



Social Value Toolkit – guidance for suppliers

CONTENTS

Document Title	Reviewed	Version	Date
Social Value Toolkit 2023	Final	v.1	01/11/2023
Social Value Toolkit 2024	Final	v.2	06/02/2024
Social Value Toolkit 2024	Final	v.3	02/09/2024

INTRODUCTION.....	2
WHAT IS SOCIAL VALUE?.....	2
SOCIAL VALUE IN BARNET.....	3
OUR PRINCIPLES.....	3
OUR BENCHMARKS.....	4
THEMES, OUTCOMES AND MEASURES (TOMS)	4
SOCIAL VALUE MATRIX.....	5
EVALUATION CRITERIA.....	6
MONITORING AND REPORTING.....	7
LIQUIDATED DAMAGES.....	7
SOCIAL VALUE IMPACT FUND.....	7
TIPS WHEN SUBMITTING TENDERS	8
HELPFUL LINKS	8

INTRODUCTION

Barnet Council is committed to delivering services in a way that maximises benefits for the borough, aligning with our priorities of reducing poverty and inequalities while building community wealth and improving our environment. One way that we can do this is through working with suppliers to deliver social value. This means that we want to work with organisations who share our commitment to improving the borough and the lives of residents across it. We encourage those organisations to consider the social, environmental, and economic benefit to the borough from our contractual agreements.

This toolkit outlines our approach to achieving social value and sets out our expectations and requirements for bidders and suppliers who wish to work with the council.

This toolkit:

- Explains what social value is and what it means to Barnet council.
- Explains our benchmarks for offers.
- Explains and outlines the Themes, Outcomes and Measures (TOMs) framework that Barnet Council has developed.
- Explains the Social Value Matrix and how it should be used to effectively present offers.
- Provides some helpful tips for suppliers and bidders who may wish to work with us.

If you would like to find our more information on social value in Barnet, please contact us on strategy@barnet.gov.uk.

WHAT IS SOCIAL VALUE?

We define social value as the ‘process whereby organisations meet their needs for goods, services works and utilities in a way that achieves value for money on a

whole life basis in terms of generating benefits not only to the organisation but also to society and the economy whilst minimising damage to the environment’.

The Best Value duty in The Local Government Act of 1999 sets out a general Duty of Best Value for specified local government organisations to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.” Under the Duty of Best Value local authorities should consider overall value, including economic, environmental, and social value, when reviewing service provision. Further information on the interrelation of these two subjects is provided at source. (Cabinet Office 2012)

The Public Services (Social Value) Act 2012 enshrined the principle of social value in law, placing a legal obligation on local authorities to consider the broader benefits to the community when commissioning and procuring public services above certain thresholds. This means that throughout the tendering process, we consider not only the ‘Most Economically Advantageous Tender (MEAT)’ but also those that secure wider social, economic, and environmental benefits for the community. These benefits can include:

- **Social:** equality and diversity, social inclusion, better accessibility to community initiatives, safer communities, and strong civil society.
- **Environmental:** sustainable procurement, carbon reduction, waste reduction, and recycling biodiversity gain and environmentally conscious supply chain.
- **Economic:** strong local economy, sustainable jobs, apprenticeships, local procurement and skills development.

In addition, sections 67 and 68 of the Public Contracts Regulations 2015 permit the council to award public contracts on the basis of the most economically advantageous tender assessed from the council’s point of view. The most economically advantageous tender is 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.

The new Procurement Act 2023, which comes into effect on 28 October 2024, introduces a shift from MEAT to MAT (Most Advantageous Tender). The MAT is the tender that the contracting authority considers (a) satisfies their requirements and (b) best meets the award criteria based on the assessment methodology and the relative importance of the criteria.

