

Buy Social
Training Toolkit

The
**Strategic
Investment
Board**

Introduction

This toolkit is a practical guide for Commissioners, Procurement Officers and Contract Managers which explains how to design, implement and monitor social clauses in construction and services contracts using the Buy Social approach.

This toolkit has been produced by the Buy Social Unit at the Strategic Investment Board (SIB). Further information on Buy Social can be found at www.buysocialni.org or by contacting the Buy Social Unit at info@buysocialni.org



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Buy Social Definition and Background



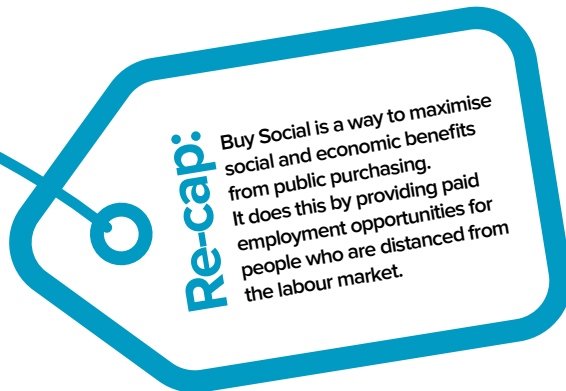
What is Buy Social?

Buy Social is a tool to maximise social and economic benefits from public purchasing, currently through **Targeted Recruitment and Training** (TR&T) opportunities. Targeted Recruitment and Training is the term used to describe job opportunities with training that are only available to certain individuals e.g. those who are long term unemployed or leaving education or training, otherwise known as ‘New Entrant Trainees’.¹

The main focus of Buy Social is to provide paid employment opportunities through Targeted Recruitment and Training. This is one of the key differences between Buy Social and previous social clause models used in Northern Ireland public procurement.

Contracts that include Targeted Recruitment and Training clauses require contractors to ensure New Entrant Trainees deliver a proportion of the total weeks of employment created by the contract.

Series of horizontal lines for taking notes.



Why is Buy Social Necessary?

Buy Social is underpinned by a range of policy initiatives, including the **Sustainable Development Strategy for Northern Ireland**² which has two guiding principles. The first is the environmental principle of ‘living within environmental limits’. The second is ‘ensuring a strong, healthy, just and equal society’ which refers to “promoting personal well-being, social cohesion and inclusion, and creating equal opportunity”.³ Buy Social contributes to social sustainability by including Targeted Recruitment and Training opportunities for people who are long-term unemployed or leaving education through public contracts. These opportunities are significant in a context where Northern Ireland’s central and local government spend upwards of £2.7 billion⁴ annually on the purchase of supplies, services and construction works.



¹ More information on New Entrant Trainees can be found at <http://buysocialni.org/#resources>
² Everyone’s Involved – Sustainable Development Strategy www.sustainableni.org
³ Ibid. Chapter 4.
⁴ Procurement Activity Report 2012-13 (available at <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/procurement-activity-report-2012-13.pdf>)

The Northern Ireland Executive's commitment to social considerations in public procurement is detailed in Procurement Guidance Note (PGN) 01/13 Integrating Social Considerations into Contracts and is applicable to all Northern Ireland Public Procurement Policy (NIPPP) users. In September 2016 PGN 01/13 was revised to reflect the Procurement Board's endorsement of the Buy Social approach. It advises that:

(Buy Social is) "the standard approach to be used in the procurement of construction projects [construction build] above £2m and infrastructure projects [construction civil] above £4m";

and that:

"the Buy Social model should be piloted in services contracts with a value exceeding £500,000 with a view to a standard approach being agreed".

The Procurement Board discussed the Buy Social Services Model at its meetings on 13 January and 24 February 2017 and following further discussion with a number of Departments the model is now agreed. The model should now be considered in services contracts with an anticipated value of £500,000 per annum or more.

Detailed advice and guidance on how to integrate Buy Social into the procurement process is set out in sections 4-12 of PGN 01/13, offering two methods of incorporating Buy Social:

"Social considerations can be incorporated into public procurement processes and contracts by the following methods:

- *using award criteria linked to the subject matter of the contract; and/or*
- *using contract performance clauses linked to the subject matter of the contract."*



Thresholds





Background to Buy Social

The guidance in PGN 01/13, and in particular the use of Buy Social, was the result of a thorough evaluation of the impact of social clauses that were routinely used by government up to 2014-15. The evaluation was requested by the Department of Finance’s Procurement Board in November 2014 and it was subsequently agreed that the Strategic Investment Board (SIB) would undertake this independent review.

The review appraised the effectiveness of the social clauses that were being used at that time and made a series of recommendations. It concluded that a change of emphasis would secure the best outcomes, including but not limited to the following:

- a focus on **paid employment and training** opportunities;
- concentration on the larger contracts – where efforts will have the biggest impact;
- bringing together requirements for **opportunities for New Entrant Trainees**: long-term unemployed people, young people leaving education/training (because of higher levels of youth unemployment), apprentices, and paid student work placements;
- a **more comprehensive** brokerage service to help link new entrants and relevant contractors and provide a support service for new entrants that facilitates their transition into work; and
- **new monitoring arrangements** to provide more comprehensive data on the outputs secured – a basis for ensuring that contractors deliver the requirements.

Buy Social and the Draft Programme for Government 2016-21

Buy Social is one tool that Departments can use to help achieve tangible progress against Draft Programme for Government (PfG) 2016-21 outcomes. The three primary PfG outcomes that Buy Social can have a direct impact on are as follows:

 <p>We have a MORE EQUAL SOCIETY</p>	 <p>We have more people working in better jobs</p>	 <p>We care for others and we help those in need</p>
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Buy Social may also contribute to the following PfG outcomes:

 <p>We prosper through a strong, competitive regionally balance economy</p>	 <p>We have a SAFE COMMUNITY where we respect the law, and each other</p>	 <p>We are a shared, welcoming and confident society that respects diversity</p>
 <p>We have created a place where people want to live & work, to visit & invest</p>	 <p>We give our children and young people the BEST START IN LIFE</p>	



Exercise 1

Progress against the Draft Programme for Government (PfG) 2016-21 outcomes listed above will, for the first time, be measured quantitatively against a set of measures, or indicators. At the time of publication, the indicators used to measure progress for the outcomes are listed in the table below.

