

The  
**Strategic  
Investment  
Board**

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Integrating Social  
Considerations into  
Public Services  
and ICT Contracts



**Buy  
Social**

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# Executive Summary

The Procurement Board discussed the Buy Social approach for Services Contracts at its meetings in 2017 and, following further discussion with a number of Departments, an approach was agreed. The 2017 approach focused on Targeted Recruitment & Training opportunities for those who are long-term unemployed or leaving education and on Services Contracts with an anticipated value of £500,000 per annum or more.

The 2017 approach saw significant success with over 500 people who were long-term unemployed or left education benefitting from Targeted Recruitment & Training opportunities on Services and ICT contracts. However, the Buy Social Unit found that Targeted Recruitment & Training clauses were not always suitable to include in Services and ICT contracts, particularly in the following instances:

- The contract value is below the threshold of £500,000 per annum
- The contract is high value but has a particularly low labour value
- The work on the contract is very specialist in nature

Furthermore, the economic position in Northern Ireland has changed since 2017, to one of relatively low unemployment and high levels of economic inactivity remain. Consequently, the Buy Social Unit have developed the approach to Services and ICT contracts to include additional social considerations to respond to these issues.

**The updated, points based approach should be applied in all Services and ICT contracts with an anticipated value of £100,000 per annum or more, with the exception of Services contracts over £500,000 per annum where TUPE<sup>1</sup> applies. By expanding the scope of Buy Social to include additional Social Considerations, greater social value will be gained.**

The table opposite summarises the updated Buy Social approach to Services and ICT contracts and it is expanded on in pages 35-40 of the toolkit.

Contract Value	Buy Social Approach
ICT contracts	
Greater than £100k per annum	Apply ICT points based approach (see pages 35-36)
Services Contracts - TUPE does not apply	
Greater than £100k per annum <sup>2</sup>	Apply Services points based approach (see pages 38-40)
Services Contracts - TUPE applies	
Less than £500k per annum	Apply Services points based approach (see pages 38-40)
Greater than £500k per annum	Use Targeted Recruitment & Training clauses (% vacancy approach) plus additional social considerations (see page 37)

<sup>2</sup> When a Services or ICT contract has a value of less than £100k per annum, Commissioners may consider including appropriate social considerations (non-Targeted Recruitment & Training) on a contract by contract basis. The Buy Social Unit are available to advise at [info@buysocialni.org](mailto:info@buysocialni.org)



## This toolkit:

- Is a practical guide for Commissioners, Procurement Officers and Contract Managers and is designed to support the Public Sector to use the opportunities public procurement presents to deliver on the draft Programme for Government outcomes
- Provides guidance on how to design, implement and monitor Social Considerations in Services and ICT contracts using the updated Buy Social approach
- Highlights how social value can be maximised through the design of the procurement approach.

The opportunity to maximise social value is gained not only from what is being procured but also how it is procured. Considering both the design of the procurement as well as the Social Considerations that are included ensures that the Public Sector is gaining maximum social benefit and, therefore, Best Value for Money across contracts.

<sup>1</sup> The Transfer of Undertakings (Protection of Employment) Regulations 2006 and the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 are collectively known as 'TUPE'.

# Introduction

The Cabinet Office recommends:

*Social value should be considered throughout the commissioning cycle from service design through commercial strategy, market engagement, specification, sourcing, contract management and review. This is well-established commercial practice in major construction projects, though less so in common goods and Services Contracts.<sup>3</sup>*

Whilst there are other routes to commissioning public services, this toolkit provides guidance for when the Commissioner has chosen to use procurement. The toolkit draws attention to the opportunities Commissioners and Procurement Officers have to use various stages of the procurement process to maximise the social value delivered through Services and ICT contracts in the public sector.

Taking Social Considerations into account early in the commissioning process means it can be designed in such a way as to maximise social value and deliver best value for money.

Social Considerations can include Targeted Recruitment & Training requirements, Business in Education initiatives, Fair Work practices, Opportunities for SMEs and Social Enterprises and a range of other Social Considerations that can be included on a contract by contract basis.

**The Buy Social Unit assists public bodies, such as Northern Ireland Government Departments and their arm's length bodies, to design, implement and monitor clauses in public contracts that are designed to improve well-being in Northern Ireland.**



**Principles  
and Priorities**

**For guidance related to construction contracts, visit [www.buysocialni.org/resources](http://www.buysocialni.org/resources) or email [info@buysocialni.org](mailto:info@buysocialni.org)**

Whilst every effort has been made to ensure that the information contained herein is accurate, this toolkit is not provided as 'legal advice.' Users should therefore seek such advice before using this material in any formal contracting process.

<sup>3</sup> <https://www.gov.uk/government/consultations/social-value-in-government-procurement>

# What is Social Value?

## Social Value has been defined as:

A way of thinking about how scarce resources are allocated and used. It involves looking beyond the price of each individual contract and looking at what the collective benefit to a community is when a public body chooses to award a contract.<sup>4</sup>

Initial guidance published with the introduction of the 2012 England and Wales' Public Services (Social Value) Act defines Social Value as:

*how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area.*<sup>5</sup>

The Public Services (Social Value) Act came into force on 31st January 2013 in England and Wales. It requires people who commission public services to think about how they can also consider wider social, economic and environmental benefits. In Scotland, the Procurement Reform (Scotland) Act 2014 requires Commissioners to think about their stakeholders before they begin a procurement process, the impact of the services they intend to buy and how they intend to buy them.

Implementing the Buy Social approach in Services and ICT contracts will mean that public authorities will be better prepared if social value legislation or administrative action comes into force in Northern Ireland.

<sup>4</sup> <https://www.cips.org/knowledge/procurement-topics-and-skills/sustainability/social-value/>

<sup>5</sup> <http://www.legislation.gov.uk/ukpga/2012/3/section/1>

# Benefits of Including Social Value in Procurement

In addition to the legislative and policy requirements related to Social Considerations, considering social value in contracts can help contracting authorities:

- **Achieve and report against draft Programme for Government 2016 – 2021 outcomes**
- **Achieve and report against their specific strategic objectives.** For example, in Department of Justice contracts, the Contractor can be required to deliver work experience placements for people with an offending background
- **Lead by example.** For example, in Northern Ireland Civil Service (NICS) collaborative contracts, the Contractor can be required to recruit a number of people with a disability
- **Reduce the risk of organisational reputational damage.** For example, organisations will suffer reputational damage and loss of citizen confidence if they are found to be sourcing from suppliers who use exploitative labour
- **Contribute to a fairer and more equal society, by creating employability opportunities for those who are disadvantaged in the labour market**
- **Contribute to a strong, competitive, regionally balanced economy** by opening up opportunities for Social Enterprises, SMEs and micro business entities
- **Deliver best value for money**

The potential to realise such opportunities - through the inclusion of social value - are significant in a context where Northern Ireland's central and local government spend upwards of £2.7 billion<sup>6</sup> annually on the purchase of supplies, services and construction works. Incorporating Social Considerations helps to ensure that government spend delivers best value for money. Missing the opportunity to use public procurement to deliver social value can result in a cost that will need to be absorbed by another public service.

<sup>6</sup> Procurement Activity Report 2012-13, available at <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/procurement-activity-report-2012-13.pdf>



## What are Social Considerations?

Social Considerations are requirements that Commissioners set out when they develop their sourcing strategies to deliver their desired outcomes.

In this toolkit, which focusses on procurement, Social Considerations are clauses included in public procurement contracts, which are designed to maximise the social, economic and/or environmental value of a contract.

Construction and Procurement Delivery (CPD) guidance PGN 01/13 uses the term 'Social Considerations' and links this specifically to 'maximising the economic and social outcomes for the local community.'

The following case study demonstrates how a Contracting Authority has included Social Considerations in a public Services contract, linking their wider policy objectives with their sourcing needs.

### External Auditing Services (Northern Ireland (NI) Water)

NI Water included a contract performance clause in a contract for an external auditing service worth approximately £1.2million over six years. The contract value fell below the £500k per annum threshold for Targeted Recruitment & Training. Instead the requirement was that the Contractor will provide a number of hours of advice and skills to an organisation within the Voluntary, Community and Social Enterprise sector or a micro business entity. This could include: mentoring, training, advice or professional voluntary services on a financial related matter.

This was linked to Northern Ireland Water's corporate strategy which defines how, as a business, Northern Ireland Water are committed to behaving ethically and to contributing to the economic development of Northern Ireland.

For more information on considering human rights when conducting a procurement process, see [PGN 03/18 - Human Rights in Public Procurement](#)<sup>7</sup>

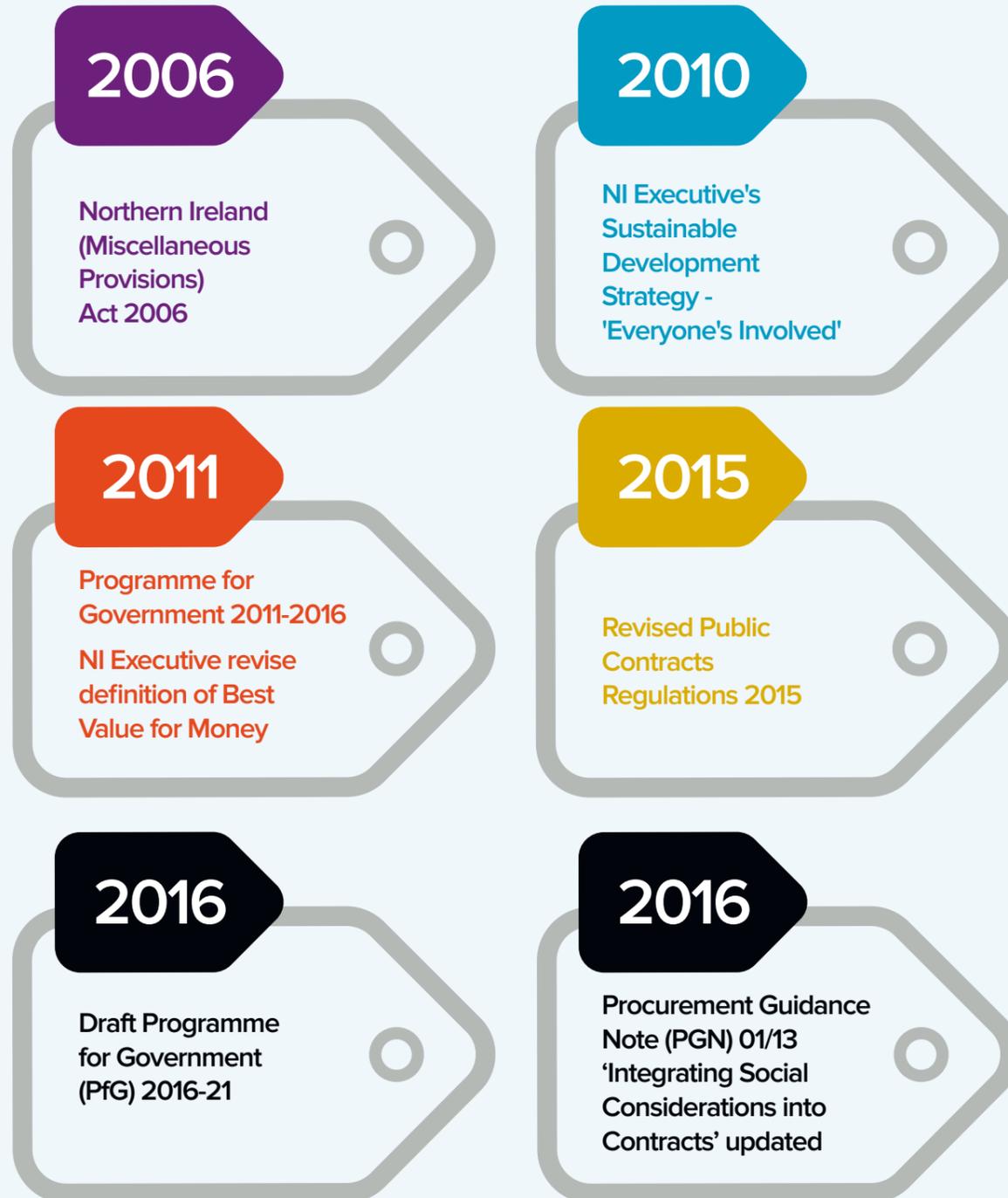
<sup>7</sup> <https://www.finance-ni.gov.uk/publications/pgn-0318-human-rights-public-procurement>

