Contract for Change

How to Position, Plan, Procure, and Provide for the creation of greater Social Value by organisations.

Terms of Reference

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Contents

1.   Purpose

The UK government spend in the region of £280B per annum across the entire Public Sector and Devolved Administrations. A significant amount of this expenditure is delivering critical public services and often being delivered in part or completely by third parties. Third party suppliers to government often spend in the region of 40-60% of turnover on third party goods and services, which amplifies the importance of influencing procurement spend to deliver improved policy outcomes.   Therefore, our opportunity is to provide the Third, Public and Private Sectors with an approach that allows them to increase their ability to create greater Social Value for the good of all when commissioning or procuring goods and services.

This Contract for Change programme seeks to harness the Social Value created by embedding social value as an integral part of an organisation's purpose and mission, whilst ensuring that this focus provides direction to the organisation's commissioning and procurement activity. (Commissioning and procurement activity to include works, services and goods that are contracted from external providers and those performed by in-house functions).   The approach will provide direction how to position, plan, procure, and provide for the creation of greater Social Value by organisations

Social Value creation necessitates a people centred approach. To be successful, an organisation must first understand the context in which it operates in society as a whole and the contribution and consequences it makes (both intended and unintended) on the wider world. This contribution is best understood from the perspective of the people that are affected by an organisation's actions. To this end, Social Value UK defines Social Value as "the value that people place on the changes they experience in their lives." (www.SocialValueUk.org)

This approach will provide a framework for organisations to successfully:

- Provide clarity on organisational intent around Social Value;
- Connect their organisational and functional strategies to their operations;
- Identify their key social value goals and integrate these into their organisational activity;
- Design their commissioning and procurement activity around their social value goals;
- Ensure effective measurement and reporting, and
- Provide a route for continuous improvement and decision making.

The Terms of Reference (ToR) will provide the mechanism for oversight and direction of the Contract for Change Programme. The ToR will be reviewed every six months at a Steering Group meeting to ensure the desired outcomes are being achieved.

2. Principles

The Programme will follow the [7 Principles of Social Value](#) as defined by Social Value UK.

- ✓ Involving Stakeholders
- ✓ Understand Change
- ✓ Only include what is material
- ✓ Don't overclaim
- ✓ Value what matters
- ✓ Be transparent
- ✓ Verify the result

"The Principles of Social Value provide the basic building blocks for anyone who wants to make decisions that take this wider definition of value into account, in order to increase equality, improve wellbeing and increase environmental sustainability. They are generally accepted social accounting principles and are important for accountability and maximising social value." Social Value UK (http://www.socialvalueuk.org/what-is-social-value/the-principles-of-social-value/)

3. Defined Terms

Change Request	A formal request to the Steering Group to alter a major element of the Programme Change Request Template included in Appendix 1
Commissioning	The activity undertaken by organisations to scope, design, obtain and provide works, services and goods: whether these requirements ('needs') are ultimately 'procured' from providers who are external to the organisation or 'performed' by in-house provision.
Implementation Plan	A detailed list of activities and associated scheduling that are required to be delivered to meet the desired outcomes of the Programme
Interested Party	Any person, group or organisation can become an 'Interested Party' by expressing an interest in contributing to the programme or receiving its output.

Organisational Intent / Strategy (or similar)	The purpose for which an organisation exists and its wider role, position and impact in society. This is often embodied in a range of documents, most commonly including, its corporate strategy, core values, mission statement, specific policies customs and operating processes and practices.
Procurement	The act of obtaining something, whether tangible or intangible, such as a product or service. (Chartered Institute of Procurement & Supply definition)
Programme Management Team (PMT)	Will comprise volunteers who will work with the existing core Social Value UK team to support and monitor the management and delivery of the programme.
Project Sponsor	The sponsor of the project on behalf of Social Value UK, namely David Shields, Non-Executive Director
Social Value	Social value is the quantification of the relative importance that people place on the changes they experience in their lives.
Social Return on Investment	A framework for measuring and accounting for Social Value: it seeks to recognise and credit the benefits realised in society by the reduction in inequality and environmental degradation and improvements in economic position, health and wellbeing. These benefits are then weighed alongside financial impacts to consider more 'holistically' the total (hopefully net-positive) impact created by any investment.
Steering Group (SG)	A group of stakeholders who are prepared to voluntarily commit some time each month to help shape and guide the programme. They will provide expertise and insight into different aspects of commissioning, procurement, supply networks and social value and policy from the civil, public and private sectors
Working Groups (WG)	Will deliver best practice content in those areas specified by the steering group. This will include case studies, tools and techniques and best practice guidance.

