



**Social
Enterprise UK**

**The Social Value Difference in
Health and Care Commissioning**



Contents

| | |
|---|---|
| 1. About the Health and Social Value Programme..... | 1 |
| 2. The Social Value Difference..... | 2 |
| 3. Key Learnings..... | 4 |
| 4. Recommendations..... | 6 |
| 5. Further support..... | 6 |

Acknowledgements

This report was written by Nancy Towers from Social Enterprise UK. Additional content and copy-editing from colleagues Shehan Perera and Nick Temple.

Thank you to colleagues at the Institute of Voluntary Action Research - Charlotte Pace, Helen Garforth, Sam Brier and Ben Cairns who played a large part in facilitating this work with the twelve areas, and supporting each area to drive their social value work forward.

This work could not have taken place without the financial support of the Department of Health and the willingness and enthusiasm from all twelve local areas, during what has been a particularly turbulent time in health and social care. Their dedication and enthusiasm for social value has been inspirational.

We genuinely hope that this report highlights the transformational role social value can play in health and care commissioning and that it supports others to begin their social value journey.



1. About the Health and Social Value Programme

“If we have the opportunity to invest our £300 million budget in a way that brings greater return and wider health benefits for Salford residents, we’d be irresponsible not to.”

Dr Paul Bishop, Clinical Lead for Salford CCG

Funded by the Department of Health, the Health and Social Value Programme supported health and care commissioners to make the most of the Public Services (Social Value) Act 2012. The Act requires all public bodies in England and Wales, including local authorities, to consider how the services they commission and procure might improve the economic, social and environmental wellbeing of the area. The programme also sought to build the understanding of voluntary, community and social enterprise (VCSE) organisations to meaningfully bid for and deliver social value in public sector contracts.

This work has begun to unlock the potential that social value has to transform public service delivery and increase resources directed at wellbeing. It shows that, if used in the right way, the Act means every service commissioned by a council or Clinical Commissioning Group (CCG) can contribute to increasing the health and wellbeing of residents at no additional cost. This programme has started to build evidence of the difference procuring for social value can make in health and care: it has enabled areas to focus on prevention and wellbeing at a time when resources are quickly disappearing, and use procurement across sectors to address health inequalities and ultimately improve health outcomes for individuals.

This short report details the difference social value can make in health and care commissioning, and shares learning for other commissioning authorities to make the most of social value.

“Social value is now a contractual agreement across all major providers including acute trusts. Training and support is being developed to ensure social value is part of everything we do. NHS Halton have recently commissioned a cultural strategy to broaden the approach and embed social value in the community - also being backed by a sustainability strategy which aims to identify the environmental elements of a CCG approach.”

All of the above have stemmed from the initial work instigated by the Health & Social Value Programme.”

Dave Sweeney, Director of Transformation NHS Halton CCG & LA

What we did

Over three years Social Enterprise UK (SEUK) and the Institute for Voluntary Action Research (IVAR) worked with twelve local areas, supporting each one to define their social value priorities and put them into action within health and care commissioning. Taking a partnership approach we brought together local CCGs, local authorities, Health and Wellbeing Boards and VCSE organisations in each area, building trust and common understanding between commissioners and the VCSE. This meant with facilitative support and input from experts, areas were able to establish a mutual understanding of social value and agree social value priorities which had cross sector support.

“Having parity of esteem between the partners was really important in establishing a good working relationship.”

VCSE participant

When agreeing their social value priorities, much discussion was focused not just on generating additional value but on a desire to spend in a different way. It was a common aspiration across the areas to ‘think local’, keeping spend local, improving employment opportunities, as well as delivering on the living wage. Some areas chose to broaden the remit of their approach from health and care services to council wide or city wide commissioning, while others favoured a focus on a particular service, for example Lambeth focused on reducing offending and improving offender’s health outcomes.



The twelve areas

Click on each area to view their social value policy.

| Year One (2013-2014) | Year Two (2014-2015) | Year Three (2015-2016) |
|-------------------------------|--------------------------------|-------------------------------------|
| Salford | Leeds | Brighton & Hove |
| Halton | Reading | Lambeth |
| Milton Keynes | North Tyneside | Oldham |
| Calderdale | Haringey | Shropshire |

2. The Social Value Difference

2.1 Increases opportunities to deliver on local priorities

Many of the areas used social value to increase opportunities to deliver on already agreed local goals. In Haringey, their social value priorities built on cross cutting themes from their Corporate Plan and Health and Wellbeing Strategy. So their priorities in their [social value checklist](#) include: Early Help and Prevention, Healthy Life Expectancy, and Equity and Social Inclusion, which gives commissioners additional opportunities to deliver on the borough's objectives at no additional cost.

2.2 Addresses health inequalities

Health is determined by a complex mix of factors including income, housing and employment, lifestyles, and access to healthcare and other services. Lower income and social status are linked to worse health outcomes, so addressing social inequalities can have a positive impact on an individual's health outcomes as well as improve local economic output.

