

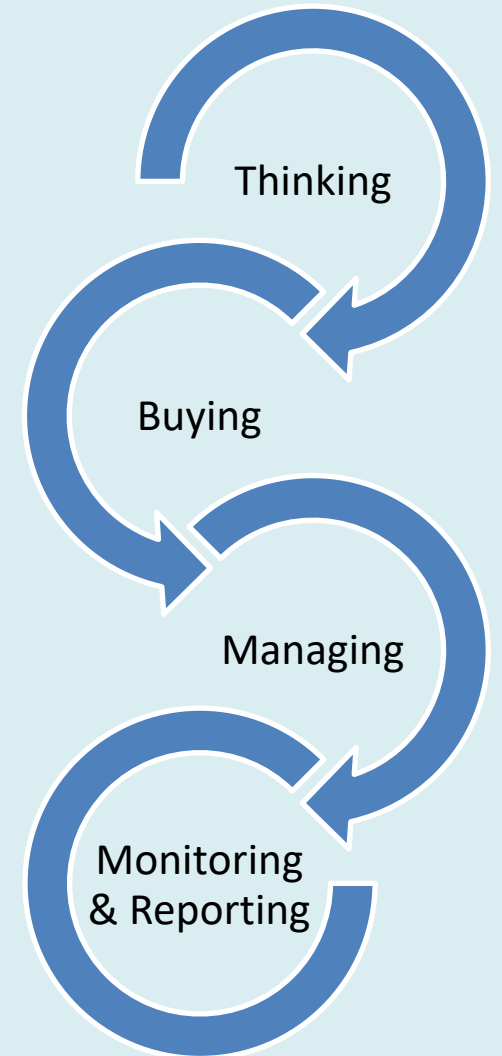
Scoring Social Value on Public Contracts

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What we'll cover

Social Value is at the heart of the public procurement landscape in NI following the introduction of a new policy note, 'Scoring Social Value'.

- > Thinking Social Value – pre-procurement
- > Buying Social Value – award criteria and evaluation
- > Managing Social Value – contract management
- > Monitoring & Reporting Social Value – monitoring arrangements
- > Opportunities for VCSEs to collaborate with suppliers to deliver Social Value on Public Contracts



Why does it matter?



£3 billion per annum



40 Million



22.5 Million Tonnes

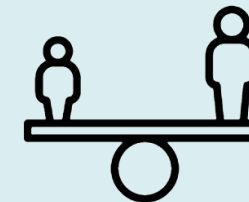


26.1%

Social value in public contracts

“Social value refers to wider financial and non-financial impacts on the wellbeing of individuals, communities and the environment” PPN 01/21

- Pro-bono professional advice to organisations in the VCSE sector
- Employment opportunities for people disadvantaged in the labour market
- Modern slavery and human rights due diligence
- Including social enterprises in the supply chain
- Environmental protection and improvement initiatives and reducing carbon emissions
- Supporting the health and wellbeing of the contract workforce
- Offering training opportunities and work experience opportunities
- Ensuring in-work progression and skills development



What has been achieved to date?

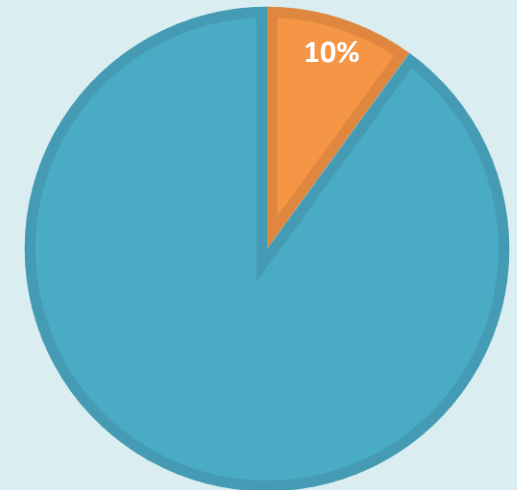
- Over 150 contracts have scored social value
- Majority of projects have allocated 10% for social value (small number have scored 20%)

What has been achieved

- 3,500+ people who were long-term unemployed or disadvantaged in the labour market have gained employment.
- 50+ social enterprises in the supply chain from a variety of organisations
- 1,500+ hours of volunteering with the VCSE sector
- 3000+ hours of skills development activities
- 2000+ weeks of work experience delivered
- 83 hours of environmental awareness initiatives
- 500+ hours of health and well-being initiatives

