

Embedding Social Value in Contracts

October 2022

Promoting Inclusive Economic Growth

The Belfast Region City Deal (BRCD) is underpinned by an agreed vision for *“inclusive economic growth that delivers more and better jobs, a positive impact on the most deprived communities and a balanced spread of benefits across the region”*

‘Social Value’ is about the positive value businesses can create for the economy, communities, and society by increasing their social performance to demonstrate positive social, economic and environmental impacts

To ensure social value is integrated within BRCD projects in a consistent way the BRCD Executive Board has agreed that projects should apply the Social Value Points Based approach developed by the Strategic Investment Board Social Value Unit (SIBSVU). However, **Partners are encouraged to exceed the minimum standard in line with any additional organisational procurement policies and practices already in place to further drive social value benefits.**

The SIB’s ‘Social Value Points Model’ provides a methodology for integrating social value into contracts with tailored approaches available for Construction, Supplies, Services and IT Contracts.

The model encompasses:

- ❑ **Flexibility** – to enable alignment to the priorities of commissioning organisations encompassing:
 - A range of social value indicators to choose from;
 - An option to specify proportions of points towards specific activities;
 - The ability to target specific client groups aligned specifically to employability and skills related social value activities.
- ❑ **Readiness** - provides a prescribed formula for identifying the number of Social Value points a contractor must deliver based upon contract value.
- ❑ **Built in Resources** - including:
 - Guidance documentation
 - Specification texts
 - Social Value calculators for procurement documentation
 - Monitoring system to track performance
 - Training for contract managers and contractors

This Guidance:

- ❑ Outlines the process from a BRCD perspective and should be read in conjunction with the SIB resources (detailed on Page 5).
- ❑ Applies to all contracts for services and works to which the NI Procurement Regulations apply.
- ❑ Details a *minimum social value standard* for BRCD investment projects. **Partners should ensure that any additional related obligations contained within their funding letters of offer are also met.**

All tenders must include a minimum 10% social value rating to the total award criteria.

Details of the scoring arrangements should be included within the specification documentation

Scoring Social Value

PPN 01/21 details how social value should be integrated into procurement processes, so that contracts are assessed not only in terms of cost and quality but also on the basis of their social value contribution

Overview of the SIB Model - Social Value Themes

A 'menu' of suggested social value indicators, with pre-allocated points assigned, is available within each of the thematic areas in the SIB Model. Partners can select those indicators that best align to the nature of their contracts and the specific outcomes associated with their projects.

The amount of Social Value to be delivered through a contract is determined by the total contract value. For every £1 million of spend contractors are required to deliver 100 social value points

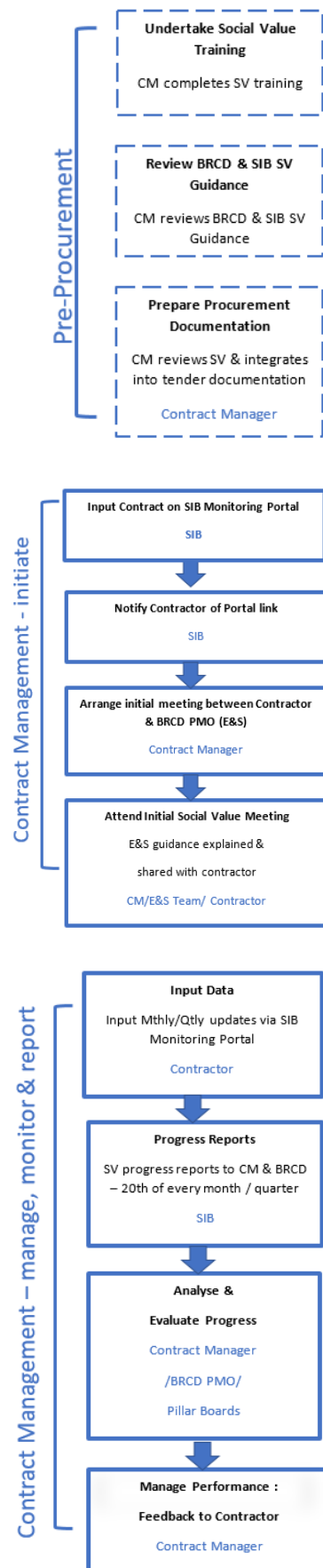
Theme 1: Increasing Secure Employment & Skills	Theme 2: Building ethical and resilient supply chains
Employment and training opportunities, contributing to in-work progression and skills development, opportunities for entrepreneurs and support for economic growth.	Activities which tackle employment inequality, 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	Theme 4: Promoting Wellbeing
Promoting environmental benefits, influencing environmental protection and improvement and working towards net zero greenhouse gas emissions.	Improving the health and wellbeing of the contract workforce, tackling employment inequality, contributing to in-work progression and skills development, and improving community integration.