With this in mind the Halton group mapped their sustainable community priorities to the Marmot Policy Objectives, which have been proven to address health inequalities, to develop their social value priorities. This means that all Halton's social value priorities, when translated into service specifications should lead to outcomes that reduce health inequalities, even when commissioning services unrelated to health and care. For example, a recent property service contract was awarded to a bidder whose social value clause included the use of local labour, careers support and advice for local schools and colleges, and the creation of local apprenticeships. To date Halton has used social value to create over 40 employment opportunities in the borough.

Here is Halton's [social value procurement framework](#).

Public Health England and the Institute of Health Inequality, UCL address this in more detail in their publication: [Using the Social Value Act to reduce health inequalities in England through action on the social determinants of health](#)

2.3 Keeps spend local

This was a key priority for all of the twelve areas ensuring that the money spent in the area remained and benefited people in the area, rather than going to anonymous shareholders outside of their locality. For example, Leeds' Social Value Charter looks to:

Strengthen the local economy

- Grow and strengthen the local economy through a focus on local suppliers and the growth of the local infrastructure
- Support the local economy by choosing suppliers close to the point of service delivery where possible
- Encourage out of town suppliers to invest in the local economy through their supply chain
- Invest the Leeds Pound in Leeds
- Encourage your suppliers to endorse the principle of investing the Leeds Pound in Leeds throughout their supply chains
- Create a culture where Leeds businesses look to other Leeds businesses to meet their needs

Similarly, Salford has measured the success of their social value approach tracking the flow of money in the local economy. Salford was able to track spend within the council and what money moves out of the borough. They already know that they are spending more with local companies and organisations than they were before.

2.4 Supports local VCSE and small & medium enterprises (SMEs)

All of the social value policies, frameworks and charters developed through this programme recognise the distinct value that VCSEs have to offer in relation to social value and the role the Social Value Act can play in supporting more organisations from the VCSE sector and local SMEs to win contracts.

In North Tyneside their policy prioritises '**Greater participation with third sector organisations in the community**¹'. Calderdale have developed a quality mark for VCSE organisations working in health and care to demonstrate their social value. Meanwhile Salford established a training programme to improve VCSE understanding of social value and their ability to measure it, and have appointed a new staff member to lead on social value work with the VCSE sector. This work is backed up by the commitment to spending locally through social value, which has a positive effect on both local SMEs and VCSEs: most charities and social enterprises are also SMEs.

2.5 A force for integration: between areas and sectors

We are beginning to build evidence of how social value can be a force for integration between sectors. This is particularly important in healthcare, given the political and economic pressures driving health and social care integration. For example, when Brighton & Hove Council's domestic violence service was due to be re-commissioned, they took the opportunity to redesign the service and align several contracts, to create a new domestic violence & abuse, rape, sexual violence & abuse service.

Formerly commissioned solely by Brighton & Hove Council it made sense for the specialised service to be jointly commissioned by the Council with East Sussex Council, the Brighton & Hove CCG and the Police and Crime Commissioner (PCC). Developed in close consultation with service users, the weighting of the contract was 60% quality (added/social value) and 40% cost. This new way of working will deliver cost savings and a more effective service, reducing duplication of provision and complexity for service users.

¹ [North Tyneside Social Value Policy](#)



3. Key Learnings for Delivering Social Value in Health and Care

3.1 A place and theme based approach works

A place based and theme approach works, it is a useful starting point for an area to begin thinking about social value. Everyone involved in the local area has a common interest in achieving the best for the local residents, and it was helpful to have health and care as a focus for people's ideas and thoughts.

For those areas that wanted to, it was easy to broaden out from health and care commissioning to expand and apply their social value priorities across councils, PCCs and even cities. Building a coherent and joined up approach across sectors also has the benefit of leading to greater impact on the social value priorities that have been agreed.

3.2 External facilitation makes a difference

Each area was assigned a lead facilitator, who coordinated the area's learning and development sessions. This was deemed especially important in having an objective and independent individual to drive work forward, hold areas to account and help overcome local tensions and develop positive partnerships across the different sectors.

"An externally facilitated programme means much less drain on resources, having a facilitator move things along between meetings kept us engaged and on track. Being part of a national programme enabled all partners to learn from each other."

Phil Clow, Director of Commissioning Development, NHS North Tyneside Clinical Commissioning Group

"She was crucial... without her the group wouldn't have known where to start"

An extract from the independent evaluation

3.3 Local enthusiasm and drive are needed to embed social value

All the areas applied to be part of the programme through a competitive process, and needed to nominate a lead from the local authority, CCG and VCSE sector. Areas were chosen based on the commitment to the programme, and enthusiasm for it from across the sectors. Our experience demonstrates that it not only needs to be driven from the top but also needs to have buy-in from those delivering on the policies. Areas that were less successful at implementing social value either lacked leadership or faltered at the earlier barriers to implementation. This is why it is essential to **get the right people in the room** from the beginning.

There are surprisingly few occasions available for the people involved to get together and discuss things on equal terms, which is hugely effective in building positive and trusting relationships that can take work forward.

3.4 The approach taken to social value matters

How an area initially approaches social value influences the scope and potential outcome of their social value work. More progress was made in the areas which started their work with questions exploring what social value meant to them locally, for example; 'What do we mean by social value and how do we want to generate more of it through our procurement processes?'

