



SOCIAL VALUE and ECONOMIC SUSTAINABILITY POLICY

Facilitating local economic impact and social value for the
public sector and their communities

June 2023



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Purpose

The purpose of this policy is to clearly set out how SCAPE will ensure social value is embedded throughout the procurement, commissioning and delivery of frameworks, property services, design solutions and joint ventures.

Background and scope

This policy is applicable to Scape Group, including all subsidiary companies, joint ventures and partnerships. This includes, but is not limited to:

- Scape Procure Limited
- Scape Procure Scotland Limited
- Lungfish Architects
- Arc Property Services Partnership Limited
- Construction Waste Portal Limited

This policy forms part of our overall Sustainability policy framework.



Social value has a legislative underpinning in most of the UK with the introduction of The Public Services (Social Value) Act 2012, which imposes an obligation on all public sector bodies to consider social value in the procurement of goods, services and works.

SCAPE is a public sector organisation, in its ownership and its ethos. It has a clear public purpose: the creation of an efficient and effective route to market for all built environment services.

Through a consistent and industry-recognised performance management approach, setting appropriate strategic objectives and embedding relevant measures of performance, SCAPE ensures that all delivery partners in our supply chains and partnerships prioritise social value outcomes as an essential element in publicly procured projects and commissions.

Social value is integral to SCAPE's approach and operations.

Social value is not just a compliance issue. It is a statutory requirement that goes beyond the simple cost of service provision, to securing the wider benefits for the community every time an investment is made. SCAPE ensures socio-economic development and environmental responsibility sits at the heart of every service, project and commission undertaken.

SCAPE intends to ensure that it plays a leading role in the development of social value outcomes by embedding appropriate strategies into its procurement processes, service delivery approaches, employment practices and use it to shape the way in which social value is delivered, measured and reported upon.

Social value can be created in isolation by one organisation, but if the effort is shared, the impact is magnified, and can be delivered in a substantially more cost-efficient manner.

SCAPE is uniquely placed to unlock social value at scale, through procurement solutions and innovative joint ventures, which engender long-term collaborative relationships with framework delivery partners and clients, creating scope to plan sustainably and invest for the future.

Policy objectives

The aim of this policy is to:

Define the social value standards and behaviours that SCAPE expects of its organisation and its people in the way in which the services offered by SCAPE are planned, managed and delivered.

Articulate why social value is important to SCAPE and how it adds real benefit to the communities it serves, setting out our organisation's commitments.

Establish a position of thought leadership in respect of social value outcomes, helping to change attitudes and behaviours in everyone engaged in the built environment.

Set out expectations of our framework delivery partners, and their supply chain, as new frameworks are procured, and collaborative relationships are entered into for delivering public services.

Policy context

The Public Services (Social Value) Act 2012 requires all public bodies in England and Wales to consider how the services they commission and procure might improve the economic, social and environmental wellbeing of the area for which they are responsible.

Procurement Policy Note 06/20 requires social value to be explicitly evaluated in all central government procurement, rather than just "considered". A minimum weighting of 10% of the total score for social value should be applied in the procurement to ensure that it carries a heavy enough score to be a differentiating factor in bid evaluation.

The National Procurement Policy Statement published by HM Government in June 2021 requires that all contracting authorities should have regard to national priorities relating to social value outcomes alongside any additional local priorities in their procurement activities.

The Procurement Reform (Scotland) Act 2014 places a sustainable procurement obligation on public sector bodies and lays the foundations for the systematic delivery and reporting of social value in the Scottish public sector.

The Wellbeing of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales and places an obligation on public bodies to carry out sustainable development.

Northern Ireland Public Procurement Policy 01/21 requires that from 1 June 2022, central government departments include a minimum of 10% of the total award criteria to score social value, with the intention to increase to 20% by June 2023. A social value act for Northern Ireland is expected to follow in due course.

Delivering social value

SCAPE's service offering is a catalyst for social value, through the physical assets it helps to create and maintain, the economic activity it generates, the services it facilitates and the communities it supports.

SCAPE not only offers clients the opportunity to secure social value, but ensures it is consistently achieved through performance management.

SCAPE generates social value both directly, through its activities; and indirectly, by regulating supplier behaviour through procurement and thought leadership, which helps to shape how clients think about social value.

