Use social value for smarter procurement

During times of austerity, the public sector is under constant pressure to achieve more for less. Procurement services have never been under more scrutiny as organisations strive to make significant savings and increase efficiencies.

In addition to saving time and money, making smarter choices when procuring products or services can produce more long-term results and benefits to your customers, suppliers and staff.

‘Social value’ is a concept being explored by public sector organisations as they look at the collective benefits to a community when a public body chooses to award a contract. It includes the wider financial and non-financial impact of organisations along with the wellbeing of individuals and communities, social capital and the environment.

Measuring social value can be challenging as it greatly depends on the context of local needs or the particular strategic objectives of an organisation. A flexible approach to measuring social value is often recommended.

Online portals assist organisations in implementing social value best practices across supply chains and provide a platform and tangible means of measurement, meaning organisations can demonstrate what they have done to contribute to social value.

Social value can also demonstrate and measure an organisations’ impact on local and regional economies. It can help suppliers develop socially, environmentally and economically. Themes of measures could include supporting jobs and growth; supporting active, healthy and resilient communities; and promoting cleaner and greener environments. Social value supports customers and suppliers to become more sustainable as it considers planetary resources and the environment.