Tick the indicators that are relevant to Buy Social.

Indicator	✓/X	Indicator	✓/X
% population with GHQ12 scores ≥ 4 (signifying possible mental health problem)		Rate of innovation activity (% of companies engaging in innovation activity)	
% children at appropriate stage of development in their immediate pre-school year		Proportion of premises with access to broadband services at speeds at or above 30Mbps	
Rate of innovation activity		% engaging in arts/cultural activities	
Employment rate by council area		Reoffending rate	
% change in energy security of supply margin		% people working part time who would like to work more hours	
% of all journeys which are made by walking/cycling/public transport		Private sector NI Composite Economic Index	
Greenhouse gas emissions		A Respect Index	
External sales		A Better Job Index	
Annual mean nitrogen dioxide concentration at monitored urban roadside locations		% school leavers achieving at least level 2 or above including English and Maths	
Levels of soluble reactive phosphorus in our rivers and levels of dissolved inorganic nitrogen in our marine waters		Proportion of local graduates from local institutions in professional or management occupations or in further study six months after graduation	
Biodiversity (% of protected area under favourable management)		Seasonally adjusted employment rate (16-64)	
Gap between highest and lowest deprivation quintile in healthy life expectancy at birth		Prevalence rate (% population who were victims of any NI Crime Survey crime)	
Gap between % non-FSME school leavers and % FSME school leavers achieving at level 2 or above including English & Maths		Number of adults receiving social care at home or self-directed support for social care as a % of the total number of adults needing care	
% population living in absolute and relative poverty		Average time taken to complete criminal cases	
Employment rate of 16-64 year olds by deprivation quintile		Confidence (as measured by self-efficacy)	
Economic inactivity rate excluding students		% population who believe their cultural identity is respected by society	
Healthy life expectancy at birth		Preventable mortality	
Average life satisfaction score of people with disabilities		Number of households in housing stress	
Proportion of the workforce in employment qualified to level 1 and above, level 2 and above, level 3 and above, and level 4 and above.		% who think all leisure centres, parks, libraries and shopping centres in their areas are 'shared and open' to both Protestants and Catholics	

Definition of a New Entrant Trainee

New Entrant Trainees are people who have no recent or substantial work experience (such as school or college leavers) or people who are long-term unemployed.

Some contracts also make specific provision for example, for people with disabilities, for looked after children or for people with an offending background.

To be eligible for employment as a New Entrant Trainee, the candidate must be:

- Over 25 and unemployed for 52 weeks or more; or
- Under 25 and unemployed for 26 weeks or more; or
- Leaving education or left education in the last 12 months.

The number of weeks worked by someone that counts towards the target is capped at either 52 weeks or 104 weeks i.e. after that time period they can no longer be counted towards the contractor’s targets. This does not apply to Approach B for service contracts.



Buy Social

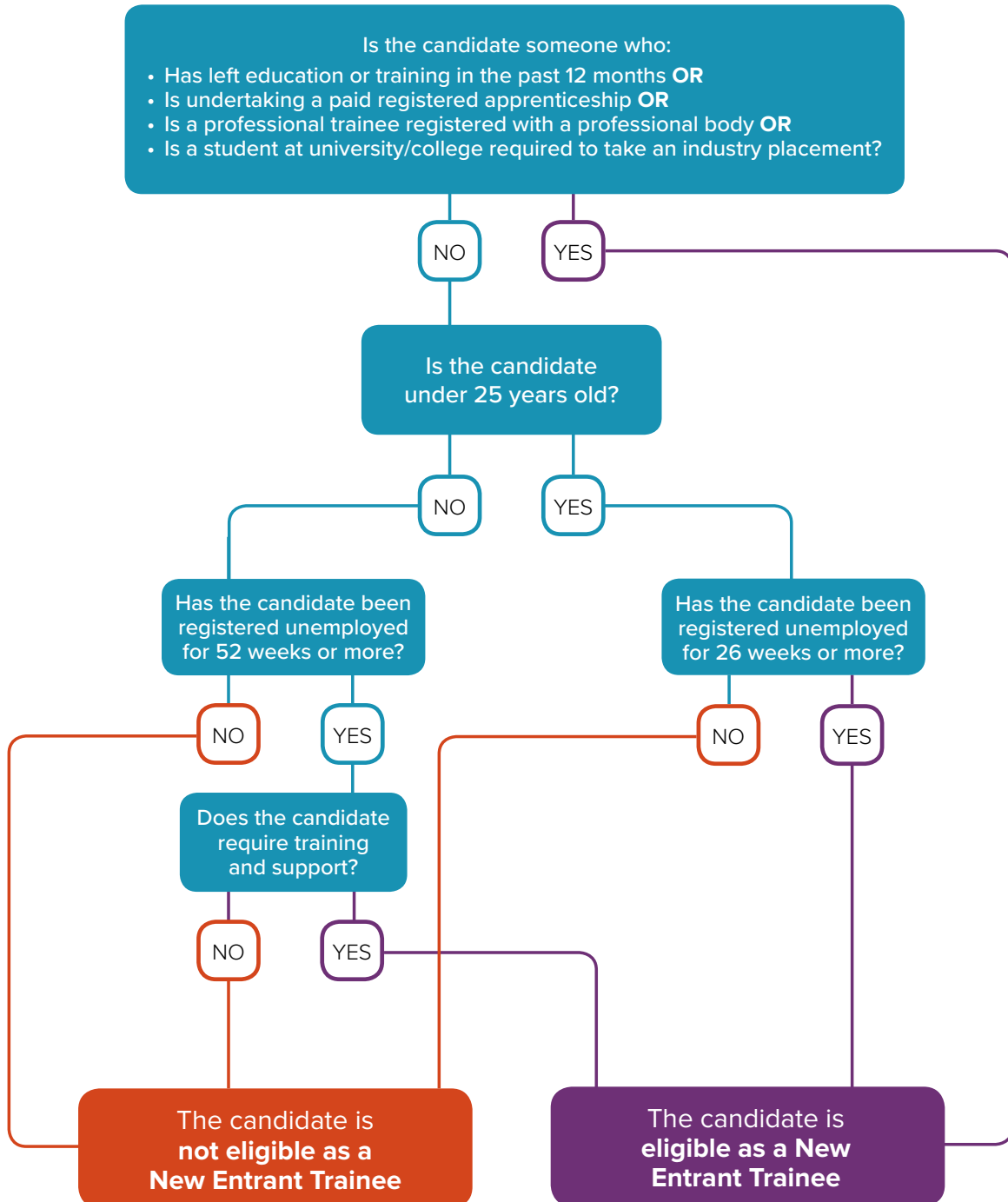
Re-cap:

