

What is social value?

Social Value refers to the wider impacts of programmes, organisations and interventions, including the wellbeing of individuals and communities, and the environment. It may be summarised as the social and environmental benefits generated by an organisation to society through its corporate and community activities.

NAVCA States 'Social value considers more than just the financial transaction'.

The idea of Social Value is to ask the following question: "If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?". This involves looking beyond the price of each individual contract and instead looking at the collective benefit to a community through additional outcomes. This can be demonstrated through social, economic or environmental benefit. The Social Value Portal has further information on the [Social Value Portal](#) website.

The Social Value Act

The Public Services (Social Value) Act 2012 came into force in April 2013. The Act requires "public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes". It applies to all English and some Welsh public bodies, including the NHS, local authorities, other government departments, housing associations and emergency services.

The Localism Act

In 2011 the Localism Act came into effect with the aim of facilitating the devolution of decision making powers from central Government to communities and individuals. This allowed expressions of interest to be submitted if groups wished to carry out a service currently delivered by the council. It also allowed lists to be compiled of Assets of Community Value such as shops, pubs and playing fields, which are privately owned, but which are of value to the community. If the asset is later sold, the Localism Act makes it easier for the community to bid for and take over the asset.

Introducing social value into your work

Social value has the potential not only to ensure smarter spending and value for money but also an opportunity to ensure money is used for community benefit. You may already be delivering social value but not acknowledge it, this toolkit aims to assist you in appraising your:

- **Core social value** – the direct benefits of your service delivery
- **Added social value** – the added elements that your organisation offers in addition to your core offer such as; local employment, ethical purchasing, low energy use

As funding lessens and becomes more competitive it is more important to ensure that each £1 spent is used effectively without reducing the quality of the provision. Social value can be used to measure positive longer term outcomes. An example of this would be a young person who is not in employment, education or training (NEET); who starts volunteering could have the following additional outcomes:

- Increase in motivation
- Increase in health and wellbeing
- Benefits to the community
- Reduction in antisocial behaviour

What does Social Value look like in practice?

Commissioners and funders will be interested in social actions that bring long term positive benefits to Derby such as:

- Creating skills and training opportunities (e.g. apprenticeships or on the job training);
- Creating employment opportunities for the long-term unemployed or NEETs (those not in education, employment or training);
- Providing additional opportunities for individuals or groups facing greater social or economic barriers
- Creating opportunities to develop third sector organisations
- Reducing social isolation
- Encouraging community engagement

What is Social Impact?

Social impact is the **effect** of an activity on the **social** fabric of the community and well-being of individuals and families.

Why measure impact?

People who work in VCOS are accustomed to seeing the difference they make to people's lives and the community, but may find it difficult to evidence it. Listed below are reasons why it is a good idea to try and measure the extent of your social impact, it can:

- help you to build on the things you are doing well and offers you the opportunity to improve services
- highlight the social benefit of working with your organisation with the people who buy in services or provide funding
- show a robust and rigorous approach to providing community or environmental benefits
- build a true picture of current strengths and identify what support is needed and where

What is the benefit?

- To quantify /prove your work
- To demonstrate need
- To evidence what you are good at and improve your service provision
- To comply with funding requirements
- To apply for funding
- To achieve a quality mark
- To communicate better with others
- To trial a new idea
- To link your work to strategic priorities

Social Enterprise UK has further information about social impact on the [Social Enterprise UK website](#)