

# Social Value, Supply chains and Making the Difference

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# Agenda

- Social Value in construction
- Social Value Act
- MS C&I SV strategy
- MS Social Value Charter
- Responsible Procurement Framework
- Supply Chain Social Value Bank
- A group exercise

# What is Social Value?

**Social Value** is the **positive** social, economic and environmental **impact** that we create for **individuals, businesses and government** through our construction activities.

# Social Value in Construction



Why?



“Social Value is fundamental for us...we will be redoubling our efforts going forwards”

<https://vimeopro.com/instinctifpartners/morgan-sindall-fy18-results>

**John Morgan** Chief Executive  
Feb 2019



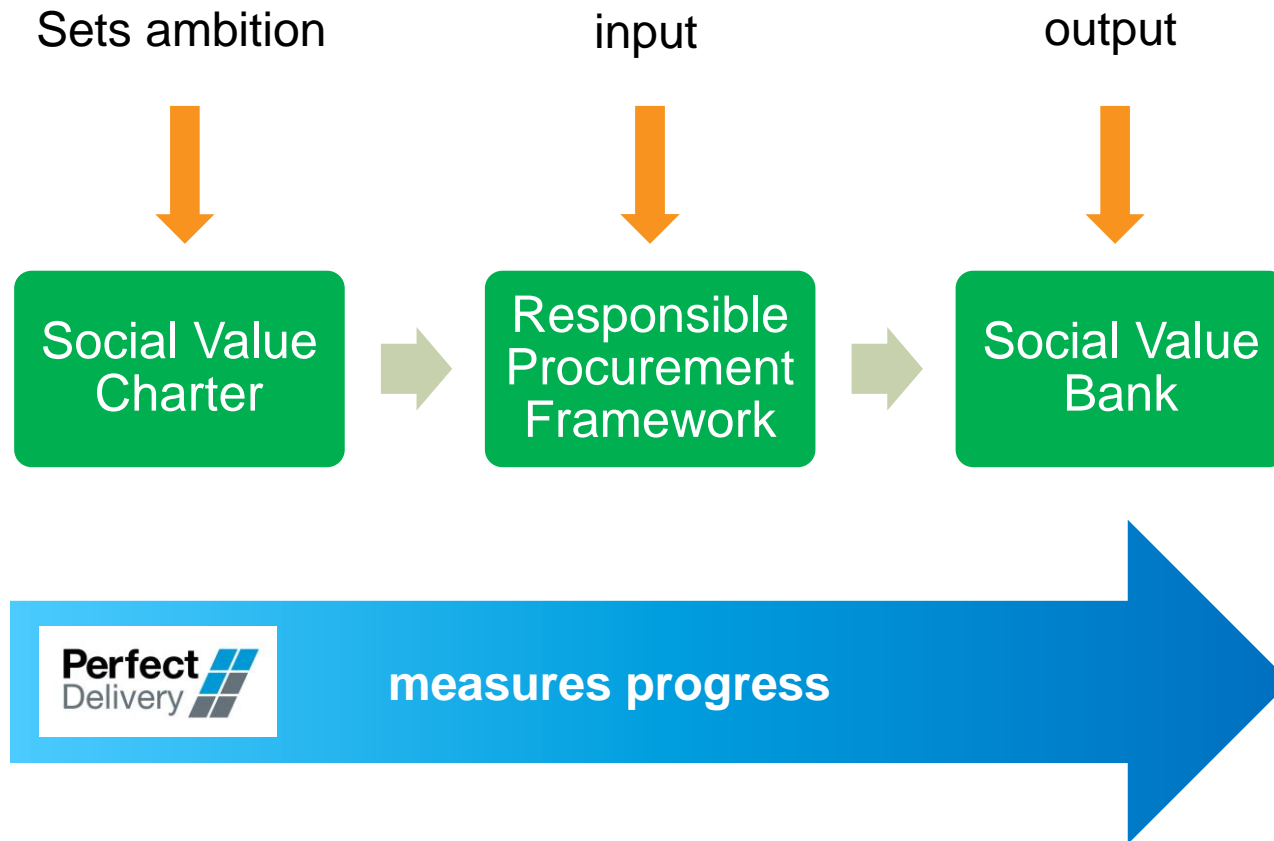
2018

Public Services (Social Value) Act ~~2012~~

2012 CHAPTER 3

An Act to require public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes.