There will be slight variation in the social value points-based model depending on the nature of the contract. Separate guidance therefore exists for Construction, Services and Goods contracts (detailed on Page 5).

Partners are encouraged to align social value efforts with BRCD outcomes by prioritising **Theme 1: Increasing Secure Employment & Skills** where possible and practical as outlined below. Options available to partners may also include ring-fencing a **minimum of 50% of social value points in tenders towards activity within this thematic area.**

Guidance and draft wording as to how this can be included within upcoming procurements is included within the SIB resources.

BRCD Social Value Process & Responsibilities



Pre-Procurement Stage

The project team must ensure relevant personnel have been trained in the SIB Social Value methodology and understand their obligations in respect of the BRCD. Training can be arranged by contacting brcd@belfastcity.gov.uk

Contract Manager/Project Sponsor:

- Attends SV training delivered by SIB
- Ensures Tender documentation reflects the SV obligations of the BRCD, and that SV scoring is appropriately weighted

Procurement & Evaluation Stage

The project team should maintain contact with SIB and BRCD and follow their advice throughout this stage

Contract Manager/Project Sponsor:

- Evaluates contract using the agreed scoring framework
- Awards the contract

Completes the [Contract Notification Template](#) returning it to both BRCD (brcd@belfastcity.gov.uk) and SIB (info@socialvalueni.org)

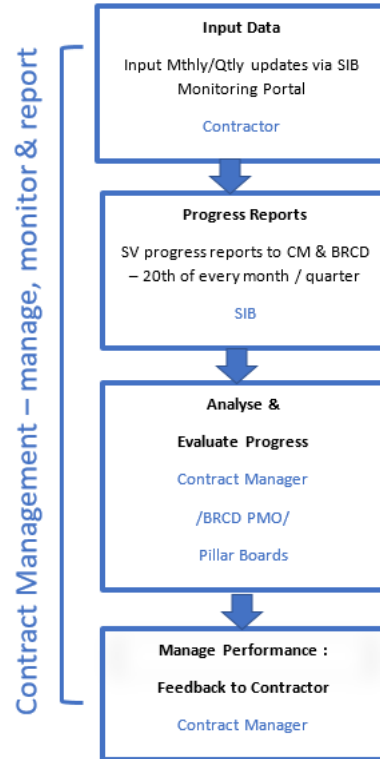
Contract Management - Initiation Stage

The project team should maintain contact with SIB and BRCD as details of the Contract are agreed and the contract is added to the SIB monitoring portal. The BRCD Employability & Skills Team will support contractors to deliver their E&S related social value requirements.

Contract Manager/Project Sponsor:

- Arranges and attends initial meeting with the BRCD E&S Team
- Ensures Contractor fully understands the SV obligations and contractor's specific role

BRCD Social Value Process Responsibilities



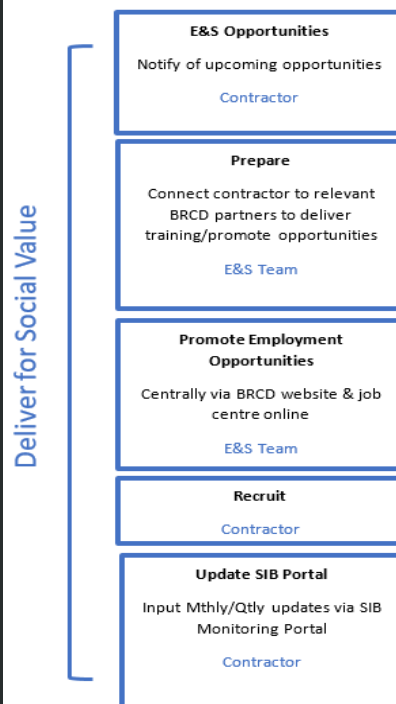
Contract Management Stage

Project Teams will receive a completed SV report from the SIB Portal on a monthly basis. Responsibility for managing performance and reporting on SV delivery resides with Project Teams.

