

# Social Value Toolkit

## Leading economic, environmental and social benefit through procurement

### Introduction

The Social Value toolkit has been put together for all staff within Plymouth Community homes that purchase from or work with suppliers or third party organisations in some way. It is designed as a guide to achieving additional economic, environmental and social benefits through the suppliers and organisations we deal with and therefore help to support the local community and environment.

The guide includes PCH and external case study examples of social value in practise, links to local and national social enterprise directories, factors to consider when procuring goods, services or works, model quotation and tender questions and performance measurement templates and links to further external social value resources and guidance.

### What is social value?

Plymouth Community Homes sees social value as economic, environmental and social benefit which can be secured through the way we procure goods, services and works, in short – community and environmental benefit.

Social value asks the question: “If £1 is spent on the delivery of goods and services, can that same £1 be used, to also produce a wider benefit to the community”. In other words, what are the additional benefits to the community, be they social, economic or environmental, which can come from this procurement process over and above the direct purchasing of the services?

### What we see as social value

- Working with organisations that complement and build upon our community and environmental sustainability objectives
- Using social enterprises and community interest groups in our supply chain
- Keeping the pound in Plymouth – maximising opportunities for suppliers within the local area
- Helping disadvantaged groups such as long-term unemployed and young people find work
- Creating the right mix of opportunities for training, work experience placements, social enterprises and small suppliers as part of new contracts
- Pushing for a helping hand in the local area - encouraging larger suppliers to donate their time, supplies and expertise to local causes
- Working with our suppliers to become more environmentally responsible and incorporating criteria which reflect our environmental sustainability objectives
- Using sustainable products within our supply chain

# Where it fits within our existing policies and business plan

## How does social value complement existing policies?

Social Value is at the heart of our existing business plan and should be used alongside existing policies. The toolkit is designed to help put into practise the objectives of our Business Plan 2013-2018, including:

- Making our homes and business environmentally sustainable
- Improving the appearance and safety of our neighbourhoods
- Working in partnership with other organisations to reduce worklessness and contribute to the city's growth agenda
- Being creative in using opportunities to enhance the wellbeing of our residents and staff

Social Value is not a stand-alone policy but is something which is incorporated within our existing strategies and policies. It is very much part of our approach to business effectiveness (value for money) – balancing price with quality, service, economic, environmental and social benefit to achieve overall value for money.

The toolkit will also help to ensure we achieve the targets of our PCH Environmental Sustainability Strategy by providing a framework and criteria to enable us to put the strategy into action within our supply chain.

## How does it fit with wider procurement law?

The Public Services (Social Value) Act came into effect January 2013 which requires contracting authorities to consider:

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

The Act sits alongside existing procurement laws and reinforces best practice in regards to economic, environmental and social considerations. In terms of the EU Procurement Regulations, all suppliers must still be given equal opportunity to bid for contracts.

However there is increasing support and scope available to contracting authorities at national and EU level for implementing social value criteria into contracts, with further support for social enterprises and SMEs planned in the future.

# Key Objectives

## Our Aims and Objectives

Our aim for 2014 – 2015 is to lead social value through procurement throughout PCH and incorporate the social value toolkit best practise into PCH policies and procedures. Our key social value objectives for 2014 – 2015 are:

- 1. Keeping the pound in Plymouth:** Our annual target for spend in the Plymouth PL postcode area is 40% for 2014/2015, which we have consistently achieved for the last 2 years. Whilst overall business effectiveness (value for money) is the overriding factor in our purchasing decisions, the steps outlined in this toolkit will help give maximise local opportunities
- 2. Working with SMEs:** In 2012/13, PCH spent 37% with small suppliers. Our objective is to implement the best practise ideas of this toolkit and remove barriers for SMEs to ensure we continue to support small companies and suppliers in the local area. We do this by continuing to offer 10 day payment terms for SMEs.
- 3. Supporting Social Enterprises:** To promote & encourage social enterprises to become part of our supply chain, either directly or by encouraging larger contractors to work with local social enterprise partners. We again offer support by providing 10 day payments terms.
- 4. PCH Environmental Sustainability Strategy:** To align objectives with our Environmental Sustainability strategy and ensure our supply chain reflects our objectives
- 5. Employment and Skills:** To support development of employment and skills through procurement using model templates provided and support the PCH worklessness agenda
- 6. Support our local communities:** To support local communities and projects, working in conjunction with PCH Communities team to deliver social value where it is most needed.
- 7. Include Social Value criteria within all tenders:** To give a minimum of 5% weighting to Social Value questions in all tenders and to measure all post contract award achievements (using monitoring forms and KPIs in Appendix F).

# Social Value: Case Studies within PCH

PCH have already delivered some leading examples of social value which show that achieving value for money need not be at the expense of social value and can further enhance the local area and contribute to a financially secure asset base.

## **North Prospect Refurbishment**

The tender included specific TRT (Targeted recruitment and training) requirements and minimum benchmarks to be met as a condition of the contract, including:

- ✓ 7 school/college workshops
- ✓ 6 work experience placements
- ✓ 4 apprenticeships
- ✓ 15 H&S training sessions
- ✓ 9 vocational qualifications
- ✓ 12 CSCS card completions
- ✓ Progression into employment of 9 people.