New Entrant Trainees are in paid employment and so the term does not include unpaid interns and work experience placements.



The following flowchart can be used to determine if a candidate is eligible as a New Entrant Trainee.

Who is a 'New Entrant Trainee' under the Buy Social model?



- Someone who started a New Entrant Trainee position but didn't reach the maximum number of weeks can "top up" their weeks allocation as a new entrant trainee on another contract.
- The contract clause contains full details of the contractor's Buy Social obligations

Exercise 2

Please determine whether each person is eligible as a New Entrant Trainee or not. State your reason for each response.

Description of candidate	Are they eligible as a New Entrant Trainee?	Why/Why not?
Person A - Aged 51, unemployed for 7 months	Yes/No	
Person B - Aged 19, unemployed for 3 years, wants to work part-time hours only	Yes/No	
Person C - Aged 22, unemployed for 3 months since finishing a Degree in Business Administration	Yes/No	



“I went to university to study computer science but after the first year I knew it wasn’t for me so I came back home and looked into business administration as an apprenticeship. That’s where I saw the opportunity with Whistl. It’s really good that I can mix practical on the job training with study and get paid at the same time!”

Sharmila Thakurta, Apprentice at Whistl

“I have always done cleaning but things changed five years ago. I found myself unemployed, looking after my family. Now I have a 16 hour contract as a Cleaning Operative with G4S. I love it because the managers leave you to it and I like the variety working from one building to the next.”

Ronnie Nesbitt, Cleaning Operative, G4S

Summary of the Buy Social Approach for Construction

The approach applies to **building contracts which have a contract value greater than £2m and civil engineering contracts which have a contract value greater than £4m.**

In construction build contracts, Buy Social requires **52 person-weeks of paid employment opportunities to be delivered for New Entrant Trainees, for each £1m of contract value** (and pro rata).

In construction civil contracts, the approach requires **26 person-weeks of paid employment opportunities to be provided for each £1m of contract value** (and pro rata).

Calculating targets for New Entrant Trainees in Construction

The target for New Entrant Trainees in construction is based on the value of the contract. In exceptional circumstances the client may consider deducting the value of any significant off-site labour value before making the calculation (e.g. in the manufacture of a bridge which is then brought to site)

Practical Examples

For building contracts worth more than £2m, a target of 52 person-weeks of waged employment per £1m of contract value is applied e.g.

Total anticipated contract value = £10m

Less off-site manufactured elements of £4m = £6m on site value

New entrant trainee target = 6×52 person-weeks = 312 person-weeks

For civil engineering contracts worth more than £4m, a target of 26 person-weeks of waged employment per £1m of contract value is applied, e.g.

Total anticipated contract value = £10m

New entrant trainee target = 10×26 person-weeks = 260 person-weeks

⁶ For assistance in selecting an Approach please email info@buysocialni.org

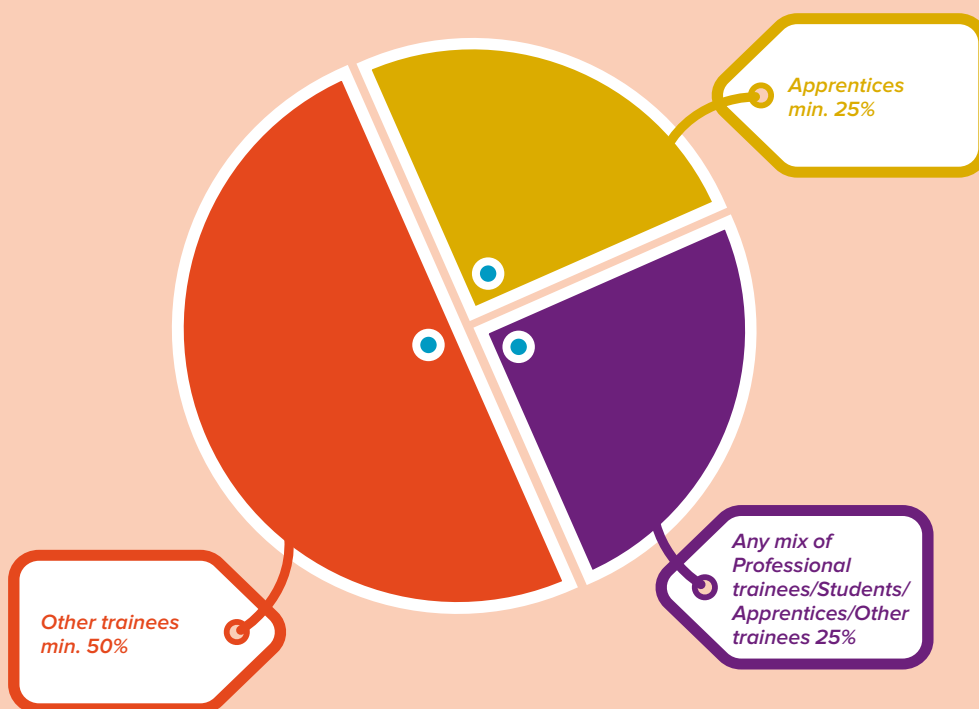
⁷ You can access the Buy Social Calculator, for use in Approach A, at <http://buysocialni.org/#resources>

