Questions:

8. To what extent do you agree or disagree that requiring authorities to set an award criteria which relates to the quality of the supplier's contribution to jobs, opportunities or skills for all public contracts over £5m and with a minimum evaluation weighting of 10%, will help to deliver social value that supports economic growth?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

If you wish to explain why you do or do not agree that the proposed measure reflects or delivers the policy intent described above, please do so here. [NB 2000 character limit]

The Association of Proposal Management Professionals (APMP) UK Social Value Group agrees with this proposal to the extent that most contracts over £5m will require the supplier to augment the capacity and capability of its workforce by creating jobs, opportunities or skills. However, the degree of augmentation (and hence the quality of the contribution) will depend on the nature of the contract and should at all times be proportionate and non-discriminatory.We also note that the proposed measure is already catered for in specific Outcomes of Mission 1 (Kick start economic growth) and Mission 4 (Break down barriers to opportunity) of the new Social Value Model. PPN002/25 states that contracting authorities should select one Outcome with the associated Award Criteria and Sub-Criteria, allowing a Buyer to focus on jobs, opportunities or skills and allocating a full 10% weighting to the selected Outcome. This current guidance would preclude the Buyer from selecting any of the other Missions or Outcomes, which might be more relevant. For example, for a £5m contract for cloud-based hosting, selecting Mission 2 (Make Britain a clean energy superpower) may be more appropriate.

The proposal, therefore, needs to be considered in the round and the PPN updated in line with any regulation amendments. If 10% becomes a minimum weighting for jobs, opportunities or skills, the guidance should reflect flexibility to select more than one Mission and Outcome when other social value criteria are equally as important as job, opportunities or skills.

Finally, we recommend careful consideration of the proposal wording. It is currently "jobs, opportunities OR skills." Does this mean "jobs or opportunities or skills," or does it mean "jobs and opportunities and skills." And what does "opportunities" mean other than "job opportunities" and "skills opportunities?" These small details may seem minor, but they cause suppliers disproportionate effort trying to work out exactly what is meant.

9. To what extent do you agree or disagree that, where authorities have set social value award criteria relating to jobs or skills, mandating that they also set at least one KPI on social value delivery, and subsequently report performance against a social value KPI (published in the contract performance notice), will support transparency of progress against social value commitments?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

If you wish to explain why you do or do not agree that the proposed measure reflects or delivers the policy intent described above, please do so here. [NB 2000 character limit]

This proposal focuses on connecting social value award criteria to a KPI in relation to jobs or skills (noting OR, not AND). We strongly agree with this but go further and advocate for at least one KPI to be related to social value, regardless of which social value criteria are chosen.

Having a published SV KPI and a robust reporting framework will support transparency of progress against social value commitments. Our members often report that social value commitments made during the bid stage of a procurement are not carried through to the contract and ongoing reporting. Hence, we recommend that Authorities have nominated Social Value Leads who are responsible for working with suppliers to formulate SMART KPIs and hold them accountable to their commitments.

10. To what extent do you agree or disagree that requiring contracting authorities to use standard social value criteria and metrics selected from a streamlined list (to be co-designed with the public sector and suppliers) in their procurement of public contracts will help to deliver social value in a proportionate manner?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

If you wish to explain why you do or do not agree that the proposed measure reflects or delivers the policy intent described above, please do so here. [NB 2000 character limit]

We strongly agree with this proposal. Experience from within the APMP's Social Value Group and feedback from members confirm that the way questions, criteria and metrics are used varies wildly. This, in turn, causes a disproportionate amount of effort trying to understand, interpret and work with so many variations. The further impact on suppliers of contracting authorities using multiple models and frameworks is that it makes it harder for suppliers to develop their own social value strategies and measurement frameworks. Hence, standardisation would help both contracting authorities and suppliers to work in harmony. It would also help to de-commercialise social value – a serious concern amongst our members, who wish to focus on social value delivery, not on justifying expenditure (or worse, being forced to spend) on social value tools they have not chosen.

Two surveys conducted by our group, in 2022 and 2024, revealed overwhelming support for a single standardised model. However, the subject was contentious, with a minority arguing strongly that a single model would be constraining. Hence, a single model needs to be co-developed between policymakers, contracting authorities and suppliers, and must allow sufficient flexibility to cater for departmental and organisational nuances, especially if it is to stand a chance of becoming widely accepted across the public sector, including in local government.

We also recommend continuing and expanding the central government's approach (as per PPN002/25) of qualitative evaluation and leaving quantitative assessment to the finer details of the contract and associated KPIs. Members see regular examples of social value being evaluated purely quantitatively, and this leads to SMEs and VCSEs being unable to compete with larger companies that have deeper pockets.

11. To what extent do you agree or disagree that contracting authorities should be permitted to define the geographical location of where social value will be delivered as described above? Do you have any suggestions for innovative ways of delivering social value including by creating more flexibility in the current requirements in the Act on relevance and proportionality?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

If you wish to explain why you do or do not agree that the proposed measure reflects or delivers the policy intent described above, please do so here. [NB 2000 character limit]

Different suppliers, depending on their make-up, geographical footprint and size, have different ways to deliver impact and different relationships with their communities. Explicitly defining the geographical location where social value will be delivered may create barriers for SMEs and VCSEs if they do not have the reach or experience in a specific area. Whereas larger companies may be able to create a local presence, either directly or indirectly, SMEs and VCSEs have less capacity to create multiple local relationships or invest in local facilities.

Specifying geographic locations can also disadvantage larger companies. For example, national companies that minimise costs through economies of scale by centralising certain functions, and technology companies that provide remote and cloud-based services.

Implementation of this proposal may result in unintended consequences, including highly suitable suppliers declining to bid or the most suitable supplier being marked down even if they have an excellent social value proposition.

Regarding innovation and flexibility on relevance and proportionality, we believe all the tools already exist in the regulations and PPN02/25. We just need contracting authorities to build social value into procurements from the beginning, with robust pre-tender market engagement to define a reasonable social value ‘ask.’ Too often, social value is still ‘bolted on’ at the end and, often, never delivered.