PPN 01/21 – Scoring Social Value

- From 1st June 2022, it is mandatory to allocate a **minimum** of 10% of the award criteria to Social Value in services and works contracts where the Public Contract Regulations apply
- Where appropriate, public bodies can also:
 - score for social value on contracts outside of these thresholds.
 - give greater weight to social value than the 10% minimum.
- Was intended that the 10% would increase to 20% ahead of June 2023 (subject to NI Executive approval)
- In the absence of an Executive the mandatory score for social value remains at 10%

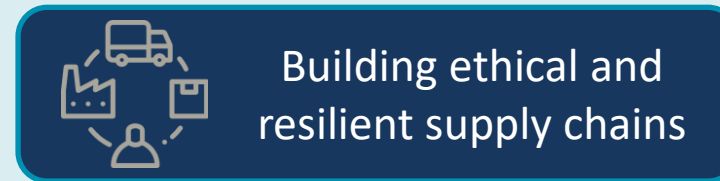


Other requirements

- Contracting Authorities are required to consider the potential to Reserve a contract (Reg 20 PCRs 2015)
- Mandatory fair work requirements
- The Living Wage is paid as a condition of contract
- Other Public Procurement Notes are also considered:
 - 05/21 Human Rights in Public Procurement
 - 03/21 Supply Chain Resilience,
 - 02/21 Procurement of Social & Other Specific Services

PPN 01/21 – Scoring Social Value

- > Social value will be scored based on 4 themes:

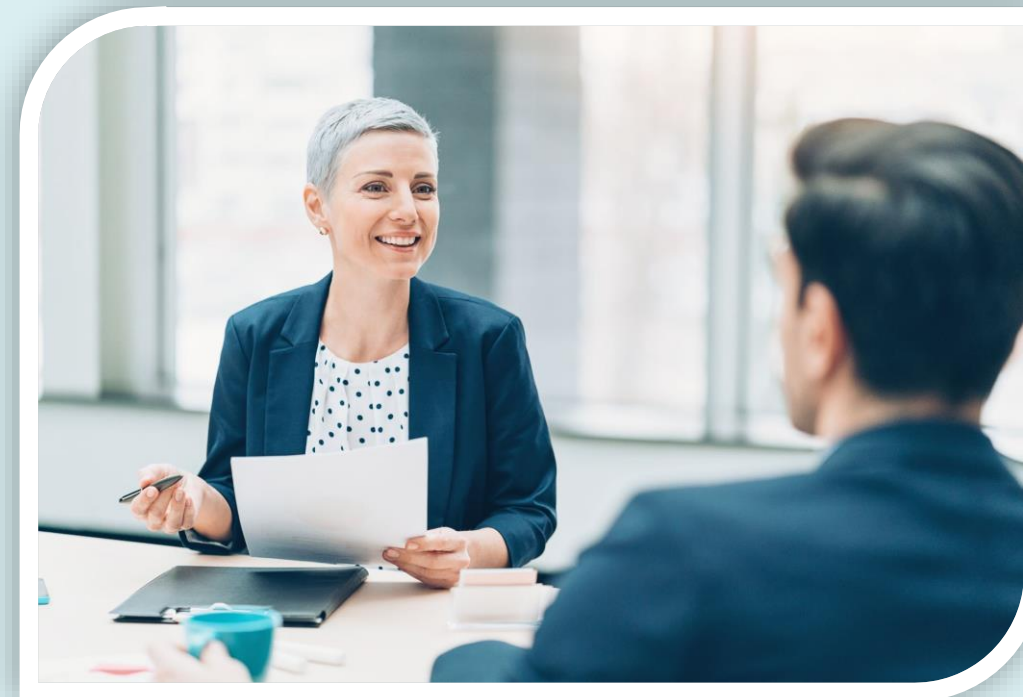


- > Each theme is aligned to the draft Programme for Government outcomes.
- > Each theme is broken down into a set of indicators.

Theme 1: Increasing Secure Employment and Skills

- > **This theme aims to:**
 - **create employment and training opportunities,**
 - **contribute to in-work progression and skills development, and**
 - **create opportunities for entrepreneurs and support economic growth.**

- > **Examples include:**
 - Employment opportunities, work placements and skills development
 - Increase the representation of disabled people in the contract workforce including to develop new skills and recognised qualifications
 - Supply chain opportunities for micro enterprises and VCSES and knowledge transfer



Theme 2: Building Ethical and Resilient Supply Chains

- > **This theme aims to**
 - tackle employment inequality,
 - reduce the risk of modern slavery and human rights abuses within the supply chain, and
 - promote diverse and secure supply chains.

