

Social Value
Conference
2023

Presented by



In conjunction with



Working with the Social Value Model

Wednesday 14 June
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Masterclass

#SVC23

Panel



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Working with the Social Value Model



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#SVC23

Navigating the Social Value Model



Kate Clarfelt

Social Value Consultant, Social Value Portal

What is social value in procurement really about?

- The **Public Services (Social Value) Act** came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure **wider social, economic and environmental benefits**.
- Commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could **secure these benefits for their area or stakeholders**.
- **The Act is a tool to help commissioners get more value for money out of procurement.** It also encourages commissioners to talk to their local provider market or community to design better services, **often finding new and innovative solutions to difficult problems**.



Social Value is a broader understanding of value. It moves beyond using money as the main indicator of value, instead putting the emphasis on engaging people to understand the impact of decisions on their lives. The people's perspective is critical.

Social Value UK



Navigating the Social Value landscape can be confusing

...and it's hard to know where to start....



**What is PPN
06/20 &
what is
The Social
Value Model?**

Central Government's Approach to Social Value

Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

Action Note PPN 06/20

September 2020

Issue

1. This Procurement Policy Note (PPN) launches a new model to deliver social value through government's commercial activities. Central government organisations should use this model to take account of the additional social benefits that can be achieved in the delivery of its contracts, using policy outcomes aligned with the Government's priorities.

Action

2. Social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject matter of the contract, rather than just 'considered' as currently required under the Public Services (Social Value) Act 2012. Unnecessary burdens should not be placed on commercial teams or suppliers.

3. In scope organisations must:

- Familiarise themselves with the social value model Annex A, including the menu of priority policy themes and outcomes that can be applied in new procurements.
- Ensure all those involved in commercial activity in the organisation complete the e-learning on social value which can be accessed via the [Government Commercial College](#).

4. Further detailed guidance on applying the model will be published on GOV.UK. Procurements related to construction, capital investment and infrastructure projects above £10m should use the priority themes and outcomes in applying the Balanced Scorecard for Growth ([PPN 09/18](#)) and the guidance on this will be updated.

Dissemination and Scope

5. This Procurement Policy Note (PPN) applies to procurements covered by the Public Contracts Regulations 2015, and applies to all Central Government Departments, their Executive Agencies and Non-Departmental Public Bodies. Together these are referred to in this PPN as 'In-Scope Organisations'. Please circulate this PPN within your organisation, drawing it to the attention of those with a commercial and procurement role.

Timing

6. This PPN is effective from the date of publication. The social value model should be applied to all new procurements from 1 January 2021.

Background

7. Whilst the overarching objective for the Government's commercial activities will remain achieving the best commercial outcome, it is right that the Government applies its

Social Value in public sector bidding

Social Value is becoming an increasingly important evaluation factor:

Minimum

10%

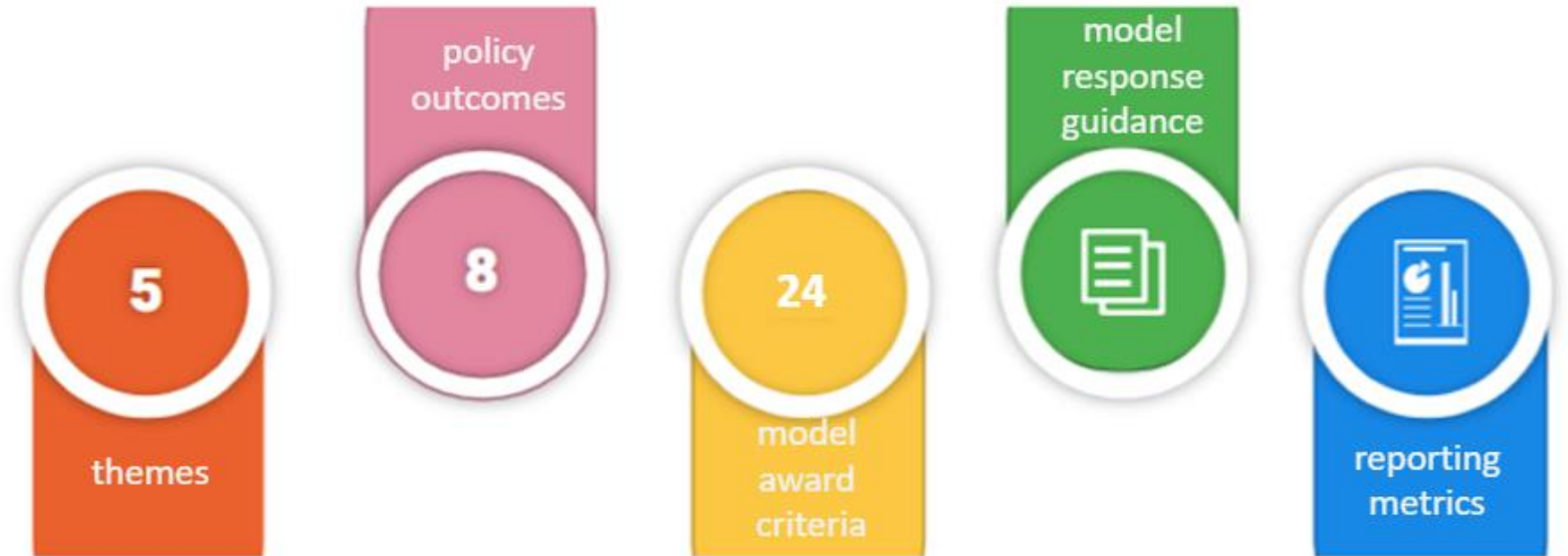
Evaluation weighting



The Social Value Model

Developed by the government in support of the implementation of PPN 06/20, the Social Value Model (the Model) sets out Government's Social Value priorities for procurement.

It also maps Social Value requirements to the United Nations SDGs



The Social Value Model

Themes and Policy Outcomes

Themes

Policy outcomes

Covid-19 recovery		Help local communities to manage and recover from the impact of COVID-19.
Tackle economic inequality		Create new businesses, new jobs and skills. Increase supply chain resilience and capacity.
Fighting climate change		Effective stewardship of the environment.
Equal opportunity		Reduce the disability employment gap. Tackle workforce inequality.
Wellbeing		Improve health and wellbeing. Improve community cohesion

How the Social Value Model is applied in procurement

1

Choose from the menu:

Authorities should select which Themes, Policy Outcomes and Model Award Criteria (MAC) from the 'SVM menu' that they want to focus on for the procurement.

2

Check the matrix:

The evaluation of submissions is qualitative only and based on the authority's own scoring matrix.

3

Choose KPIs:

Once awarded, the procurer and supplier should use the MACs and Reporting Metrics in the procurement documentation and in the tenderer's proposals to establish Social Value KPIs.

Central Government : TOM System

Mapping Tool

Why create and use the tool?

The Social Value Model

Social Value Model:

- Only for setting priorities during tender phase
- *Does not measure Social Value*

