Latest Legal Updates in social value

Rebecca Rees, Partner – Head of Public Procurement

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Agenda

1. Social Value Model – PPN 06/20
2. National Procurement Policy Statement – PPN 05/21
3. Green Paper proposals and Government Response
4. What next?

National Procurement Policy Statement – PPN 05/21

- Post-Brexit national strategic priorities for public procurement
- Should have due regard to them when procuring
- Applies to all contracting authorities – not just central government
- Flagged in the Government's Green Paper for public procurement law reform
- Must "have regard to national priority outcomes":
  - Creating new business, new jobs and new skills;
  - Tackling climate change and reducing waste; and
  - Improving supplier diversity, innovation and resilience
- Sub-central authorities may take into account other, local, social value priorities in their procurements (councils – National Social Value Taskforce/NHS – delivering a net zero NHS)

Social Value Model – PPN 06/20

- Taking account of social value in the award of central government contracts
  - Central government departments
  - Should be explicitly evaluated – not just considered under the Public Services (Social Value) Act 2012
  - Minimum of 10% allocated to social value: designed to be a differentiating factor (higher weightings can be justified)
  - Consistency of approach means the definition and evaluation of social value should be standardised(?)
  - Aligned to cross-government priorities: recovery from covid-19 recovery; tackling economic inequality; fighting climate change; equal opportunity; and wellbeing
    - Likely to see them change?
    - Relevant throughout the life-cycle: a social value outcome is not just for procurement
    - Not priced

Green Paper and Government Response

- Green Paper, "Transforming Public Procurement" – December 2020
  - MAT v MEAT
    - Break the link between award criteria and the subject matter of the contract: take account of the Government's strategic policy priorities
    - (prompt payment/achieving environmental targets) – only in specific circumstances
    - Evaluating from the wider point of view: take account of broader economic and other impacts (consequential impact on other areas of the public sector)
    - Debarment/supplier exclusion – only nice bidders allowed
- Government Response – December 2021
  - Social value at the centre : "generate it", "take greater account of it" and "maximise it"

What's next?

- Creating a common vocabulary
- Pricing it
- Measuring its value
- Terminating a contract for failure to deliver it…

Contact

Rebecca Rees
Partner – Head of Public Procurement
07920 492655
rrees@trowers.com
@BecsRees

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Social Value in Procurement

- Taking advantage of the changes in
- procurement regulations

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Agenda

1. The good news
2. Think strategically
3. Think tactically
4. Think sustainability

The good news

- A great opportunity
- Can lead to increased social impact
- Welcome the focus on the public interest

Think strategically

- Procurement as a strategic enabler to deliver social impact
- Integral to an organisation's strategic priorities
- Consider wider partnerships around placemaking agendas
- Opportunities through the planning system too

Think tactically

- Engage with supply chain at tender stage
- Agree what will be delivered as part of a plan
- Measure the progress of the plan
- Understand the social impact
- Learn from the data

Think sustainability

- Convergence of social, economic and environmental factors on organisational priorities
- Influence of ESG, decarbonisation, green skills, MAT
- Procurement can address the increasing prominence of sustainability in business plans

Summary

- The opportunities to generate social impact by leveraging the procurement process are getting better
- Thinking about strategy, tactics and sustainability key to success
- The procurement process is tailor made to support the sustainability agenda

Thank You

Mark Chadwick

Director of Business Services

Fusion21

mark.chadwick@fusion21.co.uk

www.fusion21.co.uk