



Social Value Market Briefing Note

NSW Roadmap Tenders

Purpose

This briefing note is intended to assist Proponents in preparing high-quality Bids that address Merit Criteria 4 (MC4) – Social Value.

This note is designed to support Proponents to understand the policy intent of MC4 and how Social Licence Commitments (SLCs) are expected to be designed, evidenced and delivered as part of the tender assessment process. It highlights characteristics typically observed in high quality submissions and provides

general guidance to support consistency, comparability and quality in responses to published MC4 criteria.

This briefing note should be read alongside the Tender Guidelines, the [NSW Renewable Energy Sector Board Plan](#) and the [NSW First Nations Guidelines](#). In the event of any inconsistency, the Tender Guidelines prevail. Capitalised terms have the meaning given to them in the Tender Guidelines and MC4 Returnable Schedule.

Why is it important Proponents invest in social value?

Social value refers to the additional social, economic and environmental wellbeing benefits that can be achieved through Project delivery, supporting improved outcomes for First Nations peoples and local communities.

To maximise impact and secure the delivery of meaningful outcomes, social value should be embedded across the Project lifecycle – from early development through construction and into operations.

Investing in social value can:

- support delivery of the NSW Government Electricity Infrastructure Roadmap (“the Roadmap”);
- strengthen community relationships and social licence;
- build local workforce and supply chain capability;
- reduce commercial and delivery risks associated with delay or community opposition; and
- foster local support, employment opportunities and benefit-sharing in REZ communities -consistent with the Roadmap’s objectives.

What is required under MC4

A Proponent’s response consists of three main components:

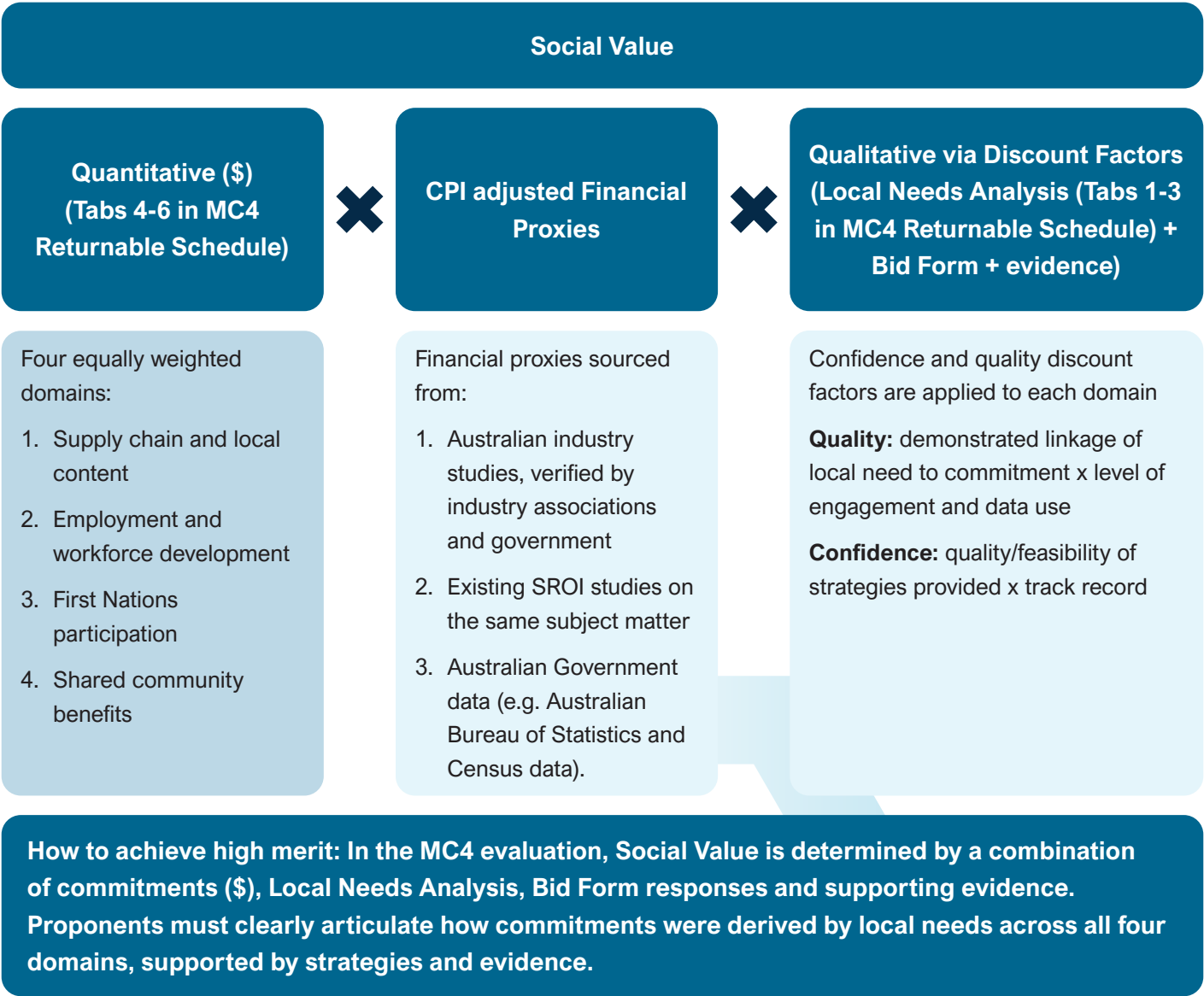
- 1. Quantitative commitments captured in the mandatory MC4 Returnable Schedule;
- 2. Qualitative information captured in the Bid Form, and the Local Needs Analysis section of the MC4 Returnable Schedule; and
- 3. Supporting evidence.

