

Social value in construction procurement

Turn tender commitments into measurable outcomes that the contract team can deliver.

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Status: Central government procurement policy; buyer and contract scope control applicability.

Audience: Contractors and subcontractors; bid, commercial, workforce and contract managers.

Executive summary

Social value needs to be designed into contract delivery, with clear commitments and evidence. Check the buyer's model and evaluation method before writing the response. Procurement Policy Note (PPN) 026, published in August 2026, focuses on jobs and skills and sets a new approach for specified central government procurements starting from 1 January 2027. Earlier procurements have transition arrangements.^[1] Current tenders may therefore use different models. Build a deliverable response to the actual question, and hand the commitments to the people who will manage them.

Start here. For your next tender, identify the model, scored criteria and contract measures, then ask the delivery team which commitments it can evidence.

In plain terms. Social value describes the community and workforce outcomes sought through procurement. The bid explains your proposed contribution; the contract makes delivery measurable. A policy statement or company-wide total alone will rarely explain what will happen on this particular contract. Link the response to the buyer's criteria and requested evidence.^{[1][2]}

Check buyer and tender date

PPN 026 covers central government departments, executive agencies and non-departmental public bodies. It applies to covered procurements under the Procurement Act 2023 with total value of at least £1 million including value added tax (VAT). Private utilities and contracts primarily for overseas delivery are excluded; criteria must remain relevant, proportionate and non-discriminatory.^[1]

The start date is the tender-notice publication date. For procurements starting before 1 January 2027, transition is encouraged, but the previous model may be used where changing would require disproportionate resources or invalidate earlier engagement. PPN 002 is therefore still relevant to applicable tenders. Local authorities and devolved buyers need their own policy check.^{[1][2]}

PPN 026 scoring and delivery

Total value including VAT	Policy position for in-scope procurement
£1m to less than £5m	Minimum social value weighting of 10%. ^[1]
£5m or more	Minimum weighting of 20%; an extra social value performance indicator alongside the statutory set. ^[1]

Read the criteria rather than reusing a generic promise

A key performance indicator (KPI) measures agreed delivery. Under absolute evaluation methods, the 10% or 20% applies to non-price criteria, rather than the total score. Framework call-off treatment depends on assessment at framework level. Detailed PPN 026 guidance is due in autumn 2026.^[1]

The new model's focus on jobs and skills differs from PPN 002's wider outcomes. Carbon Reduction Plan requirements and environmental specifications remain separate tender questions. Do not assume a carbon commitment answers the social value criterion.^{[2][3]}

Recommended actions

Suggested owners, timing and evidence for the next steps:

1. **Confirm the rules.** Record the buyer, date, model and scoring. Clarify framework arrangements and definitions through the formal tender route; keep the buyer's written response. *Bid manager, at bid decision.*
2. **Design feasible commitments.** Identify needs and capacity with delivery partners. Cost the activity and confirm recruitment, training and ownership before offering numbers; keep the agreed delivery proposal. *Operations and workforce leads, before drafting.*
3. **Define the measures.** Specify the period, baseline and evidence. Distinguish people, placements, starts and completions. Document how subcontractor contributions will be recorded without duplication. *Reporting lead, before submission.*
4. **Complete the handover.** Transfer commitments, budgets, partners and reporting dates into mobilisation. Confirm contract measures and named owners, with an evidence register available to the delivery team. *Commercial and project managers, at award.*
5. **Check actual delivery.** Reconcile evidence, explain shortfalls and agree corrective actions. Keep approvals for changed commitments and protect personal information in workforce and beneficiary reports. *Contract manager, each reporting cycle.*

Example in practice

Illustrative example: a contractor promises 20 completed work placements and delivers 12 by the reporting date. It reports 60% completion, explains the shortfall and agrees corrective action. Eight future bookings remain planned activity; they are not reported as completed placements or converted into jobs created.

Common mistakes and what to do instead

- Reusing the previous tender's model: check this buyer's dates, criteria and scoring.
- Counting the same placement through two subcontractors: agree identifiers and attribution.
- Leaving commitments with the bid team: hand over owners, budget and evidence requirements at award.

How Reinventives can help

Reinventives can connect bid commitments to reporting through clear definitions, responsibility maps and evidence registers. A first deliverable can test whether proposed commitments are measurable and supported by available data, identifying gaps before mobilisation. Specialist procurement advisers and delivery partners provide the legal advice and programme expertise.

Book a construction reporting conversation: reinventives.co.uk/construction/book

Related briefing notes: [BN007 PPN 006](#) | [BN011 Reliable carbon data](#)

Sources and review dates

[1] Cabinet Office, PPN 026, 5 August 2026, paragraphs 4-18 and Annex A; scope, transition and scoring.

[2] Cabinet Office, PPN 002 Social Value Model, February 2025; introduction and model outcomes.

[3] Cabinet Office, PPN 006, Carbon Reduction Plans; separate procurement condition and scope.

Correct as of and sources accessed 9 September 2026 | Next review 9 November 2026

Review when the Cabinet Office publishes PPN 026 guidance and before using the note for procurements starting from 1 January 2027.

This briefing is general information, not legal, procurement, engineering or assurance advice. Requirements should be checked for the specific organisation, project and contract.