8) Progression into employment (no. of persons)	10	8	2	6	2.0

# Examples



Output	Outcome	Financial Proxy	Unit Cost
3) Work experiences under 18 years (no. of placements)	7f. learning/participation.	average cost of a 2 week educational placement	£48.00
6) Apprenticesâ€™ project initiated (no. of persons)	8c. improved performance of local schools and educational institutions.	average salary of a modern apprentice	£23,000.00
8) Progression into employment (no. of persons)	7e. skills development and improvement for residents and workers (including migrant workers).	value to an individual of moving from unemployment to a secure job	£12,030.00

# Examples



- Evidence for deflators found by desktop research
- Examples
  - Drop off of 33% was set for project initiated apprentices based on LSE research that showed 1/3 apprentices drop out
  - Time period set to 6 years as Government research showed this was the typical latest impact of the apprenticeship
- Deflators added into the Social Value Engine

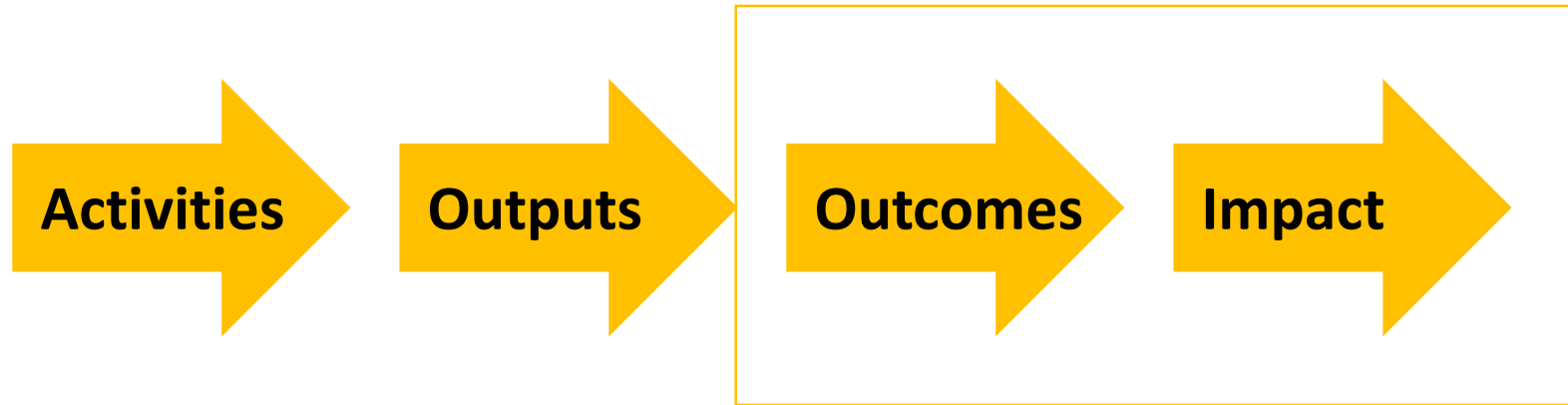
# Examples

	Total	Present Value
Current Year	£ 612,317.44	£ 612,317.44
Year 1	£ 612,317.44	£ 591,611.05
Year 2	£ 493,311.84	£ 460,511.88
Year 3	£ 398,915.91	£ 359,799.30
Year 4	£ 214,415.74	£ 186,850.93
Year 5	£ 178,237.90	£ 150,071.53
Year 6	£ 149,727.58	£ 121,803.48
Year 7	£ 89,933.16	£ 70,686.65
Year 8	£ 79,683.54	£ 60,512.60
Year 9	£ 28,344.84	£ 20,797.49
Year 10	£ 22,108.98	£ 15,673.47
Total Present Value (PV)		£ 2,038,318.38
Net Present Value		£ -13,528,800.47

**THE SOCIAL VALUE  
IS £0.13 PER £1 SPENT**

Returns	
1. Active, Inclusive and Safe	£0.00
2. Well Run	£0.00
3. Environment	£1,068,853.93
4. Well Designed and Built	£0.00
5. Well Connected	£0.00
6. Fair to Everyone	£0.00
7. Thriving	£756,802.16
8. Well Served	£660,839.60
National TOMS Framework	£392,818.68
Added by User	£0.00

# Examples



- **YOR4good grant recipients questionnaire**
- **Focused on outcomes and impact**



# Examples

- 27 grant recipients contacted
- Proxies identified, matching the outcomes and impacts achieved
- Typically outcomes focused on improved health and well-being