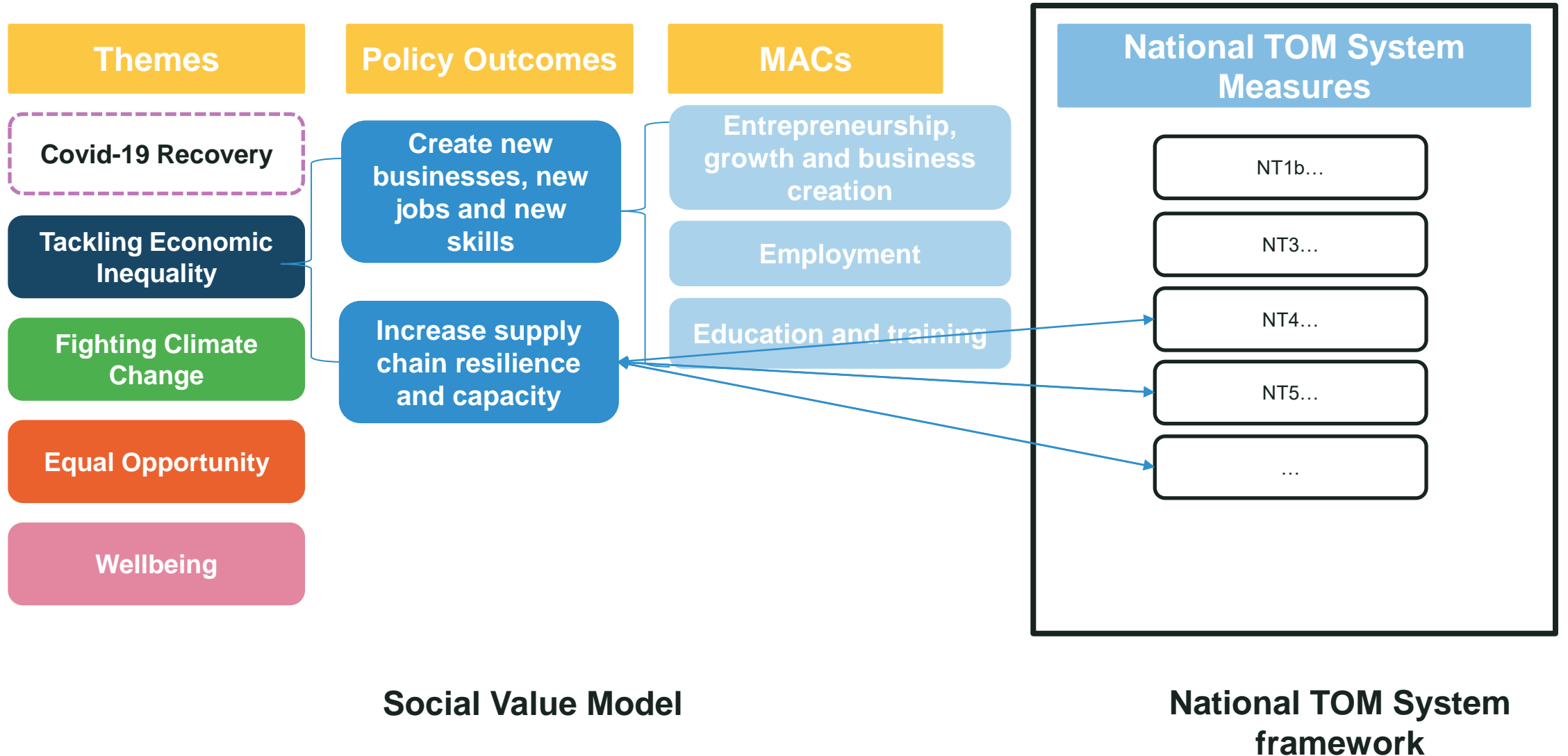
National TOM System:

- Useful in both tenders and contract management
- *Measures Social Value*

SVM + National TOM System (CGTMT):

