

SOCIAL VALUE TOOLKIT

**A guide to supporting
care leavers through
procurement.**



th trowers & hamllins

Trowers & Hamlins LLP
3 Bunhill Row
London
EC1Y 8YZ
t +44 (0)20 7423 8000
f +44 (0)20 7423 8001
www.trowers.com



I FOREWORD

For any young person, moving into adulthood and starting to make their own way in the world can be extremely daunting and a huge learning curve.

Imagine how difficult it is for those young people that don't have the backing of a supportive family to help them along the way and to be there for them when things don't go to plan.

For young people that have grown up in the care system, leaving care and striking out on their own can be a massively challenging time. As corporate parents to care leavers, local authorities have a responsibility to make sure that these young people are as ready for the next stage of their lives as they possibly can be and continue to get support along the way.

But this responsibility shouldn't just sit with children's services and care providers. To be truly effective, the role of corporate parent should extend across the whole commonwealth of towns and cities and include partners across the private, public and voluntary sectors. Just imagine the range of opportunities that this could offer to vulnerable young people to help them feel valued and more prepared to take their first steps into independence.

Just having access to the same kind of opportunity and support that their peers have could make a huge difference to many young people and have a really positive impact on preparing them to live independently, achieve financial stability, give them practical and emotional support, help them to establish stability in their lives and be able to achieve their ambitions.

I am proud to be the first local authority champion of the Care Leaver Covenant and, in this role, I actively encourage colleagues in every council to engage with the Covenant and champion how it can improve outcomes for care leavers.

Please sign up to the Covenant and help care leavers navigate a path into further and higher education, employment and training and ultimately be able to live independently.

If you are wondering how your council can enhance its local offer, you will find lots of information in this document about developing a 'whole council' approach and forming partnerships with public, private and voluntary sector partners so young people can live settled, happy and successful lives.

A handwritten signature in black ink, appearing to read "Tom Riordan". The signature is fluid and cursive, with a distinct 'R' and 'D'.

Tom Riordan, CBE

Chief Executive, Leeds City Council
Care Leaver Covenant Champion

2 BACKGROUND AND CONTEXT

The Care Leaver Covenant is a programme developed under the Department for Education's (DfE) **Keep on Caring**¹ policy and it aims to improve outcomes for care leavers. It seeks to create practical, specific, offers by organisations in the public, private and voluntary sectors to support care leavers aged 16-25 in living independently. Whilst many councils have developed excellent local offers to support care leavers, we believe that the procurement process can provide many further opportunities to improve outcomes for care leavers.

2.1 CARE LEAVERS

A care leaver is a young person aged 16-25 who has been looked-after for at least 13 weeks in total since the age of 14. Those aged 16 or 17 are 'eligible' (still looked-after) or 'relevant' (no longer looked-after) children. Those aged 18-25 are 'former relevant children'. Compared with their peers, children in care face multiple challenges. They are more likely to underachieve in education, be lured into crime and suffer more emotional and health problems.

On leaving care, these young adults are three times more likely to be NEET and experience financial hardship. They are at a greater risk of homelessness, substance abuse and poor mental health and most will lack the social networks to support them in leading independent, fulfilling lives. The number of care leavers continues to rise whilst the negative impact on financially challenged councils grows ever larger. As corporate parents, councils must make a local offer to care leavers. But wider society – civic, civil and business – also has a duty to act as a 'lifelong family'.

2.2 THE CARE LEAVER COVENANT

To address these challenges, the 'mission' of the Covenant is to promote five key outcomes, so that care leavers:

- ★ are better prepared to live independently;
- ★ have improved access to employment, education and training;
- ★ experience stability in their lives and feel safe and secure;
- ★ have improved access to health support;
- ★ achieve financial stability.

The DfE has set out five underpinning objectives for the Covenant:

- Care leavers aged 16-25 across England have access to a wide range of support and opportunities through the Covenant, wherever they live, to help them achieve the five key outcomes.
- Councils and care leavers know about and understand the Covenant and what support care leavers can get from signatories.