- > **Examples include:**
 - In work progression
 - Supply chain map
 - Supply chain opportunities for micro businesses and VCSES
 - Security of supply requirements



Theme 3: Delivering Zero Carbon

- > **This theme aims to**
 - **promote environmental benefits, influence environmental protection and improvement and**
 - **work towards net zero greenhouse gas emissions.**

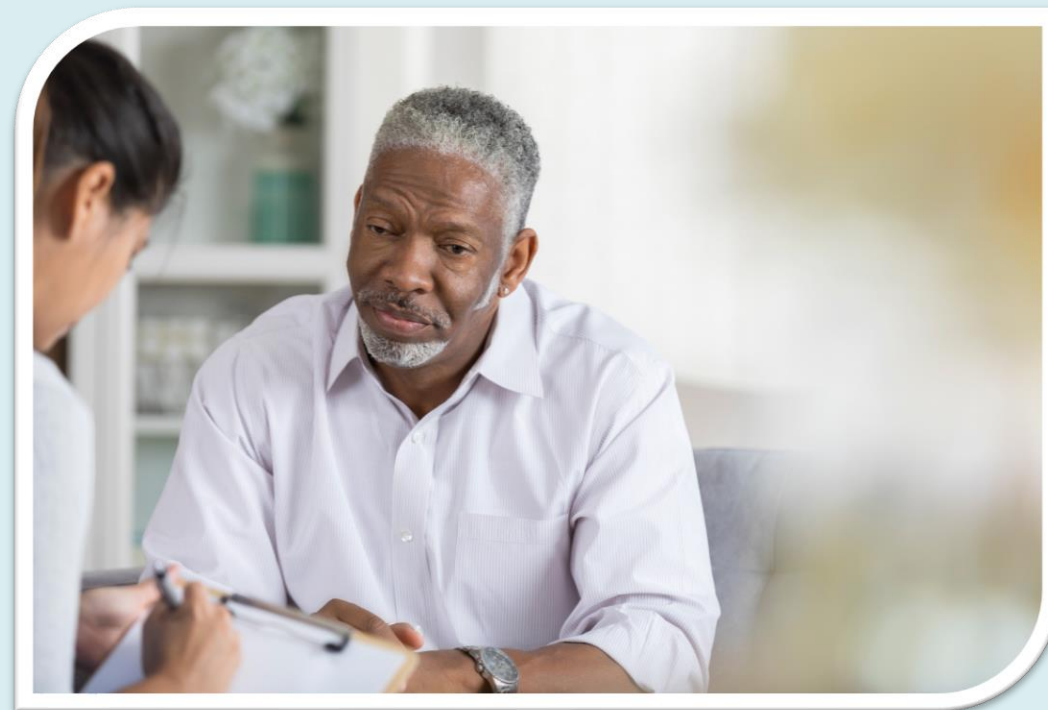
- > **Examples include**
 - Initiatives to help support net zero
 - Environmental protection and improvement
 - Reducing embodied carbon levels
 - supply chains that minimise carbon footprint and emissions.