These were the minimum benchmarks set – 2 years on and Mi-Space have considerably exceeded, through active engagement with local community organisations and third parties, including:

- ✓ 78% of direct & subcontract workforce living within the Plymouth area, 15% of which from North Prospect
- ✓ 15 subcontractors engaged from Plymouth area and active support, mentoring and training given to subcontractors
- ✓ Creation of over 300 roles for the project, 65% employed specifically for the project

## **Decent Homes Kitchens & Bathrooms Programme**

Clear objectives were set at tender stage that contractors would be required to pro-actively contribute to training, employment and community projects. Scope was given within the tender for contractors to be innovative in their proposals and PCH-specific tenders encouraged. Social Value achievements so far from this contract by Keepmoat, MITIE and Ian Williams include:

- ✓ Creation of 27 apprenticeships and various work placements including 3 JCP placements
- ✓ Varied ongoing and flexible support to charities, community projects and skills training, including mock interview training at Shekinah Mission
- ✓ School and college career and skills workshops
- ✓ Donation of supplies and staff resources including kitchens, equipment and materials to support skills workshops, charities and local community groups ;
- ✓ Sustainable employment for 15 Plymouth Residents on the Plymouth Community Homes contract
- ✓ Creation of 30+ new full time trades positions

## **British Gas ECO Project:**

In 2013 PCH signed a contract with British Gas under the Energy Companies Obligation (ECO) scheme to insulate approx. 10,000 hard to treat homes with external or cavity wall insulation. This will lead to significantly reduced heating requirements, carbon emissions and bills for the residents. In conjunction with Plymouth City Council, the project is expected to create more than 700 jobs in the local area, achieving economic, environmental & social benefits.

## **Waste Management and Recycling**

- ✓ PCH is currently working with a number of social enterprises to find a way of making re-usable items available for refurbishment, diverting significant quantities of material from being sent to landfill each year and providing much needed items to those in need and creating environmental, economic and social benefits for Plymouth Community Homes and it's residents.
- ✓ Collectrical: This year we have started to use a local social enterprise for collection of our redundant IT equipment. Collectrical is a not for profit organisation which refurbishes and recycles electrical equipment, bringing it back into use for our residents and the wider Plymouth community. They also provide funding and equipment for schools, even donating free equipment to charities and those in need.
- ✓ SITA Waste Management collect all of our office and manufacturing derived wastes including paper, card-board, plastics, wood, metals, glass, textiles and food, all of which is then taken for recycling. General waste is also hand sorted to segregate any further items that can be recycled - all remaining waste is then taken for energy recovery as refuse derived fuel meaning that none of the waste collected by SITA is sent to landfill. The service has also proved to be more cost-effective than previous traditional waste management services, leading to both environmental and economic benefits.

## **Local and small supplier spend**

In 2013 / 2014, 40% of our spend was in the PL postcode area, and 36% of our spend was with suppliers registered as small suppliers. This has been thanks to the efforts of all staff and active encouragement of PCH to support local businesses, for example splitting down of contracts such as minor works and repairs between suppliers and continuously aiming to remove barriers for SMEs in our contracts. *(For guidance on SME-friendly procurement, see Model Template 2, page 10.)*

## Social Value: External Case studies

Delivering social value through procurement is now becoming standard across the public and social housing sectors, with increasing guidance, support and recognition of the added social value that can be secured through including social value criteria in procurement activities.

**Yarlington Housing Group:** As part of their contract for Legal Services, Clarke Willmott have supported Yarlington Housing's objectives in helping unemployed residents back into work by advertising vacancies for administration roles to Yarlington first so that tenants can have first refusal, leading to two tenants gaining full time roles in 2012.

### **Devon County Council and partner authorities & Mid Devon Community Recycling**

The tender process addressed barriers faced by SMEs by developing criteria that allowed SMEs to bid for the high value contract. They were able to do this by taking a risk-based approach and putting in place risk-management measures in the event of supplier failure. The supplier also had access to government funding to purchase additional equipment it required, which overcame the disadvantage offered by its limited capital reserves. Evaluation criteria also included 20% sustainability scoring, which helped them to gain marks due to their environmentally sustainable objectives.

**Tai Ceredigion Housing Association:** In their tender for their housing improvement programme, Tai Ceredigion used the SME friendly principles of the Welsh i2i toolkit throughout the procurement process including:

1. Applying separate criteria: Contractors could only tender for one lot according to turnover, £100,000 to £1m, £1m to £15m and £15m plus, meaning that contractors only competed against companies of similar size.
2. Allowing smaller companies to complete specific parts of the PQQ only, which meant they were not penalised for not having an equal opportunities policy, CSR policy etc.
3. Maintaining contact with small contractors who do not make it onto the final framework to help up-skill them to win subcontracting opportunities
4. Working with local suppliers to agree a local price for materials applicable to all contractors on the framework, creating additional community benefits and ensuring fair pricing.

### **Grampian Housing Association**

In Grampian's tender for Open Spaces Maintenance contract, 30% of the marks were allocated to social value criteria. Questions covered number of new jobs created, number of unemployed gaining employment, number of training courses, and sustainable sourcing of labour and materials. This allowed social enterprise Solstice Nurseries to gain high marks due to the contribution they make in the community through its workforce of people with mental health difficulties, its local sourcing policies and provision of recognised training programmes.

# Model Template 1: Environmental Sustainability

One of PCH' strategic objectives is to make our homes and business environmentally sustainable, which is underpinned by our Environmental Sustainability Strategy.

Ensuring our supply chain reflects our Environmental Sustainability Strategy is key to achieving our objectives. The below questions give an example of key questions to ask our suppliers at Request for Quotation (RFQ), PQQ or Tender stage to check basic legal compliance and beyond.