### Examples of Social Considerations include:

- Targeted Recruitment & Training opportunities for people who are long-term unemployed or who are leaving education
- Targeted work experience for people facing disadvantage (e.g. care leavers or people with a disability)
- Targeted Business in Education requirements for people facing disadvantage (e.g. those at risk of becoming involved in criminality or at risk of reoffending)
- Fair Work Practices
- Addressing Human Rights issues
- Skills Development
- Opportunities for SMEs/Social Enterprises
- Working with the Voluntary, Community and Social Enterprise (VCSE) sector

## Policy Framework

Including Social Considerations in contracts is one of the ways to gain increased social value from public contracts. The timeline below summarises the relevant legislation and policy which has been published to raise awareness of the benefits of including Social Considerations in public procurement.



## Sustainable Development Strategy for Northern Ireland

The Sustainable Development Strategy for Northern Ireland 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 wellbeing, social cohesion and inclusion, and creating equal opportunity'.

Incorporating Social Considerations into contracts can contribute to social sustainability by requiring Contractors who are awarded public work to deliver social value outcomes that are linked to the contract.

The European Commission's guidance 'Buying Social: A Guide to Taking Account of Social Considerations in Public Procurement' highlights that by 'purchasing wisely, public authorities can promote employment opportunities, decent work, social inclusion, accessibility, design for all, ethical trade, and seek to achieve wider compliance with social standards.'<sup>8</sup>

There are a number of policies which underpin the inclusion of Social Considerations in public procurement in Northern Ireland.

### Northern Ireland (Miscellaneous Provisions) Act 2006

Under Section 25 of the Northern Ireland (Miscellaneous Provisions) Act 2006, Northern Ireland government departments and councils have a statutory duty to carry out their functions in a way which contribute to sustainable development:

25 Sustainable development  
*(1) A public authority must, in exercising its functions, act in the way it considers best calculated to contribute to the achievement of sustainable development in Northern Ireland, except to the extent that it considers that any such action is not reasonably practicable in all the circumstances of the case.<sup>9</sup>*

<sup>8</sup> <https://publications.europa.eu/en/publication-detail/-/publication/cb70c481-0e29-4040-9be2-c408cddf081f/language-en>  
<sup>9</sup> <http://www.legislation.gov.uk/ukpga/2006/33/section/25>



# Draft Programme for Government 2016 – 2021

The draft Programme for Government (PfG) contains 14 strategic outcomes which set a clear direction of travel and aim for continuous improvement on the essential components of societal wellbeing. They touch on every aspect of government, including the attainment of good health and education, economic success and confident and peaceful communities. The 14 Draft Programme for Government 2016-21 outcomes are set out below:



We are a confident, welcoming, outward-looking society



We are a shared society that respects diversity



We are an innovative, creative society, where people can fulfil their potential



We care for others and we help those in need



We connect people and opportunities through our infrastructure



We enjoy long, healthy, active lives



We give our children and young people the best start in life



We have a more equal society



We have a safe community where we respect the law, and each other



We have created a place where people want to live & work, to visit & invest



We have high quality public services



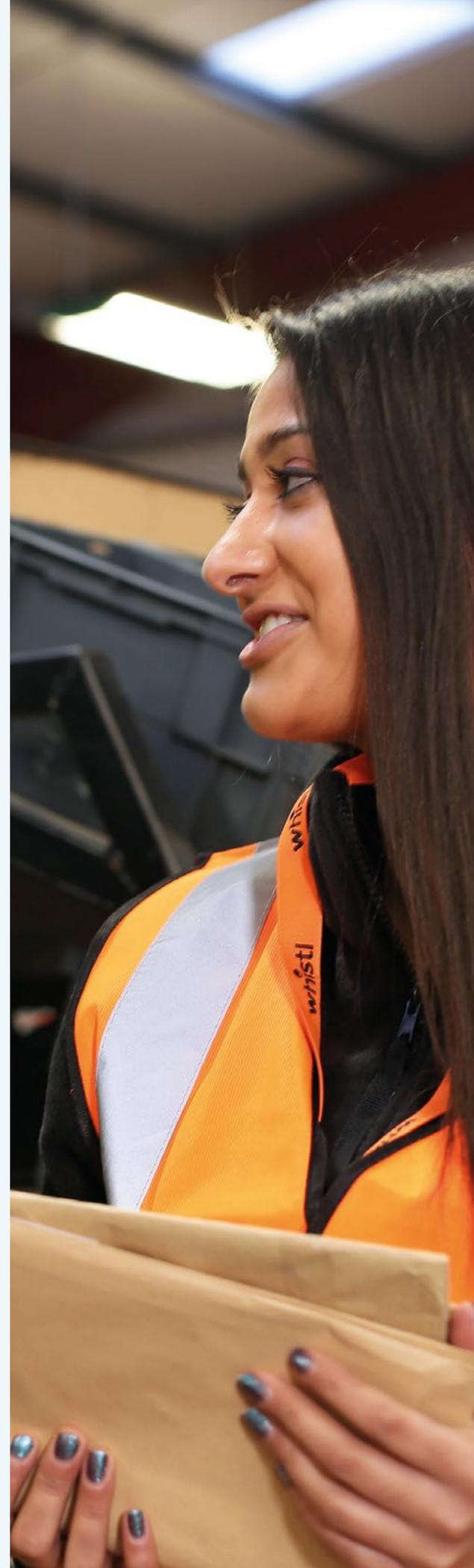
We have more people working in better jobs



We live and work sustainably – protecting the environment



We prosper through a strong, competitive regionally balanced economy



Including Social Considerations in government contracts is one way that Departments can achieve tangible progress against draft PfG outcomes.

When Social Considerations have been included in public contracts, the contract is added to the Buy Social monitoring system. This system produces monthly reports on the delivery of Social Considerations, providing Departments with quantitative and qualitative data, which can be used to demonstrate progress against departmental strategic priorities, including draft PfG outcomes.

The case study below illustrates how Social Considerations can be designed to assist Departments deliver against their draft PfG responsibilities and demonstrates how the NICS have included Social Considerations in a Services contract that are directly linked to their policy outcomes:

## Social Value on the NICS Counselling Contract

The Northern Ireland Civil Service Counselling Contract was a collaborative contract, worth approximately £2,000,000 over five years. The procurement of this service was managed by CPD.

To help achieve the draft Programme for Government outcome: people enjoy long, healthy and active lives, a Social Consideration was included that meant the successful Contractor would be required to deliver a number of hours of mental health awareness training to people under the age of 25.

## Procurement Guidance Note 01/13

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<sup>10</sup> 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 Recruitment and Training 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"*

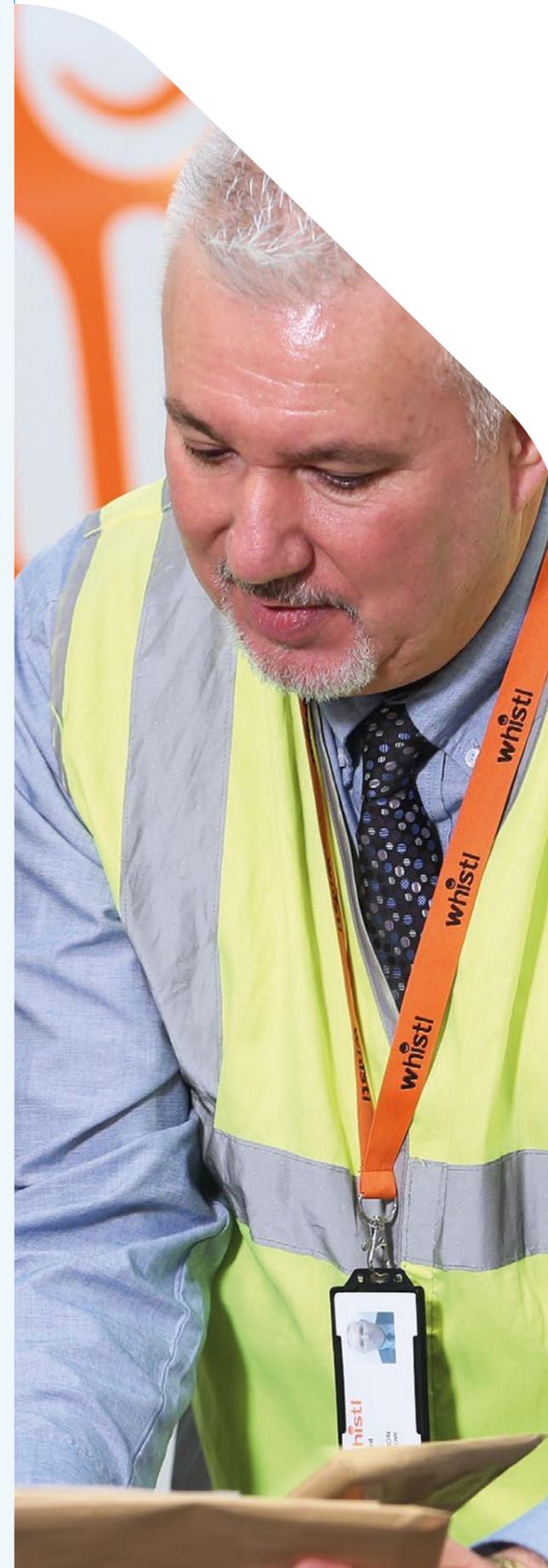
Following publication of PGN 01/13, the Procurement Board further discussed the Buy Social model for Services Contracts at its meetings on 13 January and 24 February 2017 and, following discussion with a number of Departments, the services model is now agreed. **Consequently, the current approach states that Targeted Recruitment & Training clauses should now be considered in all Services Contracts with an anticipated value of £500,000 per annum or more.**

PGN 01/13 also recognises that Departments **may wish to include their own Social Considerations, irrespective of contract value.**

*"Departments can consider requirements on a contract by contract basis in as much as those requirements are linked to the subject matter of the contract and are identified at the business case stage of the project."*

Guidance for including Buy Social in construction contracts can be found at [www.buysocialni.org/resources](http://www.buysocialni.org/resources)

Details of current Buy Social services and ICT contracts can be found at [www.buysocialni.org/brokers/current-contracts/](http://www.buysocialni.org/brokers/current-contracts/)



## Best Value for Money

The Public Contracts Regulations 2015 state that the award of public contracts should be based on: *'the most economically advantageous tender assessed from the point of view of the contracting authority.'*<sup>11</sup>

The Regulations set out that Contracting Authorities should consider the following when deciding which tender is the most economically advantageous:

- The price or cost, using a cost-effectiveness approach such as life-cycle costing
- The price-quality ratio, assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question.