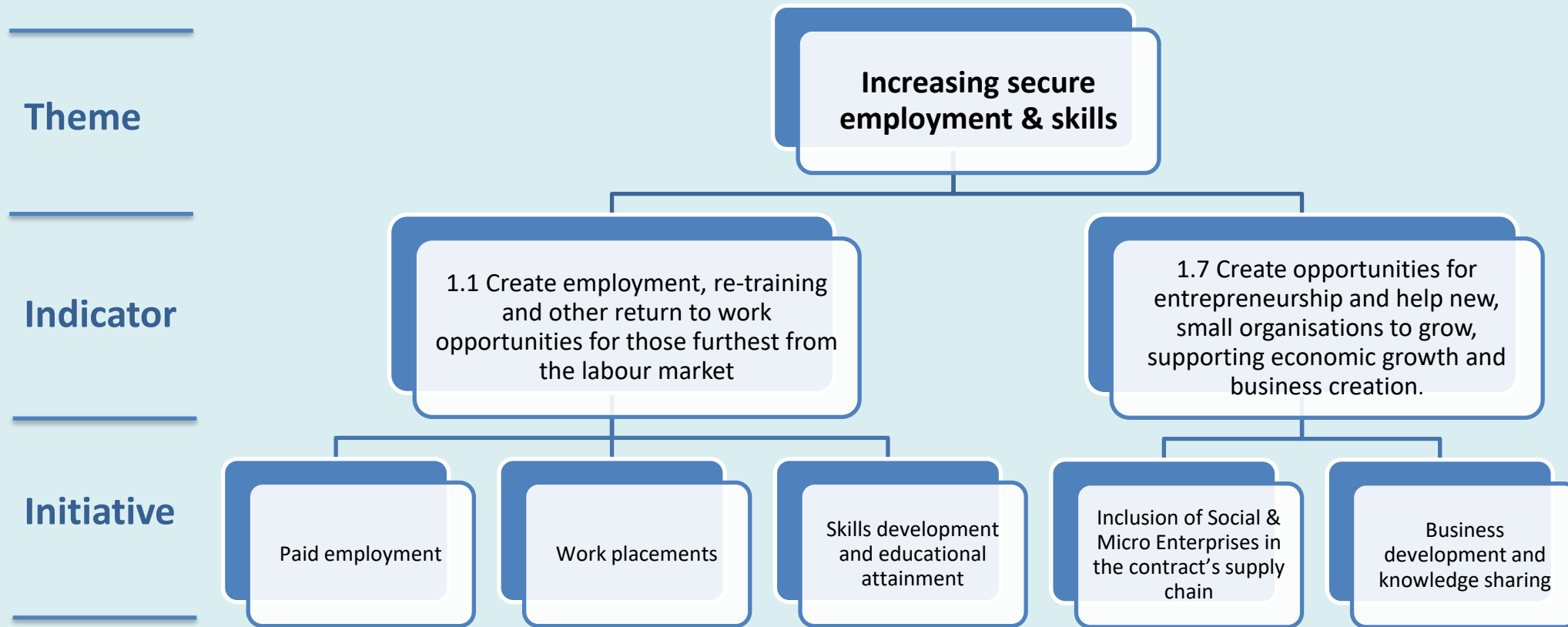
Theme 4: Promoting Wellbeing

- > **This theme aims to**
 - **improve the health and wellbeing of the contract workforce**
 - **tackle employment inequality**
 - **contribute to in-work progression and skills development**
 - **improve community integration.**

- > **Examples include:**
 - **Mental wellbeing and physical health of contract workforce**
 - **Community health and wellbeing and community cohesion**
 - **Equality, diversity and inclusion**



Themes, Indicators & Initiatives



Social Value in action

[Social Value – Delivering change through procurement \(vimeo.com\)](https://vimeo.com)



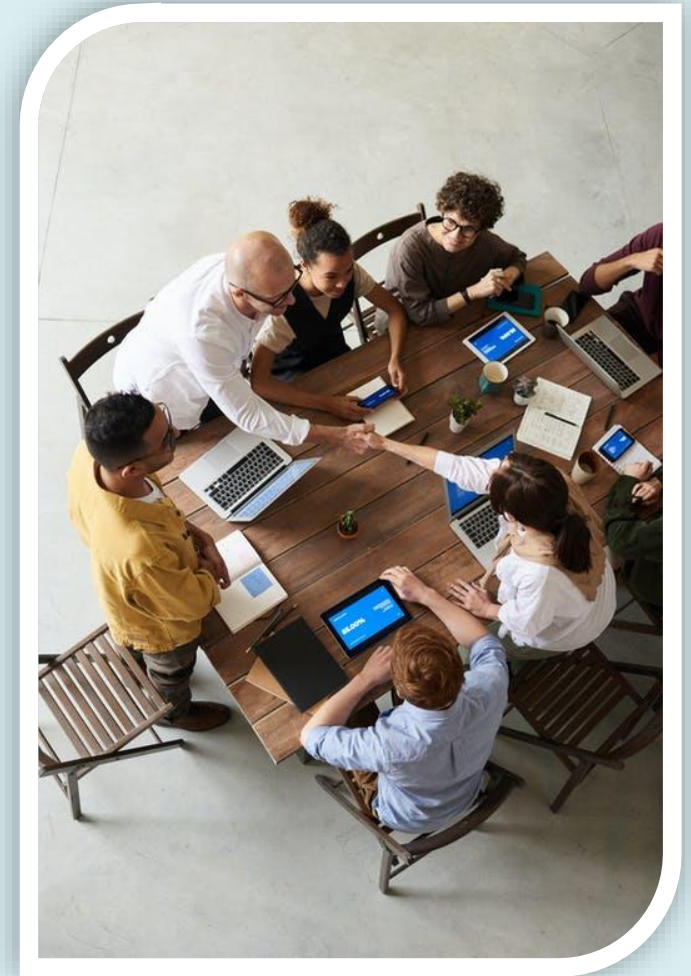
Thinking Social

Pre-procurement

Suppliers should attend supplier engagement events and respond to pre-procurement engagement questions.

