Hertfordshire Employment, Skills and Social Value Framework (ESSV)

Guidance For Bidders and Suppliers

Contents

Disclaimer
The Framework will be reviewed regularly to ensure it is serving its purpose of being an up-to-date and simplified social value evaluation method for both the Supplier and the Local Authority. This guidance should be read in conjunction with the Hertfordshire ESSV Framework and supporting documentation which can be downloaded from the microsite **Social Value | Hertfordshire Futures**.

Introduction

This document has been prepared by Hertfordshire Futures, who are part of the Growth and Environment directorate of Hertfordshire County Council, to introduce the Hertfordshire Employment, Skills and Social Value (ESSV) Framework. The document provides guidance to bidders and suppliers, to ensure that social value commitments are considered within the planning of contract delivery and are relevant to residents and communities and are achievable throughout the contract.

This document explains what is required from bidders and suppliers when tendering for contracts, the process upon contract award and information on how suppliers will be supported by the Social Value Brokerage Service.

With The Public Services (Social Value) Act, the Public Procurement Act (2023) and the Procurement Policy Notes (PPNs) transforming the relationship between the public sector, the supply chain and the community, a legal obligation is placed on local authorities to consider the broader benefits to the community when commissioning and procuring public services above certain thresholds (£100,000).

Hertfordshire Futures has designed the ESSV Framework using a bespoke version of the National TOMs (Themes, Outcomes and Measures) system, developed by the National Social Value Taskforce and Local Government Association to help deliver and measure quantifiable social value impact secured through Local Authority procurement. This Framework has been designed to ensure suppliers contribute to local priorities and facilitates an objective evaluation of social value outcomes.

Working in collaboration with our local authorities, partners and suppliers, Hertfordshire Futures supports delivery of the Framework through providing expertise in local employment, skills, and social value requirements, delivering a Social Value brokerage service, facilitating solutions and monitoring impact to ensure benefits to local areas are realised.

This guidance document includes details on:

- The mission and objectives of the Hertfordshire Employment, Skills and Social Value Framework
- Hertfordshire's strategic priorities
- The ESSV Framework explained
- Measuring social value impact
- The employment, skills and social value delivery plan
- Monitoring and reporting
- The Community Investment Fund
- The brokerage service and ESSV initiatives
- The ESSV Framework delivery process
- Glossary of terms

What is Social Value?

Hertfordshire Futures defines social value as the process whereby organisations meet their needs for goods, services, work and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only for the organisation, but also for society and the economy.

The Framework is designed to enable social value to be integrated into local authority procurement processes, to ensure commitments, particularly those relating to skills and employment, are prioritised and effectively embedded throughout contract delivery. By applying the Framework, local authorities and suppliers can promote sustainable employment growth, foster social inclusion, and maximise positive impacts on the environment, residents and employers, ultimately supporting the development of resilient and vibrant local communities.

If you would like to discuss any aspect of the Framework, please email:
socialvalue@hertfordshirefutures.co.uk

The ESSV Framework mission and objectives

Mission

"To deliver employment, skills, and social value impact; developing our people and businesses as we build and grow our community."

Objectives

- Accelerate and deliver 'real' social value return to local communities from public sector contracts by building talent pipelines, a skilled workforce and employment opportunities.
- Deliver positive employment and skills outcomes for Hertfordshire residents facing significant barriers to employment, to create stronger, resilient and healthier communities.
- Ensure training and work opportunities are delivered to Hertfordshire Micro, Small and Medium Enterprises (MSMEs) to enable local business growth.
- Encourage and foster engagement with the voluntary, community, faith and social enterprise sector (VCFSE) who support and nourish local needs.
- Tackle inequality to drive diversity and inclusive growth.
- Protect the environment through sustainable practices, reducing the environmental impact of contracting activities.
- Raise the standard of outcomes and deliverables from public sectors contracting for the benefit of the local community.

Definition of local

The definition of 'Local' in this Framework refers to a resident or business residing in the local authority, and if not possible then within a 10-mile radius of the development or Council office, and only when that presents challenges, a Hertfordshire resident or business.

Contracts under scope for Social Value measurement

For all contracts valued at over £100,000, suppliers will be required, on contract award, to propose their Employment, Skills and Social Value outcomes and submit a Delivery Plan.

Suppliers will use the Outcomes and Measures outlined in the Framework to aspire to deliver a 10% social value return based on the value of the contract. To achieve a 10% social value return within contract delivery, organisations should consider embedding social value activities directly into their operations rather than treating them as standalone initiatives. This can be achieved by creating local jobs and apprenticeships, supporting work experience and employability programmes, increasing spending with local SMEs and social enterprises, delivering community volunteering, and promoting environmental sustainability through green skills and carbon reduction activities. Social Value is measured via nationally recognised proxy values which are set within the Framework tool.