Mix of New Entrant Trainees

The approach has some restrictions on the balance of apprentices, students, professional trainees and other trainees used to achieve the contract targets. The approach requires that:

- Each “New Entrant Trainee” is given one of three types of contract –an apprentice contract, a student/professional trainee contract or an “other trainee” contract.
- A minimum of 25% of the target number of person-weeks is allocated to apprentices; and
- A minimum of 50% of the target number of person-weeks is allocated to “other trainees”

This is outlined in the diagram below:



In construction contracts, the number of weeks worked by someone that counts towards the target is capped at:

- 104 weeks for apprentices and professional trainees
 - 52 weeks for all other New Entrant Trainees
-



Exercise 3

Review

- 1) You are the project manager for the Department of Health’s new hospital build. The project is worth £12.5m. 20% of the project costs are for pre-fabricated elements which will arrive on site with very limited labour required to put in place.
 - 1a) Calculate the Buy Social person-weeks target for this contract.
 - 1b) Calculate the minimum number of weeks deliverable by apprentices.
 - 1c) Calculate the minimum number of weeks deliverable by ‘other trainees’.

Answer



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Work Experience

The provision of unpaid work experience and intern opportunities can have a key role as a step towards employment, and it can provide a work trial for both the beneficiary and the employer. However, because many placements will not lead to a job, the provision of work experience opportunities is unlikely to achieve the same level of additionality as the provision of New Entrant Trainee jobs.

The main focus of Buy Social is paid recruitment and training opportunities; however, in construction contracts, the work experience opportunities can be defined as an absolute number or a number of person-weeks. Also, the client has the right to name the agency or agencies from which the beneficiaries should be recruited so as to ensure that the social value is maximised. A typical clause would be:

Up to 2 weeks of unwaged placement opportunities per £1m in contract value (and pro-rata) must be made available when requested by the Employer or an agency named by the Employer for this purpose.

Summary of the Buy Social Approach for Services

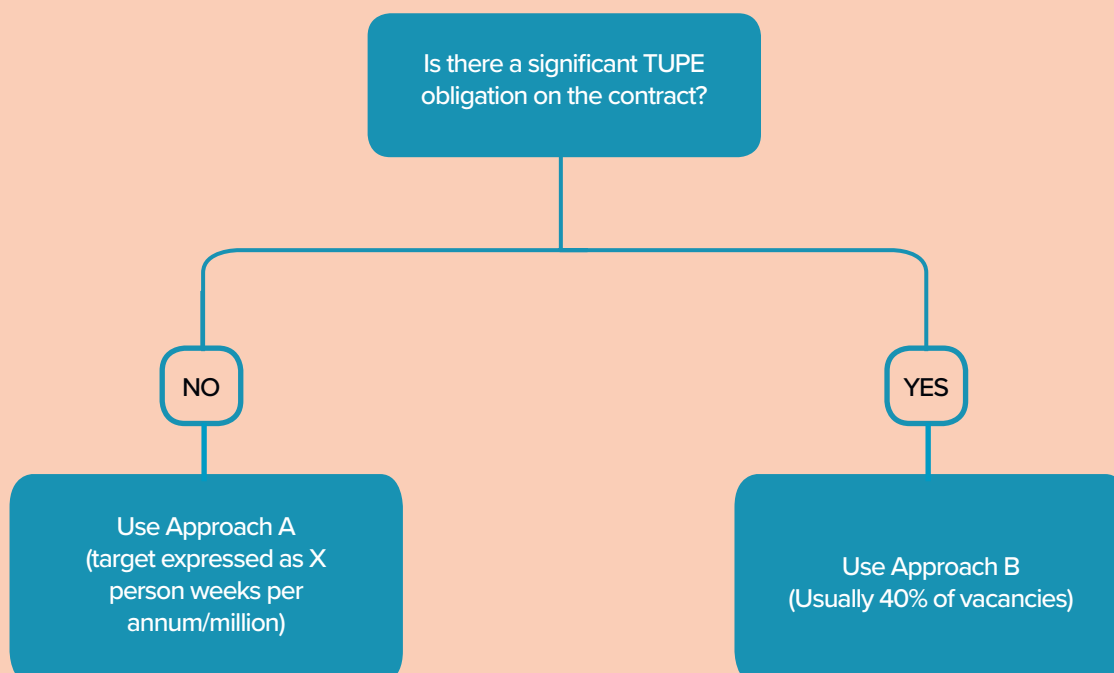
The Buy Social Approach for Services is a standalone approach which is applicable to services contracts. At the moment there is no requirement for supplies contracts.

The Buy Social Approach for Services has two main approaches, **Approach A** and **Approach B**. Commissioners and Procurement Officers should consider using one of the Approaches if the contract is (on average) **worth more than £500,000 per year (exclusive of VAT)**.

Approach A asks that contractors fulfil a recruitment target, measured in weeks, that supports people who are long term unemployed or leaving education. **A minimum threshold of 78 person-weeks of employment per annum** is used in the Buy Social Calculator.⁷ This means that unless the contract can provide the equivalent of 1.5 years of employment for New Entrant Trainees per annum then a Buy Social clause is not mandatory (but Authorities may still choose to implement clauses similar to Buy Social in their lower value contracts).