You can communicate and highlight:

- > the market capacity and capabilities
- > the social value themes and indicators you think are relevant and achievable for the contract
- > how the market could enhance and maximise opportunities to add social value



Buying Social – award criteria

Social Value Model

- > The social value model sets out **two options for scoring social value** depending on the size and nature of the contract:
 - 1. Social Value Points**

Default approach for services and IT contracts over £250k per annum per Supplier.
 - 2. Alternative Approach (Services and ICT only)**

Contracts under £250k per annum per supplier **or** where it can be justified by the characteristics of the specific contract (for example high value but short duration)
- > **Both approaches are based on the 4 social value themes and indicators in PPN 01/21 and both evaluate Tenderers' qualitative responses to the award criteria.**
- > **PPN is mandatory – social value model is guidance.**

Social Value Points

- > Requires the Supplier to deliver a **minimum of 100 social value points per £1m** of contract value (and pro-rata). The points are **capped at an averaged contract value of £3m per annum**. This may be increased on a contract by contract basis.
- > The Contracting Authority **selects the Social Value Theme(s)/Indicator(s)** relevant to the contract.
- > Each Social Value Indicator from PPN 01/21 is broken down into subsequent initiatives. **Each initiative has been allocated a number of social value points.**
- > The Supplier will have **flexibility to choose** which of those initiatives they deliver.
- > Social value points tenders are assessed and given a score based on the tenderer's methodology for delivering the minimum social value points for that contract.

Theme 1: Secure Employment and Skills

Social Value Indicator	Social Value Initiative	Unit of Measure	Beneficiaries	Social Value Points
Indicator 1.2 Support educational attainment relevant to the contract, including training schemes that address skill gaps and result in recognised qualifications	Work placements	4 weeks FTE	people who are considered to be disadvantaged in the labour market or at risk of social exclusion	10
			people who meet the Contracting Authority's priority groups	15
	Skills development and educational attainment	8 hours of training or support	people who are considered to be disadvantaged in the labour market or at risk of social exclusion	10
			people who meet the Contracting Authority's priority groups	15
	Digital skills development and educational attainment	8 hours of training or support	people who are considered to be at risk of digital exclusion	10
			people who meet the Contracting Authority's priority groups	15
	In-work progression and skills development	1 Action Plan	existing staff who are underrepresented in the contract's workforce	30

- The procurement documents will set out the eligibility requirements for each initiative

Tailoring Initiatives

The Contracting Authority may choose to influence how the social value is delivered through the contract to support progress against their strategic priorities. This may include:

- > Incentivising Suppliers to deliver social value outcomes to their priority groups by increasing the social value points for those groups. For example, Young people on the Looked After Child care pathway, people with an offending history etc.

- > Setting minimum or maximum requirements around specific social value initiatives, e.g.
 - a minimum of 20% of the social value points target must be achieved through employment initiatives.

These will be set out clearly in the procurement documents

Social Value Delivery Plan

Approach for the delivery of the social value requirements set out in Schedule 4			
The Contractor must deliver a minimum value of 100 Social Value points for every £1 million (and pro-rata) in invoiced value, capped at an averaged contract value of £3 million per annum.			
Estimated value of contract (in millions)	£	45.0	million
Total Social Value points to be delivered		2400	Social Value points
Term of contract (in years)		8	years
The social value initiatives which are eligible for inclusion on this contract and their associated points are detailed on the previous tab of this spreadsheet 'Social Value Initiatives'.			
Bidders must complete the table below to demonstrate how the social value requirement will be delivered. This will be submitted with the tender.			
Social value initiative	Unit of Measurement	Planned Delivery [to be completed by Bidder]	Points Value
Paid employment for people who face barriers to employment or are from deprived areas	Number of FTE person weeks which will be delivered throughout this contract	832	1200
Unwaged work placements for people who face barriers to employment or are from deprived areas	Number of FTE person weeks which will be delivered throughout this contract		0
Digital skills development, cyber security awareness training and educational attainment for people who are at risk of digital exclusion	Number of hours which will be delivered throughout this contract	400	500
In-work Progression and Skills Development Strategy	Strategy will be submitted in relation to work carried out on this contract	yes	30
In-work Progression and Skills Development Strategy - annual updates	Number of annual updates which will be submitted throughout the duration of the contract	7	70
Inclusion of Social Enterprises in the contract's supply chain	Use of at least one social enterprise in the supply chain (in relation to work carried out on this contract)		0

Social Value Points – methodology

- > **timescales** for delivery of the social considerations requirements;
- > the **resources**, both internal and external, that the tenderer will use to plan and deliver the social considerations;
- > the **activities** the tenderer will undertake to deliver the social considerations selected within the completed Social Value Delivery Plan including how they will engage with key **stakeholders** (e.g. social value beneficiaries, organisations within the voluntary, community and social enterprise sector);
- > confirmation that the planned activities are **additional** to activities the tenderer already undertakes (all activities included in your response should be forward looking, additional activities that are directly related to this contract); and,
- > how the tenderer will **monitor and report** on the delivery of the social value requirements and address any performance issues

Suppliers should check the invitation to tender carefully as the above is for guidance only.