Working Group Lead	The individual responsible for the planning and delivery of a desired outcome for a specific Working Group.

4.   Background

Social Value is an internationally recognised definition/quantification of value based on the perspective of what is 'good' from the people experiencing it. As a consequence, whilst the range of social value identified is as broad as the span of society, it holds true that many common themes emerge. For although every person is made up from a unique combination of knowledge, experience and outlook, as different as we all are, in many aspects, our common 'code' of what is of value means is the same.

Examples of these common value themes include, good health and wellbeing, the lessening of poverty and improvement of economic prospects and living conditions; the treatment of others with dignity, equality and respect; the creation of community cohesion and environmental protection and improvements. These broader definitions of what collectively find 'valuable' should sit alongside traditional, financial outcome measures when decision making.

Embracing a broader definition of value has enormous potential to change how we understand the world around us, and the decisions we take on where to invest our valuable resources.
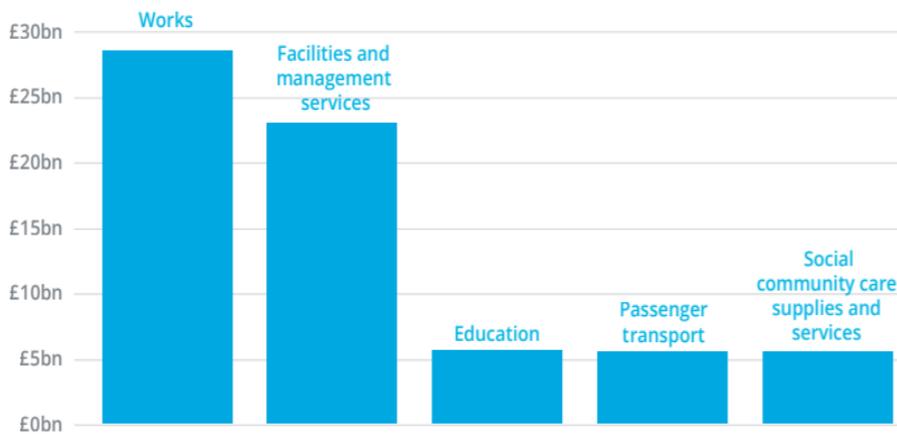
The Public Services (Social Value) Act 2012 creates an obligation for all public bodies to consider through the commissioning or procurement cycles how the social, economic and environment impact could be improved. This legislative requirement alongside public bodies own policies around social value have led to a significant increase in awareness and impact. However, the approach to implementing social value has been relatively piecemeal with limited structure around sharing best practices and case studies or creating an evidence base to inform and assist commissioners and procurement for future strategies, service design and contracts.

The Institute for Government, Government procurement - The scale and nature of contracting in the UK report highlighted the extent of spending and contracting within the public sector. A third of total public sector expenditure is spent on the acquisition of goods, services and works, in excess of £280B. This spend is approximately 13.7% of Gross Domestic Products, across 100,000's of third parties and accounts for 47% of total spend on average across Local Authorities.

The Institute for Government found the spend to be broken down between Works, Facilities and Management Services, Education, Passenger Transport and Social Community Cate Suppliers and Services.

Figure 1 Top five procurement categories across government, 2016/17*

Approaches to implementing social value within Procurement and Commissioning have taken great strides forward over recent years. This has included the development of legislation and policy, while various practical techniques such as evaluation and measurement tools and methodologies have been adopted. All those who shape and are affected by the procurement and commissioning process (including service designers and providers, funders, procurement professionals, the users of the works, services and goods and wider stakeholders) now have a far greater understanding of the potential of social value, with much commissioning activity already incorporating specific social value outcomes and mechanisms for creation and evaluation, not least Social Return on Investment methodologies.