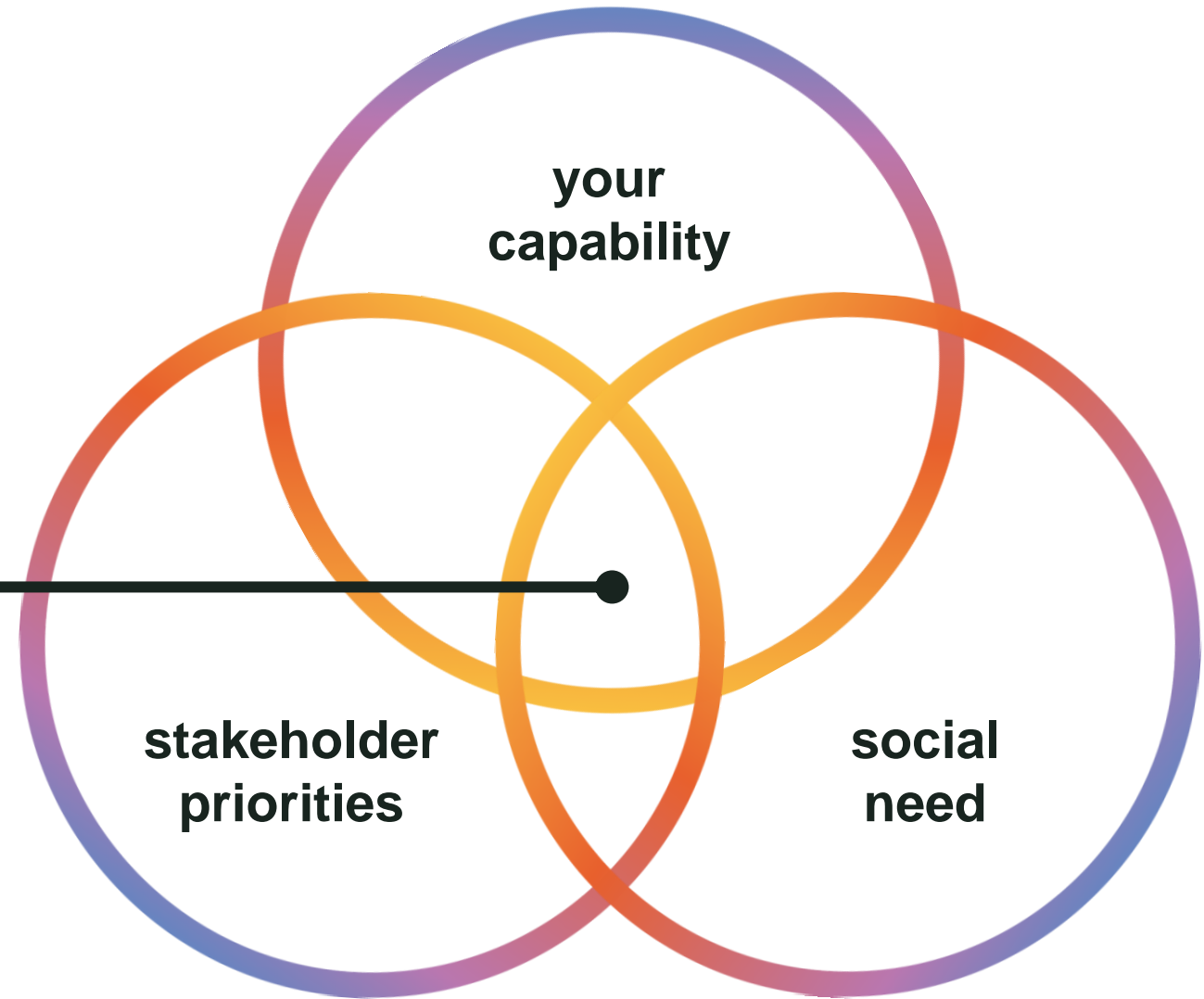
- ✓ Many structural similarities
- ✓ Brings the benefits of the National TOM System to the Social Value Model
- ✓ Compatible with Social Value reporting across public sector
- ✓ Helps to fulfil Social Value commitments in tender phase & allows for continuity into contract management phase

How does the mapping work?



How to prepare your response

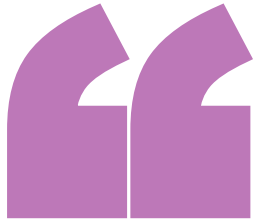
**Focus on
initiatives that
meet your
Social Value
sweet spot**



Remember these steps

- ✓ **Answer the question**
- ✓ **Ask questions**
- ✓ **Adhere to the principles of Social Value**
- ✓ **Provide a qualitative method statement on delivery**
- ✓ **Choose your methodology**
- ✓ **Use information released during pre-tender stage**
- ✓ **Show market experience**
- ✓ **Make a relevant and proportionate offer**
- ✓ **Identify delivery partners**
- ✓ **Show evidence of capability to deliver**
- ✓ **Prove knowledge and insight**





Social Value in procurement doesn't work when it's treated as an afterthought. It needs to be baked in from the start.

Charlene Maginnis, Head of Policy Delivery, Supply Chain and Service Offering, Crown Commercial Services.

In practice

Example question

Buyer chosen Theme:
Equal Opportunity

Buyer chosen MACs:

6.1: Demonstrate action to identify and tackle inequality in employment, skills and pay in the contract workforce

6.2: Support in-work progression to help people, including those from **disadvantaged or minority groups**, to move into higher paid work by developing new skills relevant to the contract.

Buyer instruction:

Please include:

- your '**Method Statement**', stating how you will achieve this and how your commitment meets the Award Criteria, and
- how you will **influence staff, suppliers, customers and communities through the delivery of the contract**

Case study response

Answers the question

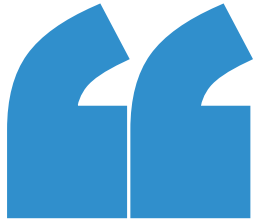
Responds to the MAC on supporting disadvantaged or minority groups into new skills and employment: advertises job roles for the contract on 'Ethnic Jobsite'

Shows additionality

Proposes dedicated staff volunteer time to mentor unemployed people and provide interview practice through identified partners, if they win the contract.