These inputs are considered together to support a holistic, comparative assessment against the published MC4 criteria.

How Social Value is considered in MC4 assessment

Social Value is considered holistically against the published criteria in each Tender Round, recognising differences in project technology, scale, stage and location. Proponent responses will be considered in MC4 assessment as outlined in **Figure 1** below.

Figure 1: MC4 assessment approach overview



What Proponents need to know about the MC4 Returnable Schedule

The MC4 returnable schedule is comprised of two sections and **8 mandatory worksheets** to complete. Instructions to complete each worksheet are provided in the MC4 returnable schedule.

Section	Worksheet
Local Needs Analysis	1 – Stakeholder Priorities 2 – Local Needs 3 – Theory of Change
Commitments	4 – Total Project Contract Value (TPCV) 5 – Local Content Input 6 – Employment and workforce Input 7 – First Nations Input 8 – Community Engagement Plan (CEP) Input

Local Needs Analysis

Proponents are asked to capture their Local Needs Analysis (**LNA**) within a dedicated LNA section in the MC4 Returnable Schedule.

The LNA is intended to provide a concise summary of the local community, workforce and First Nations context relevant to the Project, drawing on engagement outcomes, local strategies and credible data sources.

The LNA supports understanding of place-based relevance and informs how social licence commitments are considered in context. It is used to help explain why particular commitments have been selected and prioritised. The LNA is not a standalone scored item, and does not replace commitments, narrative responses or supporting evidence submitted elsewhere in the Bid.

Proponents are required to complete three tabs in the MC4 Returnable Schedule that together form the evidence base underpinning proposed Social Licence Commitments.

Worksheet 1 – Stakeholder Priorities

Requires Proponents to document the outcomes of engagement with local community, industry and First Nations stakeholders, identifying the priorities and aspirations that have informed commitment design.

Worksheet 2 – Local Needs

Proponents to provide a concise summary of the local socio-economic, workforce and First Nations context relevant to the Project, drawing on credible data sources and engagement outcomes to explain why particular commitments have been selected.

For additional guidance on completing a Local Needs Analysis, please review ASL Social Value Toolkit [Local Needs Analysis template](#).

Worksheet 3 – Theory of Change

Proponents to set out how proposed commitments and activities are expected to lead to meaningful outcomes and longer-term impact over the Project lifecycle, including inputs, delivery pathways and how outcomes will be tracked.

For additional guidance on completing a Theory of Change model, please review ASL Social Value Toolkit [Theory of Change template](#).

Expression of values in the MC4 Returnable Schedule

Proponents must provide firm values, in the form of real AUD\$ values and workforce percentages, in the MC4 Returnable Schedule that become contractually binding upon award.

Bids that provide incomplete and/or inaccurate values may be assessed unfavourably. This includes values provided as a range. Where there is uncertainty, Proponents should provide the bottom of the range as a firm value and an explanation to describe the strategy to improve the value.

These Project metrics have been set up in a proforma template within the MC4 Returnable Schedule for Proponents to populate. For example:

- Local content commitments are expressed in real AUD\$ values for the relevant Project phase, using the fields provided for Pre-COD and Post-COD, and with Local Steel identified separately.
- Workforce commitments are expressed by reference to the Total Project Workforce (**TPW**) and Total Trades Workforce (**TTW**) positions for the relevant phase, including total working hours and percentage commitments, where applicable.