5.   Desired Outcomes

On completion of the programme, we will have created a broad 'principles-led' approach to social value that can be embedded throughout an organisation from organisational strategy all the way down to detailed commissioning and procurement practices. This will include a set of guides, templates and tools which will support the practical implementation of the methodologies: in effect a 'Toolkit'.

This would include embedding social value creation in:

- Organisational strategy development;
- Social Value strategy and policy development
- Business planning and business case development;

- Commissioning and Procurement strategies, policy, governance and processes;

- Category management, including pre-market engagement, specification development, sourcing, contract management and SRM;

- Performance management, measurement of outcomes and Social Return on Investment (SROI).

6. Governance

6.1 Chair

The Project Sponsor will request volunteers from the Steering Group every quarter to Chair the Steering Group for the forthcoming quarter of meetings and seek a consensus for the appointment from the Steering Group.

6.2 Steering Group

The Steering Group will comprise of individuals who have expressed an interest in joining the Steering Group and have a blended set of skills, knowledge and experiences to oversee the Contract for Change Programme including the Chair.

The Project Sponsor will seek volunteers for the Steering Group from a range of Civil, Public and Private organisations to ensure broad representative.

Appointment to the Steering Group will be confirmed by the Project Sponsor.

The role of the Steering Group is to:-

- ✓ Provide strategic direction, decision making and Programme oversight
- ✓ Monitor the overall quality of outcomes
- ✓ Sign off the
  - ✓ the Terms and Reference
  - ✓ the Implementation Plan
  - ✓ Outcomes/resources delivered by any Working Group
- ✓ Create, appoint Working Group Lead and confirm the desired outcome of any Working Group;
- ✓ Seek volunteers for any Working Group by issuing an invitation to all Interested Parties confirming the
  - ✓ Desired outcome of the Working Group
  - ✓ Experience of volunteers required
  - ✓ Any request for documents/templates/case studies already created to be considered by the Working Group
- ✓ Select the individuals with the most appropriate experience to achieve the desired outcome to participate in the Working Group(s)

It is expected that the Steering Group will meet monthly and the full meeting schedule will be agreed at the first meeting and append to the ToR.

A minimum number of 5 Steering Group members must be present to enable decisions to be taken. A consensus approach to decision making will be adopted. Where consensus cannot be reached, decisions maybe made by majority.

In the event that a Steering Group member is unable to attend they may send a representative with prior notice to the Programme Management Team. Is it the responsibility of the Steering Group member to ensure their representative is fully briefed and empowered to participate in any decision making activity undertaken.

6.3   Working Group

Any Working Group, created by the Steering Group, will consist of individuals who are deemed to be experts in the relevant field, including the Working Group Lead.

The Working Group will;

- ✓ Agree the frequency and method of required meetings
- ✓ Review all information provided by any Interested Party
- ✓ Contribute to any material required to support delivery of the desired outcome
- ✓ Contribute to at least bi-monthly updates to the Steering Group on the delivery of the desired outcome against the implementation plan
- ✓ Request and changes to the desired outcome to the Steering Group for approval
- ✓ Working Group lead maybe required to attend the Steering group to provide an update against the Desired Outcome

A minimum number of 5 Working Group members must be present to enable decisions to be taken. A consensus approach to decision making will be adopted. Where consensus cannot be reached, decisions maybe made by majority with the exception of fundamental changes to the desired outcome, which must be referred to the Steering Group for with recommendations for approval.

In the event that a Working Group member is unable to attend they may send a representative with prior notice to the Programme Management Team. It is the responsibility of the Working Group member to ensure their representative is fully briefed and empowered to participate in any decision making activity undertaken.

6.4   Programme Management Team

The Programme Management Team will work with the existing core Social Value UK team to support and monitor the management and delivery of the programme.

Reporting to the Project Sponsor, the Programme Management Team will

- ✓ Attend all Steering Groups and Working Groups
- ✓ Produce any material/resources required to support delivery of the Working Group desired outcome
- ✓ Produce and issue monthly programme updates
- ✓ Provide all secretariat support to the Contract for Change Programme
- ✓ Produce all templates required for use across the Contract for Change Programme

7.   Membership

As an all inclusion initiative, participation in the programme is available to all civil society, public and private sector individuals. All support is provided on a voluntary, pro-bono basis.