Has timescales in the near-term

Provides a gantt chart for each proposed activity for first 12 months of the contract



It is a virtuous circle, success breeds success. Social Value delivery for one contract strengthens the story for the next.

Léyoh Goodhall, Sales Director, Social Value Portal

Planning your response to the Social Value Model Question



Snowia Hussain
Social Value Lead, Ministry of Justice

Policy Procurement Note (PPN) 06/20

- PPN 06/20 Action Note
- The Social Value Model
- Guide to using the Social Value Model
- Social Value Model Quick Reference Table

Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts

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The Social Value Model

Please use this document in conjunction with the Guide to using the Social Value Model.

In particular:

- Section 2 - Using the Social Value Model
- Section 3 - Evaluating social value in tenders
- Section 4 - Contract management, reporting and case studies

Edition 1.1 - 3 Dec 20



Guide to using the Social Value Model

Edition 1.1 - 3 Dec 20



Social Value Model Quick Reference Table

This quick reference table contains only the Model Evaluation Question, Model Award Criteria, Model Response Guidance and Reporting Metrics for each policy outcome.

Please use this document in conjunction with the following documents:
The Social Value Model (full version)
Guide to using the Social Value Model, in particular:
Section 2 - Using the Social Value Model
Section 3 - Evaluating social value in tenders
Section 4 - Contract management, reporting and case studies

Edn 1.1 (3 Dec 20)

Evaluating Social Value

- Social value is over and above the core requirements of the contract – it is additional value
- All suppliers are treated equally, to ensure a fair and equal process
- Evaluations must be evidence based, considering only the content of the supplier proposals

- Supplier responses are evaluated independently, not in comparison, against the questions and award criteria
- Evaluators and suppliers must comply with the requirements set out in the Invitation to Tender (ITT)
- 10% is the minimum % evaluation but always check the award criteria set out in the ITT

Evaluating Social Value

Demonstrate
your
understanding of
the Model
Award Criteria

How do your
smart
commitments
effectively meet
the policy
outcome?

Confidence
of delivery

Qualitative Assessment

The assessment is qualitative, we are assessing the quality of your response against the evaluation question.

We want to see clear plans that detail what will be delivered, when, how it will be evidenced, monitored and measured.

- is a detailed method statement included,
- is a detailed project plan included,
- are their specific measurable commitments,
- are the commitments specific to the contract

The level of score achievable will be in relation to these points.



Thank you

Working with the Social value model: Insights on using the model



Gary Young
Strategy & Operations Director, Fujitsu UK

SV submission development

A journey in 3 parts...

Part 1: Confusion... the Early months of 2021



Confused customers

What it is? | What does it mean to me? | How to manage it?



Reactive responses

“Can you have a look at this... it’s the last question in the bid”



Misguided overconfidence

“We invest loads into responsible business...”

SV submission development

A journey in 3 parts...

Part 2: Clarity and measurement



- **First IT Service integrator to invest in SVP.**
- **Formed the Fujitsu TOMs (49 measures across the 5 categories).**
- **Comprehensive awareness training for all staff:**
 - What is Social Value?
 - The Fujitsu TOMs: How and where to apply them.
 - Delivering social impact vs. virtue signaling.
- **A measurable commitment to social value delivery on every contract.**

SV submission development

A journey in 3 parts...

Part 2: Clarity and measurement



“Where Fujitsu can differentiate most strongly is on the maturity of its approach to measuring social value. It is enabling the company to quantify – and therefore promote much more effectively – the positive impact it is having. Other suppliers to central government appear far less advanced in their investment in social value measurement and the appropriate tooling”

Georgina O’Toole, Chief Analyst

SV submission development

A journey in 3 parts...

Part 3: Impact and commitment



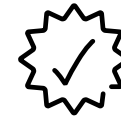
Informed customers

Focused on relevance, impact and evidence of delivery.



Creative competitors

Social value – A route to innovation.



Delivering real impact

Deliberate choices on commitment, geography, ecosystem and areas of focus.

So how does this translate on a day-to-day basis



Raise aspirations

Ensure credibility

Think impact

Q&A



Nikki Rowbottom
Senior Consultant
7 Step Solutions



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Gary Young
Business Operations
Director – UK Public Sector
Fujitsu UK



Thank you