

London  
Anchor  
Institutions'  
Network

# Guide to Social Value for London's Small Businesses

**samtaler**  
the social value agency

DELIVERED BY  
**MAYOR OF LONDON**

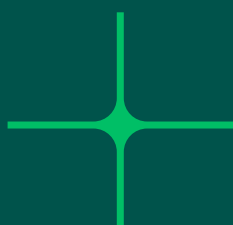


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# Welcome

This guide is for members of London's MSME community - the micro, small and medium-sized enterprises who supply, or are seeking to supply, their products and services to London's largest organisations.

It has been developed by Samtaler (The Social Value Agency), on behalf of the London Anchor Institutions' Network (LAIN), with support from the Mayor of London.

Convened by the Mayor, LAIN brings together some of London's largest organisations, who are working together to build a better London for everyone - a city that is more inclusive and sustainable, where economic opportunities are available to all and take less of a toll on our planet.

A key focus of the network is to support local economic growth through our members buying a greater share of goods and services from London's smaller and diverse businesses. These businesses bring huge amounts of added social value to London. They are at the heart of our city and play a key role in building and strengthening our communities, bringing investment to town centres, and providing local employment opportunities.

In March last year, specific members of LAIN including the NHS, Greater London Authority, Metropolitan Police Service, Transport for London and University of London, pledged to spend up to 30% of their annual procurement budgets with MSMEs and voluntary, community and social enterprise organisations over the next 3-5 years. Last year, collectively, we spent more than £750 million with London's smaller and diverse businesses and reserved just over £700,000 worth of contracts specifically for them.

We hope this guide will help us to do more business with you, demystifying social value, helping you to better understand what public sector clients are looking for, and improving your confidence in communicating your own social value activity in order to harness more of these opportunities.



**Martin Machray**  
Executive Director of Performance,  
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Vice Chancellor,  
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# What is social value?

## Social value as a concept

Social value is about creating value for society, and the economic, social or environmental benefits that an organisation can bring to an area and its people through its contract-related activities.

It is created when buyers look beyond the financial bottom line of a contract, and improve economic, social and environmental wellbeing through provision of services and goods.

Anything your company does to go over and above legal contractual requirements to improve outcomes or create additional value for people can be considered social value.







# Why is social value important if you want to supply London's anchor institutions?

Across London, large institutions such as LAIN members Metropolitan Police Service, the NHS, Greater London Authority, London Fire Brigade, Transport for London and University of London, are increasingly working to ensure their purchasing power maximises benefits to Londoners. That means buying from suppliers who operate in a way which offers added value for society.

Following the Public Services (Social Value) Act of 2012, public sector buyers in particular are required by legislation to consider how their purchasing power can be used to secure wider economic, social and environmental benefits for their area or stakeholders. This means whenever they buy something, they must think about:

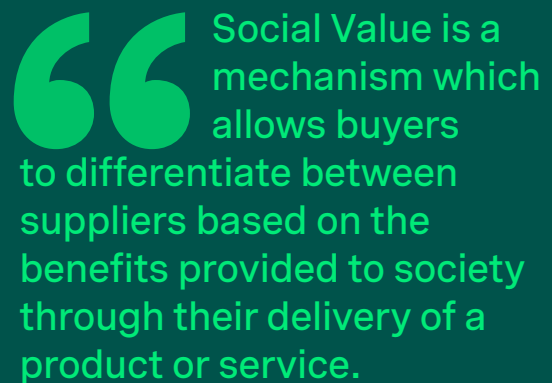
- 1 how what is being bought may improve the economic, social and environmental well-being of the area where the contract is being delivered; and
- 2 how the procurement process can guarantee those improvements are achieved.

As such, purchasing decisions are no longer being based solely on value for money; public sector buyers are now choosing their suppliers based on whether they also provide value for society.

For this reason, public sector buyers are increasingly looking to work with companies who behave responsibly and ethically and who go over and above the technical requirements of contracts and offer positive outcomes for society.

They fulfil these legal obligations by asking potential suppliers questions about the social value they generate (this is what's commonly known as your social value 'offer'), and by

weighting, or scoring, the responses to help them decide who to award the contract to. Whilst anchor institutions and other buying organisations will all have slightly different strategic priorities, they all ask for prospective suppliers to demonstrate that they generate positive outcomes for the contract's stakeholders and minimise impacts negative impacts of the business' operations on the environment.



