

WHAT IS SOCIAL VALUE?

In the context of this project social value is the added benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes.

This guide is intended for leaders of public sector services including commissioners, procurers and providers.

WHAT IS SOCIAL VALUE?

Social value is the additional benefit to the community from a commissioning / procurement process over and above the direct purchasing of goods, services and outcomes.

Social value is designed to maximise the value of the money spent during commissioning. This is achieved by considering the wider benefits of spending, for the customer, community and general public.

Social value asks the question: 'If £1 is spent on the delivery of goods, services and outcomes, can that same £1 also be used, at the same time, to also produce a wider benefit to the community?'

WHY SHOULD I BE INTERESTED IN SOCIAL VALUE?

In these difficult economic times, social value will allow you to demonstrate increased value for money. In addition, taking social value into consideration ensures compliance with the NHS Constitution and Treasury guidance, which states that resources will be used for the benefit of the whole community.

CAN YOU GIVE ME SOME EXAMPLES OF SOCIAL VALUE?

Examples of social value:

- Commissioning an extra care scheme redevelopment, whereby the construction firm employs new apprentices from the local area, assisting in providing training and employability for members of the local community
- A mental health service which employs people with a history of mental health problems to help deliver the service – the social value of this commissioning activity is improved wellbeing through increased job control, decreased social isolation and employment.
- A housing Arms Length Management Organisation (ALMO) contracts with a private sector company to undertake repair work on their properties, with the successful contractor offering to provide social value in the form of promoting careers in construction and trades to local schools, committing to employing local apprentices and working with local neighbourhoods.
- Commissioning of a user-led organisation, which provides recipients of support with an active role which increases their choice and control, helps develop transferable employability skills, decreases the burden on state resources by using new ways of working to support their lives and the lives of others.

It may be useful to think of adding value in these areas:

**INCOME – EMPLOYMENT – HEALTH – EDUCATION
– HOUSING – ENVIRONMENT – CRIME PREVENTION**

WHAT ARE THESE EASY READ GUIDES?

These guides have been produced to introduce you to the concept of social value; and to support the **Social Value Toolkit**.

The following guides have been produced:

1. Summary of the Social Value Process (This guide)
2. Step by Step Guide to using the toolkit
3. Provider Guide to Social Value
4. Commissioner Guide to Social Value
5. Procurement Guide to Social Value
6. Measurement Guide – Top 10 tips

HOW DO I UNDERSTAND WHAT IS HAPPENING WITH SOCIAL VALUE?

There have been a number of pilot site studies to examine how social value can be developed as a concept, and captured as a formalised practice. A breakdown of what happened during these pilot studies are set out in the **Pan-Regional Social Value Commissioning Project Report**, and shows the different focus that each pilot site had during the study.

Each pilot site covered a different activity associated with encouraging social value. Depending on how ready your own organisation is to capture social value, you may wish to examine a specific case study (Appendix A – Pan-Regional Social Value Commissioning Project Report) to help understand the next steps you will need to take.

In many instances, we have found that organisations are already delivering social value in some form. To help you establish this and to assist you in growing and capturing social value in your own community, we have produced a **Social Value Toolkit**.

The Social Value Toolkit has been designed for you. This Toolkit will allow you to establish:

- If and how you are already delivering social value
- How you can encourage and capture social value through your commissioning activities
- How you can evaluate a provider's wider offering (taking into consideration their social value offering)
- How you can measure the effectiveness and financial benefit provided by the social value that is delivered

This Toolkit has been developed to encourage commissioners (and subsequently, suppliers) to consider social value – both in existing services which are already being provided, and in new services to be provided. They set out the steps that can be taken on both sides of the commissioning pathway – for commissioners to develop, identify, encourage and monitor social value; and for providers to develop social value alongside their core service offerings.

The Easy Read Guide '**Step-by-step Guide to using the Toolkit**' explains in further detail the tools and processes which you should undertake to develop social value in your area

FOR FURTHER INFORMATION PLEASE CONTACT:

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The social value toolkit, evaluation report, easy read guides and further information can be found at:

http://www.northwest.nhs.uk/whatwedo/socialvalueproject/social_value_project.html