SCAPE has four main areas of significant influence where social value has impact:

- In setting objectives for delivery (in procurement or for delivery of programmes and projects) to establish a consistently high standard of outcomes, and to ensure social value outcomes feature in every service offered by SCAPE
- In the specification of services, both those delivered directly and through procurement, ensuring social value outcomes influence the choices of materials, methods and resourcing for every project
- In performance management activity as services are delivered, ensuring social value measures are consistently captured and that the data is used proactively as projects are delivered
- In reporting progress and celebrating success, ensuring our clients are notified and satisfied, and that the communities who benefit can recognise what has been achieved.

Our social value commitments

SCAPE will ensure that:

- Social value objectives form an integral part of our strategy, business planning and decision making
- All our employees understand our social value policy and priorities, and how these are relevant to their day-to-day work
- Our workforce management practices reflect our social value principles
- Social value is embedded in all specification and procurement activity
- Social value measurement is used as part of our performance management approach for every service we offer, utilising a suite of reportable performance measures, ensuring the measures we use are:
 - Relevant to our clients and the communities they serve
 - Proportionate for all parts of the supply chain to apply and
 - Robust enough to secure continuous improvement in the delivery of services.

Measuring, recording and reporting social value

Key principles

The quality of the data captured is fundamental to the success of our social value strategy. SCAPE seek to measure positive and meaningful social value impacts to enable clients to evidence achievement of their own social, economic and environmental targets, to support decision making on effective social value strategy and to evidence the delivery of outcomes in our services.

Adopting the Social Value TOM System approach

In addition to the KPIs, SCAPE has developed a TOM System-based (Themes, Outcomes, Measures) approach to social value, in partnership with the Social Value Portal.



These outcomes and measures are economic, social and environmental in nature and have been developed through discussions held over 18 months and across 40 institutions. The National TOM System provide a simple, intelligible methodology and reporting standard to enable benchmarking across the UK.

SCAPE has worked with the Social Value Portal to implement the TOM System, alongside KPIs, as the basis of social value delivery in all its frameworks, providing clients with the flexibility to set appropriate social value targets to align with national priority outcomes, alongside their policies and local needs. The Social Value Portal also provides independent verification and audit of the social value data. An example of the TOM System is included in Appendix A.

Once appointed, framework delivery partners report on performance against the measures in the TOM System, alongside other contractual KPIs, to retain a streamlined reporting process.

Ensuring clients are invited to direct the focus of social value activity will be key to achieving successful outcomes.

The TOM System will be regularly reviewed to test the appropriateness of the measures and updated to ensure it provides maximum impact.

Supply-Chain Fair Payment

SCAPE believes that fair and transparent payment practices are essential to achieve successful integrated and collaborative working when providing construction works and services.

The SCAPE Fair Payment Standard therefore applies to parties to Framework Projects for Works and Services. The goal is to support the Framework's wider objectives of promoting effective collaborative working and supply-chain management.

SCAPE has set its Fair Payment Standard to achieve consistency with the statutory duty to report payment practices and performance, enabling efficient data capture and reporting processes. However, SCAPE is proud of a proven track record for achieving payment terms that improve on Government requirements and encourage Partners to go further by requiring them to set Faster Payment standards. SCAPE will publish achievement against SCAPE minimum standards for Fair Payment and Faster Payment on an annual basis.

This Fair Payment Standard builds on and complements existing legislation and policy, namely the Housing Grants, Construction and Regeneration Act 1996 (as amended); the Late Payments of Commercial Debts Regulations 2013; Procurement Policy Notes 03/16 and 05/15; and the Duty to report on payment practices and performance standard.

SCAPE Fair Payment Standard

In working collaboratively and in the spirit of mutual trust and cooperation, the Partner agrees to meet and maintain the following Fair Payment Standard within its supply-chain when providing Works and Services on a SCAPE Framework:

- 'Fair Payment' provisions will apply equally between Clients and the Partner, and through the Partner's supply chain.
- Companies subcontracted or subsubcontracted to provide Works and Services including the provisions of goods and services have the right to receive correct full payment as and when due. Deliberate late payment or unjustifiable withholding of payment is not acceptable.
- Correct payments will represent the works and services properly carried out, or products supplied, in accordance with each company's contract unless a supply-chain member voluntarily chooses not to submit an invoice for a specific period.
- Supply chain payment applications will be submitted monthly and any subcontract awarded by the Contractor must include requirements for payment that must not exceed 30 days from the date on which any valid and undisputed application for payment or invoice is received.
- Any withholding of payment due to defects or non-delivery will be proportionate and demonstrably justified in line with arrangements made at the time of contract.
- 'Pay less' notices will be issued at the earliest opportunity, and no later than 7 days before the final date for payment.
- The payment process will be transparent in order that members of the supply chain have certainty of how much and when they will be paid.
- SCAPE's no retention provisions apply throughout the supply chain.
- To avoid payment delays or misunderstanding, the client, Partner and all supply chain members will agree payment procedures before executing their respective contracts. The Partner will follow each Project Agreement's subcontracting provisions, transparently demonstrating subcontract documents and ensuring appropriate subsubcontract provisions are incorporated.