The Alternative Approach

The alternative approach does not focus on social value points.

The contracting authority selects the relevant social value theme(s) and appropriate indicator(s). The Contracting Authority will include an evaluation question focussed on achieving the indicator(s) under the selected theme(s).

The alternative approach may be used when:

- > The contract is below £250,000 per annum per supplier
- > The contract is high value but over a short duration, e.g., 6 months.
- > There is an overriding social value theme/indicator that the Contracting Authority wish to address.

Alternative approach

- > The evaluation panel will assess and give a score based on how well the bidder's tenderer's methodology addresses the selected Social Value Theme(s) and Indicator(s).
- > Some contracts may include more than 1 indicator.

Suppliers should check the invitation to tender carefully to determine the weighting allocated to social value.

Alternative approach - example

Type: services contract

Value: £500,000

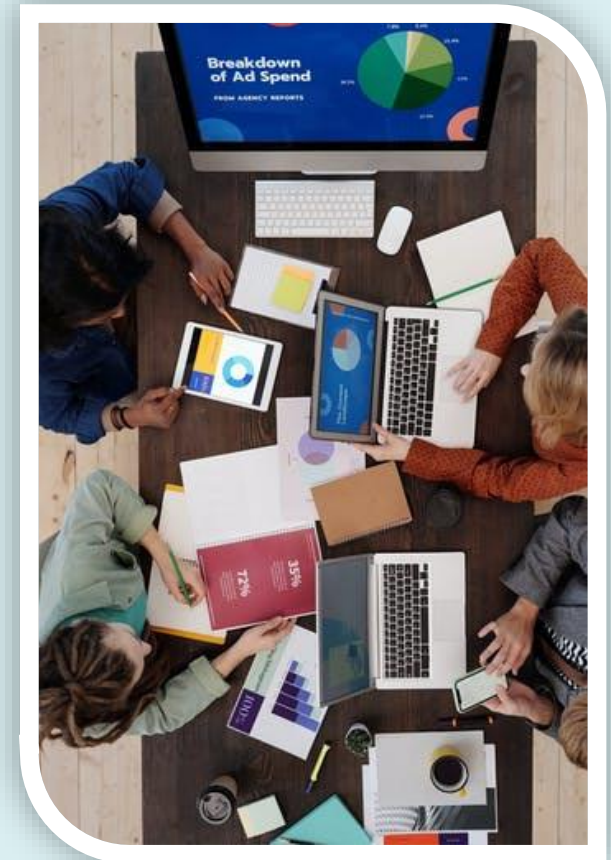
Duration: 5 years

The contract will be awarded to a single supplier.

The Contracting Authority has selected:

Theme 1: Increasing Secure Employment and Skills and Indicator

Indicator 1.1: Create employment, re-training and other return to work opportunities for those furthest from the labour market

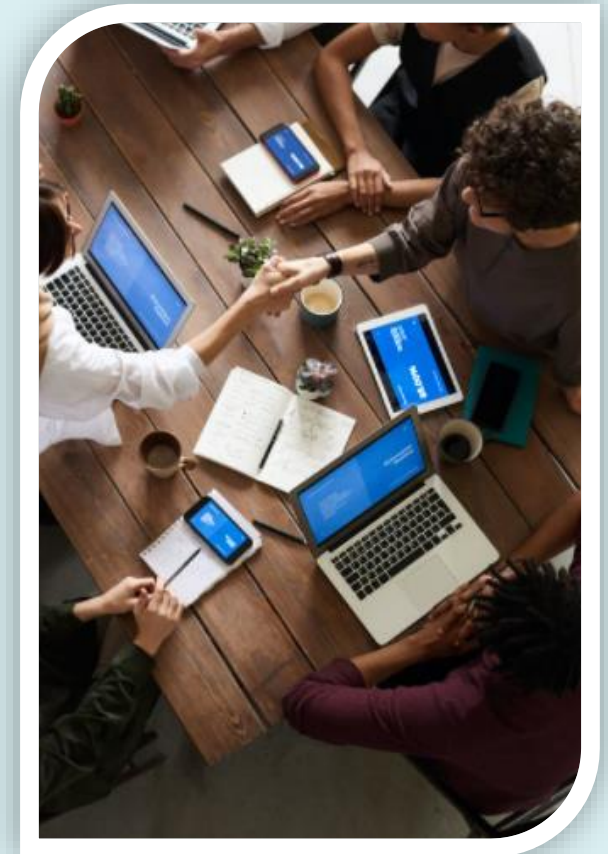


Alternative approach - example

Indicator 1.1 – Create employment, re-training and other return to work opportunities for those furthest from the labour market