**“ Social Value is a mechanism which allows buyers to differentiate between suppliers based on the benefits provided to society through their delivery of a product or service.**

Social value is typically worth around 10% of the total marks but some buyers score it as high as 30%.

It is not only public sector buyers who consider social value when making purchasing decisions. Many private sector companies are also looking to procure sustainably, and suppliers are increasingly being asked to demonstrate their social responsibility and Environmental and Social Governance credentials.

Social value can mean the difference between winning and losing a contract and suppliers should view social value as an opportunity to differentiate themselves from their competitors.



# Social value in practice

Many Micro, Small and Medium-sized Enterprises (MSMEs) and Voluntary, Community and Social Enterprises (VCSEs) inherently create social value over and above contractual requirements through their operations, often without realising it.

<b>MSME</b>	Micro business	< 10 employees and a turnover of less than €2 million
	Small business	< 50 employees and a turnover of less than €10m
	Medium-sized business	< 250 employees and a turnover of less than €50 million
<b>VCSE</b>	Any organisation (incorporated or not) working with a social purpose. This ranges from small community-based groups / schemes, through to larger registered charities and social enterprises, public service mutuals, faith groups and cooperatives that operate locally, regionally and nationally. VCSEs are not categorised by number of employees or staff turnover.	

This comes from using local suppliers, creating local jobs or training for local people, being engaged with their local communities or contributing to local environmental initiatives. That said, it's key for MSMEs to be able demonstrate what social value they contribute in different ways over and above legal contractual requirements.





Whether these are stated or not, buyers often look for suppliers to demonstrate how they will generate social value across four key areas or 'themes.'

 <b>People</b> Promoting local skills & quality employment	 <b>Economy</b> Supporting equitable growth within the local economy	 <b>Environment</b> Considering the climate and ecological emergencies	 <b>Communities</b> Healthier, safer and more resilient communities
<b>Innovation</b> In every area, buyers are looking for suppliers who demonstrate innovative approaches to products, services and processes which are good for both society and the organisation.			



Underneath each of these themes sit different 'outcomes'. Buyers want suppliers to demonstrate the activity that their business does, or could do, to help deliver these outcomes.

You are not expected to deliver against every outcome but should focus on the ones that are most appropriate to your business and the contract you are bidding to deliver.

	 <b>People</b>	 <b>Economy</b>	 <b>Environment</b>	 <b>Communities</b>
<b>THEME</b>	Promoting local skills & quality employment	Supporting equitable growth within the local economy	Considering the climate and ecological emergencies	Healthier, safer and more resilient communities
<b>EXAMPLE OUTCOMES</b>	<ul style="list-style-type: none"> <li>More local people in employment</li> <li>Fair work</li> <li>More opportunities for disadvantaged people</li> <li>Improved skills</li> <li>Improved skills for disadvantaged people</li> <li>Improved employability of young people</li> <li>Retaining jobs and skills during the Covid-19 crisis</li> </ul>	<ul style="list-style-type: none"> <li>More opportunities for local SMEs and VCSEs</li> <li>Improving staff wellbeing and mental health</li> <li>Ethical procurement is promoted</li> <li>Cyber security risks are reduced</li> <li>Social Value embedded in the supply chain</li> <li>Supporting workers, SMEs and VCSEs to face the COVID-19 crisis</li> </ul>	<ul style="list-style-type: none"> <li>Carbon emissions are reduced</li> <li>Air pollution is reduced</li> <li>Safeguarding the natural environment</li> <li>Resource efficiency and circular economy solutions are promoted</li> <li>Sustainable procurement is promoted</li> <li>COVID-19 environmental response</li> </ul>	<ul style="list-style-type: none"> <li>Creating a healthier community</li> <li>Vulnerable people are helped to live independently</li> <li>More working with the community</li> <li>Supporting communities to deal with the COVID-19 crisis</li> </ul>

Underneath each of these outcomes sit 'measures' which are metrics that are used to measure how the activity will be conducted in order to achieve the outcome.

Public sector buyers are looking for suppliers to outline not only what they will do to achieve the outcome, but also specific commitments that can be used to report and monitor progress.

The metrics used will vary depending on the activity being conducted.

