

#7 - FEBRUARY 2016[View this email in your browser](#)**IN THIS ISSUE:****Welcome to the 7th edition of the Social Procurement Australasia Bulletin!**

As interest in social procurement continues to grow, in Australia and around the world, we bring you news and information on interesting developments and activity underway.

The SPA Bulletin is distributed quarterly and now has 604 'live' subscribers. We're keen to continue to build and support the Australasian network - please help by forwarding this on to potentially interested parties and encouraging them to subscribe direct.

The SPA Members and Friends network will shortly be holding its annual planning workshop in Brisbane and we look forward to bringing you an update on activity and directions in the next edition of the Bulletin.

- [Winners of inaugural UK Social Value Awards announced](#)
- [Did you know](#)
- [Designing contracts with social value in mind: To bundle or not to bundle?](#)
- [G21 Region Opportunities for Work \(GROW\) - Regional Procurement Economic Modelling Project](#)
- [New academic research book: Social Procurement & New Public Governance](#)
- [Supplier capacity building: Improving performance & understanding your impact](#)
- [Update: Social Traders' Connect](#)
- [Developments elsewhere](#)
- [Upcoming Events](#)

- [Past Events](#)
- [New SPA Member in NZ](#)
- [SPA Member Spotlight](#)
- ['Friends of SPA'](#)

Winners of inaugural UK Social Value Awards announced

The UK Social Value Awards were established to recognise good practice in commissioning and providing social value. The need for this type of recognition, to encourage ongoing development around demonstrating social value, was a key recommendation of the 2015 Review of the Social Value Act (see below for more info on the background to the Awards) .

The winners of the inaugural Awards were announced at the [3rd Social Value Summit](#), organised by [Social Enterprise UK](#) and partners. 70 nominations were received, across four categories: Social Value Leadership for an Organisation; Promoting & Mainstreaming the Social Value Act; Social Value Leadership for an Individual; and Driving Value for Money.

More information on the winners is available [here](#). Keep an eye out for an article on [Fusion21](#), the winner of the Driving Value for Money award, and its innovative approach to social procurement in the next edition of the SPA Bulletin.



Did you know

- the Statue of Liberty is maintained & cleaned by a social enterprise?

[Fedcap Facilities Management](#) is a leading nonprofit custodial and facilities maintenance organisation in the US. It has been providing a workforce of individuals with barriers to entering and staying in the workforce to a range of federal, state and commercial customers for over 30 years.



Designing contracts with social value in mind: To bundle or not to bundle?

Entities interested in delivering social value outcomes through their procurement activities and budgets are often faced with conflicting information when it comes to contract bundling. On the one hand efficiency advocates argue that bundling will reduce costs and administration, whilst on the other for-social-benefit suppliers and their proponents identify contract size and complexity as major hurdles to their participation.

A Canadian report - [*Facts or Fiction? Dispelling the Myths about the Bundling of Construction Projects*](#) - provides an interesting summary of some of the myths, issues and risks associated with bundling on public sector construction projects. Whilst the report sits within this specific industry context and Canadian in focus (with some discussion of US and EU initiatives), it is useful reading for those faced with choices about contract bundling.

The report identifies three fundamental issues: that there is no factual basis for the promised savings; that it reduces competition; and that it leads to a 'hollowing out' of local economies. These issues are significant for the Australasian context also, and it could be argued that they are relevant beyond the field of construction contracts – potentially in any area where services or works (rather than goods) are being purchased.

Not surprisingly, the report identifies in particular small-medium enterprises (SMEs) as the major losers to bundling regimes. To improve the access of SMEs to government contracts, in the US specific legislation has been passed to prevent bundling 'unless necessary and justified'; and an EU study recommends breaking tenders down into lots, by task or geographic area, to reduce technical and financial barriers for SMEs.

Many for-social-benefit suppliers are SMEs that are engaged in the challenging task of creating a durable business whilst also delivering a specific form of social value – for example, employing various categories of people 'far from the labour market', improving social connectedness and reducing social isolation, or championing and facilitating a strong local economy.

Of course, bundling may be the best option in some cases. But as the above report identifies, it shouldn't be the default or automatic approach. Consideration of alternatives should be undertaken in a systematic way and with attention to the full gamut of 'value' that it may be possible to generate through the specific opportunity.



When next considering bundling contracts, think about how the opportunity you are presenting to the market could be designed to improve the development and durability of for-social-benefit suppliers. Unbundling even a small piece of contract work could be the lynchpin that allows these suppliers to test, grow and consolidate their business model. And the social value

they generate through their activities will deliver 'value for money' well beyond the purchasing organisation.