- Personal advisers, independent fostering agencies, charities, and others working with care leavers and those about to become care leavers have the information they need in order to take advantage of covenant offers'.
- A wide range of businesses and charities across England sign up to make offers of support to care leavers that help them achieve the five key outcomes.
- The Care Leaver Covenant is a recognised and valued brand, and the accepted framework for designing and delivering exceptional interventions that enable care leavers to make a successful transition into independent living.

2.3 CROSS-GOVERNMENT SUPPORT

The Covenant is not just a DfE initiative. In an example of cross-departmental collaboration, the Department for Work and Pensions, the Ministry of Justice and the Ministry of Housing, Communities & Local Government are also involved. These departments have all signed the Care Leaver Covenant and reviewed their current policy and practices with a view to making them more 'care-leaver friendly', and impacting on one, or more, of the five key outcomes.

2.4 COVENANT IN ACTION

In 2018, Spectra First was appointed to manage the Covenant through encouraging organisations to sign the Covenant, supporting those organisations once they have signed the Covenant and raising the awareness of councils and voluntary sector organisations working with care leavers. Organisations signing the Covenant undertake to make an offer of support which addresses one or more of the five key outcomes. Ideas for Covenant offers of support were developed through a process of listening to the voices of care-experienced individuals in various events and workshops. The offers include: discounts, financial support, exemptions, personal development, workshops, training, work experience, apprenticeships and internships. During the first phase of the Covenant (up to the end of March 2020), Spectra First has focused on delivering:

- 270 organisations to sign the Covenant;
- 5,000 meaningful offers created for care leavers;
- 1,000 internships created for care leavers; and
- 152 councils with Children Services departments to support the Covenant

Spectra First and the Covenant have worked with six council Champions - Leeds, Doncaster, Lewisham, Somerset, Staffordshire and Wolverhampton - each of which has adopted a dynamic and progressive approach to developing their local offer for care leavers. These Champions use their powers and duties under the Public Services (Social Value) Act 2012 to consider care leavers' needs at the pre-procurement stage.

¹ DfE (2016) *Keep on caring: supporting young people from care to independence*

² The Covenant website address is www.mycovenant.org.uk

2.5 COUNCIL CASE STUDIES

City of York Council

has taken various actions to promote successful **independent living** for care leavers.

This includes the “Pathway Life-Skills Toolkit” used by carers and key workers. ‘Staying put’ is an option for all care leavers and all those on residential placements outside of York are brought back before their 18th birthdays as part of the ‘Make York Home’ initiative. The option of a four-week stay in a ‘taster flat’ gives them the chance to experience independent living.

The Royal Borough of Greenwich

has worked with the charity MyBnk to ensure that care leavers get good quality **financial education** to assist them when they are moving into independent accommodation. A week-long, tailor-made money management course has helped them in sustaining tenancies.

Leeds City Council

has established a partnership with ENGIE (Places and Communities Division). The company volunteers have undertaken a range of projects to support **independent living and feeling secure** including: redecoration, paint donations, garden clearing, plumbing, joinery and DIY projects.

For the London Borough of Islington

improving support for the mental **health** of care leavers is a key goal and they

have facilitated weekly, drop-in health sessions with free counselling from a local mental health charity. The council has also appointed a specialist mental health social worker to support care leavers.

2.6 WHOLE-COUNCIL APPROACH

Councils have a legal obligation to support care leavers. Under the Children & Social Work Act 2017 they are required to publish a 'local offer' setting out what services are available in their area to support care leavers. This means accepting that their responsibility for being a corporate parent does not solely reside with those people and departments that have 'care leaver' in their job descriptions.

We would argue that cabinet members and councillors, as well as internal departments and teams such as economic development, social services, community investment, health, housing, corporate services and procurement teams should form a self-organising group to take the Covenant agenda forward. This would constitute a Whole Council Forum (WCF). Some councils are leading the way in changing the membership and focus of the Board to increase its effectiveness in improving outcomes for care leavers. In Telford and the Wrekin, the Council Leader has made sure that the Covenant has been included in the manifesto to ensure accountability in delivering key outcomes for care leavers

As part of their review of current practice, councils are strongly encouraged to engage with the Covenant. Unlike the 'local offer', signing the Covenant is not a statutory requirement for a council, rather, it is a voluntary indication of a desire to do its utmost to fulfil its role as a corporate parent to care leavers. The Covenant encourages councils to follow good practice in offering additional discretionary services. Establishing a WCF would enable an integrated response and for their procurement practices to be used to effectively create a range of new opportunities for care leavers.