Source: Summary of Greater London Authority's Social Value Themes & Outcomes

# People:

## Promoting local skills and quality employment

### Buying organisations may want to see:

- Jobs retained in London and for low-paid Londoners to be able to secure better-quality, higher-paying work.
- Action being taken to address skills shortages.
- Companies proactively working to help disadvantaged people and those furthest from the labour market into employment.
- Jobs and skills to support environmental improvements.

### Things you can do to deliver this outcome include:

- 1 Signing up to the [London Good Work Standard](#).
- 2 Paying your employees the [London Living Wage](#).
- 3 Targeting your recruitment activity and demonstrating support to help disabled people, ethnic minorities or underrepresented groups into your workforce. You can do this by offering mentoring opportunities, work experience or work placements – especially to those who face barriers to work – and engaging with third and public sector organisations which support people with barriers to employment. Examples include [Lift](#), which supports SMEs to recruit skilled and diverse talent across Camden, Hackney, Islington and Tower Hamlets. [Team London' volunteering hub](#) is another good way to identify organisations to engage with.
- 4 Providing careers talks, CV advice and careers guidance to young people in local schools.
- 5 Offering Apprenticeships and in-work training opportunities which result in recognised qualifications. Apprenticeships can be offered to existing or new employees, and will help bring new skills into your business, at little or no cost. The [London Progression Collaboration](#) provides free advice and support to help SMEs recruit Apprentices.

Other sources of information include the [London Business Hub](#), which offers free training opportunities and [London Chamber of Commerce's Skills & Careers Hub](#).





# Economy:

Supporting equitable growth within the local economy

## Buying organisations may want to see:

- MSMEs and VCSEs in your supply chain.
- Expert support being provided to local MSMEs and VCSEs.
- Action being taken to support employees' physical and mental wellbeing.
- Efforts to reduce the risk of modern slavery and unethical work practices in your business and supply chain.
- Equality, Diversity & Inclusion training being provided for staff.

## Things you can do to deliver this outcome include:

- 1 Be prepared to provide details about the companies in your supply chain - buyers may want to know the type of company (whether they are a VCSE or MSME), their location (specifically whether they are London-based) and the value of the amount you will spend with them. Having this information to hand before you begin to bid for contracts will save a lot of time and help make tendering easier.
- 2 Review the GLA's [Workforce Integration Network's Inclusive Employment toolkits](#) to see how your company can increase recruitment, retention and progression of under-represented groups.
- 3 Use [Social Enterprise UK's directory](#) to source social enterprise suppliers based in London.
- 4 Review workforce skills to identify the expert advice that can be provided to local MSMEs and VCSEs.
- 5 Conduct activity aimed at contract staff to raise awareness about the importance of mental health, provide support and remove stigma. This guide to [Mental Health & Work for SMEs](#) by the charity Mind in partnership with the [Federation of Small Businesses](#) and this [Institute of Directors Mental Health fact sheet for SMEs](#) both contain lots of helpful advice and guidance.
- 6 Conduct supply chain audits and make a public commitment or pledge to tackle modern slavery in your business and community. This [Modern Slavery Guide for SMEs](#) by Nottingham University is packed full of practical ideas and support for small businesses who want to better understand modern slavery and how they can help address it in their business and communities.



# Environment:

Considering the climate and ecological emergencies

## Buying organisations may want to see:

- That you are monitoring travel, carbon, energy, water and waste usage in your business and are making efforts to reduce this.
- That you are thinking about the circular economy and how products and material used in delivery of the contract will be re-used and recycled at the end of life.
- Low and Zero Emission vehicles being used in the delivery of the contract.
- Single-use plastics being eliminated on the contract.
- Environmental awareness being encouraged and promoted amongst staff.

## Things you can do to deliver this outcome include:

- 1 Join [Heart of the City's Climate for SMEs Action programme](#) which is free for SMEs based in the City of London and offers free training and support to help you monitor your environmental impact.
- 2 Install [water fountains in your offices](#) and volunteer with [Refill London](#) to help reduce the number of plastic water bottles in use in London.
- 3 Engage with [ReLondon](#) and explore how they can help you adopt circular economy principals into your business.
- 4 Make the [SME Climate Commitment](#) and use the [SME Climate Hub](#) free tools and resources to achieve carbon net zero commitments and report on your progress yearly.
- 5 Engage with organisations like [The Conservation Volunteers](#) or [London Wildlife Trust](#) to identify volunteering opportunities for contract staff to get involved with to protect and enhance London's green spaces.