This means that the Social Considerations can be included when a Contracting Authority is evaluating which tender response represents best value for money and, consequently, to which bidder the contract should be awarded.

Considering social aspects in the evaluation of tenders is supported by the Northern Ireland Executive's approval of a revised definition of 'best value for money' in 2011.<sup>12</sup> The definition states that the best value for money is *'the most advantageous combination of cost, quality and sustainability to meet customer requirements.'* In this case, sustainability is defined as *'economic, social and environmental benefits, considered in the business case, in support of the Programme for Government.'*

<sup>10</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0113-integrating-social-considerations-contracts>

<sup>11</sup> <http://www.legislation.gov.uk/uksi/2015/102/regulation/67/made>

<sup>12</sup> <https://www.finance-ni.gov.uk/articles/definition-best-value-money>

## Designing the Procurement Process

## Social Considerations in the Business Case

Procurement Guidance Note PGN 01/13<sup>13</sup> and the Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE)<sup>14</sup> set out the need to include Social Considerations at business case stage.

Where Social Considerations are to be incorporated, these should be identified in the business case. Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE)<sup>15</sup> 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/outcomes, 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 on how to address Buy Social in the business case stage of procurements and the Buy Social Unit are available to advise.

**TIP:** Social Considerations should be considered from business case stage, before the procurement process has started.

<sup>13</sup> [https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01-13-Integrating-Social-Considerations-%28pdf%20version%29\\_0\\_0.PDF](https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01-13-Integrating-Social-Considerations-%28pdf%20version%29_0_0.PDF)

<sup>14</sup> <https://www.finance-ni.gov.uk/topics/finance/northern-ireland-guide-expenditure-appraisal-and-evaluation-nigeae>

<sup>15</sup> <https://www.finance-ni.gov.uk/topics/finance/step-by-step-economic-appraisal-guidance>

NIGEAE Step	Buy Social recommendations
<p>1. Explain the strategic context</p> <p><b>1</b></p>	<p>Refer to the underlying policy or strategy – for example, policy statements, statutory requirements or business plans. To incorporate Social Considerations, this might include:</p> <ul style="list-style-type: none"> <li>• Procurement Guidance Note 01/13</li> <li>• Draft Programme for Government 2016-2021 (specifically outcomes 3, 6 and 8)</li> <li>• Sustainable Development Strategy 2010</li> <li>• Departmental policy on Social Considerations or other relevant Departmental policy</li> </ul> <p>Indicate how the proposal is expected to contribute to the relevant strategic aims and objectives, e.g.</p> <p><b>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. Targeted Recruitment &amp; Training and business in education requirements will be included in this contract.</b></p>
<p>2. Establish the need for government intervention</p> <p><b>2</b></p>	<p>Social Considerations should be incorporated in the needs section, where appropriate. This might include providing Targeted Recruitment &amp; Training opportunities, Business in Education initiatives or targeted work experience opportunities.</p> <p>Sample text for consideration:</p> <p><b>The tender documents should make it clear that the tender/contract sum must include the costs associated with the delivery of the Buy Social approach.</b></p>

NIGEAE Step	Buy Social recommendations
<p>3. Define the objectives and constraints</p> <p><b>3</b></p>	<p>Define expected outcomes and outputs and constraints; identify Social Consideration 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>Sample text:</p> <p><b>Under the Buy Social Model for Services, Contractors are required to ensure that 40% of all vacancies in the workforce delivering the contract are fulfilled by New Entrant Trainees. All vacancies must be notified to <a href="http://www.jobcentreonline.com">www.jobcentreonline.com</a>, the NICS Brokers portal (<a href="http://www.buysocialnibrokerage.org">www.buysocialnibrokerage.org</a>) and other organisations agreed by the client.</b></p> <p>Or</p> <p><b>The Contractor must provide Social Considerations to a minimum value of 100 Buy Social points for every £1 million (and pro-rata) in invoiced value, capped at a maximum annual contract value of £3 million per annum.</b></p>
<p>4. Weigh up non-monetary costs &amp; benefits</p> <p><b>4</b></p>	<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"> <li>• <i>Enhanced social cohesion</i></li> <li>• <i>Tackling disadvantage</i></li> <li>• <i>Increasing quality of life</i></li> <li>• <i>A more inclusive society</i></li> <li>• <i>Helping people reach their potential</i></li> </ul> <p>Sample text:</p> <p><b>The inclusion of the Buy Social requirements will provide non-monetary benefits including:</b></p> <ul style="list-style-type: none"> <li>• <i>Enhanced social cohesion</i></li> <li>• <i>Tackling disadvantage</i></li> <li>• <i>Increasing quality of life</i></li> <li>• <i>A more inclusive society</i></li> <li>• <i>Helping people reach their potential</i></li> </ul>

## Pre-Market Engagement

The aim of pre-market engagement is to allow Commissioners to understand the market capacity and capabilities, different types of models available to delivery on their planned outcomes, potential barriers and how the market could enhance and maximise opportunities to add social value to their offers.

If pre-market engagement is being carried out on a contract, it can be a good opportunity to raise Social Considerations with potential providers. The Buy Social Unit at the Strategic Investment Board (SIB) can assist with questions for pre-market engagement. Giving potential providers the opportunity to provide opinion on Social Considerations and the sourcing routes may result in more innovative Social Considerations and delivery options that are better aligned to the Commissioner's desired outcomes. Pre-market briefings are also a good way to communicate the buyers' commitment to Social Considerations.

Model pre-market engagement questions are available at <https://buysocialni.org/about-buy-social/resources/>

The sample question below illustrates how Buy Social can be included in the pre-market engagement stage of procurements and the Buy Social Unit are available to provide further advice and assistance.



**TIP: Use pre-market engagement to gain insight from potential providers on what is achievable.**

### Sample question on Social Considerations in pre-market engagement

Northern Ireland Departments and associated agencies are committed to the promotion of social inclusion and equal opportunities as key objectives in the Sustainable Development Strategy for Northern Ireland and [insert Department name] would welcome participant views on how best this could be achieved in this contract.

Social considerations might include:

- Fair employment practices, including addressing Human Rights issues;
- Support for the Voluntary, Community and Social Enterprise sector;
- Targeted Recruitment & Training opportunities for people who are disadvantaged in the labour market;
- Work experience opportunities, for people who are facing disadvantage.

Participants are invited to detail how their organisation may deliver the requirements below.

(A) Details of activities designed to develop work practices that improve staff wellbeing issues. For example, skills development and training for staff, suitable working environment, or initiatives that take a positive approach to rewarding staff at a level that helps tackle inequality.

(B) Details of how the participant could maximise opportunities for people who are disadvantaged in the work place, this might include paid/unpaid work placements.

(C) Any potential alternative initiative(s) identified by your organisation in order to maximise the social objectives that could be delivered from this contract.

## Using the Procurement Process to increase opportunities for Social Enterprises/SMEs and Micro Business Entities

In Northern Ireland, Small and Medium-Sized Enterprise (SME) firms make up 99% of the private sector. The latest available figures indicate that 85.8% of the 2,355 contracts awarded to suppliers in Northern Ireland<sup>16</sup> were awarded to SMEs in Northern Ireland, demonstrating the success and capacity which exists across SMEs in Northern Ireland to win public work.

Within this context, consideration should be given to how the procurement process is conducted to ensure public contracts not only remain accessible to SMEs, but also take account of the Social Enterprises and micro business entities operating in Northern Ireland.

As illustrated by the example below, by designing the procurement process in such a way as to increase a contract's accessibility to Social Enterprises, SMEs and micro business entities, commissioners can maximise the opportunities for the delivery of social value:

**TIP: Design the procurement approach to maximise social value**

## Impact of Procuring with a Social Enterprise

Clearer Water is Access Employment's most recent business line. Working with their distribution partner, Henderson's Foodservice, the business involves the sourcing and bottling of still and sparkling water. Access Employment Ltd. provide people age 16 – 60 who have a learning disability/difficulty, Asperger's, autism or another disadvantage, with training and employment opportunities, enhancing their lifestyle, and thus allowing them to engage more effectively in the community.

The water is bottled at source in an industrial unit based at Magheramore. The business has been accredited by SALSA and BS ISO 9001. In its first year of manufacturing, Clearer Water created 8 new jobs - 70% of which were taken up by young adults with learning difficulties.

Clearer Water is a Social Enterprise, therefore, profits made are reinvested to change lives for people within the local community. Clearer Water has established a customer base of over 200 customers from the Private, Public and Social Sectors. The local economy benefits from the multiplier effect through the purchase of supplies and wage distribution. Regionally the economy benefits by a reduced dependency on state assistance freeing up much needed resource for government departments.

<sup>16</sup> <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/procurement-activity-report-2012-13.pdf>

Procurement Guidance Note 02/11 – Helping SMEs and Social Economy Enterprises Access Public Sector Contracting Opportunities<sup>17</sup> outlines a range of measures to help make the public procurement process less onerous for suppliers, including:

- Explain the process from the outset and only ask for necessary information;
- Support ‘Meet the Buyer’ events to increase awareness of the process;
- The complexity of the process should be proportionate to the size and scale of the requirement;
- Keep tender documentation clear, concise and jargon-free;
- Make use of standardised pre-qualification questionnaires (PQQs); and,
- Financial assessments should be simple and proportionate (for example, do not ask for three years of accounts if not necessary).

Finally, it is important that terms and conditions are proportionate to the contract and do not inadvertently disadvantage a micro/small business enterprise or Social Enterprise.

**The case study below from the Federation of Small Businesses’ report ‘The realities of public procurement for SMEs in Northern Ireland’ highlights the challenges SMEs can face when bidding for public contracts:**

A small business in County Down has become increasingly frustrated with the qualifying criteria which are necessary to bid successfully for many public sector contracts.