MAT is also referenced in the National Procurement Strategy where it states: *“There are a number of ways that contracting authorities can implement these outcomes, for example, changes to the way the procurement is structured or the process carried out, the specification of the goods, services or works to be purchased, or the award criteria which will determine the most advantageous tender.”*

Since 2012, the council has applied social value with a base scoring weight of 10% in the quality criteria of contract bids, with the flexibility to adjust this up or down to a minimum of 5%. In December 2021, we adopted our first social value policy, allowing us to increase the base weighting to 20%, with the option to reduce it to as low as 10% for certain procurements. This approach separates social value from quality and price criteria. Our goal is to work collaboratively with suppliers and local partners to drive positive outcomes for the local area:

The outcomes that can be achieved by various social value initiatives such as:

- Developing skills and creating jobs and training opportunities
- Creating supply chain opportunities for local SMEs
- Supporting local charities or community groups
- Offering work placements to young people and adults
- Providing more opportunities for individuals or groups facing greater social or economic barriers
- Reducing the carbon footprint
- Helping to improve public spaces such as parks, town centres, etc
- Hosting community events

- Volunteering in the local community

SOCIAL VALUE IN BARNET

[Our Plan for Barnet 2023-2026](#) sets an overall vision for Barnet and commits us to working together in a place-based approach towards several outcomes:

- **Caring for people**
We will address inequalities and work to improve life chances for a good, healthy, happy and long life. We will work tirelessly to reduce poverty in our communities, boost incomes and reduce costs.
- **Caring for our places**
We will develop our town centres and neighbourhoods, create places that are clean, safe and welcoming. We will provide good quality homes in the right places that meet residents’ diverse needs and are affordable. We will become a borough of fun.
- **Caring for the planet**
Put sustainability at the heart of everything we do. We will become a net zero council by 2030 and improve the quality of our local environment – enhancing our green and open spaces.
- **Engaged and Effective Council**
Collaborate, listen and build a dialogue with our residents and communities, working together to co-produce our strategies and services.

OUR PRINCIPLES

In our Social Value Policy, we have outlined seven principles that underpin our approach towards social value:

1. We seek to maximise opportunities to work with partners and stakeholders.

2. Plans are designed to be inclusive with a focus on supporting future generations and reducing inequalities across the borough.
3. We prioritise long-term improved outcomes over short-term 'fixes', prioritising prevention and targeted early intervention.
4. We build stronger, safer communities with cohesive neighbourhoods, which have zero-tolerance for abuse or crime in any capacity.
5. We create borough resilience to cope with future environmental and socio-economic stresses.
6. We use our assets effectively to generate returns for the borough – both social and financial. This is underpinned by the council's Growth Strategy and Asset Acquisition Strategy.
7. We secure value for money in all we undertake and align this to our wider strategic and corporate objectives including the delivery of our medium-term financial strategy.

OUR BENCHMARKS

We have set benchmarks for social value commitments to ensure that all bids for large contracts have the potential of making a positive impact in our borough. These are our social value requirements for bidders:

- A minimum expectation of 5% reinvested in social value initiatives by suppliers on contracts that are £214,904 or above.
- A minimum of one employment outcome expectation for every £1 million in contract valuation, with options including:
 - a full-time contract
 - an apprenticeship
 - a supported internship

Please review the Social Value section in the tender specification to understand the requirements. While the employment outcome benchmark can be lowered or removed by the procuring service area if deemed inappropriate for certain tenders, you will never be expected or required to deliver more than the specified benchmarks.

THEMES, OUTCOMES AND MEASURES (TOMs)

