



Social Value Position Statement

Connect Hertfordshire

October 2018

Introduction

The Public Services (Social Value) Act came into force on 31 January 2013. It requires people who commission public services to think about how they can secure social, economic and environmental benefits through their commissioning. The principles could also guide other funders of the voluntary sector and any partnership that is bringing together resources to make a difference to communities.

In April 2017 Connect Hertfordshire produced a report to explore how the county's voluntary sector, in partnership with Hertfordshire County Council, could contribute to and agree a Hertfordshire approach to securing social value through commissioning and how resources are deployed in the County.

Various stakeholder groups looked at how the voluntary sector understands social value, the case for securing it, the enablers and blockers to doing so and how the voluntary sector, statutory and public sectors could work together to shape and implement a Hertfordshire approach.

It concluded that the aim should be to create a Hertfordshire Social Value Framework, which should:

- Be a catalyst (and not a distraction) to the implementation and development of the Hertfordshire Compact and the Voluntary Sector Commissioning Strategy
- Provide an additional lens for seeing *how* to achieve the Compact, the Commissioning Strategy and Hertfordshire's priorities (e.g. the Health and Wellbeing Strategy).
- Avoid 'creating a new industry' around the implementation of the Social Value Act. Lay out some golden rules to help everyone to 'get their thinking straight'
- Be practical about how to seize the inherent opportunities within commissioning and partnership working to achieve the social, environmental and economic outcomes that matter to service users and communities
- Be capable of being applied flexibly, because opportunities to achieve social, environmental and economic outcomes will vary from case to case
- Raise ambitions by showing how more can be achieved through effective partnership working to achieve the outcomes that matter to service users and communities – while remaining realistic. Seizing such opportunities can result in '2+2=5' but not '2+2=20'!

There is an aspiration to work with Hertfordshire County Council to develop processes that enable the incorporation of social value into commissioning collaboratively.

However, in order to make some headway at this stage the Connect Hertfordshire working group of VCS representatives reconvened and decided the following would be useful at this time:

- 1) A summary paper focused on the VCS about Social Value and including the glossary of terms requested during the work undertaken previously. This is now available as a good reference for VCS organisations in Hertfordshire
- 2) To produce this position statement to keep the dialogue going in how we understand and achieve Social Value throughout the commissioning process. Points made in our report relating to stages in the commissioning process still provide a basis for ongoing dialogue and action, including through the Hertfordshire Compact Forum.

Social Value and the commissioning process

The consultations and workshops looked at each stage of the commissioning cycle (illustrated below) and suggest developments in how each stage of the process could be handled, in order to secure social value more effectively.



1) Setting and Sharing the Strategy:

- a. It is vital for the voluntary sector to contribute to strategies relevant to their work and expertise. The voluntary sector needs to be more proactive and the public sector needs to create the conditions for high quality and evidence-based voluntary sector input
- b. Opportunities to feedback – improved understanding of the political landscape, decision making process and various opportunities of how to feedback for the VCS e.g. talk to the relevant cabinet members as well as officers and make better use of local councillors
- c. Awareness of strategies wasn't always high. While the information is out there, the voluntary sector often do not know how or where to find it. Improved awareness and knowledge of relevant strategies should result in improved bids
- d. The voluntary sector needs to strengthen its understanding of public sector decision-making, including the political dimension

- e. The public and voluntary sector need to work together on a basis of trust to manage the current public finances / affordability challenges. The public sector needs to resist the temptation to commission in ways that incentivise providers to bid on the basis of lowest price or to submit “gaming” bids, as this distorts markets in the most counterproductive and results in lose-lose. High quality dialogue about making the best use of all the resources in the county can achieve a realistic win-win ($2+2=5$ ’ but not $2+2=20$ ’!)

2) Specifying the service:

- a. Specifications need to be evidenced based and focused on outcomes not outputs in order to maximise social value. It was also noted that links to relevant strategies or data could be included in the specification to help potential bidders
- b. Realistic expectations about what each party can bring to the table, what can be achieved, where the gaps are and sensible provisions about managing the risk
- c. Provider events – these seen as a good idea but a wider audience needs to be encouraged to attend, not just the “usual suspects” or those already commissioned
- d. Creating a safe space for feedback/input – need to cultivate trust between sectors to encourage engagement and allow for openness and honesty in discussions. Making better use of technology to allow for anonymous contribution is necessary.

3) Choosing the data sets that providers will be required to generate:

- a. Avoid setting expectations around data provision that drain resources and detract from providers’ ability to deliver the services
- b. Data should only be requested if it is useful and will be used
- c. Focus on what is most important –the public and voluntary sector need to work together and agree the most useful data sets. The process needs to avoid focusing on targets that are easy to measure or attribute at the expense of targets that are the most important
- d. Aim for more consistency in the data required by different funders/commissioners – could commissioners and funders work with providers to identify common data requirements?

4) Tender and articulate

- a. Timescales – recognise and allow for the time needed to build effective partnerships and put together quality bids
- b. There is value in the “lived experience” voice in the tendering exercise e.g. client input – noted this is happening already with clients on interview panels
- c. Provide training and support to help to ensure potential providers fully understand the specification and any additional contract requirements
- d. Voluntary sector needs to bring ideas that are evidenced and well thought through, robust not anecdotal.

5) Choosing the best bid

- a. Involving front line delivery people at interview, meet real service users and have visits where possible to ensure contracts go to those best at providing instead of those best able to write a bid and make a presentation – this is a key area for improvement
- b. Allow for innovation – be open and flexible as to the “how” rather than focused on specific methods or inputs.

6) Finalising the contract

- a. It was acknowledged that local councils needed to grow their commissioning expertise outside of the more traditional area such as grounds maintenance and leisure
- b. The process may require a more flexible approach – the commissioning framework in Dacorum was highlighted as a possible case study for learning.

7) Managing the contract/partnership

- a. Allow for flexibility – encourage open discussion throughout the term of the contract and allow for changes/adaptations where needed
- b. Respect the wishes/needs of those receiving the service and acknowledge there is rarely a one size fits all approach
- c. Partnership working between the public and voluntary sectors can help to make best use of combined resources. For example, giving voluntary sector providers access to use public sector case management systems can support information sharing and strengthen the management of risk. Public and statutory sector professionals can encourage referrals into voluntary and community sector services

8) Review and learning

- a. Be clear about what needs measuring and why
- b. Share best practice and pitfalls and ensure these are taken into account in future specifications
- c. More pro-active joining up of services – this applies to within and between all sectors
- d. We need to try and avoid creating or perpetuating unnecessary silos.

Implementing the proposals for each stage of commissioning cycle require ongoing dialogue between the public and voluntary sectors to build up trust and understanding. Discussions to produce this paper confirmed the voluntary sector’s awareness of their need to build their narrative around the social, environmental and economic outcomes they achieve. Equally, the voluntary sector stressed the critical role of commissioning practices to create the conditions for achieving those outcomes.