In order to facilitate the establishment of a WCF in councils, Spectra First has worked with The Governance Forum on model terms of reference³ which can be found at www.thegovernanceforum.com

The Local Government Association has published guidance for councils on care leavers which makes strong references to the role of the Covenant⁴. The guidance sets out a number of lines of enquiry for councillors:

- *What do we know about our care leavers – both existing, and coming up?*
- *How are we making sure that the voice of the young person is heard and reflected in the pathway plan? What are care leavers telling us?*
- *How are we making sure that young people are able to take advantage of 'staying put'?*
- *Do we have a suitable range of accommodation options for care leavers, and how are they supported in each? What happens if something goes wrong?*
- *How are we preparing care leavers to live independently?*
- *How are we working with our partners to support care leavers?*
- *How do we help care leavers to find, and remain in, employment, education and training?*
- *How are we promoting the Care Leaver Covenant?*
- *How are we ensuring that the corporate parenting principles are being applied to care leavers?*
- *How are we making sure care leavers have access to services they need for their health and wellbeing?*
- *Are there particular considerations for unaccompanied asylum-seeker care leavers?*
- *Are there particular considerations for other children in care immigration issues?*

These questions can also be usefully addressed by the WCF along with the additional question:

- *How can we use procurement processes to tackle some of these questions and to increase the opportunities available for care leavers?*

It is this question that we discuss in the rest of this Toolkit.



TELL.SHOW.INVOLVE.

³ Care Leaver Covenant (2020) Whole Council Forum Terms of Reference

⁴ Local Government Association (2019) Support for care leavers: resource pack

2.7 WORKING WITH THE COVENANT

Decision Making & Implementation

Councils are politically-led, place-shaping organisations, focused on meeting the needs of their communities – through their own activities and in partnership with others locally, regionally and nationally. The elected administration sets the vision and policies for the place and is supported in this endeavour by scrutiny boards, experienced officers and partners who provide support, challenge and advice.

The Covenant, therefore, in the first instance would like to work with council leaders or mayors and the lead member/s responsible for Care Leavers, alongside the responsible officer/s to outline the plan and opportunities to fulfil a ‘whole council’ approach.

Internal relationships

It would be beneficial for the Covenant to develop a network of three internal key stakeholders. This working group would operate from the core working areas of the Council.

Firstly, a lead Cabinet member responsible for ‘Care Leavers’ would provide the political leadership from within the Council. They would also work in tandem with the leader or mayor, the wider cabinet, and the controlling group (or coalition) to encompass the political and officer support/will necessary to facilitate the delivery of the Covenant’s core aims. It will also be important to determine the extent to which there is an opportunity to work cross-party on this agenda. Councils, whilst party political, also have many areas of work where there is a consensus across groups about the priority of the work. Supporting Care Leavers better is likely to be one of these.

Secondly, a lead officer/director of the service area responsible for ‘Care Leavers’ – and who reports directly to the Director of Children’s Services and/or the Chief Executive - would provide an operational, logistical and management oversight of any proposals. Working with senior management, departmental staff and partners to deliver the core aims of the Covenant.

Thirdly, the opportunity to involve the relevant Scrutiny Chair and their respective Board responsible for ‘Care Leavers’ would facilitate an effective additional political commitment, whilst also providing a unique opportunity for Care Leavers themselves to engage. Ideally, this role would be fulfilled by the Chair of the Overview and Scrutiny Management Board which brings together all chairs, a platform from which ‘Whole Council’ working could develop.

Contact details

To get involved in the Care Leaver Covenant:

t: 0800 077 3557
e: localgov@mycovenant.org.uk
Care Leaver Covenant, 38-39 The Chubb Buildings,
Fryer Street, Wolverhampton WV1 1HT

For more about Trowers & Hamlins:

Rebecca Rees, Partner,
Trowers & Hamlins LLP
e: rrees@trowers.com
t: 020 7423 8021
@BecsRees)

3 INTRODUCTION TO THE GUIDE AND TOOLKIT

This toolkit is designed to assist councils adopt a “whole council approach” and include their executive officers, social services, community investment, health, housing, corporate services and their procurement teams in the creation of social value objectives, many of which can be aligned with the core outputs of the Care Leaver Covenant, and which can be secured through their procurement processes.