Returns	
1. Active, Inclusive and Safe	£0.00
2. Well Run	£0.00
3. Environment	£0.00
4. Well Designed and Built	£0.00
5. Well Connected	£144,585.00
6. Fair to Everyone	£0.00
7. Thriving	£0.00
8. Well Served	£2.54
National TOMS Framework	£0.00
Added by User	£0.00

**THE SOCIAL VALUE  
IS £4.92 PER £1 SPENT**

**THE SOCIAL VALUE  
IS £6.23 PER £1 SPENT**

Returns	
1. Active, Inclusive and Safe	£153,387.08
2. Well Run	£267.40
3. Environment	£0.00
4. Well Designed and Built	£9,407.44
5. Well Connected	£0.00
6. Fair to Everyone	£0.00
7. Thriving	£163,604.82
8. Well Served	£629.20
National TOMS Framework	£0.00
Added by User	£0.00

# Summary



- **Why do we do it?**
  - **Benefit our communities**
  - **Evidence we are doing it well**
- **It makes us set targets**
  - **Involve stakeholders & value what matters**
  - **pick important targets not just what is easy**
- **Focus on activities and their outcomes**
  - **Understand what the change is**
  - **Think about how they can be measured**



# Summary



- **Use the tendering process**
  - **Assess it as part of evaluation process**
  - **Confirm ability to deliver**
- **Try not over-claim**
  - **Setting deflators**
  - **Verify the result**
- **Improve**

