

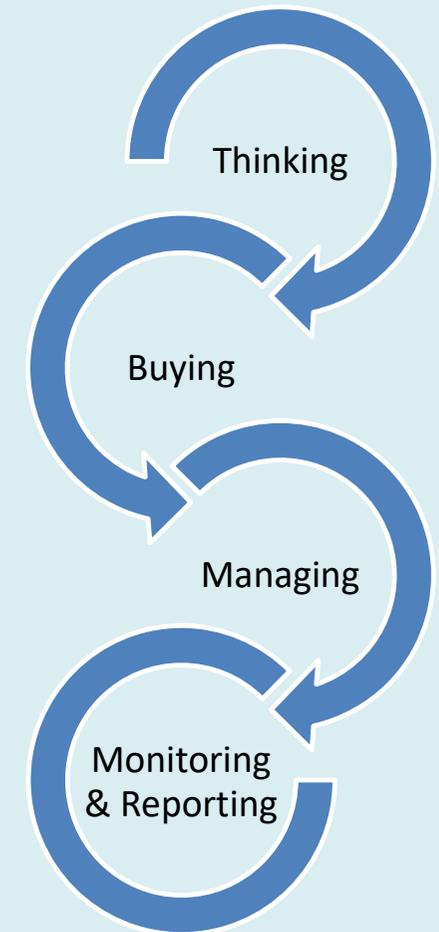
---

**Scoring Social Value**

**Supplier Information Session**

## Learning Outcomes

- > Explain how public bodies in Northern Ireland **score social value** in public tender competitions in accordance with [Procurement Policy Note \(PPN\) 01/21 \(Scoring Social Value Policy\)](#).
- > Outline the **social value approaches** public bodies in Northern Ireland use in public tender competitions.
- > Detail how public bodies in Northern Ireland **monitor the delivery of social value** requirements.

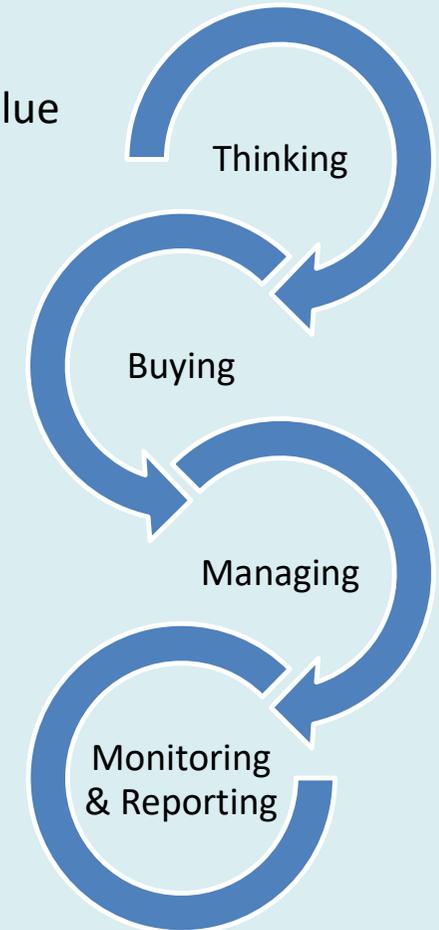


## What we'll cover

**PPN 01/21 – Scoring Social Value** highlights the importance of embedding social value throughout the commissioning process:

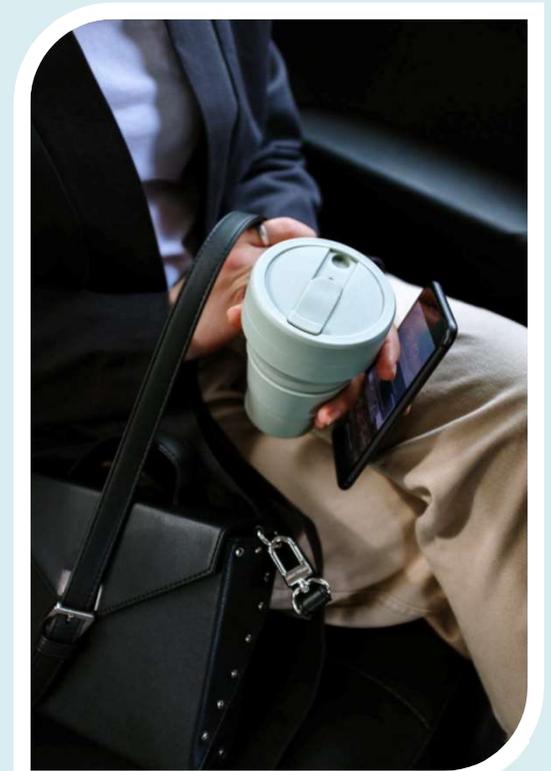
- > Thinking Social Value – pre-procurement
- > Buying Social Value – award criteria and evaluation
- > Managing Social Value – contract management
- > Monitoring & Reporting Social Value – monitoring arrangements

We will cover each of these areas in this session.