In particular, the toolkit seeks to provide guidance and example wording which councils can use and adapt to encourage bidders to incorporate social value initiatives into their bids which will help to achieve the core outcomes of the Care Leaver Covenant.

Many councils will already incorporate social value requirements in their procurements and the suggestions in this toolkit are not designed to replace those existing social value requirements, but to supplement what those councils are already doing around social value in the context of supporting care leavers.

The toolkit can be used by anybody in a council who is involved in the procurement process, and broadly covers:

- ★ **Who is subject to the public procurement rules?**
- ★ **Which contracts are covered by the framework?**
- ★ **What are the consequences of breaching the public procurement rules?**
- ★ **What prevents social value from being realised in public procurement procedures?**
- ★ **How can social value be effectively incorporated into a council’s procurements?**

Additionally, the toolkit includes suggested drafting which a council can adopt in its future procurements to ensure that each stage of the procurement process encourages bidders to consider and incorporate its social value objectives into their proposals.

4. GUIDANCE: INTRODUCTION TO THE PUBLIC PROCUREMENT RULES

4.1 WHO DOES THE PUBLIC PROCUREMENT RULES APPLY TO?

The public procurement rules apply to all “contracting authorities” as set out in the Public Contracts Regulations 2015 (the **REGULATIONS**).

Councils and care leavers know about and understand the Covenant and what support care leavers can get from signatories. However, it may be that certain contracts fall outside the scope of the Regulations, so it is important that a council knows which contracts are and are not subject to the Regulations. The following sections explain which contracts will need to be advertised in accordance with the Regulations, and when a council will not necessarily need to advertise an opportunity.

4.2 WHICH CONTRACTS ARE SUBJECT TO THE PUBLIC PROCUREMENT RULES?

The Regulations apply to certain contracts for works, services or supplies when the estimated value of those contracts exceeds a certain financial threshold.

The financial thresholds are set by the European Commission every two years and are subsequently published by the Cabinet Office. At present (and up to 31st December 2021, if not altered sooner), the financial thresholds (net of VAT) for regional and local authorities are:

- ★ **Works contracts: £4,733,252**
- ★ **Services and Supplies contracts: £189,330**
- ★ **Concession contracts: £4,733,252**

Following the UK's withdrawal from the EU, the thresholds will be set and published by the Cabinet Office and the requirement to advertise above threshold contracts is likely to be retained, with a new domestic advertisement portal being made available ("Find a Tender Service") in the event of a "no-deal" Brexit⁵.

4.3 ARE THERE ANY EXEMPTIONS?

Contracts with a value falling beneath the above stated thresholds do not need to be advertised in the Official Journal. Instead, if a council is procuring a below threshold contract it will need to follow certain requirements set out in the "below threshold regime" found in Part 4 of the Regulations. This means that if a council is procuring a contract with a value exceeding £25,000 and has advertised the contract by any means, it will also need to advertise the opportunity on Contracts Finder. Where it has not advertised such an opportunity (for example, if it has gone directly to obtain quotes from suppliers) it will not need to advertise the opportunity on Contracts Finder.

If a council is procuring a contract which is below the £25,000 value then there is no requirement to advertise at all (although it will need to comply with any internal requirements and Standing Orders).

Additionally, there are certain contracts which do not require councils to advertise (including, for example, transactions for the sale or transfer of land and employment contracts).

If a council is procuring service contracts which relate to social care, health or education up to a value of (currently) £663,540 then the procurement will be subject to the "Light-Touch Regime", and it will not need to follow the full procurement process set out in the Regulations. Instead, it will only need to undertake a procurement process that is transparent, non-discriminatory, and treats bidders fairly.

4.4 WHAT ARE THE CONSEQUENCES OF A COUNCIL NOT COMPLYING WITH THE PUBLIC PROCUREMENT RULES?

If a council breaches the Regulations then it may find itself subject to a legal challenge by an "aggrieved" economic operator by way of a challenge to the High Court.

