



Measure and Manage your Social Value Application Guidelines



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1. Introduction

Mantell Gwynedd, the County Voluntary Council in Gwynedd, has been working closely with organisations since 2015 to measure and manage their social value. In 2017, we were successful in receiving Big Lottery funding through the Third Sector Skills fund. In partnership with Medrwn Môn, Community and Voluntary Support Conwy (CVSC), Denbighshire Voluntary Services Council (DVSC), Flintshire Local Voluntary Council (FLVC) and Association of Voluntary Organisations in Wrexham (AVOW), we will ensure that your local CVC will be able to advise and support you in measuring your social value moving forwards.

As part of this funding, there is an exciting opportunity for 30 organisations (5 from each county in North Wales) to measure and manage their social value. This is a fantastic opportunity to work with your local CVC and Social Value Cymru to measure your impact in order to demonstrate the changes you are creating in people's lives. As well as this, we will work closely with the Management Committee to ensure that the social value identified by your clients and beneficiaries is useful to how decisions are made.

With the new legislative framework in Wales, this is an opportunity to show how your organisation adheres to the main principles of the Social Services and Well-being (Wales) Act 2014 by ensuring that your clients are central to everything that you do and are involved in your decision making.

Although this isn't a financial grant, the support available is a great investment in your organisation. Therefore, please read these guidelines carefully and if you wish to apply please send us a completed application form along with a copy of any documents required.

2. What is Social Value and Social Return on Investment (SROI)

Social Value

Social Value is a way that we can understand the worth of changes to people's lives.

Start by asking yourself this question; how would the people that are the focus of your work explain the most important results of your activities? Would it be your financial performance? Or is it more likely that they would describe things such as having more confidence, being in better health, living in more appropriate housing, stopping harmful behaviors, or reducing their need for health and social care?

If changes to people's lives like these are the results of your work, you are creating social value! But, can you explain how important these changes are to people?

By asking people what has changed in their lives, we can understand the results of our activities – and it is only by measuring these that we can really understand how much impact we are having on people's lives.

For example, if you provide services to help people lead healthier lifestyles, are you only interested in the number of people you have worked with, or understanding how many become healthier as a result of your work? Of course, both are important, but it is only by understanding the results of your work that you can be confident that what you are doing is working. Not only that, but by understanding how people have changed as a result of your work, we can also value the important effects on organisations such as the NHS and social services.

Social Value Cymru is part of a growing movement that recognises that we are able to place a value on such changes, and we can work with you to help you better understand, communicate and manage the social value of your work.

The third/voluntary sector creates amazing amounts of social value, but we aren't always the best at demonstrating this – let's change that and proudly tell the story of how our work creates meaningful changes in people's lives and savings to organisations that would otherwise see an increase in demand for their services.

Social Return on Investment

There are a number of approaches to measuring social value – and one of the most effective approaches is the Social Return on Investment (SROI) framework. This approach allows us to work with stakeholders to understand what has changed in their lives and value those changes.

Based on [7 principles](#) SROI allows us to compare the benefits we create to the relative costs of producing them. Yet, importantly it is not just about producing a number – it is perhaps best thought of as a story of change with both quantitative and qualitative evidence.

Social Return on Investment Principles

1. **Involve stakeholders** Understand the way in which the organisation creates change through a dialogue with stakeholders
2. **Understand what changes** Acknowledge and articulate all the values, objectives and stakeholders of the organisation before agreeing which aspects of the organisation are to be included in the scope; and determine what must be included in the account in order that stakeholders can make reasonable decisions
3. **Value the things that matter** Use monetisations of value in order to include the values of those excluded from markets in the same terms as used in markets
4. **Only include what is material** Articulate clearly how activities create change and evaluate this through the evidence gathered
5. **Do not over-claim** Make comparisons of performance and impact using appropriate benchmarks, targets and external standards.

6. **Be transparent** Demonstrate the basis on which the findings may be considered accurate and honest; and show that they will be reported to and discussed with stakeholders

7. **Verify the result** Ensure appropriate independent verification of the account

(socialvalueuk.org)

What is SROI?

SROI is not a new approach or concept. It is built on well-established evaluation approaches and on health and environmental economics. It focuses on answering key questions, including:

- Who changes?
- How do they change?
- How do you know?
- How much is down to you?
- How important are the changes?

The involvement of stakeholders underpins the whole process of SROI. By asking people what has changed (or what will change) for them, we can understand the positive and negative outcomes of our work.