- The Partner will use the NEC Suite of Contracts, applying the most appropriate form of contract, applying 'back to back' subcontracts and subsubcontracts and appropriate payment provisions tailored to reflect the equivalent terminology for each form of contract.
- The Partner's change procedures will follow the principles, including proactively and pre-emptively agreeing the impact and implication of change via early warnings and compensation event processes. Compensation events will be agreed promptly and fairly, and payments for such events will be included in the payments in accordance with the subcontract or subsubcontract documents, namely on the next application following the completion of the revised works and/or services.
- Electronic payments will apply throughout the supply chain.
- Monitoring and auditing and problem resolution procedures will be agreed between the parties. Scape will monitor payments in accordance with the Performance Management Schedule
- The Partner will support the use of Project Bank Accounts on Projects over £5m, this will include actively supporting Clients and supply-chain members in their uptake.

While this is not intended to be a legally binding document, the SCAPE Fair Payment Standard applies to individual Project Agreements, therefore subcontract and subsubcontract documents may be rejected as non-compliant under Project Agreements' subcontracting procedures.

Working in partnership

As social value is a dynamic process, SCAPE continues to look for further ways to add social value, improve outcomes and respond to the changing needs of communities through innovation and with increasing investment from the private sector.

Community Legacy Programme

Social value can be created in isolation by one organisation, but the impact is magnified, and can be delivered in a substantially more efficient manner if the effort is shared. SCAPE has created the Community Legacy Programme, through which the management and delivery of nationwide community benefit activities is shared with clients of all the SCAPE frameworks.

One of the key features of the programme is to develop universal initiatives that can be offered to every client and their communities, no matter how small a commission may be, ensuring social value delivery on all SCAPE projects.

Alongside SCAPE, each partner to the programme supports the collaborative development and delivery of the programme which feature two core themes:

- Employment, skills and the development of sustainable careers in the built environment sector
- Delivery and promotion of Environmental Sustainability

The Social Partnership Portal

The Social Partnership Portal is an online platform that brings social suppliers and buyers together, improving supplier diversity, innovation and resilience. The portal was procured by SCAPE, is powered by Local Supply Chain and backed by over 25 founding members from across the construction industry.

Endorsed by Social Enterprise UK and Social Enterprise Scotland, this online platform is free for social suppliers to build their profile, showcase their skills and demonstrate their ability to supply to the UK construction industry, increasing opportunities for growth and business creation, and creating employment opportunities for those who face barriers to employment.

It provides contractors with improved access to social suppliers with the correct skill set for their projects, both locally and nationally, creating a more diverse supply chain and helps all parties maximise the social, economic and environmental outcomes from construction projects.

Policy responsibilities

The SCAPE group chief executive is responsible for this policy, and for ensuring it is reviewed periodically.

The Executive Leadership Team is responsible for ensuring this policy is implemented and that systems and processes are developed and monitored. All line managers are responsible for ensuring that all employees are aware of their responsibilities under the policy, and that it is fully implemented throughout their department.

All staff (including employees, volunteers, contractors and consultants) have a responsibility to comply with this policy. The SCAPE Social Value and Performance Manager is responsible for updating, promoting and ensuring compliance with the policy.

Appendix A – SCAPE TOM System 2022

Theme	Outcome	Measure
Jobs Promote Local Skills and Employment	More local people in employment	No. of full time equivalent direct local employees (FTE) hired or retained for the duration of the contract
		Percentage of full time equivalent local employees (FTE) on contract - employed directly or through supply chain
	More opportunities for disadvantaged people	No. of full time equivalent local employees (FTE) hired or retained on the contract who are long-term unemployed (unemployed for a year or longer)
		No. of full time equivalent local employees (FTE) hired on the contract who are NOT in Employment, Education, or Training (NEETs)
		No. of full time equivalent local employees (FTE) aged 18+ years hired on the contract who are rehabilitating or ex-offenders.
		No. of full time equivalent disabled local employees (FTE) hired or retained on the contract
	Improved skills	No. of staff hours spent on local school and college visits supporting pupils e.g. delivering career talks, curriculum support, literacy support, safety talks (including preparation time)
		No. site visits for school children or local residents
		No. of weeks of training opportunities (BTEC, City & Guilds, NVQ, HNC - Level 2,3, or 4+) on the contract that have either been completed during the year, or that will be supported by the organisation until completion in the following years
		No. of weeks of apprenticeships or T-Levels (Level 2,3, or 4) provided on the contract (completed or supported by the organisation)
	Improved skills for disadvantaged people	No. of hours of 'support into work' assistance provided to unemployed people through career mentoring, including mock interviews, CV advice, and careers guidance
	Improved skills for a low carbon transition	Support a 'just transition' for workers by supporting those in 'traditional' high carbon industries to retrain
	Improved employability of young people	No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)
		Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)
Employment taster days for those interested in working in the primary project industry or sector, such as real estate, construction, or facilities management		