Should such a challenge be successful, remedies against a council could include:

- ★ **An order of the Court prohibiting it from entering into the contract; or**
- ★ **A declaration of ineffectiveness which renders an awarded contract void, along with a civil financial penalty; and/or**
- ★ **Damages.**

Other, non-judicial, scrutiny and publicity can be created by a disappointed bidder reporting a council or its procurement process to the Cabinet Office's Public Procurement Review Service, who publishes both the complaint and its findings on its website.

Further, a council may have concerns about the governance and vires issues, as well as the reputational damage that may be created by a procurement process being declared non-compliant.

4.5 WHAT PREVENTS SOCIAL VALUE FROM BEING REALISED IN PUBLIC CONTRACTS, AND WHAT CAN A COUNCIL DO TO ENCOURAGE THE INCORPORATION OF SOCIAL VALUE INITIATIVES IN BIDS?

Delivering social value objectives under a contract results in additional costs to the supplier. Given this, during the procurement process, bidders may have concerns about the cost of including required social value initiatives and whether it is best placed to deliver the required social value outcomes. Conversely, a council may have concerns about asking for particular social value outcomes or a certain level of social value to be delivered through an outsourced contract, and therefore whether such initiatives are cost-effective and/or affordable.

Given the challenge for a council in specifying a proportionate level or type of social value outcome for a particular outsourced contract, it is best practice, when possible, to carry out pre-market engagement with potential bidders, end users of the service, community engagement team and internal partners at the council in order to gauge not only what should be delivered, but also whether the potential market-place is able to deliver those social value outcomes during the project being procured.

⁵ www.find-tender.service.gov.uk/

With the knowledge of its supply chain and what it is procuring, a council might sometimes take the view that it knows enough about its social value requirements without carrying out specific pre-market engagement, and that what it requires can be delivered by contractors in the market.

Pre-market engagement may also identify such issues as the desirable length of the contract, or the form of contract needed to unlock the social value outcomes. We've set these out in more detail below.

4.5.1 LENGTH AND VALUE OF CONTRACT

Where a contract has a shorter term and a lower value, bidders may consider that the additional costs of incorporating social value into their proposals are disproportionate and too expensive as when compared with the overall value of the contract. It follows that a bidder may be more enthusiastic to include ambitious social value outcomes in its bid where the costs are spread over a longer period of time and where it can expect a greater return on its investment.

If a council is procuring a lower value and short term contract, it may be able to gain a better understanding of whether bidders are prepared to incorporate social value into their bids through the pre-market engagement exercise. If it appears that there is likely to be little appetite amongst bidders to deliver all of the desired social value requirements, a council might decide to re-engineer the opportunity into one that is longer term and higher value, or of the same duration/value but with moderated social value requirements, to attract a wider pool of interested bidders who are able and willing to deliver the social value requirements.

4.5.2 FORM OF CONTRACT

Bidders may be more inclined to incorporate social value initiatives into their bids if they are bidding for a contract, rather than a framework agreement (which should be limited to a maximum term of four years and under which there does not have to be a guarantee of work). As a framework agreement is not a guaranteed pipeline of work, bidders might therefore be less ambitious in the social value commitments contained in their bids.

A council might also consider splitting a contract opportunity into lots. This may encourage participation from SMEs, whereas larger contractors are more likely to find larger, higher value, contracts more attractive. Nevertheless, a council may consider that the appointment of SMEs has an "inherent" social value (see **National Procurement Strategy, Key Area: Local small and medium enterprise (SMEs) and micro-business engagement**) and may consider a shorter, smaller, contract more appropriate in order to achieve a diverse range of social value outcomes.

4.6 HOW CAN SOCIAL VALUE BE INCORPORATED AT EACH STAGE OF THE PUBLIC PROCUREMENT PROCESS?

The public procurement regime enables a council to anticipate and incorporate social value considerations into each stage of the procurement process. This section sets out the detail of each stage.

4.6.1 MARKET ENGAGEMENT

With Care Leavers:

Councils should engage on a regular basis with their local care leavers in order to obtain a list of specific wants/needs that should then inform the council's social value requirements. Councils could do this by using the template Stakeholders and Beneficiaries Survey included in "Engaging with stakeholders: the National TOMS 2019". In any event, there are significant benefits in councils undertaking a comprehensive market engagement exercise ahead of commencing a procurement process. The results of the care leavers' market engagement exercise can then be shared with potential bidders and interested stakeholders who can provide additional ideas and feedback which can then help to scope the procurement-specific requirements.