# Communities:

Healthier, safer and more resilient communities

## Buying organisations may want to see:

- Initiatives which help reduce crime, tackle homelessness or support London's cultural events.
- Initiatives taken to support or engage people in health interventions or wellbeing initiatives in the community.
- Initiatives taken to support older, disabled or vulnerable people and build stronger community networks.
- Initiatives that are targeted to a specific local community need.

## Things you can do to deliver this outcome include:

- 1 Contact charities like [Reengage](#) and local initiatives like [Befriend London](#) and find out how you can support their work to combat loneliness and isolation and help vulnerable people.
- 2 Implement a volunteering policy and allow contracted staff a certain number of days to volunteer for community and charity projects. Use resources like [Team London](#), [HandsOn London](#), [The Felix Project](#) and [Volunteer Match](#) to find projects and causes to support. Where possible try and pick something which is aligned to the contract you are bidding to deliver.
- 3 Research initiatives in your area which are working to tackle these issues and strengthen communities – reach out and ask how you can get involved.





# Strengthening your social value response

When thinking about what social value you can offer, it's important to consider what activities you already do, what more you could do, and how you can demonstrate that through policies, commitments and numbers.

Buyers will use your response to weigh up how much benefit their purchasing power will generate by working with you, so you need to be specific and show them the added value you bring to the delivery of the contract versus another supplier.

The key to writing a good social value response is understanding how your business delivers its products or services, and what

your company does differently (or could do) to generate added benefits for society.

Think about what differentiates your business from others and what benefit or added value you can deliver that your competitors can't or won't.

To score well, your organisation must demonstrate:

- 1 What you will do to achieve the social value outcomes the buyer is looking for
- 2 How you will evidence and report on your activity
- 3 How the activity you are referencing relates to the contract which is being delivered.

## Top Tips

### Read the tender document.

Make sure you understand how the buyer is scoring social value and that you have thoroughly read all documents associated with the bid.

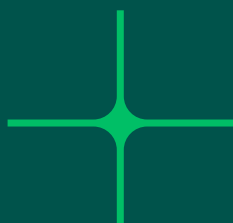
### Don't be afraid to ask a clarifying question.

Social value can be a challenge for both suppliers and buyers and sometimes things aren't clear. Make sure you allocate sufficient time to study the bid documents and ask a clarification question if there's something you're unsure of. It's likely that you're not the only one who wants to ask.

### Get someone else to check your answer before you submit it.


Having someone else read your answer is a great form of quality assurance. Make sure it's been checked by the people who will be expected to deliver the commitments you're making (if that isn't you!).

Always ask for feedback from the buyer and carry out an exercise to reflect on lessons learned.





## The do's and don'ts of a good social value response

<b>DO</b> 	<b>DON'T</b> 
<p><b>Make specific commitments that you can (and will) deliver.</b></p> <p>Provide a clear method statement with realistic KPIs (key performance indicators) for social value activity. Non-delivery of social value commitments is currently an increasing challenge for public sector buyers. It is essential to demonstrate how you will monitor and track activity internally and report on progress to the buyer.</p>	<p><b>Be non-committal or make vague, unspecific commitments.</b></p> <p>Buyers do not want to see aspirational, non-concrete pledges.</p> <p>“We hope”, “We aim to”, “We could consider” and “We would be delighted to discuss” will all negatively impact your score.</p>
<p><b>Make commitments which are relevant and proportionate to the contract.</b></p> <p>Make commitments that are relevant, proportionate and deliverable, given the size of the contract you're looking to enter.</p>	<p><b>Include anything which doesn't answer the question</b></p> <p>It's not simply about meeting the word count. Think of it like doing an exam: if you don't answer the question, you don't score well.</p>
<p><b>Answer the 'So What?' question.</b></p> <p>This is a critical step, which is often missed by suppliers, who reference high-level corporate initiatives or policies without making it clear what that means for their delivery of the contract.</p> <p>“We are a responsible business who values our workforce” doesn't say anything about what you will do on the contract. Instead you could say something like “We are a responsible business who values our workforce. We are an accredited London Living Wage (LLW) employer and commit to 100% of contract workforce being paid on or above the LLW”.</p>	<p><b>Waffle and make vague, top-level statements about what a great company you are.</b></p> <p>Avoiding referencing generic, corporate level policies. If a policy or strategy is relevant to the question, explain what that means in relation to the contract.</p> <p>For example: “Our Modern Slavery Policy provides guidance to all staff to ensure they manage and mitigate the risk of modern slavery in our supply chain. It is updated annually and published online on our website. Measures outlined in the policy which will be implemented on this contract include [list the measures].”</p>
<p><b>Ensure your response has set out how you will demonstrate you're actually delivering what you committed to.</b></p> <p>Outline how will you track and monitor your progress, over what timeframes, and what outputs you will share with buyers to assure them you are meeting your commitments.</p>	





# How buyers request, evaluate and measure social value

## Requesting social value

The way buyers request, evaluate and measure social value varies across buying organisations. Below are some common elements which every social value response will likely ask you to provide.