<p>Growth Supporting Growth of Responsible Regional Business</p>	<p>More opportunities for local MSMEs and VCSEs</p>	Total amount (£) spent with VCSEs within your supply chain
		Provision of expert business advice to VCSEs and MSMEs (e.g. financial advice / legal advice / HR advice/HSE)
		Provision of expert business advice to help VCSEs and MSMEs achieve net zero carbon
		Equipment or resources donated to VCSEs (£ equivalent value)
		Number of voluntary hours donated to support VCSEs (excludes expert business advice)
		Total amount (£) spent in local supply chain through the contract
		Total amount (£) spent through contract with local micro, small and medium enterprises (MSMEs)
		Meet the buyer' events held to highlight local supply chain opportunities
	<p>Improving staff wellbeing and mental health</p>	No. of employees on the contract that have been provided access for at least 12 months to comprehensive and multidimensional wellbeing programmes
		Equality, diversity and inclusion training provided both for staff and supply chain staff
Mental Health campaigns for staff on the contract to create community of acceptance, remove stigma around mental health		
<p>Ethical Procurement is promoted</p>	Percentage of your procurement contracts that include commitments to ethical employment practices in the local and global supply chain, including verification that there is zero tolerance of modern slavery, child labour and other relevant requirements such as elimination of false self-employment, unfair zero hours contracts and blacklists	
	Initiatives taken throughout the local and global supply chain to strengthen the identification, monitoring and reduction of risks of modern slavery and unethical work practices occurring in relation to the contract (i.e. supply chain mapping, staff training, contract management)	
<p>Social Value embedded in the supply chain</p>	Percentage of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required	
<p>Social Healthier, Safer and more Resilient Communities</p>	<p>Crime is reduced</p>	Initiatives aimed at reducing crime (e.g. support for local youth groups, lighting for public spaces, etc.)
	<p>Creating a healthier community</p>	Initiatives to be taken to tackle homelessness (supporting temporary housing schemes, etc.)
		Initiatives to support rough sleepers - including training for security and night staff, opening up facilities spaces (e.g. showers or additional beds when temperature drops) after hours
		Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc.) or wellbeing initiatives in the community, including physical activities for adults and children
	<p>Vulnerable people are helped to live independently</p>	Initiatives to be taken to support older, disabled and vulnerable people to build stronger community networks (e.g. befriending schemes, digital inclusion clubs)

	More working with the Community	Donations and/or in-kind contributions to specific local community projects (£ & materials)
		No. of hours volunteering time provided to support local community projects
		Support provided to help local community draw up their own Community Charter or Stakeholder Plan
Environment Decarbonising and Safeguarding our World	Carbon emissions are reduced	Savings in CO2e emissions on contract achieved through decarbonisation (i.e. a reduction of the carbon intensity of processes and operations, specify how these are to be achieved) against a specific benchmark.
	Air pollution is reduced	Car miles saved on the project as a result of a green transport programme or equivalent (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)
		Car miles driven using low or no emission staff vehicles included on project as a result of a green transport programme
	Sustainable Procurement is promoted	Percentage of procurement contracts that include sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer.)
Requirements or support (for micro or small enterprises) for suppliers to demonstrate climate change and carbon reduction training for all staff - e.g. SDGs Academy courses, Supply Chain Sustainability School bronze or higher or equivalent		
Innovation Promoting Social Innovation	Social innovation to create local skills and employment	Innovative measures to promote local skills and employment to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.
	Social innovation to support responsible business	Innovative measures to promote and support responsible business to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.
	Social innovation to enable healthier safer and more resilient communities	Innovative measures to enable healthier, safer and more resilient communities to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.
	Social innovation to safeguard the environment and respond to the climate emergency	Innovative measures to safeguard the environment and respond to the climate emergency to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.