## What is social value?

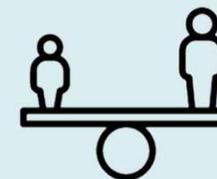
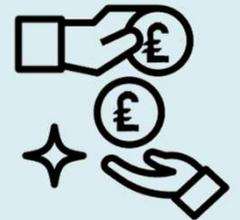
- > Social value refers to wider financial and non-financial impacts on the wellbeing of individuals, communities and the environment.
- > Social value derived from a public contract is the positive legacy we will create through its performance such as **a more diverse workforce, fewer single use plastics in the environment and more cohesive communities.**



## Benefits of including social value

By including social value in procurement we can:

- > Create job opportunities for people who face barriers to work
- > Invest in skills
- > Support Social Enterprises and new businesses
- > Support Voluntary and Community organisations
- > Reduce poverty
- > Promote equality and diversity
- > Reduce our carbon footprint
- > Improve mental health and wellbeing



---

## Social Value in action



The Social value video can be accessed at <https://vimeo.com/759564901/d5653b0f7c>

## PPN 01/21 – Scoring Social Value

- > Since 1st June 2022, public sector tenders must allocate a **minimum of 10%** of the total award criteria to social value.
- > This 10% minimum will apply to contracts for **services and works** above the threshold where the Public Contracts Regulations apply.
- > Contracting authorities are required to consider **reserving** contracts & set out **mandatory fair work** requirements.
- > 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.
- > Policy will be **reviewed in 2023** with a view to increasing to 20% (subject to Executive Approval)

## 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 and aims to address risks and maximise opportunities to deliver social value in relation to the area in question.

## Theme 1: Increasing Secure Employment and Skills

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



## 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.**



## 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.**



## 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, and improve community integration.**



## Themes and Indicators



### Building ethical and resilient supply chains

2.1 Demonstrate action to promote collaboration and a fair and responsible approach to working throughout the supply chain

2.2 Demonstrate action to promote ethical supply chains and practices; and, identify and manage risks of modern slavery and human rights abuses in the delivery of the contract, including in the supply chain.

2.3 Maximise security of supply, for example by minimising proximity of supply chains to point of delivery

2.4 Create a diverse supply chain to deliver the contract including new businesses and entrepreneurs, start-ups, SMEs and VCSEs.

## Brokerage

- > Brokers are organisations in Northern Ireland who work with people and communities to increase secure employment and skills, build ethical and resilient supply chains, deliver net zero or promote wellbeing.
- > For example, Brokers can help suppliers meet their Social Value requirements by:
  - being a Voluntary, Community or Social Enterprise (VCSE) which could receive support from the supplier, e.g., in its supply chain
  - linking with people who are eligible for employment and/or work placement opportunities
  - facilitating training initiatives, such as skills development, human rights and modern slavery training, or health and well-being sessions
  - supporting the delivery of environmental benefits for the contract

# Broker Database

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

---

Select a Social Consideration:

 ▾

Select a Priority Group:

 ▾

Select a Location:

 ▾

Select an Industry:

 ▾

---

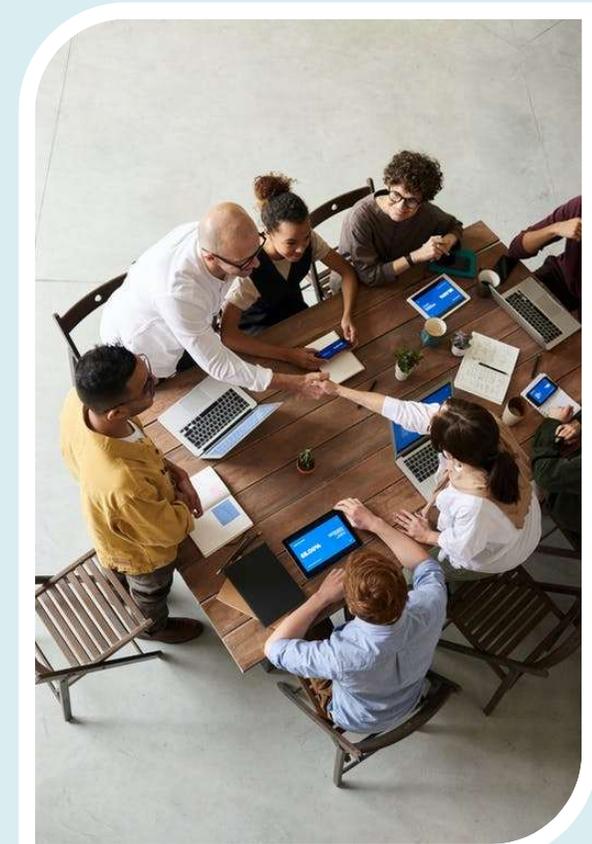
## Thinking Social

## 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 contracts over £250k per annum per supplier

### **2. Alternative Approach (Services and IT 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 and both evaluate Tenderers' qualitative responses to the award criterion.
- > PPN is mandatory – social value model is guidance.
- > Check the individual contract details (Commercial conditions of contract, specification and ITT).

---

## Social Value Points

- > The Supplier is required 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)** from PPN 01/21 which are relevant to the contract. Each indicator is broken down into initiatives with a corresponding number of social value points
- > The Supplier has **flexibility to choose** which of those initiatives they deliver. Tenderers must always check the procurement documents for minimum / maximum targets.
- > Social value points tenders are assessed and given a score based on the tenderers' 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
<b>Indicator 1.2</b>  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	20
			people who meet the Contracting Authority's priority groups	30
	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 Strategy	existing staff who are underrepresented in the contract's workforce	30
		Annual updates to strategy		10

## Tailoring Initiatives

The Contracting Authority may choose to influence how the social value delivered through the contract to help deliver against their strategic priorities in two ways:

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

It is important that tenderers check the procurement documents to see the Contracting Authority has included any minimum or maximum requirements around initiatives and ensure that your Social Value Delivery Plan and methodology addresses these requirements.

# 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
	Use of at least one micro		

---

## Social Value Points – methodology

- > timescales for delivery of the social value requirements;
- > the resources, both internal and external, that the tenderer will use to plan and deliver the social value requirements;
- > the activities the tenderer will undertake to deliver the social value initiatives 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; and,
- > how the tenderer will monitor and report on the delivery of the social value requirements and address any performance issues

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

## Social value points approach

- > Check the social value schedule for eligibility criteria for each of the initiatives.
- > Check and confirm that you have met any minimum mandatory requirements (if applicable).
- > If you have selected to deliver the initiatives to the Client's priority groups make sure you detail in your methodology how you will do this.
- > Ensure you set out how you will deliver the minimum indicative social value points.
- > Submit the social value delivery plan and methodology.

---

## 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).
- > The contracting Authority may select more than one indicator. Tenderers should check the procurement documents to identify the weighting allocated to each indicator.
- > A minimum weighting of 10% of the overall award criteria will be applied.