NEWS & DEVELOPMENTS



G21 Region Opportunities for Work (GROW) - Regional Procurement Economic Modelling Project

In May 2015, The [GROW \(G21 Region Opportunities for Work\) Strategic Plan](#) was launched. The plan is an ambitious long-term (10 year) strategy for tackling priority areas of disadvantage in Geelong and Colac in Victoria. Based on international examples, the GROW plan was developed through a consultative 'collective impact' approach involving a broad range of individuals and organisations from the local public, private and NGO sectors. GROW aims to achieve systemic and sustainable change through three key strategic activity domains: Investment, Social Procurement, and Demand-led Employment Brokerage; all supported by a Shared Impact Measurement Framework. The full plan includes four specialist reports, one of which is a Social Procurement Plan for the G21 Region.

The [GROW Social Procurement Plan](#) is designed to generate employment outcomes through harnessing the collective procurement activities of organisations operating within the region. Social procurement is increasingly recognised as a key strategic procurement priority, integrating social and local economic development objectives into the procurement processes for goods, services and/or works. The GROW Social Procurement Plan consists of several key action areas.

One of these action areas is the [GROW Regional Procurement Economic Modelling Project](#). Through this project the impact of increasing local and social procurement activity on regional economic activity is being assessed. The project commenced in September 2015 and is being delivered by ArcBlue Consulting on behalf of Give Where You Live, and with the involvement of the Geelong Chamber of Commerce, the Committee for Geelong, and Regional Development Victoria.

Qualitative and quantitative data on the procurement activities (recent past and future) of key regional organisations (public, community and private sector), is being collected. The data is being analysed to provide a better understanding of spend by category and industry, to identify where opportunities to increase local and social procurement may lie. This process includes generating online 'dashboards' for each participating organisation and the region, to facilitate ongoing data analysis, tracking and reporting. The project will formulate recommendations for future directions - both for participating organisations and for the overall initiative.

The GROW Social Procurement Plan has several inter-related and complementary strands of activity. Other activity currently underway includes:

- Establishment of the cross-sector GROW Social Procurement Network;
- Development of case studies and specific guidance material;
- Action learning through pilot regional projects that seek to maximise regional economic activity and employment for local and specifically long-term unemployed residents; and
- The development of a 'Compact' where 20 regional organisations (to date) have committed to addressing disadvantage through their procurement and employment practices and reporting on the resulting impact.

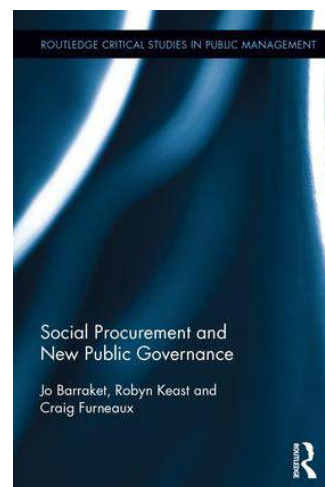
For more information on the GROW Regional Economic Modelling Project please contact Chris Newman: Chris.newman@arcblue.com.au

New academic research book: *Social Procurement & New Public Governance*

by Jo Barraket, Robyn Keast and Craig Furneaux

Across the world and across sectors, the idea of purchasing to create social value is gaining attention. Social procurement is becoming embedded in public policies and corporate agendas about stimulating supplier diversity, strengthening social enterprises, and responding to local social challenges.

In this new research book, the authors look at what is driving interest in social procurement within current approaches to governing and generating public value (recognising that governance is an increasingly cross-sector endeavour). The book traces the history of social procurement - from government purchasing of charitable services under 19th century poor laws, to the role of the civil rights movement in stimulating minority supplier diversity legislation in North America. The volume also considers more recent developments, such as the UK's introduction of the Public Sector (Social Value) Act 2012, and the variety of social procurement practices that are emerging across jurisdictions and variously from governments, private for profit and third sector organisations.



Purchasing social value requires that we can measure and compare social value. The book considers just how social value can be understood and the various approaches to and challenges of measuring it for procurement purposes. Trends in social procurement also require new skills and competencies of those who procure and those who provide. The book considers the workforce and organisational management challenges that organisations and agencies face as they progress new social procurement efforts.

A scholarly volume, this book is not intended to provide a 'how to' guide to social procurement; nor does it make a business case for the practice. Rather, this book seeks to explain where social procurement is located within wider discourses of new public governance and why and how this matters for practice. It draws on contemporary and historic case examples from a number of countries and the experiences of multiple sectors. A first in public management literature, this book opens a wider conversation about the nature of social and public value and the mechanisms by which we create it.