### Context

Explain why the activity you are committing to conducting is social value - why is it important to the buyer's community or the contract's stakeholders? This is where you can show how your actions align with the buyer's strategic priorities, meet the needs of local communities and help deliver public policy objectives.

### Specific commitments

You will need to tell the buyer exactly what it is that you are committing to doing. Commitments should be relevant to the contract and include specific quantities and metrics. They should also be proportionate, offering to create a disproportionate amount of social value relative to the size of the contract could count against you and lower your score.

### Method statement

The method statement is one of the most important parts of the response because it is where you detail how you are going to deliver on the commitments you are making. Unlike other parts of bids where case studies are relied upon as evidence that you can deliver your commitments, with social value it is the method statement that provides that evidence.

## Project plan (with a timeline)

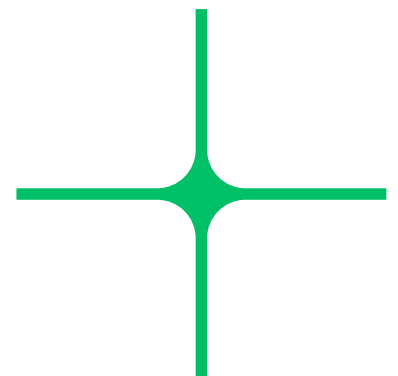
This is a high-level outline of what you will do when to ensure delivery of your commitments. It is often a good idea to align dates to phases in the contract, or financial quarters.

## Monitoring and reporting

This is where you need to outline how you will monitor and track delivery of your commitments internally. Sometimes you might be asked if you use a digital monitoring tool such as that provided by the Social Value Portal.

You do not have to use a digital tool to track social value commitments unless specified within the tender documentation. Digital tools can be expensive and impractical if you are a supplier for lots of public sector contracts and need to track delivery of lots of commitments. As long as you have internal systems and processes which will allow you to regularly monitor and report what you are doing, and you can describe what these are, then that should be sufficient.

You should also include details of who in your business will be responsible for delivering your commitments and how and when they will report on progress. The easiest way to do this is often to include social value into quarterly reports to the buyer.



## Measuring and evaluating social value

**While there is no single accepted way of measuring and evaluating social value, several frameworks have been developed to help public sector organisations, including LAIN members, develop a standardised approach to assessing social value responses.**

The most commonly used frameworks are the UK Social Value Model and the National TOMs (TOMs stands for Themes, Outcomes & Measures) and they contain helpful tangible measures under each social value 'theme.' See Appendix 2 for more information.

London TOMs have been developed by the Greater London Authority, in partnership with Social Value Portal, to align the measurement of social value outcomes on their contracts to Mayoral strategies and policies. The aim is to roll these out across the functional bodies of the Greater London Authority on above threshold contracts.

Before you write your response make sure you have:

- Identified the buyer's preferred approach and know what approach they are taking. This should be clear from the specific bid documents. Make sure you read all the supporting guidance provided.
- Researched the buyers needs and strategic priorities. Have you studied and understood their policies and their priorities? Look for their Social Value/ Sustainable or Responsible Procurement policy on their website. Also look at their key strategy documents which will set out their priorities for the years to come. Then think about how what you do as a business aligns with their strategic objectives and how you can help deliver some of these to create benefits for their areas.
- Understood how the buyer is scoring social value and that you have thoroughly read all documents associated with the bid.
- If you have any uncertainty about the above raise a clarification question.



# FAQs

## Q Where can I find a simple breakdown of the language surrounding social value?

Social Value UK and Thrive have both created glossaries which help make the terminology around Social Value simpler and easier for you. See links [here](#) and [here](#).

## Q How do I know what I can offer, and where can I get ideas from?

There may also be differing references to measures, metrics and awards criteria across buying organisations.