Social Value Initiatives related to this indicator may include, for example:

- > Paid employment opportunities for those who face barriers to employment and/or are from deprived areas
- > Apprenticeship opportunities
- > Work experience placements for those who face barriers to employment and/or are from deprived areas
- > Training/support and guidance in place for work experience placement participants, including progression support
- > Support related to skills and educational development designed to encourage people to enter or re-enter employment and training
- > Initiatives which encourage people who face barriers to employment/or are from deprived areas to apply for employment opportunities on the contract



Alternative approach - methodology

The methodology will evaluate a number of areas including:

- > The **activities** you will undertake and **metrics for each activity**;
- > **Timescales** for delivery of the social value requirements;
- > The **resources**, both internal and external, that you will use to plan and deliver the social considerations (this should include details of suppliers in your supply chain);
- > How you will engage with **key stakeholders** (including communities impacted through the delivery of the contract);
- > Confirmation that the planned activities are **additional** to activities your organisation already undertakes (all activities included in your response should be forward looking, additional activities that are directly related to this contract);
- > How you will **monitor and report** on the delivery of the social value requirements and address any performance issues.

Suppliers should check the invitation to tender carefully as the above is for guidance only.

Buying Social Value – evaluation

Evaluating social value

Panel members assess and score the quality of the social value response at evaluation stage, in the same way as they would do for any other evaluation criteria designed to assess quality.

Tenderers' submit:

- > Written methodology response
- > Social value delivery plan (social value points only)

The panel member uses a scoring matrix to score the quality of the response. The matrix is included in the contract's invitation to tender.



Social value methodology response

Here are some tips that can help you demonstrate social value:

1. Understand what is required of you.
2. Do your research.
3. Be specific.
4. Be relevant.
5. Ensure additionality
6. Be realistic



Managing and monitoring social value

Managing Social

Social value requirements must be delivered in line with contractual commitments, and must be adequately managed to ensure value for money.

Poor performance of social value requirements could result in:

Contractual/legal issues

Budgetary issues

Reputational damage

Social value monitoring system

When a contract is awarded, Suppliers will:

- > Receive login details and guidance on how to add information relating to the delivery of their targets;
- > Receive a reminder to update the report (however, suppliers can log in at any time);
- > Record their progress to date against each indicator;
- > Be emailed a report at regular intervals, along with the Client Project Manager.
- > Suppliers are encouraged to use the notes section of the monitoring system