One particular example was the requirement to have a qualified Quantity Surveyor on the payroll if they were to be accepted as a bidder. This condition precluded the business from taking this tender any further as, although they were fully prepared to employ a Quantity Surveyor if they won the contract, they could not justify doing so beforehand.

<sup>17</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0211-helping-smes-and-social-economy-enterprises-access>

## Use of Lots

Dividing a contract into lots can generate social value by making contracts more accessible for micro/small business entities and Social Enterprises. The Public Contracts Regulations 2015 support the division of contracts into lots:

***(f) Contracting authorities may decide to award a contract in the form of separate lots and may determine the size and subject-matter of such lots<sup>18</sup>***

The regulations also require contracting authorities to state their reasons for a decision not to subdivide a contract into separate lots in either the procurement documents or the regulation 84 report.

The potential advantages of subdividing contracts into lots are:

- **It fosters social value in procurement**

The guidance relating to the use of lots in the Public Contracts Regulations 2015 has been designed to improve the accessibility of public contracts for small and medium-sized enterprises and Social Enterprises. This means the use of lots can facilitate support for smaller, more local firms

- **It builds resilience**

Using lots is a potential tool to spread risk and help build resilience into procurement systems and is an alternative to requiring a Contractor to subcontract a portion of the contract, which allows the contracting authority to maintain control of the separate contracts with each individual supplier

- **It encourages innovation**

The use of lots can lead to increased competition and the creation of a more diverse marketplace. This, in turn, can lead to greater innovation.

It is important to consider the structure of the lots, if they are to be used to their best advantage. For example, if one Contractor ultimately wins all the lots, there is no added benefit to using lots in the first place.

<sup>18</sup> <http://www.legislation.gov.uk/uk/si/2015/102/regulation/46/made>

# BSO PaLS' Ground Maintenance contract

This case study from Business Services Organisations Procurement and Logistics Service (BSO PaLS) highlights how the use of lots can maximise the delivery of social value.

BSO PaLS used lots in a procurement for a grounds maintenance contract. The contract period was 5 years plus a potential 2 year extension.

**Tenderers:**

Lot number:	Number of tenders received	Number of tenders received from SMEs
<b>Lot 1</b> General Grounds Maintenance	8	8
<b>Lot 2</b> Winter Gritting	4	4
<b>Lot 3</b> Tree Survey	3	3
<b>Lot 4</b> Tree Surgery	6	6
<b>Lot 5</b> Invasive Species	3	3
<b>Lot 6</b> Biodiversity	1	1

Within each lot there were a number of sections. The rationale for using lots was as follows:

- Performance of previous managed service arrangement (one main Contractor delivering all services utilising a number of sub-Contractors leading to poor performance and escalating costs)
- Specialist competency requirements within some lots i.e. tree survey/surgery, invasive species and biodiversity which may have led to restrictions in the marketplace if not segregated
- Relatively unskilled work force required for delivery of services required in Lot 1 (General Grounds maintenance) and Lot 2 (Winter Gritting)
- Scale of the geographic area to be serviced
- Number of existing local SMEs or micro business entities with potential to bid in their own geographic area.

4 Contractors were successful across the lots/sections, all of which were SMEs or micro businesses:

- Ballygowan Contracts Ltd
- R&M Greenkeeper Ltd
- Clive Richardson Ltd
- Outthere Services Ltd

# Reserved Contracts

The Public Contracts Regulations 2015 allow a Contracting Authority the right to reserve certain contract opportunities to particular types of supplier.

Regulation 20 states that Contracting Authorities may:

- (a) reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons, or*
- (b) provide for such contracts to be performed in the context of sheltered employment programmes, provided that at least 30% of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers.*

*(2) In such cases, the call for competition shall make reference to Article 20 of the Public Contracts Directive.*

Regulation 77 allows Contracting Authorities to reserve the right to participate in public contracts for certain health, social and cultural services to particular organisations. These are referred to in the regulations as 'qualifying organisations', to be eligible as a qualifying organisation the following must apply:

- (a) its objective is the pursuit of a public service mission linked to the delivery of services referred to in paragraph (2);<sup>19</sup>*
- (b) profits are reinvested with a view to achieving the organisation's objective, and any distribution of profits is based on participatory considerations;*

*(c) the structures of management or ownership of the organisation are (or will be, if and when it performs the contract)*

- (i.) based on employee ownership or participatory principles, or*
- (ii.) require the active participation of employees, users or stakeholders; and*

*(d) the organisation has not been awarded, pursuant to this regulation, a contract for the services concerned by the contracting authority concerned within the past 3 years.<sup>20</sup>*

This regulation does not apply in relation to the procurement of healthcare services for the purposes of the NHS within the meaning and scope of the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013.

The Buy Social NI Directory, managed by Social Enterprise Northern Ireland, connects private and public sector buyers with Social Enterprises offering products and services. Social Enterprises are businesses that trade for social and environmental purposes.

See [www.buysocialni.org.uk](http://www.buysocialni.org.uk) for a list of Social Enterprises trading in Northern Ireland.

<sup>19</sup> A contract is a reservable public contract only if it is exclusively for one or more of the services which are covered by CPV codes 75121000-0, 75122000-7, 75123000-4, 79622000-0, 79624000-4, 79625000-1, 80110000-8, 80300000-7, 80420000-4, 80430000-7, 80511000-9, 80520000-5, 80590000-6, from 85000000-9 to 85323000-9, 92500000-6, 92600000-7, 98133000-4, and 98133110-8. The services the CPV codes refer to are listed in PCR 2015, Sch 3: <http://www.legislation.gov.uk/uk/si/2015/102/schedule/3/made>

<sup>20</sup> <http://www.legislation.gov.uk/uk/si/2015/102/regulation/77/made>

## Use of Dynamic Purchasing Systems

The use of a Dynamic Purchasing System can remove barriers to entry and allows suppliers to join over time rather than being locked out of the competition.

A Dynamic Purchasing System (DPS) is similar to an electronic framework agreement, with two exceptions, new suppliers can join at any time and the process is completely electronic:

*(1) Contracting authorities may use a dynamic purchasing system for commonly used purchases the characteristics of which, as generally available on the market, meet their requirements.*

*(2) The dynamic purchasing system shall be operated as a completely electronic process, and shall be open throughout the period of validity of the purchasing system to any economic operator that satisfies the selection criteria.<sup>21</sup>*

Suppliers can join and leave Dynamic Purchasing System arrangements whenever they choose, meaning they are not locked out of the competition if they were not involved or eligible for selection at the outset.

Applicants to a DPS do not need to submit indicative tenders (proposing working terms and pricing) with their request to join. This reduces the red tape that might deter smaller firms' applications.

<sup>21</sup> <http://www.legislation.gov.uk/uksi/2015/102/regulation/34/made>

## Contracts below £30,000

For low value contracts where it is a requirement to get two quotes, it is good practice to request at least one from a micro enterprise, voluntary organisation or a Social Enterprise.

**The case study below demonstrates how Ards and North Down Borough Council are working to increase the number of SMEs winning public contracts:**

As recognition of the benefits SMEs bring to the local economy and to endeavour to empower SMEs to compete for local government contracts, Ards and North Down Borough Council has implemented a Buy Local policy. Approved in September 2014, this policy is used for any contracts under the tender threshold of £30,000. Officers are encouraged to select local suppliers within the Borough postcodes where possible and work their way out wider as appropriate. The procurement manager and procurement officer provide regular seminars for local SMEs and notify them about this process.



## Model text for Social Considerations in the call for competition

Regulation 70 of The Public Contracts Regulations states that:

*(1) Contracting authorities may lay down special conditions relating to the performance of a contract, provided that they are:*

*(a) linked to the subject-matter of the contract within the meaning of regulation 67(5), and*

*(b) indicated in the call for competition or in the procurement documents.<sup>22</sup>*

It is important to notify bidders that a contract may include Social Considerations. This could be done, for example, in the 'description of the procurement' section of the Official Journal of the European Union (OJEU) (if applicable).

Where the social requirements are to be included, the following text may be used in the call for competition:

*Under this procurement the Contractor will be required to support the Client's social benefit objectives. Accordingly, contract performance conditions/award criteria may relate, in particular, to Social Considerations.*

<sup>22</sup> <http://www.legislation.gov.uk/uksi/2015/102/regulation/70>

# How to incorporate Social Considerations in the invitation to tender

The Public Contracts Regulations 2015 make it clear that Social Considerations can be included in procurements, either as contract performance clauses or as part of the award criteria. The table below summarises the two approaches to including Social Consideration in public contracts:

Contract Performance Clauses	Award Criteria
<p><b>Regulation 70:</b></p> <p><i>(1) Contracting authorities may lay down special conditions relating to the performance of a contract, provided that they are:</i></p> <p><i>(a) linked to the subject-matter of the contract within the meaning of regulation 67(5), and</i></p> <p><i>(b) indicated in the call for competition or in the procurement documents.</i></p> <p><i>(2) Those conditions may include economic, innovation-related, environmental, social or employment-related considerations.</i><sup>23</sup></p>	<p><b>Regulation 67:</b></p> <p><i>(1) Contracting authorities shall base the award of public contracts on the most economically advantageous tender assessed from the point of view of the contracting authority.</i></p> <p><i>(2) That tender shall be identified on the basis of the price or cost, using a cost-effectiveness approach, such as life-cycle costing in accordance with regulation 68, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question.</i><sup>24</sup></p>

## Public Contracts Regulations 2015

## Advantages

Has no influence over who wins the contract, all bidders will have to deliver the same requirements	Bidders recognise the importance of the requirements
Can request a Social Considerations Plan on contract award to ensure the Contractor has considered how they will meet requirements.	Organisations that have a social purpose or are committed to delivering social impact can be recognised
	Contractors can be asked how they will meet the Social Considerations which encourages them to think about the requirements early and develop appropriate partnerships.

<sup>23</sup> <http://www.legislation.gov.uk/ukSI/2015/102/regulation/70/made>

<sup>24</sup> <http://www.legislation.gov.uk/ukSI/2015/102/regulation/67/made>

	Contract Performance Clauses	Award Criteria
<b>Considerations</b>	Need to be carefully managed, may not be seen as a 'core deliverable', ideally should form part of the KPIs on the contract.	Social Considerations are relatively new in some industries therefore bidders may not be familiar with requirements  Careful consideration needs to be given to the award criteria to ensure it does not inadvertently disadvantage a small business.

The following should be included within the invitation to tender:

- The policy basis for the Social Considerations
- Measurable Social Considerations
- Monitoring arrangements
- Contract management
- Data Protection requirements (if appropriate)
- Award criteria (if appropriate)

An example of text which could be included in the Invitation to Tender, setting out the policy basis for including Social Considerations in a public contract is provided opposite for reference. The Buy Social Unit is available to provide tailored advice on request.