Approach B asks contractors to fill a percentage of their **new** vacancies (i.e. those over and above the TUPE staff) with people who are long term unemployed or leaving education. **A minimum threshold of £500,000 contract value per annum is recommended.**

In some cases there are extra requirements added to the contract clauses. For example, the client may wish to support specific groups e.g. people with disabilities. Where this is the case model text is provided for inclusion in the specification and arrangements are made to monitor these obligations.





Exercise 4

Using the information in the table below identify whether you should consider including Buy Social in each of the contracts. For each example state whether you would anticipate using Approach A, Approach B or neither. The first example is completed for you.

Contract name	Value/£	Length/ years	% of new contract workforce entitled to transfer under TUPE	Contract value per annum/£	Approach A, Approach B or neither
Cleaning and catering of 50 buildings	2,000,000	4	100	500,000	Approach B
Waste management services	1,000,000	5	0		
Business grant scheme	30,000,000	3	0		
Security guarding of the estate	4,000,000	4	85		



Case Study: Using Approach A of the Buy Social Approach for Services in the NICS Postal Contract

The Buy Social Unit was invited to work with Northern Ireland’s Central Procurement Directorate (CPD) to add Buy Social clauses to their tender for a new Postal Contract. In August 2016 postal operator Whistl won the five year contract worth £30 million to deliver the service for Departments including Education, Health and Finance as well as other public sector users such as Colleges and Transport. The services take place across Northern Ireland with Whistl being responsible for collecting, sorting and transporting the post to Royal Mail for final doorstep delivery.

Buy Social Clause

After careful consideration and significant engagement with postal providers the Buy Social Unit and CPD agreed a set of social clauses which were included in the contract specification.

The inclusion of these clauses in the contract means that the contractor must employ people who are long term unemployed and leaving education, including those with disabilities. In this case Whistl must ensure 187 weeks of paid employment are provided per year of the contract for people in these target groups.

Results

Early results demonstrated Whistl’s strong commitment to delivering the Buy Social requirements. One of the people to benefit from this clause is James Martin. After completing a Level 2 qualification in Warehousing James enrolled himself on the Job Match programme with Disability Action. Shortly thereafter an employment opportunity arose with Whistl under the Buy Social clauses. With the support of Disability Action and Disability Employment Service (part of the Department for Communities), he gained a permanent position with Whistl in November 2016 and is great asset to the company.





Calculating targets for New Entrant Trainees in services contracts



Lined area for notes



There are two types of target setting used in the Buy Social Approach for Services depending on the type of contract. If the contract does not have significant TUPE obligations then Approach A is used. If it does have significant TUPE obligations then Approach B is used. Both methods are included below.

Calculating targets for Approach A (no significant TUPE obligation)

The Buy Social Unit has produced a calculator to help commissioners arrive at the target, which is available at <http://buysocialni.org/#resources>. The targets can also be calculated manually and in both cases the commissioner needs to be able to answer the following four questions:

- a) What is the total value of the contract in £?
- b) How long is the contract in years?
- c) What % of the contract cost is labour value?
- d) What is the estimated average annual cost of a worker on the contract (including on-costs)⁸ in £?

The Buy Social Unit can advise on typical labour values and average wage costs across the services industries. Contact info@buysocialni.org if you need assistance or advice on answering any of the four questions above.

Once commissioners enter the answers to these questions into the Buy Social Calculator, the Calculator will determine if Buy Social clauses are mandatory, and will provide a target for inclusion in the contract specification. These targets are measured in person-weeks of employment. The default setting in the Calculator is that 10% of the total labour requirements of the contract should be delivered by New Entrant Trainees and that for Buy Social clauses to be mandatory this figure must be at least 78 person-weeks of employment per annum of the contract.

Sometimes the client may wish to ring fence some opportunities for specific groups e.g. people with disabilities and the calculator will produce a target for these groups too.

Re-cap: Definition of "person-weeks of employment"

One person-week of employment constitutes approximately 35 hours+ per week. This can be one person working full time or a combination of people working part time. This definition only applies in Approach A clauses.

⁸ On-costs include the cost to the employer of items such as pensions and national insurance contributions



Manually calculating targets for Approach A (where there is no significant TUPE obligation)

To demonstrate how to manually calculate the target for Approach A, we will use the information in Table 1.

Table 1 Sample data for use in calculating Approach A targets manually

a)	What is the total value of the contract in £?	£6,000,000
b)	How long is the contract in years?	3
c)	What % of the contract cost is labour value?	60%
d)	What is the estimated average annual cost of a worker on the contract in £?	£25,000

There are five steps to manually calculate the Buy Social requirements for an Approach A contract, as set out below.

Step 1: Establishing the annual labour content:

Labour content is the contract value multiplied by the % that is labour i.e.:
 $\pounds 6,000,000 * 60\% = \pounds 3,600,000$

Annual labour content is therefore $3,600,000 / 3 = \pounds 1,200,000$

Step 2: Calculating the number of full time employees required in each year of the contract:

Number of full time employees it takes to complete each year of the contract is calculated by dividing annual labour content by average annual cost i.e.:
 $\pounds 1,200,000 / \pounds 25,000 = 48$ full time employees per year of the contract

Step 3: Calculating the annual number of weeks of work:

Number of weeks of work is calculated by multiplying the number of full time employees per year of the contract by 52 weeks: $48 * 52 = 2,496$ person-weeks for all workers per year of the contract

Step 4: Determining the New Entrant Trainee target:

New Entrant Trainee target is 10% of the total work i.e.: $10\% * 2,496 = 249.6$ person-weeks per year of the contract

Step 5: Identifying if the target is over threshold and mandatory:

This figure (249.6 person-weeks per annum) is over the threshold of 78 person-weeks per annum and Buy Social is therefore mandatory in this contract.





