

Your wishes granted?

Will your charity benefit from the newly implemented Social Value Act?

After much lobbying from social enterprises, charities and infrastructure bodies across the country, the Public Services (Social Value) Act finally came into force in January. The Act requires every English public body (and many Welsh ones) to “consider how the services they commission and provide might improve the economic, social and environmental well-being of an area”. Central and local government, housing associations, NHS trusts and even fire and rescue services have to abide by the new law. But what does it all mean? How can charities and social enterprises make the most of it? And will smaller charities gain anything from the new legislation? We've gathered advice and opinions from experts across the sector to help your organisation get to grips with the Act.



It's not a silver bullet, but is a shift towards better commissioning, says Nick Temple

It's not often that the charity and social enterprise sectors celebrate the arrival of a piece of legislation or ponder the dry subject of procurement, but that is what has happened with the recent passing into law of the Public Services (Social Value) Act.

Although the Act only formally applies to commissioning above EU thresholds (£113,057 for central government, £173,934 for the rest), the guidance from central government is that they would like to see it applied to smaller contracts too. One important aspect, whatever size the contract, is that commissioners have to consider social value in the pre-procurement stage, to ensure it can be embedded in design.

So what does this actually mean for charities and social enterprises on the ground? The reality is that this is not a silver bullet or panacea, and is likely to be implemented patchily: some local authorities are pioneering, while others

are unaware of its existence; some commissioners see it as enabling them to do what they have wanted to for years, while others think it too difficult to implement at a time of such economic pressure.

One key question the Act raises is: “what do we mean by social value and how do we measure it?” Social value is defined in the Act as “the additional benefit to the community from a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes”, but that looks different in different areas: the same measures can't be used for waste collection services as for a mental health service. So measuring social value will, as in the sector more widely, be bespoke and driven by both provider and commissioner – it is likely that sub-sector standards will emerge over time.

That word ‘consider’ has also attracted some attention – of course we would all much rather it said “implement at all costs” or something similarly strong, but

this at least moves us in the right direction. It is now up to the sector to make enough noise locally and nationally to ensure ‘consideration’ goes on (and to make even more noise if it quite evidently doesn't).

Will the Act solve all ills? No. But it does continue the shift to better commissioning that takes account of what charities and social enterprises have at the heart of their organisations: a social purpose. That is to be welcomed – but the sector needs to do more than welcome this legislation's arrival and sit back expecting things to happen; we all need to be proactive.

Ultimately, the Act will be what we as civil society and a movement make of it, and it provides an opportunity there for us to take – to demonstrate that value is about more than just pounds and pence; it's about positively changing people's lives.



Nick Temple is director of business & enterprise at Social Enterprise UK. He will be speaking at the Social Value Conference in Liverpool on 6

To benefit from the Act, smaller organisations need to find new ways of working, says Alex Swallow

The Social Value Act is a potential opportunity for small charities. It seeks to widen impact at a local level and many small charities are already firmly embedded in their local communities.

Small charities are also experts at providing additional value, such as by using volunteers: this is partly due to necessity because they wouldn't be able to afford to provide the support they do otherwise.

The Act is potentially a boost for the charity sector in general, as Sir Stuart Etherington of NCVO said: “we know

charities add something special which can't always be seen from the figures in a tender document”.

However, in order for the aims of the Act to be achieved, there needs to be flexibility and a certain amount of ‘reaching out’ on both sides. The public sector commissioners need to consider the difficulties that smaller organisations may still face in winning contracts against larger, better-resourced and better-connected organisations. Examples of best practice should be shared, and here the government has a role in educating both sides.

The government will seek to partly do this via a ‘commissioning academy’,

and by running training for third sector organisations. But it will be hard to support everyone who needs it and the particular concerns of each local charity may be very different.

For their part, small charities themselves need to grasp this opportunity and embrace new ways of working if they decide they are to the long-term benefit of their organisation.



