



Department  
for Culture  
Media & Sport

# Social Value Case Study

South West Forum & Devon County Council

February 2016

South West  
Forum

Informing • connecting • influencing



**IMPACT**  
**HUB**  
SOUTH WEST

We can also provide documents to meet the specific requirements for people with disabilities. Please email [enquiries@culture.gsi.gov.uk](mailto:enquiries@culture.gsi.gov.uk)

Department for Culture, Media & Sport  
Printed in the UK on recycled paper  
©Crown copyright 2017

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence.

To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or e-mail: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this document should be sent to us at [enquiries@culture.gsi.gov.uk](mailto:enquiries@culture.gsi.gov.uk)

This document is also available from our website at [www.gov.uk/dcms](http://www.gov.uk/dcms)

## WHAT ARE THE HEADLINES?

- Good practice is about recognising and understanding social value from the earliest stages of a commissioning process.
- Embedding social value is not about “retro-fitting” social value requirements into a service specification that has already been nailed down.
- Social value and what it might look like needs to be clearly and explicitly described in the service specification. Otherwise, potential bidders may not understand what social value means.

## WHAT IS THE CASE STUDY CONTEXT?

### Procuring for a Healthy Lifestyles Service

This project involved South West Forum and Devon County Council who worked together to embed social value in the procurement of a new Healthy Lifestyles Service. The practical experience from this exercise aims to provide advice and guidance for commissioners across the Council and - through the Far South West Commissioning Academy - for local authorities, Clinical Commissioning Groups (CCGs) and other public bodies throughout the region.

Our key task was conceptually quite simple:

- To ensure that the procurement of a new Healthy Lifestyles Service for Devon fully embraced the concept of social value.
- Our *immediate goal* was to design a procurement process that encouraged and enabled the successful provider to deliver a high level of social value.
- Our *long-term goal* was to use the experience of this project to inform and guide commissioning practice in Devon County Council, and more widely throughout local authorities, CCGs and other public bodies across the South West peninsula.

## HOW DID THE CASE STUDY GENERATE SOCIAL VALUE?

### A radical departure from previous practice

We focused on the proposed **Healthy Lifestyles Service**. The approach adopted by the Council for commissioning this new service reflected a radical departure from previous practice. It was an approach that placed a strong emphasis on:

- Using and strengthening community assets.
- Building social capital and improving collaboration.
- Building partnerships between organisations.
- Focusing on the needs of the user.

Critical to this was the role of the lead commissioner, the Assistant Director of Public Health at Devon County Council. They were fully committed to the new approach and pleased that it was not necessary to convince skeptical commissioners, senior management or Council members of its use; these stakeholders were on board from the start.

#### **Devon County Council's Commitment**

To design a procurement process that embedded social value, thereby encouraging strong bids that considered social value within the proposed Service.

While Devon County Council does not have an explicit Council-wide policy or framework relating to social value, it's **Better Together Strategy** and **Operating Model** embrace aims, priorities and principles that provide a clear strategic context for building social value into commissioning (e.g. a focus on resilient communities). This project hopes to inform a Council-wide approach to social value in commissioning.

We took a bottom-up approach, using the experience of a specific procurement to inform and shape policy and practice. This contrasts with an alternative approach adopted in other areas where an authority or agency-wide framework on social value is firstly developed and subsequently applied to commissioning practice.

## The Healthy Lifestyles Service

Devon County Council's vision for this procurement was the design and creation of a new innovative Healthy Lifestyle Service capable of connecting, empowering, enabling and motivating Devon residents who wished to take responsibility for their own health and wellbeing and consequently change their behaviour. The aim of the Service was to reduce premature deaths and health inequality in Devon, with a focus on:

- Stopping smoking.
- Reducing harmful drinking.
- Achieving a healthy weight.
- Reducing physical inactivity.

### **An extract from the Healthy Lifestyle Service specification**

“Devon County Council has a published Operating Model which states its key purpose is to promote the wellbeing of the citizens and communities of Devon. The Operating Model highlights that this has to be done with 50% less government funding, rising demand and rapidly changing expectations. The Commissioner knows that in order to achieve this there is a necessity to rethink its role and relationship with Devon citizens and communities.