Exercise 5

You are the client project manager for a single client procurement exercise. The service contract is worth £6m over 2 years. No TUPE applies. The labour value is 65% and the average cost of staff is £40,000 p.a.

Calculate how many person-weeks of employment are for New Entrant Trainees.



Answer

Begin by answering boxes below

a) Step 1: Establish the annual labour content (contract value * labour value/number of contract years)	
b) Step 2: Calculate number of full time employees required each year on the contract (annual labour content/ average cost of staff)	
c) Step 3: Convert the number of full time employees into person-weeks (Number of Years of Work * 52)	
d) Step 4: Determine New Entrant Trainee target (Person Years of Work * 10%)	_____ person-weeks of employment
e) Step 5: Is the answer in box h) over the threshold of 78 person-weeks per annum of the contract? Is it mandatory to include Buy Social in this contract?	Mandatory/ not mandatory



Notes





Notes

Calculating targets for Approach B (significant TUPE obligation)

If there is significant TUPE obligation then the target is always a vacancy-based approach, set as a percentage of vacancies that arise in the workforce over the term of the contract. The use of the Buy Social Calculator is not relevant. In this case, officers should use the model clauses for Approach B (available at www.buysocialni.org) which include the following requirement:

The contractor is required:

“To maximise the employment of New Entrant Trainees which should comprise a minimum of 40% of new personnel engaged on the contract (be it through the contractor or a sub-contractor).”

Sometimes the client may wish to ring fence some opportunities for specific groups, e.g. people with disabilities, and in this case the following text is added:

“The Contractor shall use its best endeavours to recruit New Entrant Trainees [with disabilities] by working with brokers that work specifically with this group or as otherwise agreed with the client, at the client’s discretion”



Supporting Contractors to deliver: Buy Social Brokerage

The Buy Social Brokerage website creates a level playing field for bidders and allows Contractors who have been awarded public work to identify training/employability/education establishments who can help them recruit New Entrant Trainees who are unemployed or those who are leaving education/training. The website is available here: www.buysocialnibrokerage.org

Some contractors find it is easier to work with one or two brokerage organisations and build a partnership approach, as opposed to notifying many organisations each time they have a vacancy.

The training and job match sector is highly competitive and in many cases the income of training/employability/education establishments is dependent on delivering the outcomes required by their funding body; typically a public agency. This means many brokerage organisations are willing and able to support New Entrant Trainees in their new jobs, including providing mentoring support.

A guide to brokerage is available at this web address - <http://buysocialni.org/#resources>

Ingeus described their experience of working with G4S to deliver the Buy Social clause:

"We are delighted to work in partnership with G4S. It's early days but already eight of our job seekers have found employment in cleaning and catering. Part of our service is to support not only the job seeker but also the employer. We have built a quality and trusting relationship with G4S and we look forward to continued success."

Global security company G4S were awarded Lot 1 of the Northern Ireland Civil Service Cleaning, Catering and Ancillary services contract in May 2016. G4S swiftly made use of the Buy Social brokerage website to establish and build partnerships with employability and training organisations to help fulfil their clause:

"The new model is easy to understand and implement due to its flexibility. Working in partnership with Ingeus has been really valuable and we have been able to recruit people who are long term unemployed into other contract work we deliver as well."

Woodvale Construction were awarded the contract to build the Colaiste Feirste School in Belfast. The project duration is 110 weeks, running from February 2016 through to April 2018. The project is for refurbishments to existing school buildings, a new classroom block, sports facilities, and new technology:

"Working with Springvale has streamlined the recruitment process for us and we have been able to recruit long-term unemployed people who are work ready and keen to avail of opportunities to re-enter the workplace."

Guidance for the inclusion of Buy Social in Business Cases

Procurement Guidance Note (PGN) 01/13 and the Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE) set out the need to include social considerations at the business case stage.

PGN 01/13 indicates that social considerations that are to be considered part of the subject matter of the contract and used in the award of the contracts should be part of the Business Case. Where social considerations are to be incorporated, these should be identified in the business case. The Northern Ireland Guide to Expenditure Appraisal and Evaluation (**NIGEAE**) explains how social considerations should be addressed in the course of the initial strategic option appraisal. The opportunity to consider social considerations arises at two main points in the strategic appraisal:

- At the earliest stages, when determining the strategic context, the need for the project, and the project objectives i.e. NIGEAE Steps 1 to 3. For example, social needs and objectives may be framed in terms of providing employment and training opportunities for people that are disadvantaged in the labour market, improving social inclusion, equality, health, transport, and education and providing opportunities for small businesses including social enterprises.
- When assessing the costs and benefits of alternative options. Social impacts will be considered at NIGEAE Step 7 when weighing up non-monetary costs and benefits. This will include assessing how the various options perform against the social objectives set at the beginning of the appraisal; and there is also specific provision for screening for sustainability and equal opportunity impact and, where appropriate, conducting sustainability or equality impact assessments.

Some guidance is provided in the table below on how to address Buy Social in the business case and the Buy Social Unit are available to advise.







