Birmingham & Solihull Social Economy Consortium

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working together for the Birmingham and Solihull social economy

HEALTH AND SOCIAL VALUE: ARE WE MAKING PROGRESS?

The experience of social enterprises & third sector providers involved in tendering for health & social care contracts

1.0 INTRODUCTION

During January and February 2016 we carried out an online survey to find out what social enterprise and third sector providers were saying about the current use of the social value legislation[1] in health and social care commissioning.

Our survey asked three main questions:

(a) What barriers to engaging with commissioners/commissioning are you experiencing?

(b) Are commissioners clear about the social value outcomes they wish to achieve?

(c) Are commissioners stipulating particular methods of social value reporting?

46 organisations responded. The vast majority (about 85%) were Birmingham and Solihull social enterprises, but there were also responses (about 15%) from Dudley and Wolverhampton (and a couple from further afield – one from Brighton, and one from Worcestershire). **57%** of respondents had tendered for a health or social care contract within the past year (with all but one of these enterprises being based in Birmingham).

Key findings are detailed in the rest of this short report. We would like to thank all the enterprises that made time to participate in the survey.

2.0 FINDINGS

(a) What barriers to engaging with commissioners/commissioning are you experiencing?

Poor communication and engagement

The most frequently cited problems were lack of information, poor communication and (perhaps most of all) poor engagement between the health sector and social enterprise/third sector providers. While we know from experience that poor engagement with health commissioners is not universally the case, it is true that engagement seems to be more effective amongst local authority public health teams than it is amongst CCGs and other parts of the NHS.

Key comments included:

- "Finding out what is to be commissioned, finding out who the commissioners are and engaging with them, lack of transparency."

- "Finding out about tenders."

- "Finding out what is to be commissioned and understanding commissioners' language – process doesn't favour new, creative solutions."

Inadequate time – especially for complex partnership bids

The next most frequently cited problem is lack of time, especially inadequate time to develop consortia and/or partnership-based tenders. One respondent said: "Widespread expectations of partnership/consortia working but mobilisation time doesn't always allow for this."

Partnership bids by consortia capable of delivering multiple (and ideally integrated) services are increasingly expected, particularly in public health commissioning where local authorities are seeking to join-up services and improve care pathways, maximise service delivery and squeeze more out of their reduced budgets. (In this respect, social value approaches continue to be determined largely by "delivering more for less" rather than by innovation.) Consortia-based tenders are also resulting in significant duplication for organisations involved in multiple partnerships.

Key comments included:

- "Very tight deadlines especially if partnership work/consortium work is required. Tenders not always widely publicised too. It can be time consuming to check Find it in Birmingham every day. We have experience of being a partner in the sexual health tender and since we were in three of the providers bids, much work was required in terms of completing PPQ's attending meetings, providing information."

- "Time and capacity to attend events/submit tenders."

- "Processes driven by commercial tendering requirements – mitigate against meaningful provider and user consultation."

- "Lots of consultation but purpose isn't always clear."

- "Churn in personnel, structures, commissioners – makes it hard to know who to talk to."

Complexity

Respondents also mentioned the complexity of tendering processes, the volume of documentation involved, and in particular the difficulties this poses for smaller organisations. "It appears a closed shop for new, small organisations," said one. While we are seeing some efforts to avoid excluding smaller providers it remains the case that reduced budgets, the pressure to minimise contract management costs, and increasingly open market competition do all disadvantage small organisations and many are concluding – frankly, with some justification – that public service commissioning does not really include them.

Some positive experiences

But not all respondents reported experiencing such barriers and there are clearly some, albeit a minority, whose experience has been more positive. Three respondents said (respectively) that they had experienced "no barriers", or that "information can be found", or that they had "…not experienced difficulties as events/information does seem forthcoming."

(b) Are commissioners clear about the social value outcomes they wish to achieve?

We asked respondents to tell us whether in their view commissioners were clear about the additional social value they wanted their commissioning to achieve.

- Only 4% said that specifications were "consistently clear".
- 50% said they were "sometimes clear".
- And 27% said they were "rarely clear".

(19% didn't know.)

Clarity about desired social value outcomes emerges as one of the biggest single problems facing social enterprise and third sector providers, reinforcing the view that health commissioning has yet to fully realise the gains offered by the social value legislation.