# Morgan Sindall Social Value Strategy includes...



# Sample Social Value Charter



- Core metrics
- Targets set with customer
- Actual performance highlighted

highways  
england

**Social Value Charter**  
M5 Oldbury Viaduct

Actual\*

Category	Metric	Target	Actual*
<b>Social</b>	Apprentices & training completed / sustained	20	21 (9 Apprentices) (12 Technical Grads)
	Work placements	0	7
	Work experience	0	10
	Mentoring	0	0
	Support for local infrastructure (no. of vacancies advertised locally)	0	2
	Workless job starts	0	8 (The charity 'Crisis' may add 5+)
	Charitable hours donated (per month per employee)	40	0.5
	CCS score	Yes	45
	Diversity & Inclusion action plan	0	Yes
	Occupational H&W plan	0	13 visits (1174 students connected with)
<b>Economic</b>	School engagement/STEM activities - 7 trained STEM ambassadors	0	0
	Additional school places provided	0	0
	Local supply chain (LMS)	Yes - 2	Yes - 2.12
	Minority owned supply chain	% Spend	TBC
	Meet the Buyer	0	1 event (14 attendees)
	Early design collaboration	No	Kier have design
	Responsible procurement framework	No	No
	Upskill programme (on-boarding)	0	No
	Community investment project (Bvalue)	None	£11,465 (on-going)
	SCS e-learning activity	None	0
<b>Environmental</b>	SCS workshop activity	Target	Actual
	Carbon management plan	Yes	Yes
	Positive biodiversity legacy plan	0	Gold (MS Guidance)
	Environmental training / CITB SEATS	>90%	5 sessions (4 trained)
	Waste diversion	No	93%
	Climate change adaption design	Yes	No design with MS
<b>Other</b>	Water reduction plan	Yes	Yes
	Air Quality Improvement plan	Yes	Yes (upcoming use of gas to liquid instead of diesel)
	<b>LMS rating (final)</b>	<b>2</b>	

\* Red = below target; Amber = on target; Green = above target.

Social, Economic and Environmental outputs



## Supply Chain

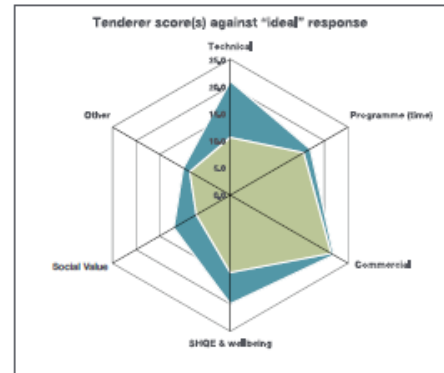
80/20 (ish)

# Responsible Procurement Framework


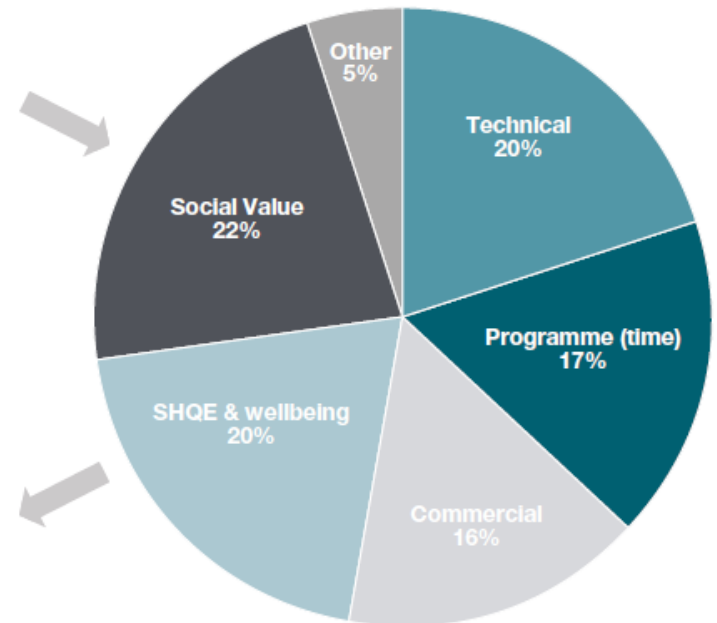
Common procurement practice



Actual example of results from RP activity



**Our selection scoring criteria puts the clients' requirements at the heart of every project**

*“The Responsible Procurement Framework highlighted areas in our business for improvement and we are now on a journey to better align ourselves with our key customers.”* Andrew Deas – SHEQ Manager, Breheny

## Supply Chain Social Value Bank

SSU – actual D&B project

Construction cost - £22m

Value to society (gov, individuals, business and environment) in delivery - £17m

**SOCIAL  
VALUE  
BANK**

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Contractor A - £17m monetised value

Contractor B - £15m monetised value

Construction cost - £22m

Enabling procurement based on value as well as cost

## Group exercise

# Social Value

Based on your past experience and/or ideas for this framework, explain how you propose to deliver social value against the six strategic objectives of:

1. Local Training and Employment
2. Think Local
3. Partners in Communities
4. Green and Sustainable
5. Ethical Employment
6. Promoting the Wellbeing of Young People and Vulnerable Adults

## Group exercise

# The task

In groups:

- Review the answer
- Score out of 10
- Feedback high points and low points