One of the key elements of the Model is accepting that Devon citizens and communities have to do more to manage their own health and wellbeing. The role for the Commissioner is to identify how it can best enable and set the conditions for this to be achieved in Devon.”

## Market engagement

At this point, the process has been relatively conventional. In a sense, Devon went back to basics by fundamentally reviewing and re-thinking the kind of service they wanted to procure and the outcomes they wanted to achieve. This was not about simply re-commissioning the existing type of service.

Devon County Council undertook a social-marketing approach, which involved a high level of co-design through market engagement. Throughout, the Council drew on behavioural insights, research and practice.

In June 2015, the Council held an interactive Discovery Day, engaging over one hundred stakeholders including providers, practitioners, commissioners, users and other agencies. This was followed by a market warming event the following August. The result was an approach which recognised three different 'personas'. These personas were identified as responding best to different types of interaction. The personas called on Devon County Council to:

- Inform me.
- Enable me.
- Support me.

This approach was to be embedded throughout the Healthy Lifestyles Service specification by requesting that bidders put forward a flexible and targeted service model that responded to the needs of each persona. Market engagement also placed an emphasis on:

- Community assets.
- Connecting people and organisations.
- Community development and engagement.

Each of these themes related to social value, thereby providing a solid foundation on which to build social value directly into the procurement process.

**An extract from the Healthy Lifestyle Service specification**

*Asset-based approach.* A key aim of the Service is enabling and empowering people to take more responsibility for their own health and wellbeing. A key principle of the Service is that of adopting an asset-based approach, which includes utilising the assets within the community. While it is not the sole purpose, the Service is expected to contribute positively to the development of thriving and resilient communities in Devon.

*Evidence-based community development and engagement.* In order to reach and engage with the Support Me target population the Provider must apply evidence based community development and engagement processes to ensure the health improvement needs of those most vulnerable are met (e.g. people from black and minority ethnic (BME) groups, travelling community, homeless, offenders, individuals with mental health problems). The Service must also be accessible for Devon residents with physical and learning disabilities therefore the Provider will have to take into consideration their needs and disability in the Service design and delivery.

*Relationships within communities.* The Provider must have a 'presence' in community to ensure that it is capable of reaching the most vulnerable people. The Provider must develop relationships within the communities, talking to local stakeholders to understand what presence would be most effective. The Provider must understand the local needs and know what the available community assets are and develop relationships with key stakeholders, individuals and groups with whom it needs to work within that particular community. The actual presence will vary from community to community.

*Sustainable community assets.* The Service will have a role in contributing to and creating sustainable, thriving communities in Devon. The Service will have the flexibility to identify funding from within its overall budget to utilise on supporting and enabling local community groups and health improvement programmes (community assets) to continue. This could be used to lever in additional funding or used as a grant to sustain valuable local programmes."

## WHAT HAS BEEN THE IMPACT?

### **An extract from the Healthy Lifestyle Service specification**

“In the context of this Service, social value is about ensuring that the commissioner achieves value for money and maximises the benefits to and positive impact on society, the economy and the environment from the way the Service is provided.

The local authority, like other public bodies, is required by law (Public Services (Social Value) Act 2012) to consider social value in its commissioning and procurement processes.

The commissioner wants the Provider to be able to deliver benefits and outcomes (social value) which go beyond the explicit requirements (including Service objectives and outputs) of this tender and contribute to building the capacity, capability, skills, assets and resources of Devon’s communities.”

## **Social Value Outcomes Matrix**

During discussions with the Commissioner it became clear that potential bidders would need more explicit guidance on what social value in the context of this procurement might look like. This was necessary to ensure good quality bids, as well as transparency in the bid assessment and evaluation process. As a result of these discussions, a Social Value Outcomes Matrix was prepared.

The Social Values Outcomes Matrix was described explicitly as an *illustrative* guide, rather than *prescriptive*. It did *not* reflect *required* outcomes, but instead aimed to provide useful examples to potential service providers. However, there was concern that it would discourage bidders from thinking independently and innovatively about how their approach could generate social value.



Whether or not Devon County Council struck the correct balance between too much or too little guidance on social value would be revealed in the content of the received tenders. Yet it is interesting to note that none of the questions formally submitted by potential bidders while the ITT process was live, related to social value. There were no further questions on this topic at the information event for bidders on 5th February 2016 either.