## **Contracts for Goods/Services:**

Most of the questions below are used as part of our pre-qualification questionnaires as standard, and should be adopted depending on the nature of the contract.

For small suppliers, evaluation and scoring should be adapted to allow them to compete against larger organisations by seeking alternative confirmation of environmentally-sound practises, for example by requiring suppliers to sign the PCH Environmental Policy statement as an alternative to having ISO14001 and/or an Environmental policy:

1. Does your organisation operate an accredited environmental management system such as ISO14001 or EMAS?
2. Does your organisation have an environmental policy, statement of environmental objectives or similar document?
3. Please provide details of your waste management procedures, including any waste reduction recycling policies or procedures
4. Is your organisation able to provide a range of eco-friendly product alternatives?
5. Does your organisation use eco-friendly materials in its products and packaging?
6. Do you provide any recycling / safe disposal service for goods/materials purchased
7. Does your organisation monitor how much energy it consumes in the production and delivery of products/services and take steps to minimise energy waste and consumption?

## Contracts for minor and major works programmes

### At Pre-Qualification stage:

In addition to standard questions 1 - 3 (as shown on previous page), and where appropriate questions specific to works should include:

1. Do you take steps to recycle / re-use any waste materials generated from projects?
2. Please provide a copy of your waste carriers license, details of where you dispose of your waste and their environmental permit number

### At Tender Stage

At tender stage, it is important to outline PCH environmental sustainability objectives as well as individual objectives of the programme, for example:

#### **1. Objectives**

PCH is committed to creating an exemplary programme in regards to sustainability and the environment. The delivery of the programme has a significant impact on the environment and community. Ensuring our supply chain reflects our Environmental Sustainability Strategy is key to achieving our environmental objectives.

## **2. Requirements**

PCH requests where appropriate, Tenderers proposals for meeting our sustainability objectives including:

- Proposals for minimising waste and recycling materials both on and off site
- Proposals on achieving reduced carbon emissions throughout the programme
- Proposals for the use of eco-friendly materials and improving the energy efficiency of our homes
- Specific environmental sustainability and waste management objectives and targets you will achieve during the contract
- Proposals for how you will oversee subcontractor's compliance with waste legislation and progress with meeting waste management targets for the contract

# Model Template 2: SME and Social Enterprise-friendly procurement

## Business case for SME-friendly procurement

“For every £1 spent with a small or medium-sized business 63p was re-spent in the local area compared to 40p in every £1 spent with a larger business,” according to the Federation of Small Businesses report for 2012. By supporting and working with SMEs, we can therefore help to maximise local opportunities and implement our Business Plan objectives.

## Barriers faced

Opportunities for SMEs has become an increasing subject of concern within the wider public procurement community.

Common barriers faced by SMEs include:

- Accessing information on new opportunities
- Pre-Qualification: Too much information required, too high criteria and too little standardisation across public sector organisations
- Aggregation of works into 1 large contract resulting in larger contracts beyond the scope of SMEs

## Solutions

### How to buy

- ✓ Simplifying pre-qualification requirements
- ✓ Ensure that appropriate lots of differing size are advertised to ensure small suppliers are competing against similar sizes companies

- ✓ Adopting alternative evaluation criteria for small-suppliers: ensuring small suppliers are not penalised for not having CSR policies and other unrealistic criteria etc by providing an alternative way of meeting requirements, e.g. allowing suppliers to sign PCH policies instead.
- ✓ Requiring main contractors to advertise their sub-contract and supply opportunities, or set aside a specified proportion to SMEs
- ✓ Removing financial barriers for SMEs – taking a risk-based approach to financial evaluations on a case by case basis in line with latest government guidance

### Informing and developing suppliers

- ✓ Ensuring contract opportunities are advertised locally
- ✓ Promoting meet the buyer events and holding supplier Q&A events during tender processes for advice on procurement and requirements
- ✓ Using local business directories such as sell2plymouth
- ✓ Developing a procurement portal for suppliers to register their details for alerts
- ✓ Providing social value guidance and criteria to help suppliers understand how to deliver social value requirements through their contracts
- ✓ Giving full feedback to unsuccessful suppliers to help them bid for opportunities in the future
- ✓ Notifying small suppliers of potential subcontractor opportunities following contract award
- ✓ Encouraging larger suppliers to adopt supplier development principles & fair policies and practises

## Model Template 2: SME and Social Enterprise-friendly procurement

### Using social enterprises within our supply chain

Social enterprises are defined as: 'Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.'

Social enterprises and related not for profit organisations are therefore ideally placed to provide added value in the community through the services they provide. Their social – and often environmental – objectives can provide an excellent basis for the delivery of services to their local community.

To encourage social enterprises to become part of our supply chain, as well as adopting the SME-friendly solutions, additional steps such the below will also help social enterprises to become part of our supply chain:

- ✓ Including social value criteria: Questions on added value will be where social enterprises will be best placed to score high marks  
*e.g. Please provide details of any added value and economic, environmental and community benefit you may be able to provide as part of this contract or as part of your standard practises*

- ✓ Notifying social enterprises of opportunities, e.g. through Plymouth Social Enterprise network, forums and social enterprise directories
- ✓ Encouraging larger contractors to develop partnerships with social enterprises in the delivery of our contracts, *e.g. Please provide details of any social enterprises and local third party organisations you may engage with in order to deliver social value requirements of the contract*

Including the above provisions will ensure social enterprises, SMEs and suppliers who actively engage with social enterprises and SMEs will have the maximum opportunity to score high marks in the RFQ and tender processes.

