

## Guidance on applying Outcome 2 of the Social Value Model to Digital, Data and Technology Contracts

### 1. Purpose of this document

This guidance is for Commercial staff in Central Government Departments, their Executive Agencies and Non Departmental Public Bodies when undertaking procurements in the technology and digital sectors in scope of the Public Contracts Regulations 2015. Together these are referred to in this guide as 'In-Scope Organisations'. Suppliers in these markets preparing bids to public sector bodies may also find the guidance useful. This guide is intended to supplement the guidance in the Social Value Model and DDaT Playbook.

We have worked with a Focus Group of TechUK members and commercial staff to identify the social value ('SV') questions and award criteria from the PPN 06/20 Social Value Model which are most likely to be best suited to digital, data and technology ('DDaT') purchases.

We encourage departments to consider the skills criterion 2.2 in Outcome 2 as a priority when procuring DDaT contracts, whether directly, or via a Crown Commercial Service Framework. CCS will consider additional criteria when setting up frameworks, to allow the flexibility for the wide range of customers to meet local social value priorities). This is not intended to replace your own skills development programmes, but encourage engagement with suppliers on addressing skills gaps in the profession.

In line with Green Book and Sourcing Playbook principles, this guidance assumes that Commercial staff in In-Scope Organisations will work with budget owners/commissioners/policy leads to include social value when they:

- agree the objectives in the Strategic Business Case and specification
- conduct effective pre-market commercial research and engagement
- using the SV Model, contribute to the wider socio-economic and environmental objectives during the award stage of the procurement
- consider the applicability and appropriateness of any Departmental SV priority criteria
- review each requirement in the tender documents, to verify that they are relevant and proportionate to the subject matter and size of the contract and non-discriminatory for example to SMEs, VCSEs or overseas organisations.

Consequently, commercial staff are expected to deselect any criteria that are not proportionate or relevant to the contract, or that would be discriminatory to SMEs, VCSEs or organisations based overseas.

The central government PPN 06/20 Social Value Model, Outcome 2: Tackling Economic Inequalities, New Business, New Jobs and New Skills, can be used to seek contributions to addressing skills gaps in the UK. As outlined in the '[Guide to Using the Social Value Model](#)', authorities in scope of PPN 06/20 can narrow the definitions of the skills areas being targeted.

Set out in **Annexes A and B** is template text to be used in tender documents for technology and digital procurements. Ensure you consider the size and value of the contract when assessing the suitability of the criteria, de-selecting any criteria that are would be disproportionate in the project you are procuring

- Annex A: a chapter about the digital skills gap for the introduction to your tender documents.
- Annex B: to insert into the portfolio of quality questions in your tender document.

The Model Questions, Model Award Criteria (MAC) and Sub-Criteria have been adapted from the SV Model, 'Outcome 2: Tackling Economic Inequalities, New Business, New Jobs and New Skills', in line with the Social Value Model and accompanying guidance.

- Departments should always check the circumstances for their specific procurements.
  - For example, ensure that, if the market you are procuring from is international, that any Outcomes and Criteria can be achieved by suppliers based overseas without imposing additional requirements or burden on those suppliers.

NB: Departments may have identified priority SV outcomes from the SV Model for their procurements. These can be added to the requirements in this guidance if they are relevant to the subject matter and proportionate to the size of the contract and non-discriminatory.

**Key Points to Note:**

- Remember that social value is part of the quality assessment, assessed qualitatively - only.
- We seek specific, time-bound, measurable commitments.
- Volumes (whilst recorded in the contract) are not included in the evaluation and scoring; bids are compared to the published criteria and sub-criteria and scored accordingly.
- When scoring a suppliers' response, you can take into account references to an existing scheme (in-house, or with a partner organisation), but the response must demonstrate the specific additional commitment the supplier is making during the performance of the contract by deploying this scheme.

## **Annex A: template text for the introduction to your tender documents**

### **The Digital Skills Shortage**

Across the UK the gap between the digital skills possessed by workers and demand for digital skills by employers is growing. 92% of businesses want a basic level of digital skills from employees<sup>1</sup>. As a result, reskilling the existing workforce is crucial: 80% of the 2030 workforce is already in work today<sup>2</sup>. To enhance digital skills training for adults, the government is focusing on basic and advanced digital skills.

It is important that adults have the digital skills they need to participate fully in modern society, and thrive in traditional non-digital roles. 30% of skill-shortage vacancies result from a lack of digital skills, specifically, basic digital skills (commonly used software/digital applications<sup>3</sup>). Advanced digital skills are essential across the UK economy to deliver the digital solutions required by customers and citizens.