In general, South West Forum would expect the Social Value Outcomes Matrix (or similar tool) to be generated through discussion and engagement with a range of stakeholders – including users, providers, community organisations, fellow commissioners and practitioners. In this case, a wide range of stakeholders had already been involved in informing and shaping the eventual service specification; consequently they had already generated a lot of material on which the Social Value Outcomes Matrix could be based. There was also insufficient time to engage in further discussion with stakeholders before the procurement process was due to go live.

POTENTIAL SOCIAL VALUE OUTCOME	ILLUSTRATIVE EXAMPLE / COMMENTARY
<b>Health and social care</b>	
Authorities see a change in demand for other health service interventions.	Service could encourage use of early intervention services (e.g. IAPT).
<b>Employment</b>	
Employers see an improvement in work productivity.	Service could improve the health of employees, leading to a reduction of sickness-related absences.
Individuals see an improvement of their employment potential.	Service could improve individuals’ health and wellbeing, building their confidence and capability to secure work.
<b>Personal wellbeing</b>	
Individuals feel more capable of managing their own health.	Service could educate individuals to manage their own weight / smoking / alcohol / exercise. Taking control in one area leads individuals to have a greater interest in their overall health and wellbeing.
Individuals feel their self-esteem has improved.	Service could generate wider benefits, e.g. improved mental health, employment, managing money, etc.

Children's health and wellbeing has noticeably improved.	Service helps parents to improve health and model this good behaviour to their children. Leads to an increase in active families and may even improve school attendance.
<b>Community assets</b>	
Community resources are more accessible and therefore better used.	Service could make use of readily available community assets, providing them with sustainable revenue, e.g. operating the Service out of the local village hall.
There is a greater awareness of the environment among other assets within the community.	Service could promote a greater awareness of walking and cycling routes, sports facilities, etc. This could lead to greater use of community services and a feeling of local ownership.
Additional funding is generated for community assets.	Service could devote some resource for co-funding / match funding development of local assets.
<b>Technology</b>	
Technological design and development skills have improved.	Service could use local education / research institutions to develop new technological approaches. This would build on local skills and capability in this field.
Individuals feel more capable when using technology.	Service could encourage and educate individuals to use technology when monitoring their health.
<b>Service development</b>	
Community organisers and providers feel confident to co-design a process.	Commissioners and service providers share ideas at pre-tender engagement stage.
Community organisers and providers see an improvement in the skills of their workforce, benefitting a range of services.	Co-design of a service could encourage development of diagnostic skills among commissioners and providers.
Community organisers and providers have a strengthened relationship.	Co-design of a service could encourage communication skills among commissioners and providers.

## Measuring social value

Once the Commissioner had identified social value requirements for tenders, the next step was deciding how to score tenders on social value. There appeared to be two options regarding how to score the ITT questionnaire:

1. Assess the social value component of all relevant evaluation questions in the questionnaire
2. Use one social value question in the questionnaire that has an explicit score and weighting

Option A would have led commissioners to score questions related to the core service model, staffing and training, co-design, community engagement etc., due to these factors' potential impact on social value. By contrast, Option B encouraged bidders to articulate their social value credentials in a tailored way. This was decided to be the clearer option as it made different tenders easier to compare based on social value.

Early in the process of designing the ITT questionnaire it was agreed that the social value score would be worth 10% of the overall evaluation marks. By quantifying social value in this way, it would be possible to compare marks to each social value question side by side. The results of this question ended up having a significant role in determining the winning bid.

### **An extract from the ITT questionnaire**

“The Service must demonstrate the delivery of social value. A key element within the Service for delivering additional social value will be in relation to the function of connecting and enabling people to utilise community assets. Critical to this is the development of effective relationships with key service providers and local communities so they can easily connect clients to existing communities, groups and programmes. The Service is a key stakeholder in ensuring communities, particularly those in greatest need, have thriving community groups (assets), in which to connect people into as part of the client's action plan.

Describe how your organisation will deliver social value in relation to this contract and within your answer; demonstrate how you will undertake the connecting and enabling function.