The requirements should be framed in such a way that they are easily understood and interpreted by all bidders, in order to ensure that those bidders who were consulted as part of the market-engagement are not unduly favoured by that prior involvement in the ensuing bid process.

With potential bidders:

Councils can conduct a Needs and Priorities Survey with local stakeholders to identify the key challenges and needs facing care leavers in their area. The feedback from this survey can then be used to create a Social Value Action Plan for each contract to include in the tender documents. The National TOMS Framework provides a template survey for engaging with local stakeholders that would be suitable for this. A council can also ask bidders, as part of the tender, to put forward suggestions of their own, provided that it sets out clearly how such bidder proposals will be evaluated on a like-for-like basis. It is therefore likely that the social value requirements will fall into two categories:

- ★ **Those requirements that the council identifies in its Social Value Action Plan, along with targets and forms of measurement for their implementation; and**
- ★ **A requirement to put forward additional social value outcomes that go over and above the council-specified requirements and provide "added value" or innovative proposals.**

A council should spend a sufficient amount of time scoping its social value requirements for each outsourced contract it lets, in order to ensure that the tendered requirements will secure the outcomes it desires during the currency of the contract.

4.6.2 ADVERTISEMENT

All procurements that are subject to the Regulations will need to be advertised in the Official Journal of the European Union and Contracts Finder. As this is the “advert” for the outsourced contract, it is important to highlight any particular social value outcomes to set the scene for the ensuing procurement and contract and so that it attracts bidders capable of delivering such social value outcomes. Suggested wording to include at section III.2.2 of the Contract Notice or section III.2.2 of a Prior Information Notice (used as a call for competition) is set out in Appendix 1.

4.6.3 SELECTION STAGE

A selection stage (where a council shortlists a number of bidders) is not permitted where it is procuring via the Open Procedure or procuring a below threshold contract, but is the first stage in the Restricted Procedure, the Competitive Dialogue Procedure and the Competitive Procedure with Negotiation.

In these procedures, a council will first issue a Selection Questionnaire to applicants. The Selection Questionnaire (for services contracts it is a standard form document issued by the Crown Commercial Service, and for works contracts PAS:91 Selection Questionnaire is recommended) evaluates the past performance, financial standing and good standing of the applicants who submit a response. It is a requirement (for services contracts) to use the standard form Selection Questionnaire, but a council is permitted to add project specific questions.

It is therefore open to a council to ask questions about the applicants’ previous experience in delivering social value objectives, and their experience in participating in social value initiatives on projects of similar nature. As part of a council’s project specific questions, it could also require applicants to explain how they ensure that their supply-chains also deliver social value on similar contracts.

Example wording to be included in the Selection Questionnaire is set out in Appendix 1.

4.6.4 INVITATION TO TENDER

In all procedures, it is possible to include social value objectives as part of a council’s requirements for contract delivery.

At this stage, a council can set its required standard for how social value is to be delivered in the project and/or request that bidders put forward their own social value proposals. The council’s required standard could either be expressed as a minimum standard (failure to accept or sign up to deliver that minimum requirement would effectively result in a tender being failed and rejected) or as a desired standard, both of which would be accompanied by relevant key performance indicators and a monitoring and evaluation regime as part of the contract stage. This is also an opportunity to evaluate and explore how bidders will ensure that their supply-chain will incorporate social value into the project, and how key supply-chain members will help in the delivery of the required standards.

If a council wants to investigate and evaluate social value proposals at the tender stage, it must ensure that it also sets out the evaluation criteria and the relevant weightings for the social value requirements. It is also recommended that a scoring table, including guidance as to how the council will allocate the scores, is included. In the event that it wants bidders to put forward their own social value proposals, the council will also need to make sure that such evaluation criteria will allow it to evaluate what could be very different proposals on a like for like basis, and that the scoring guidance supports this.