(c) Are commissioners stipulating particular methods of social value reporting?

We asked whether commissioners were stipulating any particular preferences for how social value should be reported.

- 42% said “no”.
- 16% said “yes”.
- 42% said “don’t know” (or didn’t answer).

One respondent said, “Few understand social value let alone are informed enough to specify social value metrics,” and this is probably an adequate summary of the present situation.

Amongst respondents (relatively few) who went on to comment on specific social value “systems” or methods being required, only three approaches were identified:

- In Birmingham, the Birmingham Business Charter for Social Responsibility (BBC4SR).[2]

- In Dudley, Wolverhampton and Birmingham, PSIAMS,[3] the client outcomes CRM software developed by the Building Health Partnership group which includes Dudley CCG and Dudley CVS.

- In Worcestershire, a local system based on Social Return on Investment (SROI) developed by Worcestershire County Council.

The Birmingham Business Charter for Social Responsibility is still evolving. While it offers a means of identifying providers’ social value ‘pledges’, it doesn’t yet offer a means of assessing the ‘worth’ of these additional social value outcomes nor of aggregating them so that social value can become a routine part of the council’s reporting. This is something that Birmingham City Council is currently seeking to develop.

Several Birmingham respondents also went on to say that they felt the BBC4SR is designed primarily for SMEs and is not sufficiently “customised” for third sector and social enterprise providers. It is true that the BBC4SR is designed to be used by *all* types of businesses and that amongst those that have signed up to the Charter conventional SMEs far outnumber social enterprises, but there are not, in our view, any inherent reasons why the BBC4SR cannot work for social businesses too. The bigger problem is that Charter signatories don’t know what evidence to use to demonstrate their social value.

Amongst respondents from Dudley and Wolverhampton, where useage of PSIAMS is currently focused, a number of enterprises that have adopted the system said that commissioners are not necessarily using the information this now makes available. One respondent said, “It would be good if they had a knowledge of our social value

measure PSIAMS so they know the rich information they are missing out on." Another respondent said, "We have adopted PSIAMS in our organisation to prepare us for reporting on social value outcomes. Organisations will need a tool such as this to enable them to respond effectively to commissioners' demands." We felt this demonstrated a positive and commonsense attitude: it acknowledges the importance of being *prepared*, ready and able to report on a range of outcomes as commissioners' needs change and become more fully evident.

Respondents also commented on:

- Confusion between contract-specific SV and organisation-wide SV (particularly in the context of the Birmingham Business Charter for Social Responsibility (BBC4SR)).

- Difficulties in identifying additional SV especially in contracts where the services and/or delivery methods are in any case primarily about "social value outcomes".

3.0 CONCLUSION

Social enterprise and third sector providers want social value to work and believe it is an important step forward. One respondent said: "I support commissioners considering social value – it's a great step forward, but I don't think there is enough clarity yet, and the tools are not designed for ease of use by third sector providers. I applaud the attempt, though." Again, this is probably an accurate – and realistic – view.

What is disappointing, however, is that there is still little evidence that health commissioners are working with providers (or indeed service users and other stakeholders) to see how best social value can be embedded in commissioning and its fullest benefits realised.

There are huge opportunities for the health sector to work collaboratively to develop meaningful approaches to social value but this is only happening in isolated instances, and typically in areas where Building Health Partnerships funding has been secured. This is worrying because it suggests that unlike local authorities – which grasped the nettle early and worked out what they needed to do in order to embed social value into their existing procedures, processes and priorities – health bodies are more likely to take the view that social value is "a special project" and not quite at the top of the agenda.

BSSEC
19th February 2016

Notes

[1] By 'social value' we mean the Public Services (Social Value) Act 2012, which came fully into force in January 2013. See http://www.legislation.gov.uk/ukpga/2012/3/enacted and the archive of materials on social value and related issues on the BSSEC website at http://bssec.org.uk/policy-issues/public-services-and-social-value/ and on social value and health http://bssec.org.uk/policy-issues/public-services-and-social-value/social-value-health/.

[2] See http://www.finditinbirmingham.com/feature/charter.

[3] See http://psiams.com/about/.