More information on the book can be accessed via the [Routledge website](#).

Supplier capacity building: Improving performance & understanding your impact

The [Mercury Centre Cooperative](#) is looking to re-introduce **Social Audit and Accounting** (SAA) into Australia, building on its background in this area.

For smaller for-social-benefit suppliers interested in improving their performance and impact SAA provides a cost-effective and capacity building approach that can improve market readiness and support growth.

SAA was developed in collaboration with the social enterprise movement in the 80s and 90s as an embedded do-it-yourself approach to improving business performance and social impact. It builds on the existing monitoring, documentation and reporting systems a social enterprise has in place to develop a process whereby it can account fully for its social, environmental and economic impacts. It enables ease in performance reporting, along with the development of an action plan to improve on that performance. It is a form of 'action learning' rather than evaluation per se, and is very suitable for smaller organisations as it requires no ongoing external supervision or consulting support.



You can see more on SAA and the current Australian activity in [Pro Bono News](#) and more on the method in general at [The Social Audit Network](#).

For more information, contact Alan Greig at: alan.greig@mercury.org.au

Update: Social Traders' Connect

In November 2015, Social Traders, together with its corporate partners, launched *Connect* – Australia's first service dedicated to linking social enterprises to corporate and government contracts. Founding members include seven of Australia's leading corporations - Australia Post, Westpac, Lendlease, Mirvac, GPT, PwC and NAB, as well as the Victorian State Government and the Municipal Association of Victoria. By 2020, Social Traders' *Connect* expects to have more than 50 corporate and government members procuring over \$100 million in social enterprise contracts.

[Find out more.](#)

SOCIAL TRADERS

Developments elsewhere

The (UK) Social Value Act in 2016: challenges and opportunities

In this recent [article](#), Pioneer Post discusses developments as the [UK's Social Value Act](#) enters its third year. The measurement and reporting of social value remains a key focus for both purchasers and suppliers, with a range of initiatives underway to strengthen activity in this area.

The following finding from the 2015 [Review of the Act](#) (p.5) will be of particular interest to purchasers looking for **technical guidance** around implementing social procurement strategies:

"It is important to make clear that the Act, applied well, does not need to be bureaucratic and can help commissioners secure real value for money. However, improper application of the Act (for example asking for social value not relating to the subject matter of the procurement, or failing to engage with the local market before procurement starts) risks a return to the bureaucracy we have been working hard to eliminate from the procurement process - in particular, the abolition of complex Pre-Qualification Questionnaires, which have routinely shut small suppliers out of bidding for public sector contacts."

EVENTS, FORUMS & WORKSHOPS

SPA and its Member organisations deliver a range of events related to developing social procurement policy and practice in the Australasian region. Information on past events can be accessed via our [website](#).

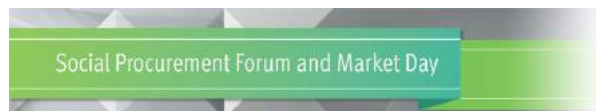
We are also happy to help spread the word about any social procurement related events happening around the Australasian region. Please [contact us](#) to let us know about any coming up in your geographical area, industry sector, or if there is an opportunity to showcase a specific social procurement opportunity. We can list them for you in future editions of the SPA Bulletin and/or on our website.

Upcoming Events

Northern Queensland Social Procurement Forum & Market Day

8.30am-5.30pm, 10 March 2016

Cairns Convention & Exhibition Centre,
Sheridan St, Cairns



Free admission, however places will be limited. The program is available [here](#).

Stallholders: The organisers are seeking expressions of interest from a wide range of social enterprises wishing to participate in the Northern Queensland event. The expression of interest process can be accessed [here](#).

Or register your interest, either as a delegate or market stall holder, by emailing: marketday@hpw.qld.gov.au

Past Events

CRN Australia National Forum 2015: *Community Re-turns*

The Community Recycling Network of Australia's annual forum is a gathering of community recyclers, waste industry professionals, and local government representatives who are passionate about supporting the growth of community recycling in Australia. The 2015 forum was held in Hobart, Tasmania and focused on the relationships between recyclers and their local communities - exploring the social, financial, and resourceful returns community recycling generates.



Of particular interest to suppliers involved in social procurement was the session on ['Getting](#)

[Better Contracts](#), where some of the opportunities and pitfalls of contract negotiations (as relate to the re-use and recycling sector) were discussed. In particular, participants had opportunities to explore the tension between wanting to see positive social impacts valued as part of the contracting process, while also understanding that price, service, and compliance considerations are going to be at the forefront of their purchasers' minds. Ultimately, it was felt that unless genuine weighting is given to social outcomes during the initial stages of tender and contract development, it is likely that they will be treated as an 'added bonus' rather than as an integral component of the product or service.