BARNET COUNCIL TOMs							
Our Plan for Barnet Theme	Themes Outcomes	TOMs Ref	Measure (Social Value Commitment)	Example / Notes	Monetary Value of TOM	Equivalent Damage (per unit)	How to evidence outcomes
Caring for our Places	Communities that are thriving and well-led	BT1a	Support our Borough of Fun ambition by sponsoring local culture, arts and heritage events, public speaking, or by setting up exciting activities that tackle isolation and loneliness, particularly with the elderly and young people. *Can only amount up to 10% of the total contributions.		£ pledged	Total amount agreed to as per the contract	1. A written statement detailing activity. 2. Written feedback from recipients. 3. If funds have been pledged, please provide proof of transaction.
		BT1b	Financial or in-kind material contributions to support local community projects and VCSEs across the borough. *Financial contributions can only amount up to 10% of the total proposed commitment.		£ in contributions NB: Equipment donations will be valued at their current market value	Total amount agreed to as per the contract	1. Proof of transaction. 2. For in-kind material donations, please provide quote and written feedback from the beneficiary.
		BT1c	Labour provided to help maintain, refurbish or redevelop community assets.		1 Day = £200	£200	1. A written statement detailing activity and the number of days spent. 2. Feedback from person responsible for the community asset.
		BT2	No hours volunteering time provided to support local community projects and activities.		1 Day = £150	£150	1. A written statement of what a member(s) of staff participated in. 2. Feedback from recipients of said support.
Caring for People	More local people in employment	BT3a	No. of full-time equivalent direct local employees (Barnet postcode & 1 FTE) hired on the contract for one year or the whole duration of the contract, whichever one is shorter. Employee must be paid a London Living Wage (£13.15 per hour) or above.		1 FTE contract = £23,933	£23,933	1. A copy of consent form which includes EDI and personal data of the employee (form will be provided by Barnet Council when contract is awarded). 2. A copy of offer of employment detailing contract length and employment status (e.g. full-time or part-time). 3. Confirmation letter or statement from employer following six-months minimum employment (qualifying period).
		BT3b	No. of full-time equivalent local employees (Barnet postcode & 1 FTE) hired on the contract for one year or the whole duration of the contract, whichever one is shorter, paid less than the London Living Wage (£13.15 per hour). Barnet Council is a 'fair pay employer' paying all staff a London Living Wage or above. We want our supply chain to be like-minded, but we understand it is not possible for all businesses. Therefore, if you select this TOM, please provide reasoning in your method statement as to why you are unable to pay the London Living Wage.	See BT3a for an example of how this can be achieved	1 FTE contract = £20,820	£20,820	1. A copy of consent form which includes EDI and personal data of the employee (form will be provided by Barnet Council when contract is awarded). 2. A copy of offer of employment detailing contract length and employment status (e.g. full-time or part-time). 3. Confirmation letter or statement from employer following six-months minimum employment (qualifying period).
		BT4a	No. of part-time direct local employees (Barnet postcode & 0.5 FTE) hired on the contract for one year or the whole duration of the contract, whichever one is shorter, paid less than the London Living Wage (£13.15 per hour) or above.	See BT3a for an example of how this can be achieved	0.5 FTE contract = £11,966	£11,966	1. A copy of consent form which includes EDI and personal data of the employee (form will be provided by Barnet Council when contract is awarded). 2. A copy of offer of employment detailing contract length and employment status (e.g. full-time or part-time). 3. Confirmation letter or statement from employer following six-months minimum employment (qualifying period).
		BT4b	No. of part-time local employees (Barnet postcode & 0.5 FTE) hired on the contract for one year or the whole duration of the contract, whichever one is shorter, paid less than the London Living Wage (£13.15 per hour). Barnet Council is a 'fair pay employer' paying all staff a London Living Wage or above. We want our supply chain to be like-minded, but we understand it is not possible for all businesses. Therefore, if you select this TOM, please provide reasoning in your method statement as to why you are unable to pay the London Living Wage.	See BT3a for an example of how this can be achieved	0.5 FTE contract = £10,410	£10,410	1. A copy of consent form which includes EDI and personal data of the employee (form will be provided by Barnet Council when contract is awarded). 2. A copy of offer of employment detailing contract length and employment status (e.g. full-time or part-time). 3. Confirmation letter or statement from employer following six-months minimum employment (qualifying period).
		BT5	No. of direct local employees (Barnet postcode & FTE) hired on the contract for one year or the whole duration of the contract, who are registered as		1 person = £1000	£1000	1. A copy of consent form which includes EDI and personal data of the employee (form will be provided by Barnet Council when

We have developed our own comprehensive set of TOM's which demonstrate the outputs that we would like to achieve through social value.

- **Themes:** the overarching strategic themes that we are looking to pursue
- **Outcomes:** the objectives that we are looking to achieve that will contribute to the theme
- **Measures:** the measures that can be used to assess whether these outcomes have been achieved.

We have identified **3 themes**, against which there are a total of **9 outcomes** and **47 measures**. The three themes that we have identified correspond to the four themes of Our Plan for Barnet 2023-2026, our Reducing Poverty Strategy, our Sustainable Commercial Strategy, and our Sustainability Strategy. The outcomes and measures sit underneath each of these themes.