The main distinction of SROI to other measurement approaches is the ability to identify monetary values for our stakeholders' outcomes. It is this monetisation that allows us to speak a common language where we can compare the benefits created to their costs of production. This means we can show how much value is created for every £1 invested - for example, for every £1 invested in a project, the social value created is £3.50.

Even though the numbers are important, SROI is not about putting a price on everything, it is about understanding the value of what we do. Outcomes such as increasing the confidence of parents or improving someone's mental health are valuable changes - but if we cannot compare them to the costs of their production we are less able to communicate their importance, and we are restricting our ability to create even more positive changes in people's lives.

3. Who can apply?

- Constituted third sector organisations. This includes;
 - ❖ *Constituted Community groups*
 - ❖ *Registered charities*
 - ❖ *Companies Limited by guarantee*
 - ❖ *Community Interest Companies (CIC)*
 - ❖ *Charitable Incorporated Organisations (CIO)*
 - ❖ *Co-operatives*
- Must have a Board of Trustees / Board of Directors
- Must be members of the County Voluntary Council in their area.
- Must specify what project, activity or service within their organisation they would like us to analyse. This project / service must be sustainable for the lifetime of the project (until May 2020)
- Must be able to provide access to their clients / beneficiaries and data currently collected. Please get in touch if you are worried about sensitive data to discuss.
- Must not be in receipt of other funding / support for social value management

The project / service should fit in to one of the key areas identified in the Population Needs Assessment. The panel will choose a fair representation from across all themes included in the PNA, and consideration will be given to the needs identified in the area. These themes are;

- Children and young people
- Older people
- Health, physical disabilities and sensory impairment
- Learning disabilities and autism
- Mental health
- Carers
- Violence against women, domestic abuse and sexual violence
- Secure estate
- Veterans

- Homelessness

Consideration will also be given to the needs identified in the local Well-being assessment under the Well-being of Future Generations (Wales) Act 2015.

4. Measure

This project offers an exciting opportunity for 30 organisations across North Wales to Measure and Manage their Social Value. We would measure your social value using the Social Return on Investment framework (please look at the information above).

Measuring your social value is important and by being able to demonstrate the changes you help to create in people's lives, this information could help you with;

- Funding applications
- Commissioning
- Managing internal decisions
- Create even more value for the people we work with
- And much more

If you are successful, a staff member from your local CVC will work closely with you to measure the social impact of your chosen project / activity / service. In order for us to be able to do this we will need;

- Access to your clients / beneficiaries to understand what has changed for them
- Access to any data you have currently
- Some time input from staff members to help us organise appointments, build monitoring systems etc.
- Regular contact

What you will get

- New monitoring system to capture your social value moving forwards. This could be adapted to use on other projects / services within your organisation.
- Support from your local CVC Social Value staff member and the Social Value Cymru team.

- A full SROI report on your chosen project / activity/ service.
- Support to use this report to manage and embed the systems. (See management section for more info).

5. Management

As well as the advantages listed above of measuring the social value of your activities, there is a major benefit that is often overlooked – how this information can help us to make decisions that can improve the value of our activities.

Just as with accounting for financial value, when we account for social value, we can use this information to provide insights that can help us make choices between different options. This can help you to;

- Understand why activities work for some people, and not for others
- Identify opportunities to make changes to how we do things to increase the value of what we do
- Decide where to invest resources between different activities

When we have a better understanding of the value of our activities, we are in a stronger position to improve, and even maximise the impacts in people's lives. This does not mean that we need scientific levels of rigour – again, just as with financial accounting, the evidence we need should be good enough to help us make better decisions.

This information will not replace the processes you already have to make decisions, but will help to improve the conversations about the value of your work. When the Principles of Social Value are addressed, the evidence we have represents the voice of those whose lives we are trying to improve.

If you are successful, a staff member from your local CVC will assist you to create the approach needed for trustees and management to be able to better manage the social impact of your chosen project / activity / service. In order for us to be able to do this we will need;

- Commitment from a Social Value Champion at board level
- A willingness from the organisation to explore using social value evidence to improve how we make decisions.

6. Documents required

- Completed application form, signed by key staff member and one Trustee
- A signed and dated copy of your governing document
- A copy of the group's latest Annual Accounts
- Copy of the relevant policies specified in the application form
- Project specification
- Details of how the project is funded.

7. Processing applications

Timetable

Applications are open from 15th January 2018

The closing date for application is **5p.m. on Friday 16th March 2018**

Successful applicant will be informed by letter within the week beginning 30th April 2018.

If you are successful, a letter of offer will be sent and should be signed and dated within 2 weeks.

Your local CVC staff will then be in touch to organise an initial meeting.