# Framework Strategy



- Employment & Skills built-in
- Linked to project delivery & award



- Supply Chain Management
- Efficient Sourcing & Transparent Approach



- Economic Regeneration
- Operation of YOR4Good Fund



- Sustainability
- Zero Waste to Landfill
- Carbon Reduction

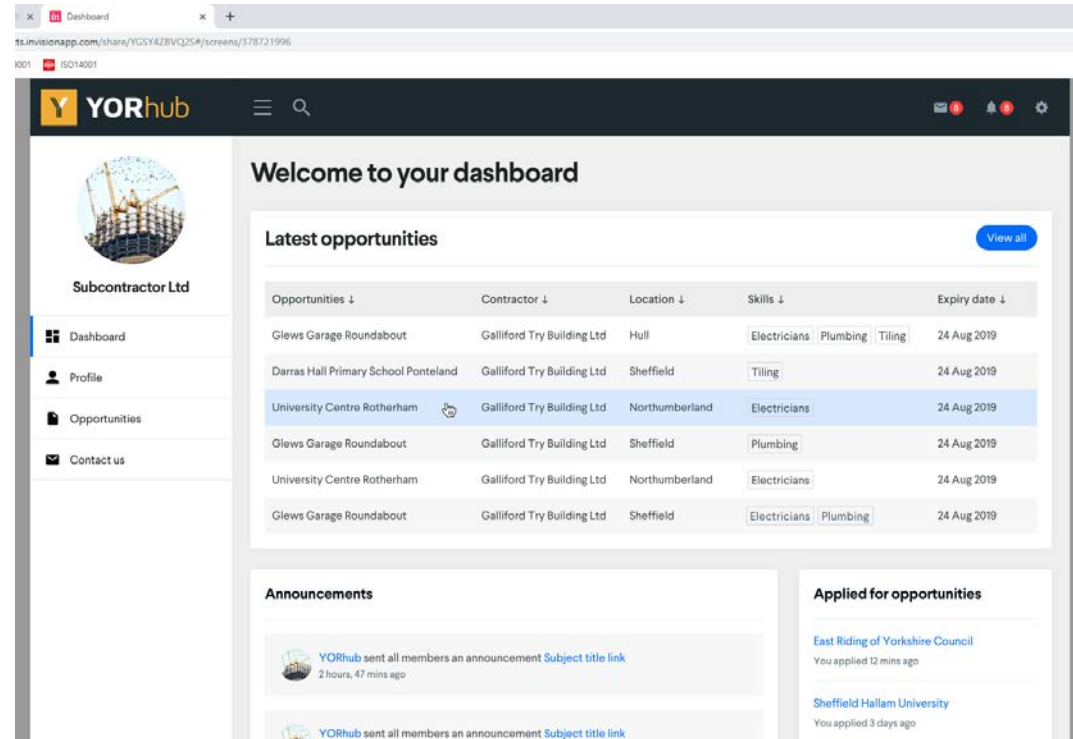


# **YORscep Supply Chain Engagement Programme Update**

# YORscep



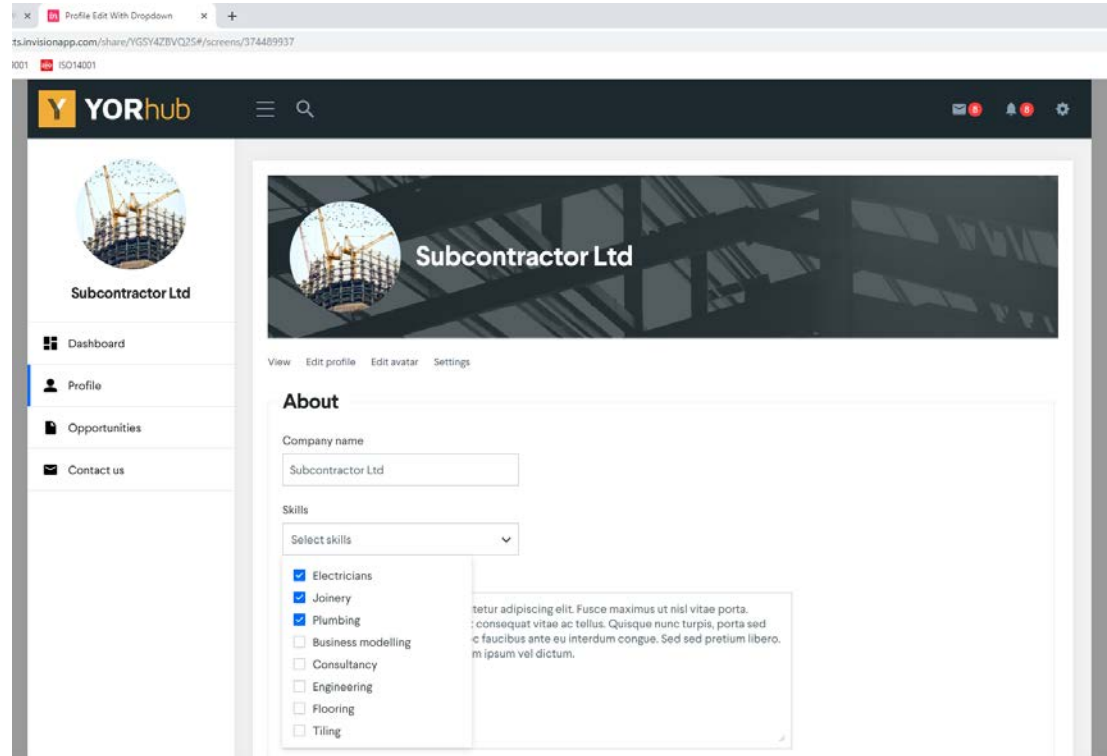
- New website
- Improved functionality
- Improved user experience



# YORscep



- Categories/ areas of work
- Matching of opportunities to members



# YORscep



- Improved display of opportunities
- Keep posting opportunities
- Any information or involvement welcome

YORhub

### Opportunities

Search

All opportunities All contractors All skills All locations Viewing 1-12 of 130

Opportunities ↓	Contractor ↓	Location ↓	Skills ↓	Expiry date ↑	Status ↓
Glews Garage Roundabout	Galliford Try	Hull	Electricians Plumbers Tilers	25 Aug 2019	Applied
Sheffield Hallam University	Galliford Try	Rotherham	Plumbing	20 Aug 2019	Open
University Centre Rotherham	Contractor Ltd	Rotherham	Electricians	25 July 2019	Open
Darras Hall Primary School	Galliford Try	Sheffield	Plumbing	25 July 2019	Open
Glews Garage Roundabout	Galliford Try	Hull	Electricians Plumbers Tilers	25 July 2019	Open
University Centre Rotherham	Galliford Try	Rotherham	Plumbing	25 July 2019	Open
Glews Garage Roundabout	Galliford Try	Hull	Electricians Plumbers Tilers	25 July 2019	Open
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University Centre Rotherham	Galliford Try	Rotherham	Plumbing	25 July 2019	Open

## **New Members**

- **Continuous advertising push**
- **Stakeholders to share on social media and to their supply chain**
- **Regular social media presence**

## New Direction

- **Supply Chain Special Interest Group (SCSIG)**
- **Collaboration**
- **Ask the supply chain**
- **Continuous improvement**





## Re-Launch

- Promotional video
- Two tiered approach
  - Supply chain ready
  - Standard members
- How to become supply chain ready



# Q&A Session