Key principles when developing social licence commitments

Proponents are encouraged to take a strategic, place-based approach to social value, moving beyond isolated initiatives to deliver coordinated, long-term benefits for communities and the regions in which Projects operate.

Effective SLCs are those that are grounded in local need, connected to existing efforts, and supported by credible delivery approach.

When developing commitments, Proponents should consider these key principles:

- **Ground commitments in local context:** draw on local needs, stakeholder and First Nations engagement, and credible data to inform what is proposed and why.
- **Show how evidence has shaped commitments:** clearly demonstrate how research, engagement or local priorities have influenced commitment selection and scale.
- **Pursue collective impact:** consider how commitments complement or build on existing government, industry or community initiatives, avoid duplication, and leverage partnerships to amplify outcomes.
- **Distinguish additionality:** be clear about what goes beyond baseline compliance requirements and why it represents genuine additional social value.
- **Focus on proportionate, meaningful outcomes:** commitments should be appropriate to the Project's scale, location and context.
- **Demonstrate delivery credibility:** explain how benefits will be sustained and monitored over time, and where applicable provide track record, case studies or partnerships that support confidence in delivery.

NSW Renewable Energy Sector Board Plan

Proponents should consider the Renewable Energy Sector Board Plan requirements summarised in the table below. Proponents may strengthen their Bids by:

- demonstrating understanding of local needs and constraints supported by evidence;
- outlining credible delivery pathways; and
- referencing prior experience delivering comparable outcomes.

Table 1 – Baseline requirements and stretch goals related to MC4

Local supply chain inputs criteria		Baseline requirement			
	Wind	Solar	Pumped Hydro	BESS	
Before COD – development and construction phase (% of total DEVEX + CAPEX)	40%	49%	66%	23%	
After COD – operation and maintenance phase (% of total OPEX)	51%	71%	61%	35%	
Steel product and components using locally milled steel (% of total Steel)	10%	95%	30%	95%	
Local supply chain inputs criteria		Stretch goals			
	Wind	Solar	Pumped Hydro	BESS	
Before COD – development and construction phase (% of total DEVEX + CAPEX)	72%	81%	86%	78%	
After COD – operation and maintenance phase (% of total OPEX)	76%	81%	82%	79%	
Steel product and components using locally milled steel (% of total Steel)	95%				
Investment and innovation in the supply chain		Baseline requirement and stretch goal			
Commitment made to local supply chain, including for investment, innovation and environmentally sustainable procurement (cost in real AUD\$)	For this Tender Round, Proponents to make a voluntary but contractually binding commitment to investment and innovation.				
Employment and workforce	Baseline requirement		Stretch goal		
Learning workers (% of TPW)	20%		40%		
Apprentices (% of all trades positions on a Project)	20%		30%		
Underrepresented groups (% of TPW)	15%		25%		
First Nations participation criteria (may be met using one or a combination of the following)	Baseline requirement		Stretch goal		
First Nations subcontracting (% of TPCV) First Nations training and workforce development (%TPCV) First Nations Workforce (% of TPW)	3%		10%, or the goal in the region-specific protocol under the First Nations Guidelines.		
Environmentally sustainable procurement					
Numerical minimum requirements do not apply. Proponents are encouraged to demonstrate environmentally sustainable procurement. This includes: <ul style="list-style-type: none">• Alignment with NSW Net Zero Plan.• Alignment with NSW Circular Economy Policy Statement.• Sourcing materials according to EN15804, Green Building Council’s or other appropriate sustainability framework.					

Examples of good practice

The examples below are indicative and should be tailored to the scale, location and context of each Project. Stronger MC4 submissions typically demonstrate credibility, additionality and deliverability across all inputs.