Our list of TOM's act as a 'menu' of the different ways suppliers can fulfil their social value obligations whilst directly supporting our corporate objectives. The TOMs feature:

- **Evidence requirements:** This column guides suppliers on what we consider satisfactory evidence. Such evidence will be required when reporting outcomes to Barnet Council contract managers.
- **Monetary Values:** Each TOM has been assigned a monetary value, representing our per-unit valuation of the initiative. These values allow bidders to quantify their social value commitments and, for contracts valued at £214,904 or above, ensure they meet the 5% minimum social value reinvestment expectation.
- **Liquidated Damages:** These clauses specify pre-agreed financial compensations per unit that a supplier must pay to the council (the procuring authority) if they fail to meet their social value commitments and do not provide satisfactory means to rectify the non-compliance. These compensations are designed to cover the council's losses due to the supplier's failure to comply, thereby minimising the need for litigation. The council reserves the right to include or exclude these clauses in contracts valued at £214,904 or above, though they are typically applied to most contracts at this threshold or higher. Their inclusion and exclusion will be outlined in the Invitation to Tender/Quote.

In preparing your bid, we recommend that you familiarise yourself with the TOMs and start to consider how you can deliver some of these measures as part of your social value commitment to us.

Although the Barnet TOMs represent our corporate priorities, we do welcome commitments that are not highlighted in the Barnet TOMs. However, to ensure a standardised assessment for all bids, we request that bidders use measures outlined in our TOMs to meet the minimum 5% expectation. Any alternative

commitments should be documented under the "Other" section in the social value matrix table and further explained in the method statement.

This approach facilitates an objective evaluation of social value offers. The successful bidder will have the opportunity to discuss with the council whether they will deliver an equivalent commitment from the matrix table or the alternative commitment provided.

SOCIAL VALUE MATRIX

Tender Title:								
Provider Name:								
Cells in Yellow are for completion by the Tenderer								
TOMs Ref	Measure (Social Value Commitment)	Monetary Value of TOM (as per the Barnet Council TOMs)	Summary of Proposed Commitment	Quantity (No. Units)	Total Monetary Value of Proposed	Liquidated Damages (per unit)	Completion Date (by which date the target will be achieved?)	Responsible Person(s) through the Term of the Contract and Contact details.
Caring for our Places								
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Caring for People								
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Caring for the Planet								
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Select		£			£	£		
Other								
							Depends on what is	
							Depends on what is	
					Total Proposed Commitment (TPC)	£	*If meet the 5% minimum in SV expectations, the TPC must be equal or higher than 5% of contract value	
					Contract Value (your quotation)			

This form works in unison with the TOMs and must be used by bidders to fill out their social value offers. It enables bidders to produce clearly defined commitments where crucial information such as quantities, milestones, the method to be applied and responsible person(s) are stated.

It provides a structured way for bidders to present their social value offers and streamlines the evaluation process for the panel. It ensures that we can clearly demonstrate commitments in contracts, and we can easily transfer commitments onto our social value monitoring tool. The method statement tab is crucial in evaluating offers as it gives insight to how the bidder plans to deliver their commitments. A strong method statement should leave the evaluator confident that the proposals are realistic, attainable, address local needs, and consider local partners.

EVALUATION CRITERIA

For contracts valued below £214,904:

Score	Definition	Social Value Matrix Guidance
0	An unacceptable response	No social value matrix table or method statement submitted.
1	A poor response	The social value matrix table is poorly presented, and the method statement has not been provided. Alternatively, if the method statement has been submitted, it lacks a clear plan for each commitment, and the matrix table has not been provided.
2	A below expectation response	The social value matrix table and method statement have both been provided, but the matrix is poorly presented, and the method statement lacks a clear plan of action for each commitment.
3	A satisfactory response that meets expectations	The social value matrix table and method statement are adequately presented, but there is limited detail on how each commitments will be achieved or how they will benefit the borough.
4	A good response	The social value matrix is well-presented, and the method statement includes a clear and detailed plan of action for achieving each commitment. However, there is still limited information on the specific benefits to the borough.
5	A very good response	The social value matrix is well-presented, and the method statement demonstrates a clear and in-depth plan of action for achieving each commitment. The tenderer has provided a thorough explanation of how these commitments will benefit the local community and the council (LBB). They have shown a strong understanding of local needs and have identified local partners to collaborate with or to support.