Support will be provided by the Hertfordshire Futures Social Value Brokerage team to enable suppliers to identify relevant activities, to set measurable targets, support delivery, and evidence of outcomes throughout the contract.

Hertfordshire's Social Value priorities

Our 10 priorities for Employment, Skills and Social Value impact are outlined below.

The Hertfordshire Employment, Skills and Social Value Priorities:

1. Inspiring and raising the aspirations of young people.
2. Creating opportunities for work experience, industry placements, T Levels and apprenticeships.
3. Employment for local residents.
4. Skills training and progression in the workplace.
5. Green initiatives to develop a more sustainable business environment.
6. Promoting the local economy by using local MSME supply chains and encouraging growth in the local area.
7. Supporting the local voluntary, community, faith, and social enterprise sector (VCFSE).
8. Tackling inequality to drive diversity and inclusive growth.
9. Going above and beyond to deliver local impact through innovative social value projects.
10. Communicating the success of social value.

Measuring Social Value Impact

The Employment, Skills and Social Value Framework provides a structured way for bidders and suppliers to present their employment, skills and social value offer to the local authority and enables straightforward reporting and monitoring of impact.

The framework enables suppliers to produce clearly defined commitments where crucial information such as quantities, milestones, evidence requirements and the method to be applied, are stated.

The ESSV Framework consists of:

- TOMs Themes – These are the five broad categories that represent the areas of social value: Work, Environment, Growth, Social and Innovation.

- Outcomes – These are the specific benefits that Hertfordshire seeks to achieve within each of the five themes. There are 10 key Outcomes (also referred to as priorities) set within this Framework.

- Measures – The Measures are quantifiable actions that demonstrate progress towards achieving the desired outcomes.

- Evidence requirements – For each Measure there is guidance on what evidence is required to demonstrate achievement of an outcome. This evidence will be required when reporting to Hertfordshire Futures.

- Proxy Values - Each measure has been assigned a monetary value (known as a Proxy Value), which allows suppliers to quantify their social value commitments. The Proxy Values, which are established using public sector data, are average sums that correlate to the yearly uplift in life satisfaction for individuals, the government, and the community. These Proxy Values are industry standard and used widely nationally, they are not created by Hertfordshire. When reporting, proxy values will be used to calculate how much social value has been generated by suppliers. The proxy values and units are not to be amended.

At the at the time of submitting the tender, bidders will be required to use the framework to describe in 500 words their proposed social value offering, including:

- The outcomes they propose to deliver;
- How these outcomes align with the framework;
- The practical steps they will take to deliver the commitments; and
- How delivery will be measured and evidenced throughout the contract.

Suppliers should aspire to deliver a 10% social value return based on the value of the contract.

All supporting documentation can be accessed on the website, [Social Value | Hertfordshire Futures], alongside a summary of the Themes, Outcomes and Measures and the ESSV Framework tool which can be used to measure the financial impact of social value commitments, if required.

Employment, Skills and Social Value Delivery Plan

The successful supplier, at contract award, will be required to submit an Employment, Skills and Social Value Delivery Plan. It is acknowledged that each Delivery Plan will be designed within the scope of the value and requirements of the contract.

The plan should set out where appropriate:

- A detailed method statement for delivery against ESSV commitments
- A schedule of local job opportunities to be created as a direct result of the contract.
- The processes and campaigns that will be in place to advertise these jobs.
- The number of apprenticeships/work experience placements/T Levels that will be facilitated.
- An engagement plan on how the bidder/supplier will work with local schools and local training providers/colleges.
- Details on how those residents furthest away from the jobs market are given real opportunities to access work.
- The actions that will be taken to ensure the support of local contractors and sub-contractors working on the project.
- Details on how the supply chain will be supported and provided with the necessary skills and employment opportunities.
- The title and details of the accredited and non-accredited training that will be provided.
- An engagement plan on how the bidder/supply chain will work with and support the voluntary and community sector.
- Details on how green initiatives will be implemented to improve environmental sustainability, benefitting places, business and communities
- A statement on how ESSV performance will be monitored and evaluated including issuing a quarterly report on the outcomes and activities delivered.
- A summary on how case studies will be created and promoted to demonstrate the impact of employment, skills and social value activities.
- A risk and mitigation plan.

The Local Community Investment Fund

Social Value commitments might include financial contributions towards local community initiatives. The Local Community Investment Fund has been set up and will be managed by a locally formed Stakeholder Committee who reinvest funds from supplier social value contributions into community projects.

The Committee assigns investment, through a transparent bidding process, prioritising projects near to where the contract is being delivered, or within the local authority area. Local organisations wishing to apply to the fund may be required to complete a grant application. A panel of representatives meet to review and agree applications with all decisions on the allocation of grant funding made from members of the Stakeholder Committee.