## Example policy statement

*The Northern Ireland Civil Service and its associated agencies want to promote a fair and inclusive jobs market in which every individual can participate to achieve their full potential, both as a way of maximising value for money from its investment in these services and to get more people working in better jobs, who can deliver future Government investment and help attract inward investment.*

*The NICS is also committed to the responsible use and protection of natural resources and reducing our carbon footprint as key objectives in the Sustainable Development Strategy for Northern Ireland. In support of the draft Programme for Government 2016-21, the NICS is keen to support and be part of a culture of careful resource management, in order to build sustainability and protect the environment.*

*To help achieve these objectives and address the strategic aims, it is required that the successful Contractor will, as a condition of contract, deliver social value outcomes as set out below.*

Model clauses are available at [www.buysocialni.org](http://www.buysocialni.org)

**TIP:** Tie any Social Considerations to the draft Programme for Government outcomes and/or a relevant Departmental policy.

## Buy Social Approach for Services and ICT

## Including Social Considerations in Public Services and ICT contracts

Since 2016, Social Considerations have routinely been included as contract performance clauses in Northern Ireland, with a particular emphasis on Targeted Recruitment & Training clauses.

The current position in Northern Ireland is one of relatively low unemployment and high levels of economic inactivity. Economic inactivity is the term used for those who are neither in employment nor actively seeking work. The draft Programme for Government 2016-2021 and the Outcomes Delivery Plan 2018-19 have prioritised policy actions aimed at addressing economic inactivity, with a clear focus on addressing Section 75 labour market inequalities. A specific focus has been placed on helping address employment outcomes amongst those who are long term sick and those with caring commitments.

It is recognised that those who are economically inactive are further from the labour market; and, Social Considerations such as targeted work experience and business in education requirements can provide a valuable step towards employment. This is important in the context where unemployment has fallen, from 5.9% when the Buy Social approach for construction was approved by the Procurement Board (November 2015) to 3.1%<sup>25</sup>, and economic inactivity has remained consistently high, 27.7% at November 2015 and currently 25.9%.<sup>26</sup>

**Consequently, the Buy Social Unit have now developed a wider range of Social Considerations to support the Public Sector use the opportunities public procurement presents to deliver on the draft Programme for Government outcomes.**



<sup>25</sup> NISRA Labour Market Report, July 2019 <https://www.nisra.gov.uk/system/files/statistics/labour-market-report-july-2019.PDF>

<sup>26</sup> <https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/LMR-November-2015.PDF>

The following table sets out the Buy Social approach to include Social Considerations on Services and ICT contracts, depending on contract value and if TUPE requirements apply:

Contract Value	Buy Social Approach
<b>ICT contracts</b>	
Greater than £100k per annum	Apply ICT points based approach (see pages 35-36)
<b>Services contracts - TUPE does not apply</b>	
Greater than £100k per annum <sup>27</sup>	Apply Services points based approach (see pages 38-40)
<b>Services contracts - TUPE applies</b>	
Less than £500k per annum	Apply Services points based approach (see pages 38-40)
Greater than £500k per annum	Use Targeted Recruitment & Training clauses (% vacancy approach) plus additional social considerations (see page 37)

<sup>27</sup> When a services or ICT contract has a value of less than £100k per annum, Commissioners may consider including appropriate Social Considerations (non-Targeted Recruitment & Training) on a contract by contract basis. The Buy Social Unit are available to advise at [info@buysocialni.org](mailto:info@buysocialni.org)

## Buy Social Approach to ICT Contracts

The Buy Social approach to ICT contracts currently incorporates 10 social value initiatives:

- Targeted Recruitment & Training
- Targeted work placements
- Business in Education
- Digital Inclusion initiatives
- Cybersecurity initiatives
- Supporting the Voluntary, Community and Social Enterprise (VCSE) sector
- Human Rights policy
- Use of Social Enterprises in the supply chain
- Skills Development for existing employees
- Environmental policy

The Contracting Authority decides which of the initiatives are relevant to include in their contract, in light of the subject matter of the contract and the Authority's strategic priorities. The Buy Social Unit are available to advise Commissioners on the suitability of Social Considerations at [info@buysocialni.org](mailto:info@buysocialni.org)

**Social Considerations should be included on all ICT contracts with a contract value of over £100,000 per annum. When Social Considerations are included in contracts, they require that the Contractor delivers a minimum of 100 Buy Social points per £1m of contract value (and pro-rata). The default position is that the points will be capped at an averaged contract value of £3 million per annum, though this may be increased on a contract by contract basis.**

When an ICT contract has a value of less than £100k per annum, Commissioners may consider including appropriate Social Considerations (non-Targeted Recruitment & Training) on a contract by contract basis. The Contractor will have flexibility to choose which initiatives they deliver against, giving them the benefit of aligning the requirements of the client with their own business areas.

The Contractor will be required to submit a Buy Social delivery plan setting out how they will deliver a minimum of 100 points per £1 million of contract value, either:

- with the tender. If the Social Considerations plan is requested with the tender it should be considered and scored in the award of the contract (provided that it is clearly linked to the subject matter of the contract). Options for scoring the Social Considerations plan are detailed in the Buy Social Toolkit
- within 4 weeks of contract award. In this case, the Social Considerations will form part of the contract conditions and, whilst not considered as part of the award criteria, should still be clearly linked to the subject matter of the contract.

Model clauses are available at [www.buysocialni.org](http://www.buysocialni.org)

The table below sets out the Social Considerations that can be included on ICT contracts, along with the points matrix used in ICT contracts:

Social Consideration	Amount	Buy Social points
<b>Targeted Recruitment &amp; Training</b> for a New Entrant Trainee	26 person weeks of FTE	75
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	26 person weeks of FTE	90
<b>Unwaged work placements</b> for people who are considered to be disadvantaged in the labour market	2 weeks	20
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	2 weeks	30
<b>Business in Education</b> for people who are considered to be disadvantaged in the labour market	8 hours	10
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	8 hours	15
<b>Supporting the Voluntary, Community and Social Enterprise (VCSE) sector</b>	8 hours	10
<b>Digital Inclusion initiatives</b>	8 hours	10
<b>Cybersecurity initiatives</b>	8 hours	10
<b>Develop and implement a Human Rights policy in relation to work on this contract</b>	1 policy	30
<b>Skills development policy to benefit existing employees working on the contract</b>	1 policy	30
<b>Develop and implement an Environmental policy in relation to work on this contract</b>	1 policy	30
<b>Use of Social Enterprises in the supply chain (in relation to work carried out on this contract)</b>	1 social enterprise	30
<b>An equivalent initiative as agreed with the Authority, at the Authority's discretion</b>	To be agreed	To be agreed

The approach will be complemented by the existing Buy Social Find a Broker system and will be monitored through the Buy Social web portal. The Buy Social Unit at SIB should be notified when a contract is awarded so that the contract can be set up on the Buy Social monitoring portal.

## Buy Social Approach to Services Contracts

Services Contracts require a bespoke approach due to the diversity and breadth of services that are procured to support the Public Sector. Within these markets there is a wide variation in labour value and TUPE often applies. There are two approaches to incorporating Social Considerations in Services Contracts depending on whether TUPE applies or not.

### Services Contracts over £500,000k per annum where TUPE applies

Targeted Recruitment & Training clauses have been successfully implemented in Services Contracts with TUPE requirements since the approval of the Buy Social approach for Services in 2016. The current approach to Targeted Recruitment & Training will continue to apply to contracts with TUPE. Where there is TUPE on the contract, Contractors are required 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. To be eligible for employment as a New Entrant Trainee (NET) the candidate must be:

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

Some contracts also make special provision for groups who are a priority for the Client; for example, for people with disabilities, care leavers or people with an offending background. Clauses for these groups can be included depending on the Departmental priorities. These may be in addition to or instead of New Entrant Trainees.

**A threshold of £500,000 contract value per annum is recommended for Targeted Recruitment & Training clauses. The default expectation for this approach is that 40% of new vacancies should be for New Entrant Trainees, this may be increased/reduced in exceptional circumstances. In addition to the current Targeted Recruitment & Training requirements, Commissioners should aim to maximise social value and include as many other Social Considerations as practical from the options set out in the Buy Social Toolkit whilst ensuring that any initiatives included are linked to the subject matter of the contract and are proportionate to the contract value.**

Where TUPE applies and the contract value is less than £500,000, Targeted Recruitment & Training may not be suitable, in this case Commissioners should use the points based approach set out below.

When a Services Contract has a value of less than £100k per annum, Commissioners may consider including appropriate Social Considerations (non-Targeted Recruitment & Training) on a contract by contract basis.



## Services Contracts over £100,000 per annum where no TUPE applies

For contracts with a contract value of greater than £100,000 per annum, a points based approach should be implemented. The exception to this is contracts over £500,000k per annum with TUPE. This change in approach is necessary as a result of:

- Difficulty in determining suitability of Targeted Recruitment & Training clauses, particularly in contracts that are being procured for the first time;
- Opportunities for the inclusion of other Social Considerations are being missed when Targeted Recruitment & Training clauses are not suitable; and,
- The need to better address the challenges around falling unemployment and increased economic inactivity.

Under this approach, the Contracting Authority can decide which (if not all) initiatives are relevant to their contract.

**The Contractor will be required to deliver a minimum of 100 points per £1 million of contract value (and pro rata). The default position is that the points will be capped at an averaged contract value of £3 million per annum though this may be increased on a contract by contract basis. The Contractor will have flexibility to choose which initiatives they deliver against, giving them the benefit of aligning the requirements of the client with their own business areas.**



When a Services Contract has a value of less than £100k per annum, Commissioners may consider including appropriate Social Considerations (non-Targeted Recruitment & Training) on a contract by contract basis.

The Contractor will be required to submit a Buy Social delivery plan setting out how they will deliver a minimum of 100 points per million of contract value, either:

- with the tender. If the Social Considerations plan is requested with the tender it should be considered and scored in the award of the contract (provided that it is clearly linked to the subject matter of the contract). Options for scoring the Social Considerations plan are detailed on pages 44-46
- within 4 weeks of contract award. In this case, the Social Considerations will form part of the contract conditions and, whilst not considered as part of the award criteria, should still be clearly linked to the subject matter of the contract.