# Model Template 3: Employment and Skills

A key part of social value is about securing training, work experience and employment as part of the procurement process. The below questions will help groups such as the long-term unemployed and smaller/local organisations to be given the opportunity to become part of the supply chain.

## Model questions

The following questions can be used and adapted depending on the nature and value of the contract, for example:

- the HCA recommends that the below questions are used for all development projects of a certain value (see HCA benchmarks further on).
- For smaller contracts, more generic questions such as those marked with an asterix (\*) may be more appropriate.

## Pre-qualification questionnaire / Request for Quotation

The following questions can be used to assess a contractor's technical ability in relation to employment and skills development schemes:

1. a) Please detail your previous experience in implementing skills development, employment, apprenticeship or training schemes on similar programmes or projects (in terms of value and scope of works/services to the proposed programme/project).\*

b) Please also indicate if on previous contracts you have provided any of the following:

- ✓ support towards securing college places for workforce operatives;
  - ✓ financial support towards studies for workforce operatives;
  - ✓ financial support for professional qualifications or equipment;
  - ✓ National Vocational Qualifications (S/NVQ) qualifications or the equivalent through on site assessment;
  - ✓ work experience placements for full-time students and/or programme-led apprenticeships;
  - ✓ support for existing apprentices and/or recruitment of scheme-initiated apprentices;
  - ✓ training to achieve Construction Skills Certification Scheme (CSCS) card qualification or national equivalent;
  - ✓ school engagement activities;
  - ✓ professional advice, guidance and support; and/or
  - ✓ employment and training events;
- 
- Please provide brief details of how you have achieved and implemented each initiative on a project specific basis whether pursuant to contractual commitments or otherwise.
  - Have you failed to meet any agreed targets or commitments relating to any of the above end, if so, why?

2. Please provide details of any other training courses provided for managerial, operative and administrative staff i.e. company-wide training and work experience initiatives\*
3. Please provide details of any other community initiatives that you have led or have participated in\*

### **At tender stage**

For OJEU tenders, use suggested wording below to highlight PCH objectives including local and social benefit. (For further guidance, see page 14 of this document).

### **PCH Objectives**

PCH is committed to the achievement of social value and creation of local opportunities and community benefits through the delivery of our contracts. Our £80M+ spend has a significant impact in the local area in our communities and on small businesses. In 2013-2014, 38% of PCH spend was in the local PL postcode area, and 48% of our spend was with SMEs. Wherever possible we seek to encourage and deliver social and economic benefit through our impact and influence on the supply chain. Accordingly the Contractor is required to deliver requirements as set out below.

### **Requirements**

Plymouth Community Homes will require the successful contractor to work with them as part of the contract to help deliver our Social Value objectives. Accordingly, contractors are required to complete an Employment & Skills Plan (ESP) and Method Statement as outlined below.

### **Question 1: Employment and Skills Plan (ESP)**

Contractors are required to complete an ESP in Appendix A in relation to the contract covering the following areas:

- Work Placement (16 plus years)
- Work Placement (14-16 years)
- Construction Curriculum Support Activities
- Graduates
- Apprentice Starts
- Existing apprentices
- Apprentice Completions
- Jobs created on construction projects
- S/NVQ Starts for Subcontractors
- S/NVQ Completions for Subcontractors
- Training Plans for Subcontractors
- Supervisor Training for Subcontractors
- Leadership & Management Training for Subcontractors
- Advanced H&S Training for Subcontractors

Guidance on the above areas is included within Appendix B, and minimum benchmarks provided in Appendix C.

Contractors are to use their own judgement as to what additional outputs they consider are achievable to the project.

## Question 2: Employment & Skills Plan Method Statement

Contractors are required to provide a detailed Method Statement setting out how they intend to implement the employment and training requirements of PCH and deliver the ESP. The Method Statement should be restricted to [800] words and clearly set out the proposed approach for delivering skills development against the employment and skills areas, covering the following: *(N.B. Generic responses are discouraged and PCH-specific proposals will be given higher marks)*:

- Who in the organisation will be responsible for managing the training scheme and overseeing the proposals?
- Which education and training providers will be involved with the delivery of the ESP?
- What types of accredited and non-accredited training are expected to be offered and who are expected to be the main beneficiaries of this training?
- Which trades or occupational areas is it envisaged will be offering apprenticeship opportunities?
- What types of apprenticeship are expected to be offered (i.e. traditional programme led, advanced etc)?
- How will the target outputs as set out in the ESP be delivered?
- How will health and safety issues be managed?
- What actions will be taken to ensure the support of trade contractors and sub-contractors working on the project? and
- How will compliance be managed with respect to the organising trade contractors and subcontractors?