Alex Swallow is chief executive at the Small Charities Coalition

FIVE-POINT PLAN FOR ENGAGING WITH THE SOCIAL VALUE ACT

- 1. Get informed.** Get up to speed on the Act with the latest guides and information. Read The Social Value Guide, which explains the Act, describes social value, and then sets out some guidelines on how to put the Act into practice.
- 2. Get in touch.** Contact the public bodies you want to work with, let them know about the Act and start the conversation from there. Offer to help them, and encourage them to develop priorities and criteria to ensure they secure as much social value as possible when procuring services.

3. Get thinking. Put time into thinking about your own social value, and how you want to measure and record it (there are lots of tools out there to help) so that the information can be used to strengthen tenders to deliver public services.

4. Get ready. Be alive to the contract opportunities and tenders coming out, and be ready to act. Be ready to explain why your charity should deliver any particular contract and what added social value you offer.

5. Get real. Social value is still only one part of the process, so you still need to have your finances, quality, risk management and other areas ready to roll. The remainder of your tender should be at least as strong as the section on social value.

Charities should check local authorities' social value policy, say Shivaji Shiva and Mark Cook

The Social Value Act aims to counter the 'am I bovered?' behaviours that can typify so many parts of the public arena. It's part of a journey that should lead to greater resilience and more collaboration in times when the conventional is often unaffordable.

A key component of the Act is the requirement that public bodies consider the economic, social and environmental well-being of the areas that they serve. This has been common practice for local authorities for at least a decade: it is easy to do so when there is clear geographical area to apply this thinking. Housing associations and NHS bodies should also find this perfectly within their competence. It is more difficult possibly for government departments with national remit to reflect in these terms.

To help this thought process, charities should check whether the local authority in their area and other public bodies they engage with have adopted an identifiable social value policy as recommended by The Social Value Guide* .

Rather than a set of loose commitments, a social value policy can and should be defined in terms of the benefits that it promotes, for example:

- promoting training and employment opportunities for under-represented groups;
- promoting fair and ethical trading;
- ensuring more effective and efficient public expenditure;
- contributing to health improvement priorities;
- contributing to climate change mitigation targets and to energy efficiency.

If you believe a public body has failed in its duties under the Act, or has not complied fully with the wider requirements of procurement law, there may be scope for a legal challenge. Strict time limits apply to such challenges and advice should be sought at an early stage to identify the most effective means of raising your concerns with the public body.



Shivaji Shiva is a senior associate and charity sector specialist at Anthony Collins Solicitors LLP



Mark Cook is a partner at Anthony Collins Solicitors LLP and co-author of the new guide*.

The Act will help VCSEs win a greater share of public contracts, says Michael O'Toole

The new Social Value Act is hugely important for the sector because commissioners are now required to take social value into account when they choose suppliers for public services.

This is great news for voluntary organisations that already have a highly developed sense of social purpose and ethos, and can make it easier for commissioners to comply with the Act by offering positive social value outcomes as part of their tender.

But the onus is also on VCSEs to

compete aggressively, and I encourage them to use the Social Value Act as part of their approach when competing alongside businesses. We are also working closely to achieve support from the public sector to spread the message across their commissioning teams and raise awareness of the Act across the sector.



Michael O'Toole is Crown Representative for the VCSE Sector

Despite the prohibitive financial thresholds, the Act still holds potential for small charities, says Pauline Broomhead

At the FSI, we welcomed the introduction of the Social Value Act – it is an important step in recognising the value that local organisations add to communities, and the role that this plays in public service delivery.

However, for our beneficiaries – small charities – the benefits of the Act are most likely to pass them by. This is because many of the contracts they are likely to compete for will be below the financial threshold for

the Act to take effect. As a consequence, local authorities will not be obliged to consider the social value that these organisations add to their communities through the services that they deliver.

However, there are two ways in which small charities may be able to take advantage of the legislation.

Firstly, as part of a bidding consortium, smaller organisations will have the opportunity to bid for bigger contracts. As such, the social value that their organisations add would be considered.

Secondly, as sub-contracted providers,

small charities are extremely valuable in meeting the requirements of the Act for bigger organisations.