Where a council is establishing a framework agreement (either a multi-party or sole provider framework) it may also want to include a general commitment to work with the local authority in relation to care leavers throughout the term of the contract. The council will then need to make sure that it includes contractual commitments and targets in the individual call-off contracts under those framework agreements.

Suggested wording to be included in the tender documents is set out in Appendix 1.

5 CONTRACT MANAGEMENT

Once the contract has been awarded and the procurement process is over, it is important to ensure that a council effectively manages the contract throughout its duration so as to make sure that the social value initiatives and objectives identified in the procurement process are clearly recorded in the contract and delivered.

Effective contract management requires preparation throughout the procurement procedure, and a council will need to ensure that the suite of contract documents contains provisions which obligate the successful bidder to deliver the proposed and agreed social value requirements.

In procurement procedures involving a negotiation stage, and where the bidders are given the opportunity to mark-up the contract documents, it is important that the council clearly sets the parameters as to what is required in the contract to ensure that the contractual provisions for delivery of the social value objectives are retained and the efficacy of them is not undermined.

Tools which a council can rely on include key performance indicators and targets to measure the successful bidder's performance. Linked to this, it may want to consider whether financial incentives (such as a pain-share or gain-share mechanism), which may focus the bidder's attention towards achieving its social value proposals, would be appropriate for the contract in question. Clearly such a mechanism needs to be managed and the council should confirm at the outset whether its internal payment/IT systems and team members are able to implement the monitoring and reward systems and processes agreed.

6 KEY RESOURCES AND FURTHER READING

For more information and further reading please see the following:

- ★ Local Government Association “Support for care leavers resource pack”
- ★ National TOMS Framework 2019 for social value measurement guidance
- ★ Engaging with Stakeholders, the National TOMS 2019



APPENDIX I – THE TOOLKIT

1. Example wording for the Contract Notice/Prior Information Notice

The following are two examples of the wording that can be inserted in the council's Contract Notice/Prior Information Notice when seeking to secure social value outcomes via a procurement.

The first example is some generic wording, focussing on the Care Leaver Covenant, for use on all procurements. The second example is for those procurements where the Public Services (Social Value) Act 2012 applies.

EXAMPLE 1: The following should be added to Paragraph III.2.2 for works, services and supplies contracts, framework agreements etc:

“Under this [project] [contract] [programme] the [contractor] and its supply chain will be required to actively participate in the achievement of social policy objectives relating to recruitment and training and supply chain initiatives in order to further the core outcomes of the Care Leaver Covenant. Accordingly the contract performance conditions may relate in particular to social considerations, and how the contractor will ensure that it and its supply chain will further the core outcomes of the Care Leaver Covenant.”

EXAMPLE 2: The Public Services (Social Value) Act 2012 requires “contracting authorities” to consider their obligations under that Act. Where this is applicable, the following words should be inserted at Paragraph VI.3 - Additional information:

“Under the Public Services (Social Value) Act 2012 the contracting authority must consider:

- a. How what is proposed to be procured might improve the economic, social and environmental well-being of the area where it exercises its functions; and
- b. How, in conducting the process of procurement, it might act with a view to securing that improvement.

Accordingly, the subject matter of the contract has been scoped to take into account the priorities of the contracting authority relating to economic, social and environmental well-being. These priorities include the core outcomes of the Care Leaver Covenant, including:

1. Better access;
2. Independent Living;
3. Safety and Security;
4. Financial Stability; and
5. Health.

These outcomes are described more fully in the procurement documents [and are reflected in the evaluation criteria for the award of the contract].”

2. Example wording for a Selection Questionnaire

The following questions can be inserted in a council's Selection Questionnaire (for example, in Part 3, Section 8 of the CCS Standard Selection Questionnaire "Additional questions", or as supplementary or additional project specific questions within the PAS 91 Selection Questionnaire). The questions asked at Selection Questionnaire stage should be "backward looking" and refer to the bidder's experience, capacity and delivery of similar outcomes on previous contracts. It should include questions relating only to those social value requirements which are being included in the procurement. This means the questions it asks and the experience it requires are relevant in particular to the Care Leaver Covenant's core outcomes, as well as any other social value initiatives it wants to incorporate. These should assist in assessing a bidder's technical experience and ability in relation to the skills needed to deliver the social value requirements for the proposed project.

