

Social Value Frequently Asked Questions



The Academy of Public Health
London and South East

What is Social Value?

Social Value refers to wider financial and non-financial impacts of programmes, organisations and interventions, including the wellbeing of individuals and communities, social capital and the environment.

From a business perspective it may be summarised as the net social and environmental benefits generated by an organisation to society through its corporate and community activities reported either as financial or non-financial (or both) performance (The Social Value Portal)

Why embed social value

Public services are experiencing financial pressures and increased demand. Social value enables public services to consider:

- What matters to the people they serve;
- What can be done differently to get best value for public money;
- What positive impact commercial interactions can have on society;
- How can public services work more closely with the people they serve, private sector companies, third sector and community organisations.

How can commissioners embed social value

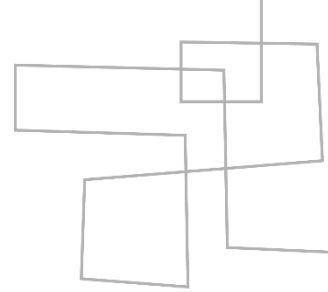
The first step to realising the benefits of social value is to ensure organisational support to develop its use. Subsequent to this a policy should be created to enable consistent application of social value across the organisation and clarity of expectations.

A clear policy with organisational support enables commissioners to look for support from partner organisations in delivering social value outcomes.

Social value then can and should be a formal expectation within the specification for goods or services.

As a rough guide, procuring authorities tend to allocate between 10%-20% of the tender score to social value.

How can Social Value make a practical difference?

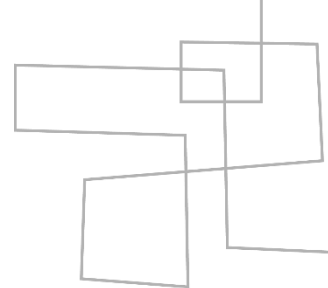


Social value can be used to obtain benefits to existing organisational priorities, such as reaching a wider cohort or addressing related issues.

It can also deliver benefits from services which may not otherwise have been achieved. These include reduced unemployment, better supported third sector, sustainability measures, greater community cohesion and local economic resilience

If intertwined with organisational objectives, social value becomes a truly useful and integral part of the procurement function and allows for system wide working collaboratively between departments and different disciplines.

How can we support suppliers?



It is important to recognise that different sectors and suppliers within those sectors are at different stages of their social value journey.

Supplier engagement should be progressive and preferably take place over a period of time, with clear signposting, i.e. in the run-up to retendering a framework.

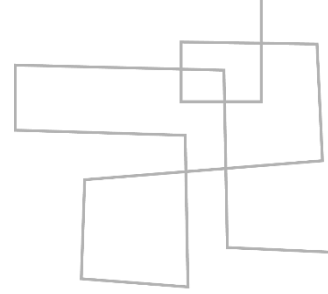
Social value can also be embedded on a voluntary basis as a precursor or a pilot before it is contractualised. Alternatively, a period of bedding-in may be appropriate.

Some suppliers may be delivering a level of social value without realising it (e.g. because of their CSR commitments) so it is important to ensure that language is not a barrier.

It is often helpful to hold a supplier engagement event or workshop where issues can be openly discussed and questions asked. The form and timing of these will need to fit in with the commissioning / procurement process.

At a minimum all specifications must be clear on expectations of suppliers, with weighting clearly, reasonably and consistently and applied.

How can I ensure Social Value is applied objectively and fairly



The commissioning / procuring authority's social value strategy needs to be clearly communicated from the outset

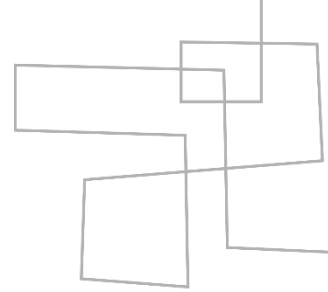
The social value “ask” should be both relevant and proportionate to the contract

Throughout the tender process social value expectations should be clearly and transparently communicated. As always, responses to specific tender questions should be made available to all potential suppliers.

Social value expectations, whilst based on organisational priorities, should:

- Be sufficiently broadly applied so as not to restrict the supplier pool, to become an advantage to some suppliers;
- Allow suppliers some optionality so they can consider the areas where they can be most effective;
- Not become an obstacle to certain supplier groups such as SMEs.

Further questions



For further questions please contact:

The Social Value Portal at <https://socialvalueportal.com/>

The Academy of Public Health at AofPH@hee.nhs.uk