However, strong negotiating skills are needed to make sure that contracts are beneficial to small charities, and that small charities aren't used as 'bid candy' by larger organisations.



Pauline Broomhead is founding CEO at the FSI

***Social Enterprise UK has launched The Social Value Guide: Implementing the Public Services (Social Value) Act. Created in association with Anthony Collins, the guide explains the Act, describes social value, and then sets out some guidelines on how to put the Act into practice.**

Doing it for the kids

UNICEF's **Catherine Cottrell** discusses Syria, social media and job satisfaction with Rick Pearson

You've been in your role at UNICEF for a few months now. What's your vision for fundraising at UNICEF UK?

It's not until I got inside the organisation that I fully appreciated the breadth and depth of its work: UNICEF has a unique power to mobilise action and change the future for children around the world. My ambition is to get this message understood more broadly and make UNICEF UK the children's charity of choice.

You used to work at the RSPCA. How does fundraising for animals compare with fundraising for children?

In some senses, the job isn't very different. Fundraising is fundraising. However, on a personal level, I feel more emotionally connected to UNICEF's cause. RSPCA does incredible work – it's a vitally important charity that needs to exist – but UNICEF's work resonates more deeply with me. I feel the way a donor would feel, and that makes going to work very satisfying.

UNICEF is currently fundraising for the crisis in Syria. How is the appeal going?

We've been amazed by the generosity of the British public, especially when until more recently the media hasn't focused on the situation in Syria as a humanitarian crisis. We've had to build the momentum ourselves. Alongside our TV adverts, outdoor media and contacting donors, we've been focusing on social media including getting some of our high-profile supporters to retweet our messages. It's still a huge challenge, though, and there remains a sizeable funding gap for what we need to do to help children in the region.

Some of the fundraising team have been out in the field. How important is it for fundraisers to see their charity's work firsthand?

It's hugely important. Two key members of the direct marketing team recently visited the Zaatari desert camp, near the Syrian border. More than 120,000 refugees are officially registered at the camp and there are only sparse resources. Our colleagues were officially there to get material for a DRTV advert, but the experience had a

much greater impact on them. They saw the magnitude of the problem, but also how much worse it would be if UNICEF wasn't there. That gave them a renewed connection to the organisation, the children we are helping and a better understanding of our work.

You are a mother of two young children. How does this inspire you in your fundraising for UNICEF UK?

I think it's a big reason why I'm here. I look at my children, who live in a relatively privileged society, and still worry about their future. Imagine how much worse it would be if there was the constant threat of violence, disease or no running water. Yet that's the situation faced by many mothers around the world, and you can't help but empathise with them. I'd like to see those injustices balanced out, and that was a motivating factor in joining UNICEF UK.

Charities and individuals need to put a bigger focus on training and development.

You are actively involved in the Institute of Fundraising's learning and development committee. How would you like to see the fundraising profession develop?

I'd like to see it being viewed truly as a profession. That's the best way to continue to attract talent to the sector. Charities and individuals need to put a bigger focus on training and development.

How do you like to relax away from work?

I live in Hove on the south coast, which means I have a long commute to work but also a bit of a retreat at weekends. I think that distance makes it easier to relax. Most of my spare time is spent with my two boys, who are three and five. I also used to run a lot, and I find that's a great way to unwind.



What do you see as being the biggest challenge facing UNICEF UK this year?

I don't see there being one key challenge, as such. Externally, I'd like to see us getting the public to further appreciate the true extent and impact of UNICEF's work. Internally, I'd like to see us harnessing our wealth of assets – our high-profile supporters, international influence and brand – to work in a more joined-up way.

What would you be doing if you weren't a fundraiser?

The boring answer is: something in marketing in the commercial sector, as that's what I did before coming across. If I was being a bit more imaginative, though, I'd say an artist or actress – but I'm not sure I ever had the talent!

What one piece of advice would you give to aspiring fundraisers?

Have great ambition – both for your charity and for yourself.

Catherine Cottrell is deputy executive director, fundraising at UNICEF UK www.unicef.org.uk