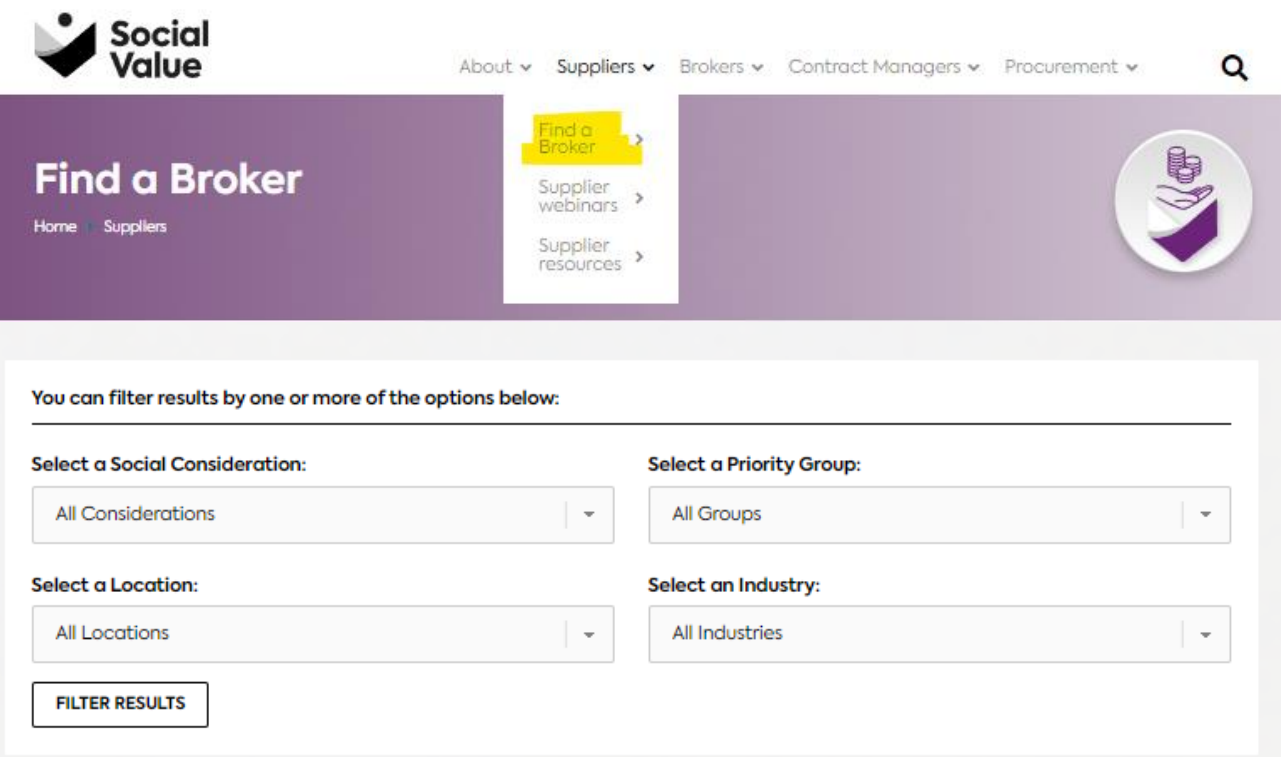



Brokerage

Find a Broker

Brokers are organisations in Northern Ireland who:

- > can benefit from the social value initiatives public sector suppliers deliver (e.g. supply chain opportunities); or,
- > work with people who can benefit from the social value initiatives (e.g. employment).
- > The 'Find a Broker' section on the Social Value website (<https://socialvalueni.org/contractors/find-a-broker/>) helps suppliers who win public contracts find brokers who can assist them in delivering their social value requirements.




Social Value About ▾ Suppliers ▾ Brokers ▾ Contract Managers ▾ Procurement ▾ 

Find a Broker

Home > Suppliers

- Find a Broker
- Supplier webinars
- Supplier resources



You can filter results by one or more of the options below:

Select a Social Consideration: All Considerations ▾

Select a Priority Group: All Groups ▾

Select a Location: All Locations ▾

Select an Industry: All Industries ▾

FILTER RESULTS

Examples of Social Value Opportunities for Brokers

Participants

- **Employment opportunities**
- **Work Placements**
- **Skills development and educational attainment (e.g. workshops, mentorship, curriculum support, activities to promote specific career pathways)**
- **Digital inclusion – skills and hardware (IT only)**
- **Cybersecurity (IT only)**
- **Financial support towards ICT qualifications (IT only)**

Supply Chain

The PPN 01/21 refers to creating a diverse supply chain to deliver the contract including new businesses and entrepreneurs, startups, SMEs and VCSEs.


The opportunity must be related to the actual contract being procured

Knowledge Transfer

- **Activities under this may include mentoring, training, advice or other professional voluntary services**
- **The scope will depend on the subject matter of the contract.**

Find a Contract

Social Value


About ▾ Suppliers ▾ **Brokers ▾** Contract Managers ▾ Procurement ▾ 

Current Contracts

Home > Brokers

Current Contracts >

Broker resources >



You can filter results by one or more of the options below:

Select a Social Consideration:

All Considerations ▾

Select a Priority Group:

All Groups ▾

Select a Location:

All Locations ▾

Select an Industry:

All Industries ▾

FILTER RESULTS

Resources

- > Webinar and written guidance for 'Brokers' is available at www.socialvalueni.org



How to get involved

- > Register for Find a Broker *(form available in Broker resources)* -
- > Keep your details up to date on Find a Broker *(form available in Broker resources)*
- > Sign up to newsletter *(form available in About section)* -
- > If you are a social enterprise, register for SENI Directory
- > Be proactive – search the Current Contracts - [Current Contracts - Social Value NI](#)
- > Supplier resources on website - [Suppliers - Social Value NI](#)

IT event – Meet the Broker

- > Monday 16th October from 9am – 2pm at BT office, 5 Lanyon Place, Belfast

- > The event half will consist of:
 - Overview of Social Value Model for IT
 - Case studies - presentations from suppliers and brokers on the types of social value they are delivering
 - Panel discussion on how suppliers can work collaboratively with VCSEs to deliver social value
 - Networking activity

- Deadline for registration is **29th September** - [Social Value on IT Contracts - Meet the Broker Event Tickets, Mon 16 Oct 2023 at 09:00 | Eventbrite](#)