Element	Policy intent	Examples of good practice
Local supply chain development	To maximise local content over time and to incentivise Projects to proactively source local content or incorporate local content where possible.	<ul style="list-style-type: none"> • Commitments to source materials and services from local and regional suppliers, supported by evidence of engagement with local businesses or supplier briefings. • Break-down of work packages to enable participation by SMEs and First Nations businesses, rather than aggregation into large contracts (e.g., fencing, civils, landscaping, security, fleet maintenance). • Clear explanation of how local content commitments align with regional industry capability and evolve across the Project lifecycle. • Use of existing local or regional supplier networks, chambers of commerce and industry bodies to signal upcoming procurement and build supply chain capacity.
Employment and workforce development	To encourage investment in education, training and capacity building to support the development of the renewable energy workforce.	<ul style="list-style-type: none"> • Workforce commitments informed by local labour market data, skills gaps and regional workforce strategies. • Partnerships with local employment providers, training organisations, TAFEs and schools to support learning workers and under-represented groups. • Clear delivery pathways explaining how workforce commitments will be implemented during construction and operations. • Evidence of prior delivery of workforce or training initiatives on comparable projects, demonstrating credibility and capability.
First Nations participation	To support meaningful participation for First Nations communities, and businesses that reflect key local priorities and aspirations.	<ul style="list-style-type: none"> • Early engagement with relevant First Nations organisations, aligned with applicable guidelines and cultural heritage processes, with an auditable evidence base to support commitment design and delivery. • Commitments developed with reference to local First Nations priorities, guidelines and engagement outcomes. • Meaningful opportunities for First Nations employment, subcontracting or capability-building, proportionate to project scale and context. • Partnerships with local First Nations organisations, businesses and service providers to support delivery. • Clear distinction between baseline compliance and additional participation outcomes, with supporting rationale and evidence.
Community shared benefits	To encourage the establishment or support of programs and/or initiatives that have long-lasting positive impact on the community.	<ul style="list-style-type: none"> • Place-based community benefits aligned to identified local needs or gaps, above and beyond generic sponsorships. • Commitments that contribute to or complement existing community, infrastructure, education or wellbeing initiatives (e.g, support housing/worker accommodation solutions and collaborate on road upgrades/maintenance with councils). • Clear explanation of how shared benefits are expected to deliver outcomes over time, supported by a simple Theory of Change. • Deliver energy affordability initiatives and targeted education/sponsorships linked to regional skills pathways; implement SME skills uplift where evidence shows need. • Collaborative or collective approaches that amplify impact, avoid duplication and support long-term benefit realisation.

Resources and reference materials

The following resources may assist Proponents in developing high-quality, evidence-based social value commitments. This is not an exhaustive list and is provided for reference only. These materials do not form part of the tender requirements or assessment criteria.

First Nations resources

- First Nations Guidelines for the NSW Electricity Infrastructure Roadmap — energy.nsw.gov.au/first-nations-guidelines
- First Nations Clean Energy Network: Building Capacity of Proponents Toolkit — firstnationscleanenergy.org.au
- Supply Nation — Indigenous business directory and procurement support — supplynation.org.au
- National Agreement on Closing the Gap — targets and outcomes framework — closingthegap.gov.au
- AIATSIS — Australian Institute of Aboriginal and Torres Strait Islander Studies — aiatsis.gov.au

Data and local context

- ABS Regional Statistics — labour force, population and socio-economic data by LGA and SA2 — abs.gov.au/regional-statistics
- NIEIR Regional Impact Analysis — socio-economic modelling and regional data — nieir.com.au
- id.community (Profile.id) — community demographic and economic profiles by LGA — profile.id.com.au

Industry frameworks and tools

- Clean Energy Council: A Guide to Benefit Sharing Options for Renewable Energy Projects — cleanenergycouncil.org.au
- Social Value International — SROI principles and measurement framework — socialvalueint.org

Local steel and manufacturing

- Australian Steel Institute — industry standards, local capability and procurement guidance — steel.org.au
- InfraBuild — Australian steel manufacturer and supplier directory — infrabuild.com.au

Industry Capability Network (ICN)

- ICN Gateway — national portal for local supplier discovery and project opportunity matching — icn.org.au
- ICN NSW & ACT — regional industry capability and local content support — nsw.nsw.icn.org.au

Supply chain development

- Australian Industry Group (Ai Group) — industry capability, supply chain and workforce resources — aigroup.com.au
- NSW Regional Industry Education Partnerships (RIEP) — connecting local industry with education and training — education.nsw.gov.au/riep
- NSW Government Buy Local Policy — guidance on local procurement commitments — buy.nsw.gov.au
Training and workforce capacity
- TAFE NSW — vocational training, apprenticeships and local workforce development — tafensw.edu.au
- Australian Apprenticeships — national framework for apprenticeships and traineeships — australianapprenticeships.gov.au
- Clean Energy Council: Renewable Energy Training Pathways — cleanenergycouncil.org.au
- National Centre for Vocational Education Research (NCVER) — workforce and training data — ncver.edu.au