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

## Alternative approach - example

**You are bidding for an advertising service contract for Department of Justice.**

Value: £500,000

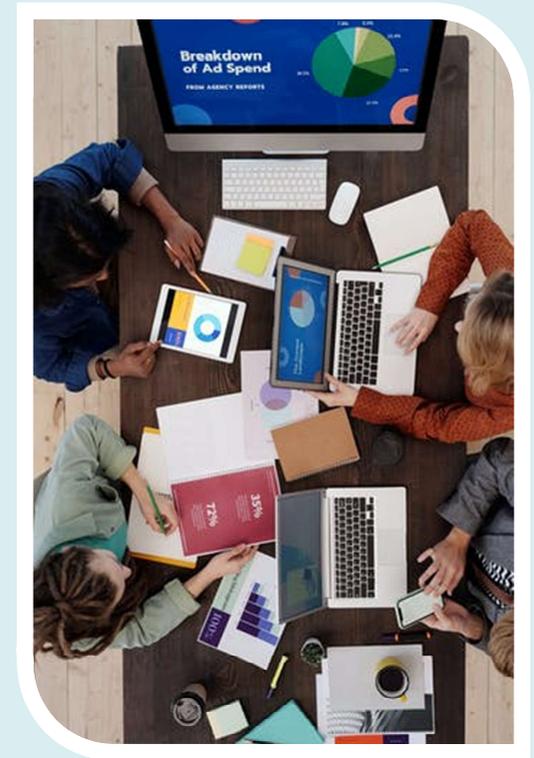
Duration: 5 years

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

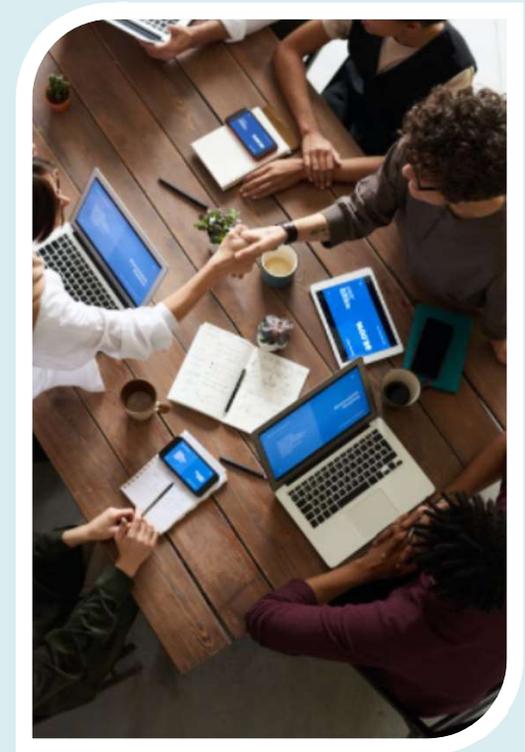


## Alternative approach - example

**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;
- > 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)

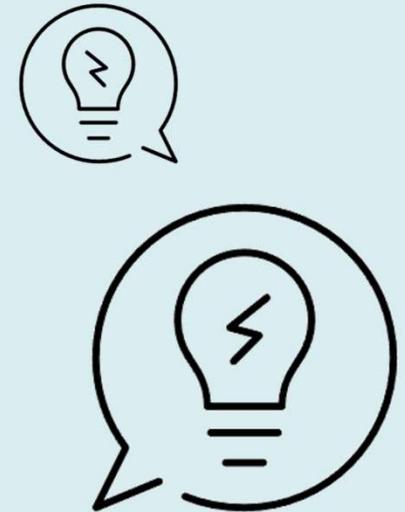
The panel member uses a scoring matrix to score the quality of the response. The matrix is included in the contract's invitation to tender.



## 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.

If you don't deliver the social value committed to you could face:

Contractual/legal issues

Budgetary issues

Reputational damage

## Social value monitoring system

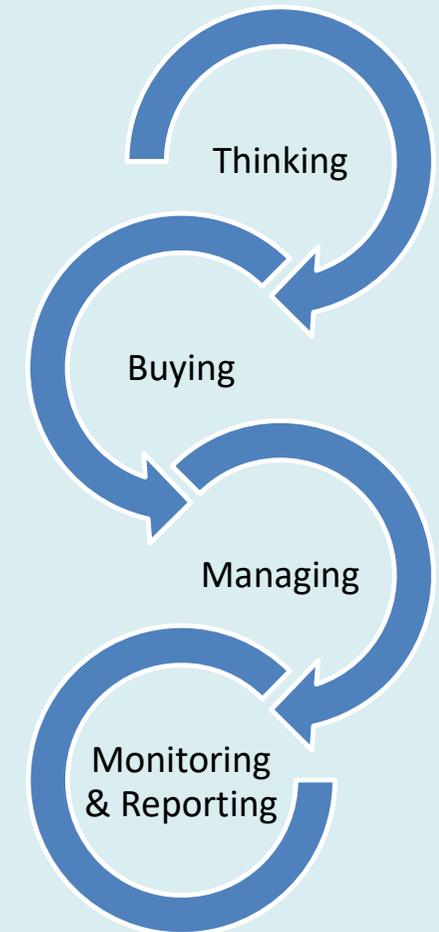
When a contract is awarded, Suppliers will:

- > 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.



## Summary

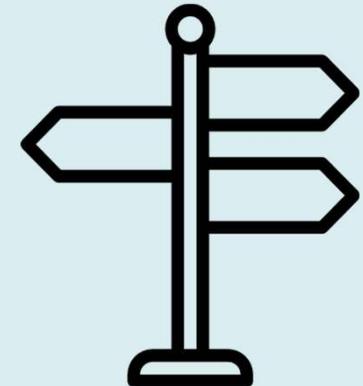
- > A **minimum of 10% of total award criteria will be allocated to social value** in all IT and Services contracts above the threshold where the Public Contracts Regulations apply.
- > Suppliers should attend any supplier engagement events and respond to **pre-procurement engagement** questions.
- > The social value approaches are based on the **4 social value themes**
- > The social value approaches **evaluate tenderers' qualitative responses** to the award criterion.
- > **Monitoring progress** of a contract helps to keep to agreed targets and ensure value for money.



## Resources

Available on the Social Value Unit website - <https://socialvalueunit.org/>

- > Scoring social value webinar for suppliers
- > Range of guidance documents for suppliers
- > Brokerage portal
- > Sign up to the Social Value Unit's newsletter



**Questions on specific contracts that are out to tender should be raised through the clarification process via etenders.**