How to include Buy Social in the Business Case

NIGEAE Step	Buy Social recommendations
<p>1) Explain the strategic context</p>	<p>Refer to the underlying policy or strategy – for example, policy statements, statutory requirements or business plans. To incorporate Buy Social, this might include:</p> <ul style="list-style-type: none"> • Procurement Guidance Note 01/13 • Draft Programme for Government 2016-2021 (specifically outcomes 3, 6 and 8) • Sustainable Development Strategy 2010 • Departmental policy on social considerations. <p>Indicate how the proposal is expected to contribute to the relevant strategic aims and objectives, e.g.</p> <p><i>The Northern Ireland Executive is committed to the promotion of social inclusion and equal opportunities as key objectives in the Sustainable Development Strategy for Northern Ireland and the Programme for Government. The Buy Social Model has been agreed by The Procurement Board and will be applied in this contract.</i></p>
<p>2) Establish the need for expenditure</p>	<p>Social considerations should be incorporated in the needs section, where appropriate. This might include providing employment opportunities for New Entrant Trainees.</p> <p>Model text for consideration:</p> <p><i>[The tender documents will make it clear that the tender/contract sum must include the costs associated with the delivery of the Buy Social approach.]</i></p>

NIGEAE Step	Buy Social recommendations
3) Define the objectives and constraints	<p>Define expected outcomes and outputs and constraints; identifying targets that are SMART – that is Specific, Measurable, Achievable, Relevant and Time-dependent.</p> <p>Social considerations should be incorporated within the objectives and constraints where appropriate.</p> <p>Model text:</p> <p><i>Under the Buy Social Model contractors are required to ensure that [[] person weeks of employment] OR [40% of all vacancies in the workforce delivering the contract] are fulfilled by New Entrant Trainees. All vacancies must be notified to www.jobcentreonline.com, the NICS Brokers portal (www.buysocialnibrokerage.org) and other organisations agreed by the client.</i></p>
7) Weigh up non-monetary cost & benefits (including new TSN & equality)	<p>Social impacts should be considered when weighing up non-monetary costs and benefits.</p> <p>Examples of non-monetary benefits that Buy Social might provide, include:</p> <ul style="list-style-type: none"> • <i>Enhanced social cohesion</i> • <i>Tackling disadvantage and increasing quality of life</i> • <i>A more inclusive society</i> • <i>Helping people reach their potential</i> <p>Model text:</p> <p><i>The inclusion of the Buy Social requirements will provide non-monetary benefits including: Enhanced social cohesion Tackling disadvantage and increasing quality of life A more inclusive society Helping people reach their potential</i></p>



Lined area for notes

Cost options for Buy Social

In Approach A and Construction contracts, the contractor will be entitled to include a price for delivering the Buy Social requirements in the Tender Pricing Schedule or equivalent. This will be the net cost after deducting training grants and free services that are obtained and after deducting the potential productivity obtained from the New Entrant Trainees. The text in the tender documentation provides two options for the client:

- the tender sum is required (and assumed) to include any costs associated with the delivery of the Buy Social requirements and the client can either provide an explicit place (e.g. a line in the Tender Pricing Schedule or similar), or leave it for the bidder to include this cost elsewhere in its bid; OR
- the bidder is required to complete the Buy Social Net Cost Schedule and include the Net Cost in the tender as directed.

It is not the case that all 'Buy Social' requirements add costs to the contract. The social benefits might be achieved by:

- delivering the 'traditional' contract requirements in a different way so as to deliver added value at no extra cost, e.g. the contractor working with employability brokers;
- delivering additional contract requirements that are resourced by the contractor obtaining grants or services from other organisations, e.g. utilising industry/government training services; and the client obtaining additional resources to fund the social considerations.

Case study: Mock Scoring Buy Social in services contracts

The Buy Social Unit are scoring and mock scoring responses to tenders in services contracts, after the award process has been complete. In two separate services contracts we asked the bidders to state how they would fulfill the Buy Social requirements and how much it would cost them to do so. In both contracts, a mock score of 5% was attributed to the response. In both cases, if the responses to Buy Social had actually been scored the outcome of the competition would remain unaffected (i.e. the winner was the same with or without the Buy Social score). In both cases, the cost attributed to Buy Social in the pricing schedules was between 0% and 1% of the contract value.



Re-cap: In 2011, the N.I. Executive approved a definition of 'Best Value for Money' as 'the most advantageous combination of cost, quality and sustainability to meet customer requirements.' This includes social sustainability, i.e. Buy Social.



Pre-Qualification Questionnaire (or equivalent) Services

A client is entitled to ensure that all the organisations that are invited to tender for a contract have the technical and management capacity to deliver all of the proposed contract conditions, including Buy Social. A pre-qualification questionnaire (PQQ) may be used at the selection stage to assess capability. Where the requirements are to be included, the following text can be (though it is not always necessary to do so) included in the PQQ (or similar):

Suppliers who self-certify that they meet the requirements in questions (a) and (b) below, by answering “yes”, will be required to provide evidence of this if they are successful at contract award stage. For the avoidance of doubt, a supplier that answers “no” to any of questions (a) and/or (b) shall be excluded from this procurement and their submission will not be considered further.

<p>a) This contract is subject to the inclusion of a social clause using the Buy Social Approach (for information on Buy Social and details on who New Entrant Trainees are please see www.buysocialni.org). Please confirm if you will be supporting recruitment and training of New Entrant Trainees to your industry through this contract?</p>	<p>Yes/ No</p>
<p>b) If yes, do you have a process in place to ensure that you and your subcontractors, if any, support the recruitment and training of New Entrant Trainees?</p>	<p>Yes/ No</p>

Pre-Qualification Questionnaire (or equivalent) Construction

One benefit of including relevant questions at the PQQ stage is that it will alert the bidders to the importance attached to Buy Social requirements at this early stage, and get them to think about what experience they can contribute to the delivery of this objective. However, it is important that the weighting given to the answers to this question are not disproportionate to the weight given to the Buy Social element in the overall project.

It is perhaps more important to include PQQ questions where TR&T is merely a condition relating to the delivery of the contract because there will not be an opportunity to evaluate the methodology put forward by each bidder (in relation to TR&T) at the tender evaluation stage. Any potential barrier to competition can be countered by:

- holding a briefing session prior to the PQQ stage to explain what is required; and/or
- ensuring that business development agencies working with local businesses provide some training and support on how to address the PQQ question.

As Construction contracts generally use a Restrictive Procedure, it is more appropriate to use the more 'backward' looking questions below:

Example of a PQQ Question on Targeted recruitment and Training

Please give examples of your involvement in each of the following:

- generating employment and training for long-term unemployed people;
- providing training opportunities;
- the development of trade skills in your existing workforce;
- equal opportunities recruitment processes.