## Question 3: Additional Social Requirements

Social requirements may also include:

- **Notification of vacancies:** Every vacancy on site, including those with subcontractors, is to be notified to PCH and other local agencies, and candidates identified by these agencies are to have equal opportunity in the selection process
- **Remuneration:**
  - 2.1 Trainees and recruits: Trainees and recruits must, as a minimum, be paid in accordance with industry norms and have terms and conditions of employment that are at least equivalent to those provided to workers that have equivalent skills and experience.
  - 2.2 Subcontractors: Steps should be taken to ensure prompt payment of SME-subcontractors and reasonable payment for work undertaken, taking into account a reasonable margin required for contractor management (*Please include in cost breakdown*).
- **Supply-chain opportunities:** The contractor must participate in initiatives to help develop additional sub-contracting organisations
  - 3.1: A minimum of 10% of the contract value to be awarded to SME subcontractors, with equal consideration given to SMEs in the local area
  - 3.2: All new sub-contractor opportunities should be notified to PCH before invitations to submit or price are issued and equal consideration given to firms registered with PCH

- **Other community benefits\***  
Contractors should also outline any additional community benefits they may be able to, including support and assistance towards community projects and initiatives, working with social enterprises and any other community benefits / investment that tenderers may be able to provide. Our preference would be to develop a flexible long-term approach to community investment, working alongside our Communities team to ensure support is aimed at where it is needed most.

*(NB: All questions and targets have been carefully drafted to ensure compliance with EU procurement directives. CITB Constructions Skills guidance also suggests setting any “local” specific targets post-contract award during initial contract start-up meetings rather than at tender stage. For further guidance see CITB guidance as referenced in Appendix G - Further Resources.)*

**Additional Question to include in the pricing document:**

Contractors are required to include a training and apprenticeship figure in the Price Schedule to cover the contribution to the wages, costs of trainees, apprentices and associated costs in supporting the training and apprenticeship arrangements and other community benefits set out in the ESP and Method Statement and full details of how that sum has been calculated.

## Appendices: Further resources

- **Appendix A: Template Employment and Skills Plan (ESP)**
- **Appendix B: Guidance Summary of the Employment and Skills areas**
- **Appendix C: HCA Benchmarks for development schemes**
- **Appendix D: (Optional) CITB-ConstructionSkills Benchmarks**
- **Appendix E: Social Value Performance measurement form**
- **Appendix F: KPIs**
- **Appendix G: List of further resources and references**

**Appendix A: Template Employment & Skills Plan (ESP):** Contractors to complete below template (see Model Template 3 - Tender Question 1)

| <b>Employment and skills areas</b>                                | <b>Month<br/>1</b> | <b>Month<br/>2</b> | <b>Month<br/>3</b> | <b>Month<br/>4</b> | <b>Month<br/>5</b> | <b>Month<br/>6</b> | <b>Month<br/>7</b> | <b>Month<br/>8</b> | <b>Month<br/>9</b> | <b>Month<br/>10</b> | <b>Month<br/>11</b> | <b>Month<br/>12</b> | <b>Target</b> |
|-------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------|
| <b>New entrants</b>                                               |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 1. School/college/university site visits – no. of students        |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 2. School/college workshops – no. of students                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 3. Research projects – no.                                        |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 4. Work experience 14-16 years – no. of people                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 5. Work experience 16+ years – no. of people                      |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 6. Apprentices – existing (safeguarded) no. of people             |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 7. Apprentices – project initiated – (created) – no. of people    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| <b>Existing workforce</b>                                         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 8. Health and safety training – no. of people                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 9. Vocational qualifications – no.                                |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 10. CSCS skills cards – no.                                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| <b>Skills culture</b>                                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 11. Short courses – no. of people                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 12a. Progression into employment (under 6 months) – no. of people |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |
| 12b. Progression into employment (over 6 months) – no. of people  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |                     |                     |               |

## **Appendix B – Guidance Summary of the Employment and Skills areas:**

The below provides outline details of the employment and skills areas that are contained within the Employment and Skills Plan (ESP) in Appendix A. It also provides guidance on completing the output figures in the ESP.

### **New entrants**

1. School/college/university site visits – by students to support their learning. ESP monthly outputs – number of students
2. School workshops – educational workshop activities that are delivered by the contractor or their supply chain within the school or college, or on-site. This is to support the Construction and Built Environment Diploma and other relevant areas of the educational curriculum. ESP monthly outputs – number of students
3. Research projects – supporting schools, colleges and higher education with the provision of information, resources and access. ESP monthly outputs – number of research projects
4. Work experience – 14-16 years – work experience placements with the site team or trade contractors. This can include block placements of one week or more, or one/two days per week. A work experience placement is to be a minimum of five days in total. ESP monthly outputs – number of people
5. Work experience 16+ years – work experience placements with the site team or trade contractors. This can include block placements of one week or more, or one/two days per week. It can also include Entry to Employment and University Student placements that will be particularly relevant for larger projects. A work experience placement is to be a minimum of 20 days. ESP monthly outputs – number of people
6. Apprentices – existing (safeguarded) individuals who are employed on an apprenticeship programme recognised by the relevant sector skills council and who were already an apprentice prior to starting on the scheme. ESP monthly outputs – number of people (existing apprentices) starting on site
7. Project initiated apprentices (created) - an individual who has been recruited as part of the scheme and is employed on an apprenticeship programme recognised by the relevant sector skills council. ESP monthly outputs – number of starts in month for project initiated apprentices

### **Existing workforce - skills development**

8. Health and safety training – workers taking certified and industry recognised training courses. These could include NEBOSH, SMSTS, PASMA, abrasive wheels etc. ESP monthly outputs – number of people receiving health and safety training
9. National Vocational Qualifications (NVQs) and other vocational qualifications – workers undertaking on site assessments to achieve National Vocational Qualification levels 2-5. Further and higher education qualifications such as National Certificates, Higher National Certificates and Foundation Degrees can also be included in this section. ESP monthly outputs – number of workers inducted on an NVQ or starting a further or higher education qualification
10. Construction Skills Certification Scheme (CSCS) skills card – A skill card demonstrates that the holder is competent in their respective role. Workers will need to have the appropriate NVQ or equivalent qualification and have passed the appropriate health and safety test. Details can be found on [www.cskills.org/supportbusiness/cardschemes/index.aspx](http://www.cskills.org/supportbusiness/cardschemes/index.aspx). ESP monthly outputs – number of workers in the month who have been issued with a CSCS skills card with the appropriate vocational qualification (this excludes cards which have been issued as renewals)