For example, the UK Civil service is championing investment in digital skills, and driving a step change in attracting, recruiting and developing the workforce. This will ensure the right talent is available when needed, including the deep technical expertise required at scale to deliver across services as diverse as 'Flood Warnings' on Gov.uk, and 'Universal Credit', as well as the need for senior digital leaders and innovators such as for the '10 Downing Street Innovation Fellows'. This [DDat Capability Framework](#) describes the job roles in the Digital, Data and Technology (DDaT) Profession, is recognised across government, and provides details of the skills needed to work at each role level. Critical roles in greatest demand are in software engineering; architecture and data analysis. Groups of roles are identified by 'job family' and each family is critical to the delivery of digital services across government:

- Data job family
- IT operations job family
- Product and delivery job family
- Quality assurance testing job family
- Technical job family
- User-centred design job family

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<sup>1</sup> WorldSkills (2021) UK Disconnected. Exploring the Digital Skills Gap. <https://www.worldskillsuk.org/wp-content/uploads/2021/03/Disconnected-Report-final.pdf>

<sup>2</sup> Industrial Strategy Council (2019) UK Skills Mismatch in 2030 <https://industrialstrategyCouncil.org/sites/default/files/UK%20Skills%20Mismatch%202030%20-%20Research%20Paper.pdf>

<sup>3</sup> Department for Education (2020) Employer Skills Survey 2019: Summary report Research report [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/936488/ESS\\_2019\\_Summary\\_Report\\_Nov2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/936488/ESS_2019_Summary_Report_Nov2020.pdf)

## Annex B: Template text: Model Question, Model Award Criteria (MAC) and Sub-Criteria<sup>4</sup>.

### TO NOTE:

- Text in blue indicates where you need to input further information or amend the text.
- Deselect any criteria that are not proportionate or relevant to your procurement or that would be discriminatory for small or organisations based overseas.
- When setting word limits, consider the number of questions and criteria you set. Ensure there is sufficient space for suppliers to answer the question, it should not be less than 500. Please refer to the Sourcing Playbook and Cabinet Office guidance on evaluation.

Using a maximum of [number] words, describe the specific, measurable and time-bound commitment that your organisation will make to contribute to achieving the Social Value Outcome: 'Create new businesses, new jobs and new skills' in the delivery of the contract.

Your response will be evaluated using the Award Criteria and Sub-Criteria set out below.

Your response must respond with **your 'Method Statement'** setting out:

- a specific, measurable and time-bound commitment that you will deliver during the performance of the contract.
- how you will achieve this - including a timed project plan (see below)
- how your commitment meets Award Criteria MAC 2.2 (the evaluation team will use the sub-criteria to assess and score your bid)
- how you will influence staff, suppliers, customers and communities through the delivery of the contract to support the Policy Outcome, e.g. engagement, co-design/creation, training and education, partnering/collaborating, volunteering.
- **MAC2.2:** Create training opportunities through the delivery of the contract, particularly for those who face barriers to employment and/or who are located in deprived areas, to address the digital skills gap. [set out the digital skills gap objectives in the introduction of your tender documentation]
- **Sub-criteria that will be used to assess and score bids for M.A.C 2.2:**

Activities that demonstrate and describe the tenderer's:

- existing understanding, or planned activities to achieve understanding of the digital skills shortages relating to the contract. Illustrative examples: demographics, market trends, groups under-represented in the sector, geographic/local community and best practice. Please refer to the 'Digital Skills Gap' section in the introduction to this tender.
- Activities to raise awareness of the types of digital exclusion, the barriers it can cause to accessing public services and its causes.
- Promotion to raise awareness of career paths relating to the digital skills shortages relevant to the subject matter of the contract. Illustrative examples: guidance documents; eLearning, webinars and videos.
- The design of activities offered by the supplier takes into account a range of

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<sup>4</sup> Please note that departments can adjust or add other social value requirements from the Social Value Model to the text in Annexes A and B if relevant and proportionate to the subject matter and size of the contract and non-discriminatory

learning styles and the accessibility to the target audience. **Illustrative example:** flexible, on-demand learning, timing that takes into account different working patterns, measurement metrics that reflect intended outcomes, not only attendance or 100% course completion.

- Offer of opportunities for work experience or similar activities under the contract relevant to the digital skills gap (in-person or remotely). Illustrative examples: mentoring; CV advice and careers guidance, work placements, pre-employment courses, paid/unpaid student placements, or paid internships of 6 weeks or more.
- Delivery of training content, volunteer time, materials, schemes and programmes to address digital skills gaps
- Other activities to support relevant sector related digital skills growths. Illustrative examples: careers talks, curriculum support, digital literacy support, guidance documents; eLearning, webinars and videos
- The commitment offers, or contributes to, the achievement of a recognised accreditation. **Illustrative examples:** study break, CPD credits, T-Level industry placement opportunities (Level 2, 3, and 4+), apprenticeships in relation to the contract.

A timed project plan and process, including how you will implement your commitment and by when and how you will monitor, measure and report on your commitments/the impact of your proposals. Illustrative examples:

- Timed milestones and deliverables
- Metrics you propose to monitor progress (If your commitment is listed in the Social Value Model Standard Reporting Metrics, you should use the relevant Standard Reporting Metrics as a Key Performance Indicator - KPI).
- Tools/processes used to gather data and assure the quality of the solution
- Reporting
- Feedback and improvement procedures.