

Social value:

Where we are and looking forward

Reports from two Social Value roundtable discussion events:
EXECUTIVE SUMMARY

12th October 2017 – for the social enterprise sector
15th November 2017 – for strategic partners

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EXECUTIVE SUMMARY

1.0 INTRODUCTION AND CONTEXT

Since late-2012 BSSEC has been working to support practical implementation of the Public Services (Social Value) Act 2012 – what has become known in shorthand simply as ‘social value’. This work has been made possible by financial support from The Barrow Cadbury Trust.

In drawing the project to a close, we organised two roundtable discussion events – the first for social enterprises; the second for strategic partners. Rather than simply looking to the past, we wanted these events to be an opportunity to look to the future of social value – to think about how social value might be extended and protected as a key public policy idea in the future. In an introductory presentation given at the start of both events, BSSEC reported the key findings of its work, noting the following in particular:

1. There has been good progress in utilising the legislation amongst local authorities but less traction in health (although some strong examples of good practice), central government departments, housing.
2. It is unfortunate that the legislation has been enacted against a backdrop of the deepest austerity measures in a generation. Consequently its use is not always proving as inventive or creative as we once all hoped. Indeed, to the degree that the legislation has become part of a more-for-less agenda, its use may not always even be entirely benign.
3. Awareness and understanding of the legislation is very mixed, depending on what part of the sector one looks at. For example:
 - Many commissioners are still unclear about the kind of social value they wish to achieve and how best to build this into procurement practice.
 - Many social enterprises continue to be confused and unclear about social value – some are even unfamiliar with the language of social value (this is especially true of newer, younger social enterprises). Some are under-reporting the social value they are achieving, while others are frustrated by commissioners’ lack of interest in full reporting of social value and as a consequence seem to have given up trying to use the legislation to their own best advantage.
4. In some respects social value has become too identified with ‘commissioning’ – the sector has lost sight of the fact that social value is core to what it does. We believe that social enterprises and all those who are advocates for social value should be doing more to **reclaim** the agenda.

2.0 CONCLUSIONS FROM THE ROUNDTABLE EVENTS

2.1 Conclusions: Social Enterprise Sector

These conversations offer some unique insights into the *lived* experience of social enterprises five years on from the passage into law of the Social Value Act. There is a gulf between the rhetoric of social value and the lived experience of social enterprises on the ground.

1. **Challenge orthodoxy:** We began this event arguing that in the five years since the Social Value Act became law, the landscape of social value has changed and the concept now has much wider applicability than just “commissioning”. This is both right and wrong. Social value *does* have wider applicability but it is also clear that in some fields – health sector commissioning and social finance emerge as glaring examples – the concept has little if any traction.

In health, where social value specifically in the context of commissioning presents some genuine logistical, practical and ‘process’ difficulties, this is perhaps understandable. But it is less understandable in the social finance sector, where significant sums of money (public and philanthropic) have been available to raise awareness, understanding and *practice* of the ‘social’ aspect of social finance. Despite this, the experience of seeking to utilise social finance as described by participants today has been almost wholly negative.

Those who have supported the social finance sector – financially and otherwise – and those who have influence within that sector, should be challenging social finance intermediaries to raise their game and become providers of genuinely *social* finance.

2. **Communication:** Amongst social enterprises, social value emerges as critically linked to *communication*. It is now apparent that the most important tasks for social enterprises are:
 - Learning to articulate and describe social value.
 - Devising evidence of this social value *in ways that are best suited to the enterprise and its activities*.
 - And embedding this social value narrative in every aspect of how the enterprise communicates.
3. **Reclaim the social value agenda:** There is a growing awareness amongst social entrepreneurs that the sector can and should do more to promote, support and shape the social value agenda – that it should be *reclaiming* social value as core to what it does. The fact that it has now become part of a legislative and public policy agenda is not a reason for social enterprises to take a back seat on social value.

2.2 Conclusions – Strategic Partners

We found the positions of the social enterprise participants in the first session and the strategic partners in the second to be much closer than we thought might be the case. Social enterprises feel there is a big gap between the rhetoric of social value and their experience of how the legislation is being used on the ground. But strategic partners share many of these same concerns. They too consider that there is an evident gap between rhetoric and reality; they also feel it is time for advocates and supporters of social value to exert greater influence over the agenda.

Many strategic partners also feel that identifying social value solely with the public procurement process is too narrow an interpretation of what social can and should be.

This group was perhaps more specific in looking at areas where action could be targeted to help extend and develop the agenda and there was general support amongst participants for:

1. A Birmingham solution to social value reporting and measurement, with more focus on joining up our efforts and working together, especially in the context of the West Midlands Social Value Task Force. There was little appetite, however, for measurement methods focusing solely or primarily on financial proxies.
2. Attempts to render the social value 'offers' of Birmingham Business Charter for Social Responsibility signatories more transparent by publishing these commitments along with progress and successes.
3. Investigating the potential for a 'centre of excellence in social value' or something similar.
4. Partnership and collaboration and the development of social value strategies at the Birmingham, GBSLEP and WMCA levels.
5. The need to co-ordinate or 'orchestrate' social value so that outcomes are focused on the most disadvantaged and marginalised groups (and services).

Two immediate routes were identified for taking some of this work forward:

- That these discussion/objectives are carried forward to an expanded West Midlands Social Value Task Force group.
- That Birmingham City Council work with interested and supportive parties to develop a more transparent reporting mechanism for the social value offers being made by Charter signatories.