For contracts valued at £214,904 or above:

Score	Definition	Social Value Matrix Guidance
0	An unacceptable response	No social value matrix and method statement submitted.
1	A poor response	Social value reinvestment identifies less than 5% on the matrix table and has not provided a method statement, or a clear plan of action for each commitment made.
2	A below expectation response	Social value reinvestment identifies less than 5% on the matrix table, although has provided a satisfactory method statement.
3	A satisfactory response that meets expectations	Social value reinvestment identifies as 5% or more on the matrix table, but the method statement does not provide a clear plan of action for each commitment made or how it benefits the borough.
4	A good response	Social value reinvestment identifies as 5% or more on the matrix table, with a method statement that demonstrates a clear plan of action for each commitment made. However, there is still limited information on the specific benefits to the borough.
5	A very good response	Social value reinvestment identifies as 5% or more on the matrix table, with a method statement that demonstrates a clear plan of action for each commitment made; how it will benefit the local community or the council (LBB); an understanding of local needs in LBB and has identified local partners to collaborate with.

MONITORING AND REPORTING

Monitoring and reporting social value outcomes are a fundamental component of our partnership. For the council, it ensures that the agreed social value commitments are being fulfilled, providing value to the community. It's a way for us to measure and demonstrate the tangible impact of our collective efforts. It also enables continuous improvement, allowing us to refine our strategies and practices for future projects.

For suppliers, it represents an opportunity to demonstrate your commitment to social responsibility and your desire to give back to society.

If you are successful with your bid, you will be provided our social value monitoring tool. This tool must be used to track outcomes.

You are required to update the tool and report outcomes by the end of each quarter, including the requisite evidence. The updated tool must be sent to the Barnet Council contract manager:

- Q1- end of June
- Q2 – end of September
- Q3 – end of December
- Q4 – end of March

LIQUIDATED DAMAGES FOR NON-DELIVERY OF COMMITMENTS

There may be genuine and justifiable reasons for the non-delivery of a social value commitment from the winning supplier. In these circumstances, Barnet Council will initially seek to engage with the supplier to determine the issues impeding social value delivery. We will expect the supplier to have a coherent rectification strategy. This could include other social value proposals to an equivalent or higher monetary value if these also meet the procuring service area's criteria.

If the supplier is not able to deliver on its social value obligations as per the commitments in the contract or any of the alternative measures; the London Borough of Barnet reserves the right to apply liquidated damages for the failure to deliver in whole or part of the social value commitments written in the contract.

It will be at the sole discretion of London Borough of Barnet, as to whether it grants relief to the supplier in respect of liquidated damages. Our preference is to work together to find a solution, therefore we would only seek to apply this as last resort.

SOCIAL VALUE IMPACT FUND (SVIF)

The council has introduced a Social Value Impact Fund (SVIF) to support community initiatives, particularly those aimed at reducing poverty in the borough. This fund is sustained through financial contributions from suppliers and developers. We encourage suppliers to contribute to the SVIF, as we have a deep understanding of the impactful initiatives within the borough. The council is required to reinvest these funds into community projects and cannot use the SVIF for income generation. This ensures that contributions are directed toward initiatives that drive meaningful, positive change in the local area.

TIPS WHEN SUBMITTING TENDERS

- Outline any commitments you propose to undertake as part of a contract with us. Use our TOMs to guide your thinking and identify outcomes you can deliver. While we welcome commitments not included in our TOMs, our TOMs are designed to reflect our corporate objectives.
- Show that your offer is realistic and achievable, by explaining how you will deliver each commitment.
- Do your research - familiarise yourself with our Social Value Policy, Our Plan for Barnet 2023-2026 and other key Barnet strategies. Demonstrate how your offer will help us to deliver on our priorities.
- Tell us about work you are already doing in relation to social value. This doesn't have to be in Barnet if you are not based here.
- When filling out the Social Value Matrix, provide details on the activities you are offering, how you will deliver them, how much you can do, the partners you will connect with if you know, etc.
- Consider how your offer will help to reduce poverty and inequalities, support the local economy, promote skills and employment and/or protect and improve our environment.
- Do not offer anything that is already a part of the core contract.
- Most importantly, make commitments that you can keep. Social value must be delivered in line with the contract, and it is important you make sure your social value offer is deliverable and sustainable.

HELPFUL LINKS

- [Guidance and resources about the Social Value Act](#)
- [Social Value Easy Guide for SME and VCSE](#)
- [The Social Value Portal](#)
- [Social Value Act Review](#)
- [How to do business with local government](#)
- [Dos and Do Nots Guidance for Bidders](#)