A council might seek to ask a series of questions focussing on individual social value outcomes, or seek to ask only one generic question covering "social value". This example wording specifically addresses the care leaver agenda.

EXAMPLE:

"Please detail your organisation's previous experience in implementing social value outcomes which support better access for care leavers; promote and encourage independent living for care leavers; focus on the safety and security of care leavers; promote financial stability of care leavers; and/or focus on improving the health of care leavers, including implementation of the same through your supply chain on similar programmes or projects. Please provide details of the value and scope of any such initiatives in relation to the value of these programmes or projects. Please also indicate if you are able to provide references for these initiatives, and if so, relevant contact details (eg name, address, job title, phone number and email address)."

"Provide details of how your organisation achieved and implemented each initiative on a project-specific basis, whether pursuant to contractual commitments or otherwise, and how it measured and evidenced your performance. Did it fail to meet any agreed targets or commitments relating to any of the above and, if so, why?"

Guidance can be issued alongside questions to demonstrate how an excellent response should look. An example is provided below:

"An excellent answer is one that shows that the organisation has direct and relevant experience of delivering and implementing successful programmes of a similar value and scope to the proposed contract which include the detailed social value outcomes, and has implemented initiatives in accordance with its contractual obligations and met all its agreed targets."

Scoring grids should also be provided to explain how each standard is to be scored. An example is provided below:

Comment	Judgement	Marks
Meets the requirements as to experience fully and exceeds them in some or all aspects.	Excellent	5
Meets the requirements as to experience fully but does not exceed them.	Good	4
Meets the requirements as to experience in the majority of them but not all	Satisfactory	3
Meets some of the requirements as to experience but fails to meet the majority	Unsatisfactory	2
Significantly fails to meet the requirements as to experience.	Poor	1
Does not meet the requirements as to experience at all.	Failed	0

Example wording for invitation document

The example wording provided below can be inserted into an Invitation to Tender (e.g. the tender document for an Open or Restricted Procedure). When using Dialogue-based/Negotiated procedures, please note that these can also be used in Invitations to Submit Outline Solutions and Invitations to Submit Final Tenders, but they should be tailored so that they reflect the specific requirements of each stage of the procurement process.

The questions are phrased in a way which require a council to have included a “social value requirements document” as part of the tender documents. In this document, a council should set out which of the Care Leaver Covenant’s core outcomes it wants the bidders to incorporate into their bids, along with other desired social value outcomes to be achieved through the contract and areas for potential innovation/additional social value outcomes (“additionality”). It should also set out any relevant benchmarks for delivery or minimum outcomes required. We presume that this information will be taken from the overall social value action plan compiled by the council on an organisation-wide basis.

Tender Action Point 1: Social Value Requirements Method Statement

Bidders are required to provide a detailed method statement setting out how they intend to implement the social value requirements document (including any additionality proposed by the bidder). The Social Value Requirements Method Statement should cover the following:

1. *The outcomes that are to be achieved by the bidder if awarded the contract, including details as to how they link in with the council’s social value requirements, the programme for delivery across the contract period, and any pre-conditions relevant to the social value requirements.*
2. *Who in the organisation will be responsible for managing the delivery of the relevant social value outcome(s)?*
3. *Which third party providers (if any) are to be involved in delivering the outcome(s)?*
4. *[How will your results against the outcome(s) be measured?]⁶*
5. *How will it ensure it achieves or exceeds the outcome(s) (including the delivery, timing and milestones of each outcome)? Any timing of delivery should be detailed on a [weekly/monthly/quarterly] basis.*
6. *How is your supply chain going to be involved in the delivery of the outcome(s)?*
7. *How will all relevant and related health and safety issues be managed?*
8. *Set out your proposals in respect of any further outcomes (“additionality”) to be delivered in relation to the Project? Please provide details of specific proposed social value outcomes to the level of detail required by question 1 to 7 above.*

Details about the benchmarks for delivery are provided in the social value requirements document and set out the minimum outcomes for the method statement to address. Bidders are to use their own judgement as to what additional outcomes they consider are achievable in relation to the Project.

⁶ *This may not be needed if the council intends to measure the outcomes with no further input from the provider*