3.0 RECOMMENDATIONS

It is clear that much remains to be done to continue to develop and extend the social value agenda and to improve its use in public procurement.

Social enterprise sector

1. There clearly is more that the sector and sector intermediaries need to do:
 - (a) Amongst social enterprises, social value emerges as critically linked to *communication*. It is now apparent that social enterprises may need continuing support in order to:
 - Better articulate and describe social value.
 - Devise evidence of this social value *in ways that are best suited to the enterprise and its activities*.
 - Embed a social value narrative in every aspect of how they communicate.
 - (b) If the sector is to reclaim the social value agenda it will have to be more active in promoting, supporting and shaping social value and its wider understanding.

Sector intermediary bodies

2. **Supporting social enterprises:** Sector intermediaries (such as SEUK WM, SEUK, BSSEC, Big Society Capital) should be considering whether there is a viable support role they can offer which will help the sector get better at articulating its social value.
3. **West Midlands Social Value Task Force:** Those already involved in the West Midlands Social Value Task Force can play a critical role in advocating on behalf of social value and highlighting the issues reported here.
4. **Social finance:** Social enterprises at our first event described almost wholly negative experiences of trying to utilise social finance. Those who have supported the social finance sector – financially and otherwise – and those who have influence within that sector, should be challenging social finance intermediaries to embed social value in all their lending and investment practices and decision-making and become providers of genuinely *social* finance.
5. **Greater Manchester:** We should be considering what can be learnt from Greater Manchester's example of developing co-ordinated approaches to social value and how best we can apply that learning in Birmingham. Those best situated to take a lead would seem to be intermediaries with a longer, national reach, such as Big Society Capital and SEUK, but there are many in the sector,

including BSSEC, who would be willing to help gather, digest, summarise and disseminate such learning.

Strategic partners

6. **Health:** There is still no clear route into health for social enterprises wanting to assist commissioners better embed social value in commissioning, but opportunities do exist:

- There is clear potential for greater leadership in public health commissioning in particular to bring social value to the foreground in commissioning.
- It is also possible for the Birmingham & Solihull STP to better reflect social value as a key concept.

It would be a huge step forward if we could begin to see some leadership *and guidance* coming from within the health sector regarding a vision, definition and framework for social value in health commissioning.

7. **Social Value Strategies:** The need for social value strategies at the Birmingham level, the GBSLEP level, and the WMCA level has already been identified. BSSEC would be happy to work with BCC and others to contribute to a social value strategy at the city level; others may be better situated to help at the GBSLEP and WMCA levels. What is important is that these two events have revealed that there is a huge appetite both within the sector and amongst strategic partners for joint working that will help improve understanding of social value and improve how we use it and how we pursue it.

8. **Birmingham City Council & the Birmingham Business Charter for Social Responsibility:** Birmingham City Council wishes to render the social value 'offers' of Birmingham Business Charter for Social Responsibility signatories more transparent by publishing these commitments along with progress and successes. BSSEC – and perhaps others too – would be very happy to support Birmingham City Council in developing such a reporting mechanism if this would be helpful.

APPENDIX 1: PARTICIPANTS

Event 1: Social Value Roundtable – SOCIAL ENTERPRISE SECTOR Thursday 12th October 2017, Changes UK, Digbeth, Birmingham

Irshad Baqui Muath Trust
Richard Beard Jericho Foundation
Graham Beaumont Health Exchange
Sarah Crawley iSE
Steve Dixon Changes UK
Noel Dunne Creative Alliance
Sally Edwards Spot On Marketing CIC
Mark Ellerby Cloudberry Innovation & Devt
Stuart Emmerson SEUK West Midlands
Elizabeth Forrester iSE
Nick Glover GBSLEP
Katherine Hewitt Gateway Family Services
Martin Hogg Citizen Coaching
Afzal Hussain Witton Lodge Community Assoc.

Chantell Marler Changes UK
Gabriela Matouskova Coventry University SE
Conrad Parke Sandwell MBC
Diane Parkes John Taylor Hospice
Karolina Medwecka-Piasecka Birmingham City Council
Debbie Pippard Barrow Cadbury Trust
Alun Severn BSSEC
Rokneddin Shariat Social Value Plus
Steven Simpson West Midlands Funders Network
Darren Wright Inside Outcomes

Event 2: Social Value Roundtable – STRATEGIC PARTNERS Wednesday 15th November 2017, Impact Hub, Digbeth, Birmingham

Karen Booth Abellio
Mark Cook Anthony Collins Solicitors
Haydn Brown Birmingham City Council Procurement
Maureen Griffiths Birmingham City Council Procurement
Helga Edstrom Office for Civil Society
Mark Ellerby Cloudberry Innovation & Development/BSSEC
Simon Fenton Forward Carers
Karolina Medwecka-Piasecka Birmingham City Council
Melanie Mills Big Society Capital

Safina Mistry Birmingham City Council Innovation
Adrian Phillips Birmingham City Council Public Health
Debbie Pippard Barrow Cadbury Trust
Richard Rose Unity trust Bank
Alun Severn BSSEC
Alison Sharp University of Birmingham
Peter Twilley Staffordshire University
Simon Veasey iSE
Ian McLaughlan GBSLEP
Sian Williams Barrow Cadbury Trust
Rachel Woolliscroft Wates

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