More information on the event and copies of presentations are available [here](#).

SPA MEMBERS & NETWORK

New SPA Member in NZ

The Community Recycling Network Aotearoa / New Zealand



Like SPA Member CRN Australasia (see below), [CRN New Zealand](#) exists to support resource recovery enterprises. It has over 60 members across New Zealand, who are involved with a wide range of resource recovery and education-for-sustainability initiatives. Some examples include: the nation-wide [Paper4Trees](#) schools recycling program; [Para Kore](#) - a project that helps Marae (meeting places) become zero waste; and [Wanaka Wastebusters](#) - a community recycler based in Otago.

CRN NZ Members support one another with development advice and ideas; share programs and resources; and work together on training, mentoring, market development and capacity building. Recently, much of the activity has been in Auckland where the Council's waste plan includes the establishment of a region-wide resource recovery network. In 2016, a focus for CRN NZ will be its social procurement advocacy work, which it has identified as key to fostering an environment in which community recycling enterprises can thrive.

For more information contact Dorte Wray: admin@communityrecyclers.org.nz

SPA Member Spotlight

Community Recycling Network (CRN) Australia



Community Recycling Enterprises (CRE's) exist to reduce waste to landfill while creating jobs and volunteer positions through the sale of reusable and recyclable goods. From small Tip Shops in regional communities to large, multi-regional enterprises, CRE's are a significant contributor to waste reduction in Australia.

Community Recycling Network Australia (CRNA) is a peer support, advocacy, and information-sharing body that represents the interests of CRE's. Since forming in 2011 it has delivered a number of projects, including: a research study into the community recycling sector; a short film promoting community recycling; and a free online guide to operating a community recycling enterprise. CRNA also runs an annual national Community Recycling Forum, to be held in Queensland in late 2016 (see above for information on the 2015 event).

For the past five years, CRNA has worked alongside organisations like Resource Recovery Australia, Social Traders, and Social Procurement Australasia to advance the national conversation around social procurement in waste management. A number of CRE's have been featured as case study examples of successful social procurement, and CRNA members regularly present to national waste management events to represent the non-profit side of the waste and recycling industry. With the majority of CRNA's members being reliant on local government and corporate contracts for their core business, the increasing interest in social procurement is critically important for the sector's future.

'Friends of SPA'

In addition to its financially contributing Members, SPA also has a small group of 'friends' that participate in its bi-monthly meetings and contribute to its agenda and directions. 'Friends' include a variety of individuals, organisations and interests.



If you may be interested in contributing to the SPA program and its future directions by becoming a 'Friend of SPA', please contact us at info@socialprocurementaustralasia.com and we will be in touch to discuss.

Social Procurement Australasia Membership

Established in June 2013 by a group that includes purchasers and suppliers, Social Procurement Australasia (SPA) builds awareness around, and supports the effective adoption of, social procurement

policies and strategies. Core to strategic procurement functions, social procurement improves 'value for money' through including social value considerations in procurement and purchasing processes. SPA provides an Australasian network (working across Australia, New Zealand and the region) that supports growing demand for guidance, networking and development. SPA is an unincorporated association - its members contribute funds and time commitments to assist with developing and implementing its agenda.

If your organisation is interested in furthering the development of social procurement policies and practice, and in being recognised as a practice leader in this emerging and exciting field, please [contact us](#) to arrange an introductory discussion about becoming a member.

Our current Members are:



**Gold Coast
City Council**



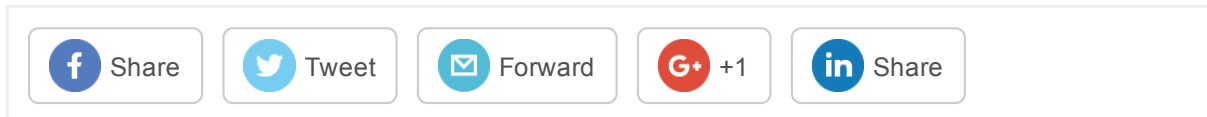
Knode



Subscribe to SPA Bulletins

Enjoy the Bulletin?

Share it with your connections through the below links.
You can also access past Bulletins via our [website](#).



Copyright © 2016 Social Procurement Australasia, All rights reserved.

[unsubscribe from this list](#) [update subscription preferences](#)

