**Education Commercial Services**

**How to use our Social Value Model**

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| **Based on The Social Value Model Edition 1.1 03 December 2020**  [Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf (publishing.service.gov.uk)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940828/Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf)  **ECS Version 1.0**  **26 September 2022** |

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# **SECTION 1 – BACKGROUND**

## 1.1 The ECS Social Value Model is based on Central Governments Social Value Model released under 06/20 Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts ([Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts)

## By ensuring we align ECS to Central Government methodologies, it further supports our compliance and links our approach to the Department for Education (DfE) [Academies Handbook,](https://assets.publishing.service.gov.uk/media/61018f99e90e0703b58e8c79/Academy_trust_handbook_2021.pdf) HM Treasury guidance for [Managing Public Funds](https://www.gov.uk/government/publications/managing-public-money) and the various outsourcing playbooks, which focus on embedding Social Value quite heavily. In addition, it considers the DfE [Sustainability and Climate Strategy](https://www.gov.uk/government/publications/sustainability-and-climate-change-strategy), ensuring appropriate metrics are available against relevant Action Area’s.

## However, upon reviewing the model, there are Themes and Outcomes that are not appropriate to education and in addition, we have identified gaps in the approach that present an opportunity to ECS to deliver enhanced value to their customers based on our understanding of the sector.

## This document contains the relevant (an adjusted) extracts from the Government guidance documents for ease of reference.

## The core principles of the framework remain the same in that each policy outcome within the ECS Social Value Model is designed so that users can easily assess and evaluate the relevant social value offered in tenders and effectively manage the social value delivered in contracts.

# **SECTION 2 – ECS SOCIAL VALUE MODEL**

## 2.1 The ECS Social Value Model provides detailed information relating to each policy outcome, including:

## ● Model Evaluation Questions

## ● Model Response Guidance for tenderers

## ● Model Award Criteria and Sub-Criteria

## ● Reporting Metrics

## These all appear in Title Case in this document and in the Model itself, in order to make

## them stand out as a specific entity within the Model.

## 2.2 When deciding which policy outcomes apply to a procurement, users will need to carefully consider, in the context of the procurement:

## ● whether the Model Award Criteria and Sub-Criteria, Model Evaluation Questions and Reporting Metrics associated with each policy outcome are related to the subject matter of the contract,

## ● whether they are proportionate to the contract, and

## ● whether their application will ensure compliance with the principles of equal treatment and non-discrimination.

## 2.3 As far as possible, the criteria are designed to be ready to use with no modification. This will reduce the burden on commercial teams and provide consistency for the supplier community.

## 2.4 If users find that one or more of the Model Award Criteria are not relevant to the subject matter of the contract or proportionate, they can adapt them for the tender document.

## 2.5 However, it is important to note that if the adjustment is going to be used regularly, the ECS Social Value Model should be updated to reflect the adjustment. (Email [Lindsay.Rosul@ECServices.Org.Uk](mailto:Lindsay.Rosul@ECServices.Org.Uk) to make the adjustment)

## 2.6 Users should consider the ECS Social Value Model Award Criteria listed as a menu of options to select from ensuring relevance, proportionality, equal treatment and non-discrimination.

## 2.7 There is further guidance in relation to each policy outcome within the ECS Social Value Model, but in

## general:

## ● Social value award criteria are likely to be sufficiently relevant to the subject-matter of the contract if they relate to the works, goods or services to be provided under the contract. This could include how the works, goods or services are produced or provided, or how they are maintained or disposed of.

## ● Social value award criteria are likely to be proportionate if they are framed specifically to meet the requirement and they do not go beyond this. Proportionality will also be relevant to the weighting applied to social value. The overall weighting allocated to social value, and the weightings of individual evaluation criteria, should be proportionate taking into account how important the social value outcome is to the procurement and the other criteria.

## ● Equal treatment requires that contracting authorities do not treat tenderers in similar situations differently and that they do not treat tenderers in different situations the same. Non-discrimination requires that contracting authorities do not discriminate against tenderers on grounds of nationality. This includes indirect discrimination, for example, if an evaluation criterion would create a particular barrier for tenderers from another country (e.g. a party to the Government Procurement Agreement).

# **SECTION 3 – HOW TO APPLY THE ECS SOCIAL VALUE MODEL**

## The Model is straightforward to use, and it fits seamlessly into the procurement lifecycle (see the stages in the table below).