Contract Manager/Project Sponsor:

- Review SV reports and manage performance through standard contract management arrangements
- Report progress/key issues etc via standard BRCD monitoring arrangements through formal reporting mechanisms and ongoing updates to relevant Pillar Boards.

The BRCD Employability & Skills Project Team will support contractors to deliver upon their E&S related social value requirements. Project Teams should be aware of the support available and ensure that contractors engage proactively with this team for the duration of the contract.



Delivering for Social Value

Contractor:

- Monitor future employment opportunities
- Engage with E&S team at BRCD PMO to notify about opportunities and associated skills requirements
- Recruit new starts to fulfil SV obligations
- Update SV data on SIB portal
- Respond to performance feedback and mitigations as required to meet targets

BRCD E&S Team:

- Engage BRCD partners to develop collaborative skills solutions to meet emerging needs

This Guidance is based upon current PPN 01/21 and will be updated as required. Project sponsors should remain aware of any such changes.

Details of current procurement thresholds can be found at [DoF Procurement Thresholds](#).

FAQs

Q. Is there training available to supplement this Guidance?

A. Yes. SIB provides regular online training sessions which you are welcome to avail of. Please contact the BRCD [PMO](#) for more details.

Q. Where can I go for more advice about embedding Social Value into procurement contracts?

A. There are a range of supporting materials available through the 'buy social' website. These include:

Construction & Civil Builds Procurements:

[Procurement - Social Value \(buysocialni.org\)](https://buysocialni.org/procurement-social-value)

Services Procurements:

[Procurement - Social Value \(buysocialni.org\)](https://buysocialni.org/procurement-social-value)

IT Procurements:

[Procurement - Social Value \(buysocialni.org\)](https://buysocialni.org/procurement-social-value)

Supplies Procurements:

[Procurement - Social Value \(buysocialni.org\)](https://buysocialni.org/procurement-social-value)

Evaluation Panels Online Training:

[Evaluation - Social Value \(buysocialni.org\)](https://buysocialni.org/evaluation-social-value)

Managing Social Value in Contracts:

[Contract Managers - Social Value \(buysocialni.org\)](https://buysocialni.org/contract-managers-social-value)

Contractors Social Value Awareness:

[Suppliers - Social Value \(buysocialni.org\)](https://buysocialni.org/suppliers-social-value)

Further advice is available from:

- BRCD PMO & Employability & Skills Team at brcd@belfastcity.gov.uk

- Strategic Investment Board Social Value Unit at info@buysocialni.org

Appendix

Please consider the SIB's [Model Text](#) for your Invitations to Tender or Specifications. Where helpful you may add the section below to provide some context on the Belfast Region City Deal

"The Belfast Region City Deal (BRCD) is a £1billion programme of investment in key sectors of our local economy over the next 10 - 15 years. As a city growth deal it presents an enormous opportunity to drive inclusive and sustainable economic growth, boosting competitiveness and economic recovery by building on our sectoral strengths.

*As **<INSERT NAME OF YOUR PROJECT>** is one of the projects supported by the BRCD, it is important that the contracts associated with this project deliver sustainable, inclusive growth by incorporating social value. This will include contributing to the creation of inclusive jobs by making provision for under-represented client groups as suggested in the scoring matrix in the following The BRCD region faces a range of barriers to continued economic growth and requires significant additional investment to tackle persistent regional and local inequalities.*

pages. There is potential to make a significant social value impact in delivering the jobs BRCD aims to generate during the construction and operational phases of delivery. Ensuring the integration of Social Value within BRCD contracts is one of the most effective ways of delivering on the region's inclusive growth ambitions.

As well as improving inclusivity across society, BRCD partners are also committed to contributing to climate resilience. The implications and long-term economic risk of climate change both globally and across the Belfast region have become increasingly clear since the BRCD programme was initially developed.

The BRCD Employability & Skills Project Team will offer assistance to contractors to deliver their E&S related social value requirements. This will be followed up upon appointment.