When in doubt, search for information from the buying organisation on their commitments and approaches to procurement and / or social value as well as referring to the specific bid request or Invitation to Tender.

Consider engaging with your stakeholders: your employees, your customers and their priorities, and the community local to where you operate or will deliver a contract.

- 1 Find out what local and stakeholder needs and wants are
- 2 Find out what the public sector organisation's needs and wants are
- 3 Look at what skills and resources your organisation already has available
- 4 Identify where those things align to create maximum impact.

In addition, you can visit the [London Business Hub](#) for training, guidance and resources for small businesses

Visit Samtaler's [Social Value Hub](#). It's full of free resources, articles, podcasts and more to help you to generate ideas for creating 'good' social value.





## Q I'm a small business - what if I can't afford to do a lot of social value activity?

Good social value shouldn't cost the world, and it doesn't! You don't need to do everything. Buyers would much prefer to see suppliers do a few things really well. Channel your resources into a couple of SMART (Specific, Measurable, Achievable, Realistic and Time-bound), robust and well-justified commitments, rather than throwing everything but the kitchen sink into your response. Offering too much may appear to be unrealistic and disproportionate to buyers, which can count against you when they are assessing your response.

Remind yourself of [Social Value International Principles](#), as following these is an ideal way to measure and create social value.

## Q Do I have to use a digital measurement tool to track and report my social value?

Digital social value softwares help organisations track, monitor and report on their social value activity.

There are lots of different digital tools on the market which help quantify social value by various methods. Examples include (but aren't limited to) the [Social Value Portal](#), [Thrive](#), [Impact Reporting](#) and the [Social Value Bank](#).

These systems can be useful if you are a large company with lots of social value commitments that you need to track and report across different contracts but if the buyer doesn't require you to use one, SMEs are unlikely to need them.

Some buyers require suppliers to use specific tools - such as the [Social Value Portal](#) - but it varies between buyers and they should provide training and guidance when you are bidding to help you use them.

The most important thing is to ensure you have a system which allows you to record delivery of your social value contractual

obligations internally, so that you can report on progress to your customer. Most of the time this can be done using your company's existing systems and processes.

## Q What training on social value is available?

A wide range of organisations offer free, online resources, events and training to help suppliers improve their understanding of social value. These include:

- [London Business Hub](#) provides a wide range of free webinars, training and support for London's MSMEs via the [SME Procurement Hub](#).
- [Supply Chain Sustainability School](#) offers a wide range of free social value training and advice.
- Local Authorities and public sector buyers often provide free procurement specific training for MSMEs to help them bid for contracts. Look at individual buyer's websites or search [Eventbrite](#) for details.
- [Social Value UK](#) offers both members and non-members access to a range of training courses, events and workshops.





# Further resources

## Further social value resources & training

[Supply Chain Sustainability School](#)

[Social Value Portal - Easy guide for SMEs and VCSEs](#)

[Samtaler Social Value Hub](#)

## Resources on skills & volunteering

[London Chamber of Commerce's Skills & Careers Hub](#)

[LiftLondon - Recruitment and Apprenticeship support](#)

[London Progression Collaboration - Apprenticeship support](#)

[Volunteer Match](#)

['Team London' volunteering hub](#)

## Campaigns to consider joining

[Mayor of London's Good Work Standard](#)

[The Living Wage Foundation](#)

[Heart of the City's Climate for SMEs Action Programme](#)

## Guides, tools & templates

[GLA's Workforce Integration Network's Inclusive Employment toolkits](#)

[ACAS - Equality, Diversity & Inclusion Policy Template](#)

[Nottingham University's Modern Slavery Guide for SMEs](#)

## Business support & directories

[Go4Growth - Tailored support for SMEs to help win public sector contracts](#)

[London Business Hub](#) [SME Procurement Hub](#)

[SME Climate Hub](#)

[ReLondon - expert, practical, one-to-one support on circular economy for SMEs](#)

[Social Enterprise UK's directory](#)

## Other useful references

[The GLA Group Responsible Procurement Policy 2021](#)

[The GLA Responsible Procurement Implementation Plan](#)

[London Anchor Institutions' Charter](#)



# Appendix 1

## The development of social value in London

2012

The Public Services (Social Value) Act comes into force. The Act calls for all public sector procurement to look beyond price and to consider local economic, social and environmental well-being in connection with public services contracts and how in conducting the process of procurement, it might act with a view to securing that improvement.