Model clauses are available at [www.buysocialni.org](http://www.buysocialni.org)

The table below sets out the Social Considerations that can be included on Services contracts, along with the points matrix used in Services contracts:

Social Consideration	Amount	Buy Social points
<b>Targeted Recruitment &amp; Training</b> for a New Entrant Trainee	52 person weeks of Full Time Equivalent (FTE) employment	75
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	52 person weeks of FTE employment	90
<b>Unwaged work placements</b> for people who are considered to be disadvantaged in the labour market	4 weeks	20
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	4 weeks	30
<b>Business in Education</b> for people who are considered to be disadvantaged in the labour market	8 hours	10
for a person who fits a Contracting Authority priority group, e.g. care leaver, offending history	8 hours	15
<b>Supporting the Voluntary, Community and Social Enterprise (VCSE) sector</b>	1 day of support	10
<b>Fair work practices policy to improve staff wellbeing</b>	1 policy	30
<b>Develop and implement a Human Rights policy in relation to work on this contract</b>	1 policy	30
<b>Skills development policy to benefit existing employees working on the contract</b>	1 policy	30
<b>Develop and implement an Environmental policy in relation to work on this contract</b>	1 policy	30
<b>Use of Social Enterprises in the supply chain (in relation to work carried out on this contract)</b>	1 social enterprise	30
<b>An equivalent initiative as agreed with the Authority, at the Authority's discretion</b>	To be agreed	To be agreed

The approach will be complemented by the existing Buy Social Find a Broker system and will be monitored through the Buy Social web portal. The Buy Social Unit at SIB should be notified when a contract is awarded so that the contract can be set up on the Buy Social monitoring portal.





## Targeted Recruitment & Training

People who have been out of work for an extended period, or who have limited previous experience, find it more difficult to secure employment. By targeting some of the jobs created by Public Sector Contracts, those who are long-term unemployed or leaving education have more opportunities to enter the labour market. The clause can also be drafted to target the job opportunities to disadvantaged groups which the Contracting Authority is particularly invested in, e.g. people with an offending background/Department of Justice or care leavers/ Department of Health.

### Example Clause - ICT Contracts and Non TUPE Services Contracts

*The delivery of paid employment for New Entrant Trainees that meet the New Entrant Trainee eligibility as set out at [insert clause number]. New Entrant Trainees have an employment contract with the Contractor or its sub-Contractors, where the definition of a person-week is the equivalent of one person working for 5 days either onsite, or through a mix of work and training.*

### Example Clause - TUPE Services Contracts (over £500k per annum):

*The employment of New Entrant Trainees should comprise a minimum of 40% of new personnel engaged on the contract (be it through the Contractor or a sub-Contractor).*

These clauses are provided for illustrative purposes only. For model clauses visit [www.buysocialni.org](http://www.buysocialni.org) or contact the Buy Social Unit

## Targeted Recruitment & Training clauses in action

The case study below demonstrates the impact of including Targeted Recruitment & Training clauses in public Services contracts.

In August 2016, Whistl was awarded CPD's Postal Contract for various public sector users. The contract is worth £30,000,000 over 3 years.

The contract includes Buy Social clauses. In this contract, Whistl were required to provide paid employment opportunities for people who are long-term unemployed, have a disability or those in/leaving education. As of June 2019, 13 people have secured employment as a result of the Buy Social clause.

One of the people to benefit from this clause is James. After completing a Level 2 qualification in Warehousing, James enrolled on Job Match 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 a great asset to the company.

***“We were delighted to offer James a full time position within our warehouse. Not only did winning this contract have a positive impact on our Northern Ireland workforce but we also have the opportunity to showcase the delivery of real, tangible, direct and indirect social benefits for Northern Ireland people.”***



whistl

## Targeted Work Placements

Work experience can be a key step towards employment. By targeting who is eligible for the work placements, the opportunity is focused on people who are disadvantaged within the labour market. The clause can be drafted to target the work placements to disadvantaged groups which the Contracting Authority is particularly invested in, e.g. people with an offending background/Department of Justice or care leavers/Department of Health.

### Example clause - ICT contracts and Non TUPE Services Contracts:

*The delivery of unwaged work placements for people who are disadvantaged in the labour market or at risk of social exclusion. This can include people with a disability, lone parents, young people who are Not in Education, Employment or Training (NEET), people with an offending background or facing other disadvantage as agreed with the Authority. The Contractor is to provide work placement participants with meaningful work experience, training and development which will enhance their opportunities for future employment.*

### Example clause TUPE Services Contracts (over £500k per annum):

*The Contractor shall provide a minimum of [insert required number] weeks of work placement opportunities [per annum / for every £1 million of contract value] for people who are considered to be disadvantaged in the labour market. This can include people with a disability, lone parents, young people who are Not in Education, Employment or Training (NEET), people with an offending background or facing other disadvantage as agreed with the Authority. The Contractor is to provide work placement participants with meaningful work experience, training and development which will enhance their opportunities for future employment.*



## Business in Education

Business in Education clauses require the Contractor to deliver employability activities to targeted groups of people, whom they may not usually engage with, e.g. people who are disadvantaged or at risk of social exclusion. There is also an opportunity to further target the focus for certain groups, e.g. rural communities, young people facing social exclusion, or with special educational needs, depending on the Contracting Authority's priorities.

These activities can encourage young people who have not previously regarded the particular industry as a potential career path to consider the various opportunities it offers.

Although the Business in Education initiative is not prescribed, it must be in an area related to the subject matter of the contract.

### Example clause - ICT contracts and Non TUPE Services Contracts:

*The delivery of Business in Education support in areas related to the contract to a school or organisation within the Voluntary, Community and Social Enterprise (VCSE) Sector to aid the career development of people who are considered to be disadvantaged in the labour market or at risk of social exclusion. This can include people with a disability, lone parents, young people who are Not in Education, Employment or Training (NEET), people with an offending background or facing other disadvantage as agreed with the Authority. This support can include vocational talks, curriculum support, careers guidance, workplace visits, mentoring or as otherwise agreed by the Authority.*

### Example clause - TUPE Services Contracts (over £500k per annum):

*To support the development of young people, the Contractor is required to volunteer a minimum of [insert required number] hours [per annum / for every £1 million of contract value] with a school, charity or organisation within the Voluntary, Community and Social Enterprise (VCSE) Sector to support the development of people who are disadvantaged or at risk of social exclusion [or alternative disadvantaged group as determined by the Contracting Authority]. This may include vocational talks, curriculum support, careers guidance, workplace visits, mentoring or as otherwise agreed by the Authority.*

**For examples of this initiative being delivered in practice, go to [www.buysocialni.org/about-buy-social/case-studies/](http://www.buysocialni.org/about-buy-social/case-studies/)**

## Supporting the Voluntary, Community and Social Enterprise Sector

This Social Consideration requires Contractors to offer time and skills to organisations within the Voluntary, Community and Social Enterprise (VCSE) sector who may not be otherwise able to avail of such specialised and professional support, such as digital skills, research and evaluation methods, legal advice, communication and marketing advice.

The clause can be targeted towards specific types of organisations which are particularly relevant to the subject matter of the contract e.g. VCSEs who deliver services in rural areas, or to victims and witnesses of criminal activity.

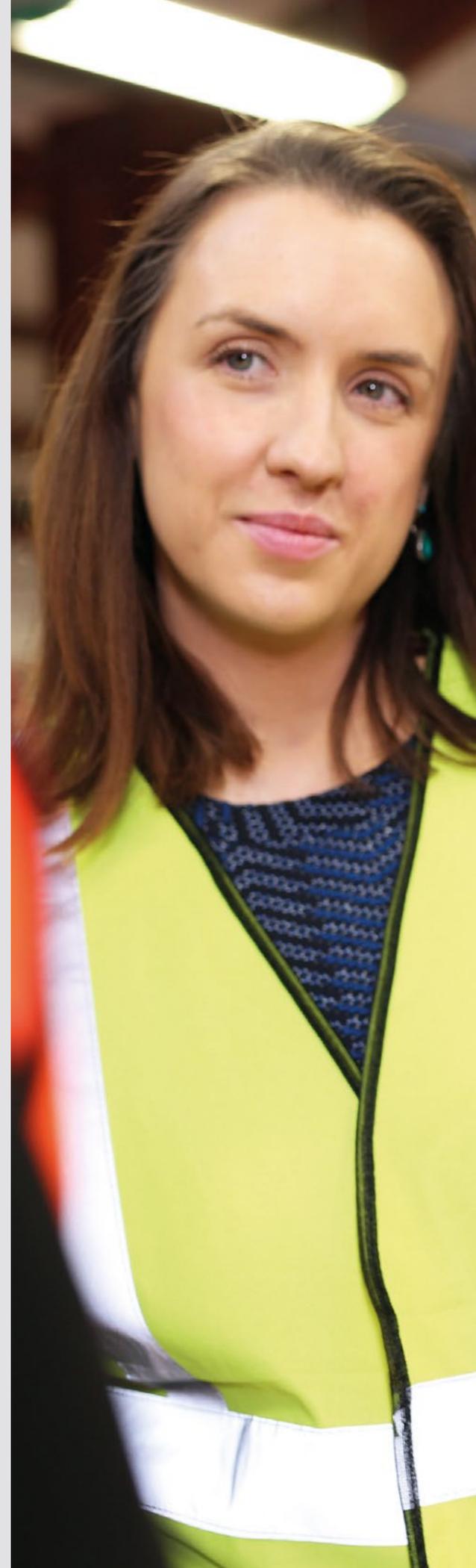
### Example clause - ICT contracts and Non TUPE Services Contracts:

*The delivery of skilled advice, training and/or mentoring in an area related to the contract to an organisation/organisations within the Voluntary, Community and Social Enterprise (VCSE) sector. This may include: mentoring, training, advice or other professional voluntary services or equivalent initiatives as agreed with the Authority, at the Authority's discretion.*

### Example clause - TUPE Services Contracts (over £500k per annum):

*The Contractor is required to deliver X hours per annum of skilled advice in an area related to the contract to an organisation/organisations within the Voluntary, Community and Social Enterprise (VCSE) sector working with people who are disadvantaged. This may include: mentoring, training, advice or other professional voluntary services or equivalent initiatives as agreed with the Authority, at the Authority's discretion.*

**TIP:** This support should be linked to the subject matter of the contract



## Fair Work Practices

Incorporating fair work practices as a Social Consideration in procurement can contribute to the draft Programme for Government outcome: 'We have a more equal society'. The inclusion of fair work practices in contracts where there is a risk of poor work practices in the sector can be particularly useful.

### Example clause

*The Contractor is required to develop and implement a fair work practices policy in relation to this contract which will detail initiatives that improve staff well-being. This should be submitted within 60 days of contract commencement and should include details of appropriate terms and conditions, suitable working environment, or initiatives that take a positive approach to rewarding staff at a level that helps tackle inequality.*

# Addressing Human Rights issues

Procurement Guidance Note (PGN) 03/18 Human Rights in Public Procurement<sup>28</sup>, which was produced by CPD and the Northern Ireland Human Rights Commission, provides guidance on addressing Human Rights issues in procurement. PGN 03/18 highlights that bodies subject to Northern Ireland Public Procurement Policy must be able to demonstrate:

- compliance with the Human Rights Act 1998, Northern Ireland Act 1998, Modern Slavery Act 2015, and other relevant legislative standards;
- as a minimum, in all contracts, use of the standard terms in PGN 06/14 Public Sector Conditions of Contract for Supplies and Services [...] requiring Contractors to ensure their compliance with all appropriate legislation in respect of human rights;
- that they have considered and are aware of the potential risks to human rights in their areas of operation; and,
- that the need for further provisions in the specifications to protect human rights has been addressed on a risk basis and additional measures put in place as necessary.