### **Development of a skills culture and infrastructure**

11. Short courses – covering topics such as leadership and management, basic skills, English for Speakers of Other Languages (ESOL), waste management, work-based recorder training, etc. One person is equivalent to one day of training. ESP monthly outputs – number of individuals undertaking training.
12. a. Progression into employment – people who have been registered unemployed for up to six months being offered work lasting at least 13 weeks. This does not include apprenticeships.
12. b. Progression into employment – people who have been registered unemployed for more than six months being offered work lasting at least 13 weeks. This does not include apprenticeships. 12a & b. ESP monthly outputs – number of individuals who have started employment.

## Appendix C: HCA Benchmarks for development schemes – employment and skills areas – up to £20M:

Contractors to meet below HCA benchmarks as a minimum for all development schemes.

For all other schemes, CITB-Construction Skills benchmarks in Appendix D or below may be used as appropriate.

| £000's                                                                    | Band 1<br>£1<br>-£100 | Band 2<br>£100<br>-£500 | Band 3<br>£500<br>-£1,000 | Band 4<br>£1,000<br>-£3,500 | Band 5<br>£3,500<br>-£10,000 | Band 6<br>£10,000<br>-£20,000 |
|---------------------------------------------------------------------------|-----------------------|-------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>New entrants</b>                                                       |                       |                         |                           |                             |                              |                               |
| 1. School/college/university site visits<br>- no. of students             | 0                     | 0                       | 0                         | 0                           | 33                           | 45                            |
| 2. School/college workshops<br>- no. students                             | 0                     | 0                       | 0                         | 18                          | 31                           | 36                            |
| 3. Research projects - no.                                                | 0                     | 0                       | 0                         | 0                           | 1                            | 1                             |
| 4. Work experience 14-16 years<br>- no. of people                         | 0                     | 0                       | 0                         | 0                           | 2                            | 3                             |
| 5. Work experience 16+ years<br>- no. of people                           | 0                     | 0                       | 2                         | 3                           | 5                            | 8                             |
| 6. Apprentices - existing<br>(safeguarded) - no. of people                | 1                     | 1                       | 2                         | 4                           | 7                            | 9                             |
| 7. Apprentices - project initiated<br>- starts (created) no. of people    | 0                     | 0                       | 0                         | 0                           | 2                            | 4                             |
| <b>Existing workforce</b>                                                 |                       |                         |                           |                             |                              |                               |
| 8. Health and safety training<br>- no. of people                          | 2                     | 4                       | 6                         | 9                           | 13                           | 30                            |
| 9. Vocational qualifications - no.                                        | 0                     | 0                       | 0                         | 2                           | 4                            | 9                             |
| 10. Construction Skills Certification<br>Scheme (CSCS) skills cards - no. | 0                     | 0                       | 1                         | 2                           | 5                            | 12                            |
| <b>Skills culture</b>                                                     |                       |                         |                           |                             |                              |                               |
| 11. Short courses - no. of people                                         | 0                     | 0                       | 5                         | 12                          | 20                           | 30                            |
| 12a. Progression into employment<br>(under 6 months) - no. of people      | 0                     | 0                       | 1                         | 2                           | 2                            | 3                             |
| 12b. Progression into employment<br>(over 6 months) - no. of people       | 0                     | 0                       | 0                         | 1                           | 1                            | 2                             |

These are the guide benchmarks for the median value of projects within each band.

*(NB: More specific methodology to calculate benchmarks also available from HCA Guidance - see further resources & references)*

## Appendix D: CITB-ConstructionSkills Benchmarks for Housing Repairs and Maintenance (Optional):

HCA benchmarks in Appendix C must be used as compulsory option for development schemes. However for schemes outside the scope / value of HCA benchmarks, CITB-ConstructionSkills also provides various benchmarks that may be adopted instead depending on the value / scope (for full list see further resources and references), for example for Housing Repairs and Maintenance contracts £1M - £100M the below may also be considered:

| 13.0 Housing repairs and maintenance |                                                                    | band 1    | band 2    | band 3   | band 4    | band 5    | band 6    | band 7    | band 8    | band 9    | band 10    | band 11   | band 12   | band 13     |
|--------------------------------------|--------------------------------------------------------------------|-----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-------------|
|                                      |                                                                    | £1 - 3.5m | £3.5 - 6m | £6 - 10m | £10 - 15m | £15 - 20m | £20 - 30m | £30 - 40m | £40 - 50m | £50 - 60m | £60 - £70m | £70 - 80m | £80 - 90m | £90 - £100m |
| 1.                                   | Work Placement (16 plus years) - persons                           | 3         | 4         | 6        | 8         | 9         | 11        | 14        | 15        | 16        | 17         | 17        | 18        | 18          |
| 2.                                   | Work Placement (14-16 years) - persons                             | 0         | 0         | 0        | 1         | 1         | 1         | 2         | 2         | 2         | 2          | 2         | 2         | 2           |
| 3.                                   | Construction Curriculum Support Activities - individual engagement | 1         | 2         | 4        | 5         | 6         | 7         | 9         | 10        | 11        | 12         | 12        | 13        | 14          |
| 4.                                   | Graduates - persons                                                | 0         | 0         | 0        | 1         | 1         | 1         | 1         | 1         | 2         | 2          | 2         | 2         | 2           |
| 5.                                   | Apprentice Starts - persons                                        | 0         | 2         | 3        | 5         | 5         | 6         | 7         | 8         | 8         | 9          | 10        | 11        | 11          |
| 6.                                   | Existing apprentices - persons                                     | 2         | 2         | 3        | 4         | 5         | 6         | 6         | 7         | 8         | 9          | 10        | 10        | 11          |
| 7.                                   | Apprentice Completions - persons                                   | 0         | 0         | 2        | 2         | 3         | 4         | 4         | 5         | 5         | 5          | 6         | 6         | 6           |
| 8.                                   | Jobs created on construction projects - number                     | 0         | 1         | 1        | 2         | 2         | 2         | 3         | 3         | 3         | 3          | 3         | 3         | 4           |
| 9.                                   | S/NVQ Starts for Subcontractors - persons                          | 0         | 1         | 1        | 2         | 2         | 3         | 4         | 5         | 5         | 6          | 6         | 7         | 7           |
| 10.                                  | S/NVQ Completions for Subcontractors - persons                     | 0         | 1         | 1        | 2         | 2         | 2         | 3         | 4         | 4         | 5          | 5         | 6         | 6           |
| 11.                                  | Training Plans for Subcontractors - no                             | 1         | 1         | 2        | 2         | 2         | 2         | 2         | 2         | 2         | 2          | 2         | 2         | 2           |
| 12.                                  | Supervisor Training for Subcontractors - persons                   | 1         | 1         | 1        | 2         | 2         | 2         | 2         | 2         | 2         | 2          | 2         | 2         | 2           |
| 13.                                  | Leadership and Management Training for Subcontractors - persons    | 0         | 0         | 1        | 1         | 1         | 2         | 2         | 2         | 2         | 2          | 2         | 3         | 3           |
| 14.                                  | Advanced Health and Safety Training for Subcontractors - persons   | 1         | 1         | 1        | 1         | 2         | 2         | 2         | 2         | 2         | 2          | 2         | 3         | 3           |

## Appendices E&F: Measuring ongoing social value

Clear KPIs and objectives should also be set at contract award stage to monitor performance of any social value proposals to ensure suppliers achieve social value objectives. Different monitoring forms are available from the procurement team depending on the value and nature of the contract:

- **Appendix E:** Social Value Performance Report - For smaller contracts, the social value performance report as shown on next page can be used – this is a simple qualitative questionnaire-based form which can be sent to suppliers at agreed review points (full version available on the intranet)
- **Appendix F:** For larger contracts / where appropriate, a more quantitative KPI form can also be adopted, e.g. for the HCA-based Employment and Skills Plans (ESPs) referred to earlier, HCA guidance contains template monitoring forms to monitor performance against each ESP target on a month-by month basis – HCA template on page 23. Further guidance on setting and monitoring KPIs available from procurement.

**Appendix E: Social Value Performance Report:** *(full version available on procurement intranet page)*

|                                                                                                                                                                                                                                                                                                                                                                    |                     |                                                                                                                                                  |           |        |        |   |       |        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|--------|---|-------|--------|
|  <b>Social Value Performance Report</b>                                                                                                                                                                                                                                           |                     | <table border="1"> <tr><td>Doc. Ref:</td><td>CPM 02</td></tr> <tr><td>Issue:</td><td>1</td></tr> <tr><td>Page:</td><td>1 of 2</td></tr> </table> | Doc. Ref: | CPM 02 | Issue: | 1 | Page: | 1 of 2 |
| Doc. Ref:                                                                                                                                                                                                                                                                                                                                                          | CPM 02              |                                                                                                                                                  |           |        |        |   |       |        |
| Issue:                                                                                                                                                                                                                                                                                                                                                             | 1                   |                                                                                                                                                  |           |        |        |   |       |        |
| Page:                                                                                                                                                                                                                                                                                                                                                              | 1 of 2              |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Supplier:</b>                                                                                                                                                                                                                                                                                                                                                   | <b>Contract</b>     |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Supplier contact:</b>                                                                                                                                                                                                                                                                                                                                           | <b>PCH contact:</b> |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Contract Start date:</b>                                                                                                                                                                                                                                                                                                                                        | <b>Review date:</b> |                                                                                                                                                  |           |        |        |   |       |        |
| <p><b>Social Value Objectives / KPIs:</b> <i>(Agreed community / environmental objectives and KPIs of the contract, e.g. number / percentage of local labour / subcontractors / social enterprises / traineeships / work experience placements / unemployed / community involvement / recycling and waste management targets as agreed at contract award):</i></p> |                     |                                                                                                                                                  |           |        |        |   |       |        |
| <p><b>Achievements to date against objectives:</b> <i>(Please provide details of progress against agreed objectives above.)</i></p>                                                                                                                                                                                                                                |                     |                                                                                                                                                  |           |        |        |   |       |        |