The income contributions towards this fund are derived from

- contributions to support skills FE/HE training in Hertfordshire
- contributions to support local MSME grants schemes to fund training/business improvement solutions
- donations or in-kind contributions to local community projects (£ & materials)
- contributions resulting from the Innovation measure to promote local skills and employment, support responsible business, enable healthier, safer and more resilient communities or safeguard the environment.

The Local Community Investment Fund can provide one-off or time-limited grants towards a project, for either capital expenditure (equipment/facilities), business improvement consultancy, energy efficiency improvements or for revenue (staffing and running costs). A 10% management fee can be allocated to support the costs of administering the fund. An annual report is issued every year that details income and expenditure to ensure that contributions are directed toward initiatives that drive meaningful, positive social value to the local area.

The Community Investment Fund Grant Application process can be accessed here.

The Brokerage Service and ESSV Initiatives

The Hertfordshire Futures Brokerage Service is a scheme that connects suppliers with local solutions to maximise social, economic and environmental benefits from our larger public sector contracts.

The service acts as an intermediary, facilitating partnerships that enhance the social impact of our supplier contracts, such as, employment opportunities, training, local business support, environmental initiatives and community development.

The service also supports suppliers to maintain high-quality data on activities including outcomes, resource needs, timelines, and provides reporting tools to enable qualitative and quantitative outcomes to be reported on.

The table below includes a summary of local initiatives that suppliers will be supported with through the Hertfordshire Futures Social Value Brokerage Service.

A detailed overview of the service can be accessed on the website - [Social Value | Hertfordshire Futures].

Table two: **Social Value activities**

Outcome	Local initiatives
1. Inspiring and raising the aspirations of young people.	Partner with Careers Hubs; employer engagement (Enterprise Advisers, Cornerstone Employers); careers talks, CV/interview workshops; apprenticeships/T Levels awareness; short work experience; job shadowing; virtual engagement activities.
2. Creating opportunities for work experience, industry placements, T Levels and apprenticeships.	1+ week work experience placements; T Level industry placements (45 days); apprenticeship programmes; undergraduate/graduate placements with universities.
3. Employment for local residents.	Provide job forecasts; advertise vacancies locally (DWP, colleges, job boards); offer guaranteed interviews; work with Step2Skills and employment support services
4. Skills training and progression in the workplace	Support training such as Skills Bootcamps, HTQs, apprenticeships; leadership programmes; employer-led training; partnerships with FE/HE providers; fund training infrastructure and provision.
5. Green initiatives to develop a more sustainable business environment.	Carbon reduction plans; low-carbon construction methods; energy-efficient technologies (e.g. heat pumps, solar); green skills training; sustainability advice to local businesses.
6. Promoting the local economy by using local MSME supply chains and encouraging growth in the local area.	Use local supply chains; engage chambers and the Growth Hub; meet-the-buyer events; supplier workforce training; provide grants/funding to MSMEs; business mentoring and advice.
7. Supporting the local voluntary, community, faith, and social enterprise sector (VCFSE).	Volunteering programmes; partnerships with charities; co-designed community projects; contributions towards the Community Investment Fund, working with GoVolHerts, Herts Community Foundation.
8. Tackling inequality to drive diversity and inclusive growth.	Target disadvantaged groups (NEETs, disabled, care leavers, veterans, ex-offenders etc.); inclusive recruitment; support Connect to Work and DWP programmes; become Disability Confident; deliver wellbeing initiatives; EDI training.
9. Going above and beyond to deliver local impact through innovative social value projects	Deliver innovative, community-led projects; co-design solutions with stakeholders; address social, economic, and environmental challenges; go beyond baseline requirements.
10. Communicating the success of social value	Develop case studies; showcase outcomes (employment, skills, business growth); share best practice; promote achievements across local and county platforms. A copy of a case study template can be downloaded here.

Monitoring and Reporting

Hertfordshire Futures has secured membership for the Social Value Portal (www.socialvalueportal.com), which is an online tool that effectively manages and reports on social value impact.

The Social Value Portal (SVP) gives suppliers a single space to capture, manage, measure and report against their social value commitments, with accuracy and transparency, ensuring that both financial and non-financial impacts are comprehensively tracked and demonstrate the 'real' social value generated.

It is a requirement for the successful bidder to register with the Social Value Portal (SVP) for this Tender opportunity to provide Social Value management data and reporting. The successful bidder will be introduced to the SVP upon award. The Social Value Portal provides the following services as part of the licence:

a. Online account with Social Value Portal to allow contract management and project reporting account

b. Technical support with data entry (e.g., access and functionality issues)

c. Confirmation of evidence required to satisfy requirements

d. Quarterly reports showing progress against targets

e. End of project summary report and case study

To use the Social Value Portal (SVP) there is an annual licence cost which will be borne by the successful supplier. The successful supplier will be invoiced directly by SVP and will be responsible, under the terms of the contract, for payment directly to them.