7.1   Steering Group

Name	Job Title & Organisation
TBC (Chair)	
Ben Carpenter	Chief Executive, Social Value Uk
David Shields	Project Sponsor & Non-Executive Director, Social Value Uk
To be completed	

7.2   Working Group

Name	Job Title & Organisation
To be completed	

7.3   Programme Management Team

Name	Job Title & Organisation
David Shields	Non-Executive Director, Social Value UK
Catherine Manning	Operations Manager, Social Value UK
Lindsay Rosul	Head of Bid Management & Training, Apsiz Services
Jo Parkes Newton	Director, Flying Squirrel

7.4 Interested Parties

Insert a link to the Interested parties

Participation at all levels in the Programme is on a volunteer basis.

8. Working Methods Working

8.1 Quality Assurance

All documents/resources produced will go through the Programme Management Team quality assurance process prior to be circulated or uploaded to the shared workspace.

- ✓ All documents/resources will be authored by a member of the Programme Management Team to ensure consistency of language and terminology.
- ✓ The draft will be issued to the working group that co-developed for final consultation.
- ✓ The final draft will be reviewed and approved by another member of the Programme Management Team to ensure it meets the desired outcome and remains consistent with the outcomes of the Working Group/ Programme.
- ✓ The final document/resource will be submitted to the Steering Group for sign off.
- ✓ Following sign off the document/resource will be added to the resource log and issued in line with the reporting drumbeat.

8.2 Change Requests

Changes to the following cannot be made unless approved by the Steering Group

- ✓ Terms of Reference
- ✓ Implementation Plan
- ✓ Working Group desired outcomes
- ✓ Signed off documents/resources

Where a change is required, the Programme Management Team will prepare a Change Request which will include the scope and specific details of the change.

The Change Request will then follow the Quality Assurance process documented in 8.1.

8.3 Shared Workspace

The Programme Management Team will maintain a shared workspace (insert link) which will house all information related to the programme.

The shared workspace will include (as a minimum):

- ✓ Terms of Reference
- ✓ Implementation Plan
- ✓ Meeting papers and any supporting information for the Steering Group and Working Group(s)
- ✓ Documents provided by any Interested Party for review by the programme
- ✓ Documents created as a result of the programme
- ✓ Monthly updates
- ✓ Completed tools by Principle
- ✓ Version controlled document/resource log
- ✓ Change Requests
- ✓ Templates

To ensure complete transparency, the shared workspace will be accessible by all Interested Parties.

8.4　Meeting and Reporting Drumbeat

8.4.1 Steering Group (Monthly)

- ✓ Week 1 - Meeting Agenda and supporting papers released
- ✓ Week 2 - Meeting convenes
- ✓ Week 3 - Minutes of the meeting issued to all Steering Group members

8.4.2 Working Group (Monthly / as required)

- ✓ Week 1 - Meeting Agenda and supporting papers released
- ✓ Week 2 - Meeting convenes
- ✓ Week 3 - Minutes of the meeting issued to all Working Group members
- ✓ Week 4 - Monthly update submitted to Steering Group

8.4.3 Interested Parties (Monthly)

- ✓ Week 4 – at least monthly issue progress report including links to any in month published documents/resources.

9.　Communication

All Interested Parties will receive a monthly progress report via email which will include (but not be limited to):

- ✓ Progress made against
  - ✓ Principles
  - ✓ Implementation Plan
  - ✓ Working Group desired outcomes
- ✓ Links to newly created resources

Open updates will be published via the Social Value UK newsletter and website

10. Intellectual Property

To ensure a fully inclusive programme, the approach including relevant documents/resources, process and intellectual property will be made freely available via Social Value UK (insert direct programme link) with no restrictions on use.

