

Social Value Proposition

The Social Value challenge

Current Issue:

- Social Value is a growing priority for businesses, particularly as the new **Procurement Act** takes effect in **February 2025**.
- The Act emphasises that companies must deliver tangible benefits to society, the environment, and the economy.
- Many businesses struggle to align their practices with these new regulations, and failure to comply could lead to missed opportunities, especially with **public sector contracts**.
- Businesses must now consider how their operations create a **positive societal impact**, including fostering diversity, promoting sustainability, and contributing to community well-being.
- The Procurement Act introduces more rigorous requirements, including:
 - Mandatory inclusion of social value in public procurement.
 - An expanded definition of social value, covering economic, environmental, and social factors, as well as inclusion, sustainability, and community engagement.
 - A **greater weighting** for social value, often above the previous minimum of 10%.
 - **Ongoing accountability**, requiring businesses to measure and report their social value contributions throughout the lifecycle of a contract.

The New National Procurement Policy Statement (NPPS)

The NPPS outlines five overarching national priorities that will guide procurement practices and how contracting authorities can support delivery. Of the five:

The first is Value for Money

The second is **Social Value**

As we have seen more and more over the past few years social value considerations remain critical in any government procurement. Beyond financial considerations, the NPPS **highlights the importance of social value**. Contracting authorities must consider broader societal benefits when awarding contracts and ensure proportionality.

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Why It's Urgent:

- Social value has shifted from a “nice-to-have” to a **business imperative**, with the public and stakeholders expecting companies to actively contribute to societal good.
- The **Procurement Act 2025** requires businesses to embed social value into their core practices from the start, rather than viewing it as an afterthought. **The NPPS 2025** places significant emphasis on social value.
- Failing to address social value could result in reputational damage, loss of contracts, and challenges in attracting top talent, as employees increasingly value companies that demonstrate social responsibility.

VALUE

Prism's approach to Social Value

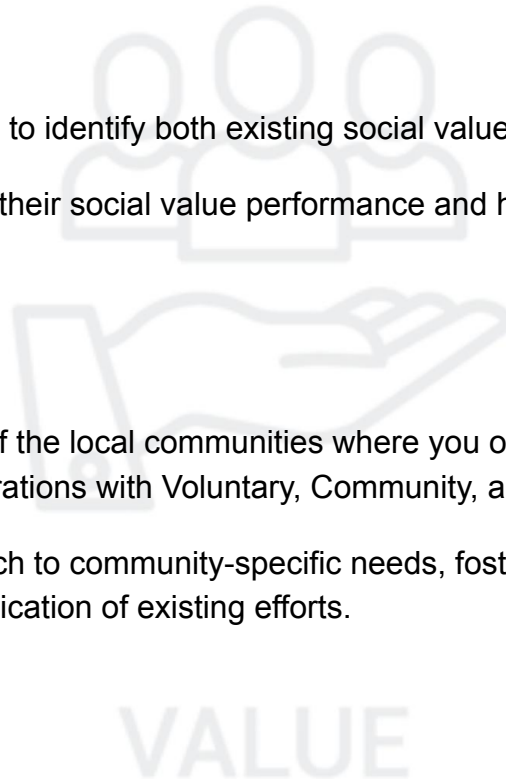
How Prism Can Assist:

1. Social Value Audits:

- Assess your current operations to identify both existing social value contributions and areas for improvement.
- Helps businesses **benchmark** their social value performance and highlights key gaps in alignment with new regulations.

2. Community Assessments:

- Conduct an in-depth analysis of the local communities where you operate, focusing on demographics, local priorities, and potential collaborations with Voluntary, Community, and Social Enterprises (VCSEs).
- Tailor your social value approach to community-specific needs, fostering long-term partnerships with local stakeholders and avoiding duplication of existing efforts.



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3. Social Value Strategy Development:

- Work with business leaders to craft a **bespoke social value strategy** aligned with corporate goals, including **CSR (Corporate Social Responsibility)** and **ESG (Environmental, Social, and Governance)** principles.
- Set clear **targets** and **objectives** based on a thorough understanding of your business's unique position, ensuring maximum **Social Return on Investment (SROI)**.

4. Implementation Support:

- Provide hands-on support to help integrate social value into your operations, from **supply chain management** to **community partnerships** and **employee engagement**.
- Develop a communication and marketing plan that not only promotes the outcomes of your social value initiatives but also enhances **brand reputation** and **stakeholder trust**.

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Prism's approach to Social Value

5. Measurement & Reporting:

- Offer tools and frameworks for tracking and reporting your company's social value contributions, ensuring **compliance** and **transparency** with regulatory standards.
- Prism ensures that your business can **quantify** the impact of social value initiatives and communicate them effectively to stakeholders.

6. Training & Workshops:

- Deliver tailored training programs for your staff, ensuring that employees understand the importance of social value and their role in contributing to it.
- Foster a **culture of social responsibility** within your business, boosting employee engagement and aligning daily operations with long-term social value goals.

Long-Term Benefits:

- By partnering with Prism, businesses can navigate the complexities of the **Procurement Act 2025** and other regulations, positioning themselves to win more **public sector contracts**.
- A well-defined and implemented social value strategy enhances **reputation**, fosters **community trust**, and promotes **sustainable growth** for businesses.

Next steps

To discuss further and see how we can work together, please get in touch with our team:

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