The associated costs will be a per annum charge of the total contract value, with a minimum fee per annum, which is capped at a maximum possible fee per annum.

The current per annum license fee is 0.15% of the total contract value, with a minimum fee of £750 per annum for contracts <£500k and capped at a maximum possible fee of £7,500 for contracts >£5m per annum.

The costs of the licence fees will be payable directly to the Social Value Portal. It is recommended as part of your Tender submission that you factor in the annual licence costs.

Supported by the Hertfordshire Futures Social Value Brokerage Service, suppliers will be able to log, track and report on measures using the wide selection of reporting features which are available on the SVP to recognise and highlight the positive impact being created. These include:

- Automated project level reports – instant access downloadable reports that provide a visual representation of the social value created for a major development
- Reporting Dashboard – a visual representation of impact delivered against commitments with sophisticated filtering to drill into specific business sectors, grouped customer contracts or projects.

Reporting Deadlines

Suppliers must ensure the Portal is updated and their quarterly reports submitted to the Hertfordshire Futures Brokerage Account Manager by the following deadlines:

- Q1 (1st January to 31st March) - by end of April
- Q2 (1st April to 30th June) - by end of July
- Q3 (1st July to 30th September) - by end of October
- Q4 (1st October to 31st December) - by end of January.

The ESSV Delivery Process

Once a contract is awarded, the local authority shares the successful supplier details with Hertfordshire Futures who will support the delivery and monitoring of all social value commitments.

The Step-by-Step Process

Bidders submit tender, ensuring response to Social Value question is meeting local priorities (if the tender value is over £100,000).

Hertfordshire Futures will be available to support and advise Local Authority procuring officers on the ESSV Framework before submission.

The Local Authority evaluates the bidder Social Value proposals and seeks advice from Hertfordshire Futures if necessary.

Local authority will liaise with the bidder.

Successful supplier notified

Tender rejected

Local authority will return Tender to bidder with feedback.

Local Authority introduces supplier to Hertfordshire Futures and Delivery Plan is agreed to support ESSV commitments.

Hertfordshire Futures facilitates connections for the supplier with local organisations to enable delivery.

Hertfordshire Futures notifies SVP team of contract award and supplier arranges access to the Social Value Platform

Using the SVP, supplier submits quarterly reports (as per schedule) on their ESSV delivery to Hertfordshire Futures.

Hertfordshire Futures will arrange quarterly progress meetings and an annual visit to discuss progress against the ESSV Delivery Plan

Social Value Portal

Appendix 1: Aligning to Hertfordshire's strategic priorities

Bidders and suppliers should align their social value commitments to our wider vision for Hertfordshire, detailed within our local Corporate Plan, Economic Growth Strategy and Get Hertfordshire Working plan.

Hertfordshire County Council's Corporate Plan (2025 to 2028) showcases an ambition to create a county where every resident thrives and achieves their aspirations. Where economic growth, innovation and industry are supported, and our environment is protected for future generations. We want to be a council that Hertfordshire's people recognise as being on their side.

The Economic Growth Strategy (2025 – 2035) champions a vision where Hertfordshire will be recognised globally as the UK's innovation heartland – a high-value, productive and sustainable economy where businesses and people thrive, and everyone has the chance to live better.

The Get Hertfordshire Working plan sets out our objectives to reduce economic inactivity and boost employment, skills and productivity across our county.

Appendix 2: Glossary of Terms

Agreed Terms	Definitions
Day	Working day which equates to 7 hours.
DWP	Department of Work and Pensions
ESSV	Hertfordshire's Employment, Skills and Social Value Framework is the toolkit to produce clearly defined Employment, Skills and Social Value deliverables for bidders and contracts over the value of £100,000.
FE	Further Education
FTE	Full-time Equivalent (35 hours). Time spent on Project FTE: Full time for 1 year 1 6 Months 0.5 3 Months 0.25 1 Months 0.083 1 Week*1 0.022 Note *1 – Assumes 6 weeks of holiday
HE	Higher Education
Local	Refers to a resident or business residing in the Local Authority, and if not possible then within a 10-mile radius of the development or Council office, and only when that presents challenges, a Hertfordshire resident and business
MSME	Micro, Small and Medium Enterprise
NEET	Not in Employment, Education or Training People under 24 years old.
NT (1,2,3 etc.)	National TOMs (Themes, Outcomes and Measures)
Proxy Values	These are average sums that correlate to the yearly uplift in life satisfaction for individuals, the government, and the community. They are established using public sector data. When reporting, we will use proxy values to calculate how much social value has been generated by suppliers. Do not make any amendments to the proxy values or units. The proxy values and units are not to be amended.
VCFSE	Voluntary, Community, Faith and Social Enterprises
Week	5 working days
y.o.	Years old

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