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| **Social Value Model activity carried out by the ECS team in collaboration with the Customer** | **Procurement lifecycle9** | |
| **Stage** | **Activity** |
| 1. **Build awareness within the customer organisation**  Ensure ECS customers/relevant stakeholders are familiar with social value and understand its core purpose to enhance positive benefit. Wherever possible stakeholders should feed into the social value requirements to any strategy or policies. | N/A | N/A |
| 1. **Identify the organisation’s pipeline of procurements**    * Discuss with internal clients what they will need to procure in the coming year, based on estimates for programme spend in the budget.    * Talk to stakeholders to help determine any areas of improvement that could be delivered through contracts. | Preparation and planning **(ANALYSE)** | Develop a clear definition of the business need |
| 1. **Select social value themes and policy outcomes**    * Work with internal clients to identify social value opportunities and choose the themes and policy outcomes in the ECS Social Value Model that are most relevant to the forthcoming contract.    * Review the Social Value Model Award Criteria and Questions to check they are relevant, proportionate and that their application in the procurement would ensure equal treatment of tenderers and not result in discrimination or be disproportionate.    * Start considering what combination of Social Value Model Award Criteria and Reporting Metrics you may use to create the Social Value Key Performance Indicators (SV KPIs) which will determine whether the contract is achieving its key social value objectives. |
| 1. **Assess the market**    * Determine market maturity in delivering social value by establishing what part it currently plays in the markets the organisation will be trading with. Many companies will actively promote their social value-related activities either as an organisation or as part of the provision of specific goods and services.    * Establish the make-up of the market by supplier type (i.e. a vibrant, diverse, mixed market with varied sizes and types of supplier, including VCSEs, SMEs and mutuals; | Assess the market |
| one dominated by a small number of very large operators; or one with little or no competition at all).   * Make reaching under-represented groups and removing barriers a key consideration in the assessment, considering the need to use positive engagement and action. * Include relevant supply chains in the assessment. |  |  |
| 5. **Talk to the market**  Start talking to the supply market as early as possible to understand the drivers of cost, quality and efficiency, and include social value in these discussions. This allows you to design the specification and the procurement in a way that achieves best value and is either aligned with the market or is a consideration the market will support. | Pre- procurement  consultation of the market |
| 1. **Test the selected themes, policy outcomes, award criteria, etc. during pre-market engagement**    * Run events with potential tenderers to further understand the drivers of cost, quality and efficiency. It is often likely to be more impactful running key discussions individually with suppliers, however, ensuring that there isn’t any preferential treatment.    * Test the themes and policy outcomes in the ECS Social Value Model to confirm how to best drive social value through the procurement and to confirm these are relevant to the contract.    * Test options for the Model Evaluation Questions, Model Award Criteria, Reporting Metrics and the SV KPIs that you will develop with the market.    * Test the weighting for social value and explore whether this can be increased, depending on market maturity in delivering social value. (Minimum weighting of 10% to be applied)    * In lower cost procurements without the capacity for a supplier event, these should be substituted with webinars, surveys or other engagement, as appropriate, following the same principles. |
| 1. **Build the selected social value policy outcomes into the draft specification and procurement documentation**    * For each policy outcome there is a corresponding Social Value Model Evaluation Question, Model Award Criteria and Sub- Criteria.    * Select the most relevant of each of these from the list provided.    * It is important to review the Social Value Model Evaluation Question and Social Value Model Award Criteria for relevance, proportionality and to ensure equal treatment and non-discrimination.    * Where you want to make adjustments to the model, this can be incorporated at a Contract Level however it is important to note that if the adjustment is going to be used regularly, the ECS Social Value Model should be updated to reflect the adjustment. (Email Lindsay.Rosul@ECServices.Org.Uk)    * Set an appropriate character limit for responses to questions. We recommend that a substantial word count is allocated, subject to IT system capabilities.    * In the rare occurrence that market engagement indicates no policy outcome in the ECS Social Value Model is relevant and proportionate to the subject matter of the contract, contracting authorities should develop their own policy outcomes using the format set out in the ECS Social Value Model. This should be the exception, not the rule. | Launch  **(PLAN)** | Develop sourcing strategy |
| Draft specification |
| Prepare procurement docs |
| Advertise |
| Supplier engagement |
|  | Use standard selection questionnaire to apply exclusion grounds and select suitable suppliers |
| 1. **Evaluate the tenders (Please also reference Using the Model Award Criteria and qualitative approach section)**    * Evaluate the quality of the tenderers’ responses using the evaluation questions for the procurement (which should be based on the Social Value Model Evaluation Questions).    * Evaluate against the award criteria (which should be the Social Value Model Award Criteria and Sub-Criteria set out in the tender documentation) in the same way as the evaluation of any other quality aspect in a procurement.    * Use standard techniques to evaluate the social value offered by tenderers and moderate scores in the usual way.    * Look for comprehensive answers that meet the award criteria and sub-criteria through good quality responses.   (Note: Illustrative examples are provided within the ECS Social Value Model as a guide for tenderers and evaluators. The examples they provide are not mandatory.) | Evaluation and award  **(PROCURE & AWARD)** | Evaluate tenders |
| Award and sign the contract |
| Notify tenderers and publish award |
| 1. **Contract management**    * At Contract Award the successful tenderer commitments must be added to the Projects and Contracts Register to enable reporting.    * ECS must ensure SV KPIs are included within the contractual documentation as firm commitments for delivery.    * The contract manager should manage the social value deliverables in the contract against the commitments in the successful tender.    * To assist the contracting authority in assessing the supplier’s performance, develop SV KPIs from the Model Award Criteria and Reporting Metrics in the Model, and monitor and record against these throughout the contract lifespan. | Contract implementation  - management and monitoring  **(MANAGE)** | Manage and monitor the execution |
| Receive goods/services and issue payments |
| Deal with any modifications |
| 1. **Social value reporting**    * Use the data recorded against SV KPIs to record progress against social value priorities as required. |