## Example clause (adapted from Procurement Guidance Note 03/18)

*The development of a Human Rights policy in relation to work carried out on this contract. Within 60 days of contract commencement, Contractors must provide a copy of this Human Rights policy, and the processes they have in place which demonstrate that their activities in relation to this contract show a consideration to human rights. A guide to businesses for developing a human rights policy can be found at: [https://www.ohchr.org/Documents/Publications/DevelopHumanRightsPolicy\\_en.pdf](https://www.ohchr.org/Documents/Publications/DevelopHumanRightsPolicy_en.pdf)*

*The Client reserves the right to survey workers on workforce matters such as access to terms and conditions; staff policies such as grievance procedures and how payment for services is managed.*

<sup>28</sup> <https://www.finance-ni.gov.uk/publications/pgn-0318-human-rights-public-procurement>

<sup>29</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0614-standard-conditions-contract-supplies-and-services>

## Combatting Modern Slavery

Modern Slavery is an umbrella term often used to describe offences of human trafficking and also of slavery, servitude and forced or compulsory labour. It can be closely related to human trafficking, which involves the movement of a person for the purpose of exploiting them.

Certain categories of spend have an increased or high risk of Modern Slavery within the supply chain. Commissioners can gauge the risk by considering the following questions:

- Do you understand how the products are made, where they are coming from and where the labour is recruited from?
- Are any of the products coming from countries that have a history of human rights abuses?
- Is labour sourced locally or brought in from abroad?

The Global Slavery Index can help Commissioners better understand the geographical and industry risks associated with categories of spend: [www.globalslaveryindex.org/findings/](http://www.globalslaveryindex.org/findings/). Organisations are encouraged to map their supply chain to gain a better understanding of where goods and services are coming from.

For an example clause, refer to CPD's Standard Terms and Conditions for Supplies, Services and ICT contracts.<sup>29</sup>

# Skills Development for existing employees

'The Joseph Rowntree Foundation's UK Poverty 2018 report'<sup>30</sup> highlights that there are now almost 4 million workers in poverty in the UK, a rise of over half a million compared with five years ago. Developing the skills base of existing employees can enable people to progress in the workforce and access better jobs.

## Example clause:

*The development of a policy to promote and support the development of the employees engaged on this contract. This should be provided within 60 days of contract award and at a minimum should include:*

- *Having processes in place to provide opportunities for all employees without Level 2 qualifications to develop and achieve essential skills qualifications in literacy, numeracy and ICT;*
- *Having processes in place to promote career development, particularly for those who were considered to be disadvantaged; and,*
- *Providing opportunities for progression; and supporting employees who are undertaking skills development or management courses.*

<sup>30</sup> <https://www.jrf.org.uk/report/uk-poverty-2018>

<sup>31</sup> [http://ec.europa.eu/environment/gpp/pubs\\_en.htm](http://ec.europa.eu/environment/gpp/pubs_en.htm)

<sup>32</sup> <https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

<sup>33</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0206-procurement-fair-trade-products>

# Environmental

Each stage in the procurement process offers opportunities to take environmental issues into account, from defining the subject matter of the contract, through to the selection of the candidates and the award and execution of the contract. Environmental considerations should be considered on a contract by contract basis.

## Example clause:

*The Contractor in the performance of this Contract should adopt a sound proactive environmental approach, designed to minimise harm to the environment, to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of single-use plastic, ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and/or the environment.*

*The Contractor must provide the Contracting Authority with a statement detailing their environmental commitments in relation to this contract, and the processes they have in place which demonstrates that their activities in relation to this contract show a consideration to the environment. This should be provided within 60 days of contract award.*

The EU Commission's main guidance document, Buying Green! helps contracting authorities to buy goods and services with a lower environmental impact. Guidance, a summary and case studies related to Green Public Procurement can be found at on the EU Commission's website.<sup>31</sup>

The UK Government Buying Standards provide a set of best practice standards for various product specifications, these include some environmental elements.<sup>32</sup>

**If asking for specific environmental labels such as Fair Trade, it is best practice to offer the Contractor the option of 'or an alternative' (for more information, see Procurement Guidance Note 02/06).<sup>33</sup>**

## Use of Social Enterprises in the supply chain

Social Enterprises aim to make a profit like any other business but those profits are reinvested to help address social or environmental issues. Employing the services of a Social Enterprise in the delivery of a public sector contract can maximise the social value delivered as a result of the contract. The benefits can include better levels of service, innovative business solutions and increased competitiveness in the longer-term.

### Example clause:

*The use of Social Enterprises in the supply chain, in relation to any sub-contracting or other business opportunities available as a result of this contract. The Contractor should ensure this is a meaningful opportunity for the Social Enterprise. A directory of Social Enterprises can be found at [www.buysocialni.org.uk/directory](http://www.buysocialni.org.uk/directory).*

*Any action taken by the Authority or their agents to broker relationships between the Contractor and local individuals/firms/agencies does not imply and should not be deemed to imply that they or their agents consider the individual/firm/agency as suitable for engagement by the Contractor.*



## Digital Inclusion (ICT contracts only)

This Social Consideration helps to support Northern Ireland's Digital First Agenda and may be suitable for ICT contracts that include a citizen facing element (e.g. self-service portal). It requires Contractors to deliver activities to enhance the digital capability of people who are at risk of digital exclusion. For example, activities may include workshops, online training, digital clinics, or peer learning projects.

There is the opportunity to further target the focus for certain groups, e.g. rural communities, VCSE Sector, educational organisations or people from disadvantaged backgrounds.

### Sample clause

*The delivery of digital skills activities in areas related to the contract designed to enhance the digital capability of people who are known to be at risk of digital exclusion. Activities may include: workshops, online training, digital clinics, peer learning projects or equivalent initiatives as agreed with the Authority, at the Authority's discretion.*

## Cyber Security (ICT contracts only)

As with all Social Considerations, this initiative should only be included if it is relevant to the subject matter of the contract. It requires Contractors to work with Voluntary, Community and/or Social Enterprise organisations that work with people who are at risk of online crime, in order to raise awareness and provide preventative advice to those deemed high risk of falling victim to cyber-attacks.

### Sample clause

*The delivery of skilled advice, training and/mentoring on cyber security related matters to an organisation/ organisations within the Voluntary, Community and Social Enterprise (VCSE) sector that work with people who are known to be at risk of becoming victims of online crime. Activities may include: workshops; online training; digital clinics; peer learning projects; or equivalent initiatives as agreed with the Authority, at the Authority's discretion.*

## Evaluation and Contract Management

## Scoring/Evaluation

Social Considerations have not routinely been included in tender award criteria in Northern Ireland. Where Social Considerations have been included as part of the award criteria in other jurisdictions in the United Kingdom, the score is typically between 5-20% of the overall points awarded. Where Social Considerations have been included as part of the award criteria in Northern Ireland a score of 5% of the quality score has typically been set aside.

Where it is clearly linked to the subject matter of the contract, Social Considerations can be included as award criteria.

Any award criteria in relation to Social Considerations must comply with the procurement principles of Proportionality, Non-discrimination, Equal Treatment and Transparency.

There are various options when including Social Considerations in the award criteria, and those that are relevant to the Buy Social approach for Services and ICT contracts are discussed in the table on the following pages.

### Tips for scoring social value

- Social Considerations should be included in the business case
- All Social Considerations must be linked to the subject matter of the contract
- Social Considerations should not disadvantage non-local bidders or inadvertently disadvantage a SME or micro-business entity
- The weighting given to the Social Considerations award criterion should be considered on a case-by-case basis, taking the other relevant award criteria into account and the impact that each will have on the delivery of the contract
- Weighting must ensure the appropriate balance between the quality and cost of the contract, and be proportionate to the contract
- The Social Considerations and associated expectations, in regards to delivery and monitoring, need to be clearly explained in the tender documentation
- The evaluation panel should be trained in scoring Social Considerations.

Approach	Description	Example tender question	Example scoring criteria
Qualitative	This approach focusses on the Contractor's methodology. It asks bidders to state how they would meet the specific social requirements and the targets that have been set out in the procurement documents.	<p>The Northern Ireland Civil Service and its associated agencies are committed to the promotion of social inclusion and equal opportunities as key objectives in the Sustainable Development Strategy for Northern Ireland. They are also committed to [additional policy objective/client specific policy].</p> <p>To help achieve against these objectives it is required that the Contractor, will deliver the Social Considerations as outlined at [X - reference to Social Considerations within the ITT]. Please outline how you intend to deliver these Social Considerations.</p> <p><b>Supplier Guidance</b> Your answer should be as specific as possible and include:</p> <ul style="list-style-type: none"> <li>• A methodology for delivery (including timeframes, number of hours etc.);</li> <li>• Details of any partnerships which will aid delivery, e.g. with organisations from the Voluntary, Community and Social Enterprise sector; and,</li> <li>• Confirmation that the Social Consideration outcomes are specifically generated by this contract.</li> </ul>	<p>Social value has been allocated a total weight of 5%, and will be evaluated based on the bidders' summary of methods for ensuring delivery of targets and outcomes throughout the duration of the contract.</p> <p>Score</p> <p><b>0</b> Failed to address the criterion.</p> <p><b>1</b> Poor proposal to address the criterion.</p> <p><b>2</b> Limited proposal to address the criterion.</p> <p><b>3</b> Acceptable proposal to address the criterion.</p> <p><b>4</b> Good proposal to address the criterion.</p> <p><b>5</b> Excellent proposal to address the criterion.</p> <p>Score will be converted into a percentage, e.g. a score of 5 = 5%</p>
Qualitative and Quantitative	<p>This approach asks bidders to state how they would meet the specified social requirements that have been set out in the procurement documents and has set a minimum target for delivery.</p> <p>Bidders can be encouraged to deliver additional Social Considerations that are not prescribed.</p>	<p>The Northern Ireland Civil Service and its associated agencies are committed to the promotion of social inclusion and equal opportunities as key objectives in the Sustainable Development Strategy for Northern Ireland. They are also committed to [additional policy objectives/client specific policies - add 2 or 3 areas of specific interest to the Client].</p> <p>To help achieve against these objectives it is required that the Contractor will deliver the Social Considerations as outlined at [X reference to Social Considerations within the ITT], as a minimum.</p>	<p>Social value has been allocated a total weight of 5%, which will be evaluated on the following basis:</p> <ul style="list-style-type: none"> <li>• Commitment to minimum requirements: Quantifiable and verifiable targets for Social Consideration commitments that will be delivered over the life of the contract = 50% (2.5% of total question score).</li> </ul>