2016

The Cabinet Office announces that the Social Value Act is to be strengthened. The National Social Value Taskforce is established by the Local Government Association, to establish guidance for the integration of the Social Value Act into public sector procurement.

2017/18

Carillion Plc collapses, causing more than 3000 jobs to be lost, and 450 public sector projects to be plunged into crisis. This prompts questions about the business practices of government suppliers, and a scrutiny of central government procurement which brought Social Value to the forefront of people's minds. November 2017 sees the introduction of the first National TOMs by the National Social Value Taskforce.

2020

The UK Government publishes Procurement Policy Note (PPN) 06/20. This note sets out how to take account of Social Value in the award of central government organisations contracts by applying the newly launched Social Value Model. PPN06/20 sets out that all central government agencies and departments must evaluate Social Value with a 'minimum overall weighting of 10% of the total procurement'. This is discretionary for other public bodies.

2021

The UK Government publishes two Procurement Policy Notes. PPN06/21 sets out how to take account of Carbon Reduction Plans in central government procurement, and requires bidding suppliers to commit to Net Zero by 2025 and to publish a Carbon Reduction Plan. PPN08/21 sets out how payment approaches can be taken into account in major government contracts. The Greater London Authority (GLA) Group publishes its Responsible Procurement Policy, and 14 of London's biggest organisations sign the Anchor Institutions Charter.

2022

From April 2022, NHS England extends the reach of PPN06/20 to NHS organisations, and publishes its policy objective for Net Zero and Social Value in the procurement of NHS goods and services.

2023

The UK Government publishes Procurement Policy Note 02/23. PPN02/23 sets out how UK Government departments must take action to ensure modern slavery risks are identified and managed in government supply chains. Introduction of a new pan-London Social Value tool, the London TOMs by the GLA.

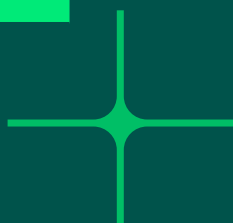


# Appendix 2

## Different approaches used by central and local government

The most commonly used frameworks are the [UK Social Value Model](#) and the [National TOMs](#) (TOMs stands for Themes, Outcomes & Measures). They contain helpful tangible measures under each social value 'theme.' Although they look very different, both frameworks do the same thing: support buying authorities to select suppliers who offer the greatest social value.

	The Social Value Model	The National TOMs
USED BY	Mandatory for all UK Central Government Departments & Arms Length Bodies	Usage is voluntary. Used by around 1/3 of Local Authorities
LAUNCHED	January 2021. Not updated since.	2017. Updated annually.
SCORING	Mandates a requirement to explicitly evaluate social value, at a minimum weighting of 10% of the total score.	No minimum weighting. Individual buyers decide their own score.
FORMAT	Not prescriptive. Consists of model award criteria – general questions which suppliers must answer and make commitments against.	Fairly Prescriptive. Consists of a number of specific, quantifiable 'measures' which suppliers must deliver commitments against.
HOW IT MEASURES SOCIAL VALUE	Doesn't use monetary or quantitative measurements to assess commitments.  Focus is on quality not quantity of the social value being offered.	Places a monetary value on social value activity.  Measures social value both qualitatively and quantitatively.
ORIGINS	Created & maintained by the Cabinet Office	Created by voluntary group of members of the Local Government Association's Voluntary National Social Value Task Force. Administered by Social Value Portal (a private company).





## About the author

Samtaler (The Social Value Agency) is a female-led, micro-business, established in 2017 in order to help companies change the way they operate. We believe making money and doing the right thing aren't mutually exclusive. Doing social value well is good for business and we want all companies to act in the interests of all their stakeholders.

We work mainly with large companies; supporting a variety of clients across multiple sectors and industries to understand what social value means for them; the practical things they can do to create it; and how to work in partnership with public and third sector organisations to serve the needs of all their stakeholders.

We have developed a range of free resources and guidance to help organisations of all sizes, via our Social Value Hub. We also share our time and expertise, pro bono, to support third sector organisations and other micro and small businesses like ourselves to improve their understanding of social value.

If you have any questions about anything in this guide please get in touch with us via our [website](#) or by emailing [hello@samtaler.co.uk](mailto:hello@samtaler.co.uk) and we'll do our best to help you.



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