|                                                                                                                                         |                       |                                                                                                                                                  |           |        |        |   |       |        |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|--------|---|-------|--------|
|  <b>Social Value Performance Report</b>              |                       | <table border="1"> <tr><td>Doc. Ref:</td><td>CPM 02</td></tr> <tr><td>Issue:</td><td>1</td></tr> <tr><td>Page:</td><td>2 of 2</td></tr> </table> | Doc. Ref: | CPM 02 | Issue: | 1 | Page: | 2 of 2 |
| Doc. Ref:                                                                                                                               | CPM 02                |                                                                                                                                                  |           |        |        |   |       |        |
| Issue:                                                                                                                                  | 1                     |                                                                                                                                                  |           |        |        |   |       |        |
| Page:                                                                                                                                   | 2 of 2                |                                                                                                                                                  |           |        |        |   |       |        |
| <p><b>Other Social Value Achievements</b> <i>Please provide details of other social value contributions of the contract to date</i></p> |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <p><b>Evidence provided? Y/N</b> <i>Please attach any further information to show progress above.</i></p>                               |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <p><b>Areas for development / corrective action:</b></p>                                                                                |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <b>To be completed by</b>                                                                                                               | <b>Completion due</b> |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Supplier Comments</b>                                                                                                                |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <b>PCH comments:</b>                                                                                                                    |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Next review date</b>                                                                                                                 |                       |                                                                                                                                                  |           |        |        |   |       |        |
| <b>Completed by</b>                                                                                                                     | <b>Signed</b>         |                                                                                                                                                  |           |        |        |   |       |        |

**Appendix F: HCA Template ESP Monitoring Form:** To be used to monitor contractor achievements against the ESP

| Employment and skills areas                                  | Month 1  |        | Month 2  |        | Month 3  |        | Month 4  |        | Month 5  |        | Summary  |        |
|--------------------------------------------------------------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|
|                                                              | Forecast | Actual |
| <b>New entrants</b>                                          |          |        |          |        |          |        |          |        |          |        |          |        |
| 1. School/ college/ university site visits – no. of students |          |        |          |        |          |        |          |        |          |        |          |        |
| 2. School/ college workshops – no. of students               |          |        |          |        |          |        |          |        |          |        |          |        |
| 3. Research projects – no.                                   |          |        |          |        |          |        |          |        |          |        |          |        |
| 4. Work experience 14-16 years – no. of persons              |          |        |          |        |          |        |          |        |          |        |          |        |
| 5. Work experience 16+ years – no. of persons                |          |        |          |        |          |        |          |        |          |        |          |        |
| 6. Apprentices – existing (safeguarded) – persons            |          |        |          |        |          |        |          |        |          |        |          |        |
| 7. Apprentices – project initiated (created) – no. of starts |          |        |          |        |          |        |          |        |          |        |          |        |

| Employment and skills areas                                  | Month 1  |        | Month 2  |        | Month 3  |        | Month 4  |        | Month 5  |        | Summary  |        |
|--------------------------------------------------------------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|
|                                                              | Forecast | Actual |
| <b>Existing workforce</b>                                    |          |        |          |        |          |        |          |        |          |        |          |        |
| 8. Health and safety training no. of persons                 |          |        |          |        |          |        |          |        |          |        |          |        |
| 9. Vocational qualifications – commencements                 |          |        |          |        |          |        |          |        |          |        |          |        |
| 10. (CSCS) cards – no. issued                                |          |        |          |        |          |        |          |        |          |        |          |        |
| <b>Skills Culture</b>                                        |          |        |          |        |          |        |          |        |          |        |          |        |
| 11. Short courses – persons                                  |          |        |          |        |          |        |          |        |          |        |          |        |
| 12a. Progression into employment (under six months) – starts |          |        |          |        |          |        |          |        |          |        |          |        |
| 12b. Progression into employment (under six months) – starts |          |        |          |        |          |        |          |        |          |        |          |        |

## Further Resources and References

The below resources can also be used alongside this toolkit:

HCA Employment and Skills Guidance and Toolkit for registered providers, including benchmarks used in this toolkit  
<http://www.homesandcommunities.co.uk/sites/default/files/our-work/registered-provider-guidance.pdf>

Plymouth Social Enterprise Directory: - this can be used to specifically source suppliers classed as social enterprises  
[http://issuu.com/garethhart1971/docs/psen\\_directory?e=6634177/3474583](http://issuu.com/garethhart1971/docs/psen_directory?e=6634177/3474583)

Social Enterprise Network directory (National)  
<http://www.socialenterprise.org.uk/membership/members-directory>

The Welsh i2i toolkit: Detailed sets of social value guidance and resources: <http://www.whq.org.uk/main/index.php>

CITB Constructions Skills - Client-Based Approach to developing and implementing an Employment and Skills Strategy on construction projects:

Welsh Government Social Value Measurement tool: a tool which captures the tangible benefits and monetary value of social value in contracts (*NB based on Welsh data*):

<http://prp.wales.gov.uk/planners/general/strategy/procstrat/communitybenefits/>

### Further Resources

[www.supplychainmanagement.com](http://www.supplychainmanagement.com)

<http://www.socialenterpriselive.com/supplements/procurement-the-social-enterprise-solution>

<http://plymsocent.org.uk/>

<http://www.socialenterprise.org.uk/>

### With special thanks to below partners and affiliates...

PSEN: Plymouth Social Enterprise Network  
Iridescent ideas  
Plymouth Chamber of Commerce  
Plymouth University  
Yarlington Housing Association  
Plymouth Procurement Forum  
Mi-Space  
Keepmoat  
Mitie  
Ian Williams