*Your answer may include supporting charts and diagrams. 1000 word count. 10% weighting.”*

## Evaluation criteria

It became apparent that, in order for ITT evaluators to compare bids effectively, evaluation criteria must be considered before the specification and ITT questionnaire are finalised. It is also important to:

- Ensure that procurers approve evaluation criteria.
- Ensure that the evaluation criteria are available to all potential bidders so that each of them can understand how tenders will be assessed and scored.
- Ensure that the evaluation criteria provide a structure and rationale for scoring social value questions.
- Ensure that the evaluation criteria encourage creative and innovative bids.

A key aspect of delivering social value in procurement is engagement with communities, in order to build on existing community assets and improve capacity.

Some fundamental questions that evaluators should consider in relation to social value are:

- Does the bidder fully grasp and demonstrate the importance of delivering social value in its approach?
- Is social value a core part of the service contract rather than a desirable 'add on'?
- Does the bidder understand what social value means *in practice* for the proposed? Do their proposed social value outcomes demonstrate this understanding?
- Does the bidder demonstrate a track record in delivering social value?
- Can the bidder measure their achievements against their proposed outcomes to demonstrate their social value impact?

## WHAT HAVE BEEN THE KEY AREAS OF SUCCESS?

As part of the tender process, a specific question was included to enable bidders to describe how they will achieve social value in relation to the contract. This question drew a number of different responses from bidders but key themes in the responses included:

- Recruitment of local workforce
- Apprenticeship and volunteering opportunities
- Training of community champions
- Utilisation of community assets
- Obtaining goods and services locally

It was clear from these responses that bidders had given consideration to the inclusion of social value.

From the commissioner's perspective, social value was given significant attention by including it in the specification and having a specific question on social value in the tender process. There was considerably more focus on social value than in previous tendering processes.

Going forward, the provider will be monitored on the delivery of social value through formal contract monitoring arrangements.

This process will have a positive impact on the inclusion of social value in future procurement processes.

## WHAT HAS BEEN LEARNT?

- Good practice is about recognising social value from the earliest stages of a commissioning process, from market engagement, service design and market warming right through to formal procurement.
- Embedding social value is not about retrofitting social value requirements into a service specification that has already been nailed down.
- Social value and what it might look like needs to be clearly and explicitly described in the service specification; potential bidders do not necessarily understand what social value means.
- An illustrative Social Value Outcomes Matrix as part of the specification can be a useful tool for helping potential bidders grasp the concept of social value and what it means in practice.
- There is real value in having an independent critical friend to review and advise on the service specification and procurement documents from a social value perspective.
- There is a good case for having an explicit scored social value question in an ITT questionnaire. However, it should be recognised that social value can be relevant to many, if not all, ITT questions in some way.
- It is important to ensure that evaluation criteria (i.e. what tender evaluators are looking for with regard to social value) is reflected in the specification and supporting documents. If not, the procurement could be open to legal challenge.
- Those who assist commissioners with social value projects need to recognise that original timescales may slip due to a variety of factors; they must be sufficiently flexible to respond to such changes.
- Commissioners value the opportunity to learn from each other by sharing thinking on tricky issues in commissioning. In this instance, an action-learning programme - the Far South West Commissioning Academy - facilitated this. There is a good case for exploring how such a programme can be continued and replicated elsewhere.

**Stephen Woollett, Chief Executive, South West Forum**

PO Box 101, Teignmouth, Devon, TQ14 4BF

[www.southwestforum.org.uk](http://www.southwestforum.org.uk) | [steve@southwestforum.org.uk](mailto:steve@southwestforum.org.uk)

**Steve Brown, Assistant Director of Public Health, Devon County Council**

Room 148, County Hall, Topsham Road, Exeter, EX2 4QD

[new.devon.gov.uk](http://new.devon.gov.uk) | [steve.brown@devon.gov.uk](mailto:steve.brown@devon.gov.uk)

**Department for Culture, Media & Sport**

4<sup>th</sup> Floor, 100 Parliament Street

London, SW1A 2BQ

[www.gov.uk/dcms](http://www.gov.uk/dcms)



Department  
for Culture  
Media & Sport



**IMPACT**  
**HUB**  
SOUTH WEST