What was your exact involvement in each of the above activities? Which of the examples you cited have been most successful and which have been less successful, and why?

Including Buy Social in the specification and where appropriate the Invitation to Tender

The Buy Social Unit have developed model clauses for construction and services contracts which are available for procurement teams to download from the Buy Social website <http://buysocialni.org/#resources>

It is important to download the model clauses each time you need them, to ensure you are using the most recent version. The model text allows the user to select from drop down menus and to insert text to customise the clauses to the contract.

As a general summary, the model text for the specification includes the following elements:

- the policy basis for the Buy Social requirements (or reference to the business case);
- definitions of terms (which may be incorporated with other definitions in the specification);
- the actual measurable requirements;
- the monitoring and reporting requirements;
- additional 'business in education' requirements;
- a requirement that all vacancies - not just those for New Entrant Trainees - are notified to www.jobcentreonline.com and other 'named' organisations;
- access via a website to named training and job-matching organisations, that are available to all bidders/contractors;
- a statement that the contractor is responsible for obtaining the cooperation of sub-contractors and suppliers to help deliver the requirements;
- information on insurance requirements that may be necessary for the delivery of the requirements;
- a 'disclaimer' making clear that the client is not guaranteeing any people or businesses being available to deliver the requirements, and making clear that any action it or agencies it names take does not mean that they consider any individual, business or agency as suitable for engagement by the contractor;
- a requirement to enter into data protection and data sharing agreements; and
- health and safety considerations.







Scoring

Where it is **clearly linked to the subject matter of the contract**, Buy Social can be scored as a part of the award process. For 'conditions relating to the performance of the contract' the Buy Social requirements can't be taken into account as part of the evaluation process, however, a recruitment and training plan can be required from the contractor post-award in line with the contract condition(s). This is normally requested within 4 weeks of contract award and can be completed by the contractor within the on-line monitoring system.

Construction

Scoring may be considered in Construction contracts in order to assess the technical competence of the bidders in relation to delivering the Buy Social requirements. A weighting in the order of 5% might be considered appropriate for this element of the contract. Scoring for Construction contracts should be considered in partnership with the COPE advising on the contract.

Services

Model text (Approach A or B) for scoring Buy Social as part of the award criteria

Officers should include the following question in the tender documents. It is up to the Client to decide the percentage of the overall mark this section should be worth.

Notes

Lined area for taking notes, consisting of 15 horizontal yellow lines.



Contract Award



Notes

Re-cap: If Buy Social is to be taken into consideration in the selection and award criteria, this needs to be indicated in the Contract Notice.

The Buy Social requirements should be included within the specification and, where appropriate the Invitation to Tender. For example, in the CPD standard conditions of contract (including the supplementary standard conditions of contract) for services¹⁰ there is a specific Schedule “Schedule 4 - Social Considerations Schedule” into which the social conditions can be inserted and they should also be inserted into the specification. For Construction contracts these should be included in the Works Information. Model clauses can be found on the CPD website for construction.

Where the contractor has set out how they will deliver the Buy Social requirements in their response, this also forms part of the contract.



¹⁰ Which can be accessed via: <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0614-standard-conditions-contract-supplies-and-services>



Monitoring and Reporting

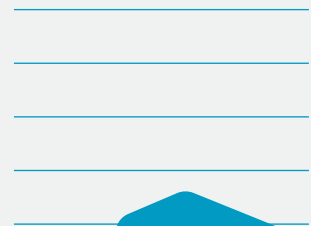
Where Buy Social requirements are included in the contract then they must be enforced. To facilitate this, the contractor must supply the client with progress reports as set out in the contract conditions.

A robust monitoring system has been put in place so that, at intervals as stated in each contract, the contractor is to provide a listing of all the New Entrant Trainees that have been employed on the contract.

How does it work?

The new monitoring system is a web-based system that works in the following way:

- On awarding a contract with a Buy Social target, the Client must contact SIB to register the contract information on the monitoring system.
- Once the contract is set up on the system, the contractor will be sent a username and password in order to access the contract report.
- The contractor completes the report with the details of any New Entrant Trainees that have been appointed under Buy Social, and submits their Recruitment and Training Plan where applicable.
- On the 1st of each month the contractor will receive a reminder to update the report.
- The system will show the Buy Social Target and any progress against the target to date.
- On the 20th of the month, both the Client and Contractor Project Managers will receive a report showing progress against targets.



Ensure that the monitoring requirements are clearly set out in the contract conditions - examples of possible monitoring requirements are included in the model clauses.

The Data Protection Act 1998 and the General Data Protection Regulation (GDPR) (Regulation (EU 2016/679) should be complied with and a consent from should be signed by all participants. The primary Data Sharing Agreement should be signed by both the contractor and SIB. The Secondary Data Sharing agreement should be used where appropriate. Officers should consult the Data Protection Officers within their own organisations regarding the handling of this information to ensure compliance.

Contract Management and Enforcement

It is the responsibility of the client Project Manager to monitor and review the contract including:

- Requesting and reviewing regular reports on how the Buy Social obligations are being delivered, and;
- addressing under-achievement.

The Buy Social Unit is available to support client Project Managers in reviewing the reports and discussing remedial action.



Lined area for taking notes.



Further Resources

Further resources can also be found at <http://buysocialni.org/#resources> including:

- Buy Social Approach for Services
- Buy Social Calculator for Approach A
- Buy Social Construction Approach
- Buy Social Contractors' Guide to Brokerage





 Additional Notes





 **Additional Notes**



Strategic Investment Board Limited

5th Floor, Lighthouse Building
Gasworks Business Park
Belfast
BT7 2JB

info@buysocialni.org
buysocialni.org
buysocialnibrokerage.org
@contactSIBNI
#buysocial

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**Strategic
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Board**