Approach	Description	Example tender question	Example scoring criteria
Qualitative and Quantitative	Scoring criteria is based on methodology and proposed delivery targets.	<p>In addition, Contractors are expected to deliver additional Social Considerations beyond the minimum requirements as outlined at [X reference to Social Considerations within the ITT]. These additional social initiatives can be an increased amount of the Social Considerations as outlined at [X reference to Social Considerations within the ITT] or be an alternative social initiative that supports the Contracting Authority's strategic objectives. The Contracting Authority does not wish to be prescriptive in terms of these elective benefits, however, they should be linked to the service being provided under this contract.</p> <p>Please outline how you intend to deliver both the required and elective Social Considerations.</p> <p><b>Supplier Guidance</b> Your answer should be as specific as possible and include:</p> <ul style="list-style-type: none"> <li>• Tangible commitments (including delivery targets) that are tailored to the Client's priorities as outlined above;</li> <li>• A methodology for delivery (including timeframes, number of hours etc.);</li> <li>• Details of any partnerships which will aid delivery, e.g. with organisations from the Voluntary, Community and Social Enterprise sector; and,</li> <li>• Indication that the Social Consideration outcomes are specifically generated by this contract.</li> </ul>	<ul style="list-style-type: none"> <li>• Summary of methods for ensuring delivery of targets and outcomes: how bidder will ensure targets are met, their capacity and capability to deliver commitments = 20% (1% of total question score)</li> <li>• Benefits beyond minimum requirements: additional benefits / activities relevant to the Contracting Authority's policy objectives that are committed to on top of minimum requirements = 30% (1.5% of total question score)</li> </ul> <p>Each criterion will be evaluated using the following scoring matrix. The scores will then be weighted appropriately, added together and converted into a percentage.</p> <p>Score</p> <p><b>0</b> Failed to address the criterion.</p> <p><b>1</b> Poor proposal to address the criterion.</p> <p><b>2</b> Limited proposal to address the criterion.</p> <p><b>3</b> Acceptable proposal to address the criterion.</p> <p><b>4</b> Good proposal to address the criterion.</p> <p><b>5</b> Excellent proposal to address the criterion.</p>

## Monitoring

Where Social Consideration 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.

Buy Social have put a robust monitoring system in place so that, at intervals as stated in each contract, the Contractor is to provide a report on their Social Consideration requirements, e.g. a listing of all the New Entrant Trainees that have been employed on the contract and details of the number of hours delivered through Business in Education.

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

- Once a contract with Social Considerations has been awarded, you must ensure the Buy Social Unit at SIB is aware of this. You will also need to inform the Unit if the contract is delayed and when the contract has completed. You can contact the Buy Social Unit at [info@buysocialni.org](mailto:info@buysocialni.org);
- The Unit will set up the contract in the Buy Social Monitoring Portal, prepopulating the Social Consideration targets included on the contract, and issue the Contractor with login details and guidance on how to add information relating to the delivery of their targets;
- The Contractor will receive regular reminders to update the report; however, Contractors can log in to the monitoring portal at any time;
- Contractors record their progress to date against each target. (There is also a notes section which Contractors should be encouraged to use to record any efforts that they have made to fulfil their targets); and,
- A report will be sent from the system at regular intervals to both the Contractor and Client Project Managers. This report should be regularly reviewed during progress meetings to determine if the Contractor is on track to deliver their targets. The Buy Social Unit are available to attend these meetings if and when required.

## Cost options for Buy Social

Contractors may include a price for delivering the Social Considerations in the Tender Pricing Schedule or equivalent. The tender sum is required (and assumed) to include any costs associated with the delivery of the Social Considerations. The text in the tender documentation provides two options for the client:

- Provide an explicit place, e.g. a line in the Tender Pricing Schedule;
- Or leave it for the bidder to include this cost elsewhere in its bid.

It is not the case that all Social Considerations add costs to the contract; New Entrant Trainees are expected to be productive on 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;
- The Contractor may redirect other corporate social responsibility initiatives to Social Considerations relevant to the client which may deliver against draft Programme for Government; and,
- Delivering additional contract requirements that are resourced by the Contractor obtaining grants or services from other organisations, e.g. utilising industry/government training services.

**Where Targeted Recruitment & Training is being delivered Data Protection Legislation, including GDPR should be complied with and a data protection consent form should be signed by all beneficiaries. The Contractor, at contract award, shall enter into a Data Processing Agreement with the Strategic Investment Board.**

# Contract Management

Social Considerations are part of the contract and should be adequately managed to ensure that they deliver in line with contract commitments and that value for money, which is a main driver behind the inclusion of Social Considerations, is achieved.

PGN 01/13 states that *'when Social Considerations have been identified in the contract, then those requirements must be delivered in full. The Project Manager/Contract Manager must ensure that the Contractor's performance is carefully monitored. Poor performance by the Contractor on the delivery of requirements relating to Social Considerations must be addressed in accordance with the recommendations on poor Contractor performance set out in Procurement Guidance Note 01/12'*.<sup>35</sup>

The reputation of a Department and Contractor can be damaged by a poorly managed contract that does not deliver the expected outcomes.

The Social Considerations which have been included in the Invitation to Tender and supporting contract papers should be reviewed by the Contractor and Contract Manager at the Contract Initiation Meeting. **The Buy Social Unit at SIB is available to attend these meetings and give advice to Contractors on how to deliver against their targets.**

**TIP: How the Social Considerations are communicated to the successful Contractor will contribute to how well they are delivered.**

<sup>35</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0113-integrating-social-considerations-contracts>

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

- Assessing reports on how the Buy Social obligations are being delivered; and,
- Addressing any under-achievement.

There is a downloadable guide to managing contracts with Buy Social available at: <https://buysocialni.org/about-buy-social/resources/>. The Buy Social Unit is available to support Client Project Managers in reviewing the reports, discussing remedial action and attending contract meetings, if required.



## Key Performance Indicators

Social Considerations can be included in KPIs which should be clearly drafted, achievable and reflect the importance of the Social Considerations to the project as a whole. You will need to conduct frequent reviews to ensure data is being collated and reported.

**TIP: If the KPIs put as much emphasis on the Social Considerations as on other performance measurements you are more likely to achieve the outcomes you specified.**

## Support for Contractors

The 'Find a Broker' section on the Buy Social website lists organisations that can help Contractors meet their Social Consideration requirements. These organisations tend to be Voluntary, Community or Social Enterprise organisations, and employability providers.

The brokers can be searched by sector, geographical area, job role and employee characteristics to help Contractors find a suitable organisation to help them meet their particular Social Consideration requirements.

There is a downloadable guide to the 'Find a Broker' section of the website available at: <https://buysocialni.org/Contractors/Contractor-resources/>

<sup>36</sup> <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0112-contract-management-principles-and-procedures>

## Managing Poor Performance

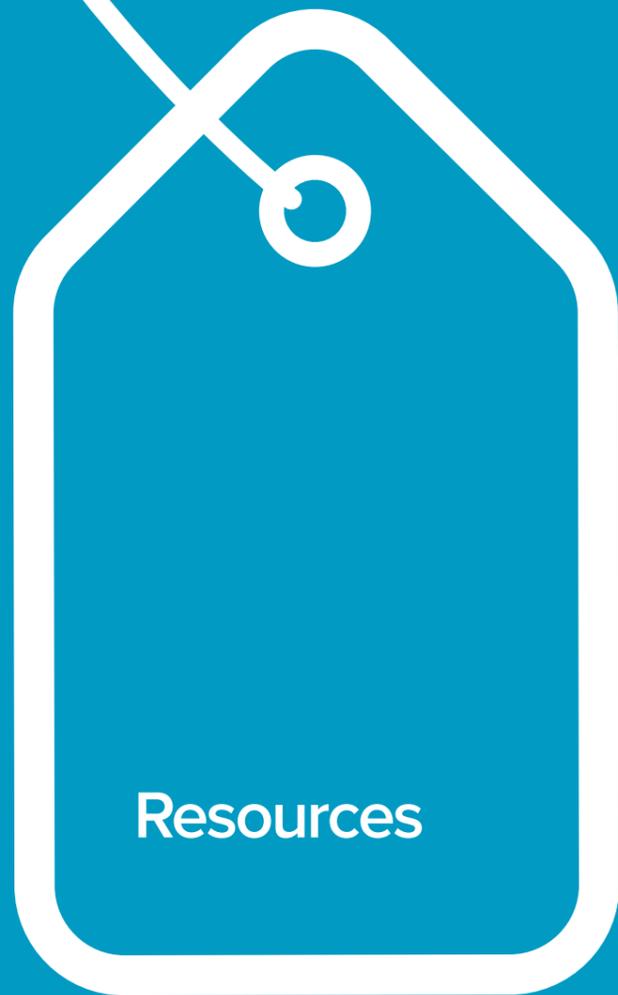
Continued poor performance cannot be ignored and Departments should work with the Contractor in order to ensure they meet contract requirements. Annex D of PGN 01/12<sup>36</sup> contains a Protocol for Managing Supplier Poor Performance. It sets out the steps that Contract Managers should take in monitoring a Contractor's performance.

The Buy Social Unit is available to support Client Project Managers in reviewing the reports, discussing remedial action and attending contract meetings, if required.

## Summary on Contract Management

Contracts with Social Considerations must be notified to SIB Buy Social Unit at [info@buysocialni.org](mailto:info@buysocialni.org)

- SIB will set up the contract in the Monitoring Portal which will be used to generate the progress reports
- Progress reports will be sent out monthly and should be reviewed regularly at progress meetings
- SIB Buy Social Unit are available to offer support and attend contract initiation and progress meetings
- It is the Contract Project Manager's responsibility to ensure the Contractor's performance is monitored and poor performance is addressed
- Under-performance must be addressed - the protocol for doing so can be found at Annex D of PGN 01/12: Contract Management Principles and Procedures.



# Resources

The Buy Social Unit at SIB are available to advise on individual contracts. Please contact [info@buysocialni.org](mailto:info@buysocialni.org)

Other relevant guidance notes have been produced with specific guidance in the following areas and are available at <http://www.finance-ni.gov.uk>:

PGN 02/17	Innovation in Public Procurement
PGN 04/14	Integrating Sustainable Development into the Procurement of Food and Catering Services
PGN 06/12	Helping SMEs benefit from Sub-Contracting Opportunities
PGN 01/11	Helping Small and Medium Sized Enterprises (SMEs) and Social Economy Enterprises (SEEs) access public sector contracting opportunities
PGN 02/06	Procurement of Fair Trade Products
PGN 03/18	Human Rights in Public Procurement

## Tips

**Social Considerations should be considered from business case stage, before the procurement process has started**

**Design the procurement approach to maximise social value**

**Use pre-market engagement to gain insight from bidders on what is achievable**

**Include Social Considerations within contract Key Performance Indicators (KPIs). If the KPIs put as much emphasis on the Social Considerations as on other performance measurements you are more likely to achieve the outcomes you specified**

**How the Social Considerations are communicated to the successful Contractor will contribute to how well they are delivered**

**Tie any Social Considerations to draft Programme for Government outcomes or a Departmental policy**

The  
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Integrating Social  
Considerations into  
Public Services  
and ICT Contracts