However, it is requested that any documents produced from this approach/documents/templates set include a reference and link back to the Contract for Change Programme and Social Value UK (insert direct programme link) website to support broader promotion and aid new organisations to harness their true Social Value potential.
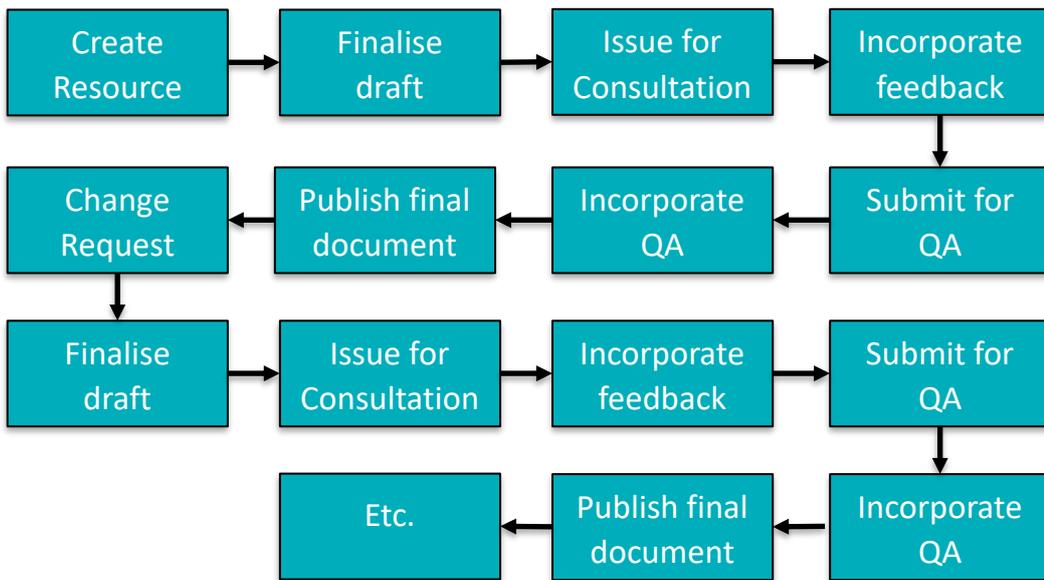
11. Programme Review Date

Programme delivery will be reviewed each quarter by the Steering Group to ensure the desired outcomes are being achieved.

12. Version Control

All resources will be created and managed by the Programme Management Team in line with the Version Control flowchart in Figure 2 below.

Figure 1 Version Control Flow Chart

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┌──────────┐     ┌──────────┐     ┌──────────┐     ┌──────────┐
│  Create  │ ──► │ Finalise │ ──► │ Issue for│ ──► │Incorporate│
│ Resource │     │  draft   │     │Consultation│    │ feedback │
└──────────┘     └──────────┘     └──────────┘     └──────────┘
                                                          │
                                                          ▼
┌──────────┐     ┌──────────┐     ┌──────────┐     ┌──────────┐
│  Change  │ ◄── │ Publish  │ ◄── │Incorporate│ ◄── │Submit for│
│ Request  │     │  final   │     │   QA     │     │   QA     │
│          │     │ document │     │          │     │          │
└──────────┘     └──────────┘     └──────────┘     └──────────┘
      │
      ▼
┌──────────┐     ┌──────────┐     ┌──────────┐     ┌──────────┐
│ Finalise │ ──► │ Issue for│ ──► │Incorporate│ ──► │Submit for│
│  draft   │     │Consultation│    │ feedback │     │   QA     │
└──────────┘     └──────────┘     └──────────┘     └──────────┘
                                                          │
                                                          ▼
                 ┌──────────┐     ┌──────────┐     ┌──────────┐
                 │   Etc.   │ ◄── │ Publish  │ ◄── │Incorporate│
                 │          │     │  final   │     │   QA     │
                 │          │     │ document │     │          │
                 └──────────┘     └──────────┘     └──────────┘
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Appendix 1 – Change Request Template

Section A – Details of the Change Request

Name of Requestor	
Working Group Name (if applicable)	
Title of Change	
Date of Request	
Brief Description of Change	

Section B – Change Request Review

To be completed by a member of Programme Management Team

Date of Steering Group Meeting	
Chair	
Decision	Approved / Rejected
Supporting information (if applicable)	
Date Change Control Request Published with Minutes	