# **SECTION 4 – USING THE ECS SOCIAL VALUE MODEL AWARD CRITERIA**

4.1 As part of the assessment of the most economically advantageous tender, there are menus of Model Award Criteria (MAC) and Sub-Criteria for each of the policy outcomes in the ECS Social Value Model. From these, contracting authorities can select those which are relevant and proportionate to the subject matter of the contract.

4.2 To allow the contracting authority to objectively evaluate the tender against the Model Award Criteria, the Model also includes:

* + - a Social Value Model Evaluation Question for each policy outcome and
    - ECS Social Value Model Response Guidance for tenderers relating to each ECS Social Value Model Evaluation Question.
  1. The ECS Social Value Model Response Guidance:
     + tells tenderers what the contracting authority is looking for in tender responses,
     + assists the contracting authority in assessing the quality of the tender,
     + provides a basis for fair and transparent scoring and
     + can help shape the specification and develop key performance indicators.
  2. The ECS Social Value Model Evaluation Questions and ECS Social Value Model Response Guidance in the ECS Social Value Model are deliberately worded to suit a wide variety of circumstances, promote innovative responses and prevent barriers to entry for start-ups, SMEs, VCSEs and mutuals.
  3. Wherever possible users should copy the ECS Social Value Model Award Criteria and Sub-Criteria directly into the tender documentation.
  4. Users should also use the list of ECS Social Value Reporting Metrics and ECS Social Value Model Award Criteria in the ECS Social Value Model to help shape the specification and develop key performance indicators.
  5. The Quick Reference ECS Social Value Model table can be shared with suppliers to aid their understanding of the requirements.

# **SECTION 5 – USING A QUALITATIVE APPROACH FOR EVALUATING SOCIAL VALUE**

* 1. Under the ECS Social Value Model users assess and score the ***quality*** of the social value offered in the tender against the selected policy outcome/s at evaluation stage, in the same way as they would do for any other evaluation criteria designed to assess quality.
  2. Users should establish an effective scoring approach to suit the procurement and allow clear differentiation between tenderers’ responses to the ECS Social Value Model Evaluation Question. For example, under the 5-band scoring regime below the optimal tender response could score 4 (Excellent), whilst a non-response or complete failure to meet the required standard would score 0 (Fail).
  3. Users must award marks against the objective, non-discriminatory scoring criteria set out for each scoring band, on a tender-by-tender basis (i.e. quality responses must **not** be compared against each other for the purpose of scoring).
  4. Users can utilise the same scoring approach as their other quality questions if appropriate. Example Scoring Methodology below if required.

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| **Example criteria for awarding score** | **Score** |
| **Excellent**: (exceeds all of the Model Award Criteria).  The response exceeds what is expected for the criteria. Leaves no doubt as to the capability and commitment to deliver what is required. The response therefore shows:   * Very good understanding of the requirements. * Excellent proposals demonstrated through relevant evidence. * Considerable insight into the relevant issues. * The response is also likely to propose additional value in several respects above that expected. * The response addresses the social value policy outcome and also shows in-depth market experience. | 4 |
| **Very good**: (exceeds some of the Award Criteria)  The response meets the required standard in all material respects. There are no significant areas of concern, although there may be limited minor issues that need further exploration or attention later in the procurement process. The response therefore shows:   * Good understanding of the requirements. * Sufficient competence demonstrated through relevant evidence. * Some insight demonstrated into the relevant issues. * The response addresses the social value policy outcome and also shows good market experience. | 3 |
| **Good**: (meets all of the Award Criteria)  The response broadly meets what is expected for the criteria. There are no significant areas of concern, although there may be limited minor issues that need further exploration or attention later in the procurement process. The response therefore shows:   * Good understanding of the requirements. * Sufficient competence demonstrated through relevant evidence. * Some insight demonstrated into the relevant issues. * The response addresses most of the social value policy outcome and also shows general market experience. | 2 |
| **Poor**: (meets some of the Award Criteria)  The response meets elements of the requirement but gives concern in a number of significant areas. There are reservations because of one or all of the following:   * There is at least one significant issue needing considerable attention. * Proposals do not demonstrate competence or understanding. * The response is light on detail and unconvincing. * The response makes no reference to the applicable sector but shows some general market experience. * The response makes limited reference (naming only) to the social value policy outcome set out within the invitation. | 1 |
| **Fail**: the response completely fails to meet the required standard or does not provide a proposal. | 0 |