Areas that focused on how they could comply with the Act were the least likely to progress and to embed a robust policy. Similarly, an existing policy or framework could sometimes be an enabler (something to refer to and build on) and sometimes restrict (setting parameters and not allowing new thinking).

3.5 Access to experts and support builds confidence

Another key benefit of being part of the programme, was the access to a variety of experts and specialist support including legal experts. This played a part in building confidence and giving legitimacy to areas to take their social value work forward.

“It (the Health and Social Value Programme) has helped us to understand that there are no barriers to doing this.”

Senior council participant, Haringey

Being part of a network and a national programme was also important. Through the programme, the network that developed between the twelve areas over three years allowed individuals to share learning and experiences. Participants met at a national event each year, and kept in touch with each other's progress through regular email bulletins. Several have been on visits, shared expertise directly, and supported each other remotely.

3.6 Measurement matters

The areas have found the measurement of social value to be the biggest challenge. For the places that have already commissioned contracts with social value clauses, there is an emerging consensus around an approach to measurement within (rather than between) commissioning authorities. These areas have realised that it is difficult to have a standard measurement framework to apply across all contracts for social value, but that there needs to be a strategic framework with the flexibility to adapt measurement techniques and approaches to each contract.

Halton Borough Council has begun to develop a dashboard to track social value across the authority and collate the overall impact the commissioning authority has achieved. Salford Council has used local economic measures based on the Local Multiplier 3 (LM3) methodology to assess the impact the Council's approach to social value has had on the local economy. Shropshire is working to develop a flexible measurement framework that sits across the local authority, CCG and PCC.

At a contract level, good practice supports the involvement of providers in developing the measurement framework for delivery, ensuring that it is proportionate to the scale and risk of the work, and that it can be monitored appropriately.

3.7 It takes time, but it's worth it

The programme was working to initiate significant changes, across a number of organisations in a relatively short period of time, and it is easy to underestimate the time needed for this type of change to take root and embed. It sought to develop and build trusting relationships across sectors, agree local social value priorities, implement said social value priorities in appropriate live tenders and measure the impact of that social value within an intense period of seven to twelve months of direct support.

Given the cross sector nature of this work and timing of commissioning cycles it's unsurprising that some of the areas are only just beginning to see the benefits of commissioning for social value. Many are; to date Halton Borough Council has included social value in 19 contracts, and is beginning to see tangible benefits in terms of employment opportunities, apprenticeships and reinvestment in the borough as a result of their social value approach.



4. Recommendations

- For local populations to really benefit it is clear that time (and resource) strapped commissioners and procurement teams need better information and more consistent training on social value to help them understand and take up the opportunities of the Act. There needs to be more opportunities for other areas to benefit from this type of support to implement and embed social value in their commissioning and procurement processes.
- The significance and value of working in this way needs to be better recognised by national agencies, particularly those in health. They have a role to play in encouraging the use of and take up of the Social Value Act in health and care commissioning. For example, NHS England should issue clearer guidance and support for CCGs on their duty and role in commissioning for and delivering social value.

Work needs to continue with these twelve areas to collate and analyse the impact commissioning for social value has. The areas are beginning to see some significant outcomes which need to be tracked. This data will have an important contribution to make in the developing evidence for social value impact and savings for commissioning authorities in health and care.

5. Further Support to Implement and Embed the Social Value Act

SEUK and IVAR have worked with more than 500 senior leaders from CCGs, local authorities and VCSE organisations. We are experts in social value and developing effective partnerships to deliver change with lasting impact.

Our team can provide tailored, practical support to you including:

- Training sessions and days
- Action-learning sets
- Long-term implementation programmes
- Impact measurement and communications advice

For more information, please contact Charlie Wigglesworth on 020 3589 4952 or email charlie.wigglesworth@socialenterprise.org.uk



Social Enterprise UK

About Social Enterprise UK

We are the national body for social enterprise. We are a membership organisation. We offer business support, do research, develop policy, campaign, build networks, share knowledge and understanding, and raise awareness of social enterprise and what it can achieve.

We also provide training and consultancy for clients of all kinds, including local authorities. Our members come from across the social enterprise movement – from local grassroots organisations to multi-million pound businesses, as well as the private and public sectors. Together with our members we are the voice for social enterprise.

We believe that social enterprise is our best chance of creating a fairer world and protecting the planet.

www.socialenterprise.org.uk

020 3589 4950

@SocialEnt_UK

Social Enterprise UK, The Fire Station, 139 Tooley Street, London, SE1 2HZ.



We work to understand, support and strengthen voluntary and community sector organisation and management using action research. We work collaboratively; concentrate on problem-solving; and want our work to be relevant and practically useful.

ivar@ivar.org.uk

www.ivar.org.uk

This work was funded by the Department of Health.



Social Enterprise UK

Published by Social Enterprise UK, 2016

© Social Enterprise UK 2016

Social Enterprise UK is a Community Interest Company limited by guarantee, registered in England and Wales as the Social Enterprise Coalition. Company Number 4426564. VAT Number 839549672.