

# **WHAT IS SOCIAL VALUE?**

---

**A SHORT OVERVIEW BY GEMMA  
FINNEGAN CVSF/CRCC**

# WELCOME NOTE

”

**GDP measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything on short, except that which makes life worthwhile. RFK**

---

Social Value forms part of an impact management practice that an organisation can use to demonstrate the difference their work makes for individuals and in communities



# WHAT IS SOCIAL VALUE?

## Defining terms

Social Value is a broader understanding of value - moving beyond money as the main indicator of value and instead putting the emphasis on engaging people to understanding the impact of decision on their lives.





## **MEASURING WHAT IS IMPORTANT TO PEOPLE, BEYOND PROFIT**

For some people, social value stems from their experiences at home or at work. It may be related to satisfaction from the time they spend with family or feeling refreshed after they take in deep breaths of fresh air during a stroll in the countryside.

If you use a country lane each day to work, the lane has social value to you and others. Should an organisation then choose to build near it or on it, it would have an impact on you if you were not able to enjoy your walk to work or to get to work as easily, and if you were made to feel less safe or more stressed because of this.

All of these aspects of our lives, things that we experience day to day, have an impact on our overall wellbeing. Our wellbeing is impacted by things like our health, our relationships, what we do for work, where we live, our personal finances, our education and skills, our natural world, economic changes, how we govern our societies, and our own understanding of how we are.

Social value measurement tries to understand and record the relative importance we place on the wellbeing changes we experience. It helps to inform better decision-making to increase positive change, and decrease the negative.

# MEASURING SOCIAL VALUE

Social Return on Investment is a method developed from social accounting. It is a principles based method for measuring extra-financial value. Using financial proxies outcomes can be valued and communicated in pounds and pence.



**Social value is the description of how a project creates value and a ratio that states how much social value in monetary terms is created for every £1 of funding**

**'If £1 is spent on the delivery of services, can that same £1 be used to also produce wider benefit to the community?'**

**Public Services (Social Value Act 2012)**





**£8.29 per £1**

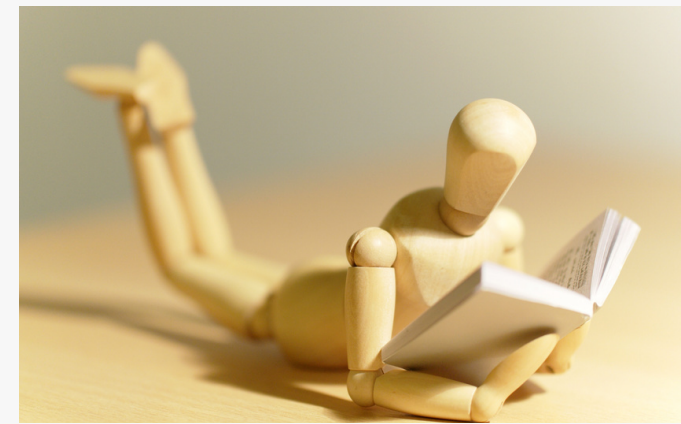
**Net Present Value:  
£2,176,784.09**



OUTCOME	PROXY	QUANTITY	DURATION	VALUE	LEAKAGE	ATTRIB'TN	DDW'GHT	DISPL'MNT	DRP-OFF	IMPACT	SOURCE
Support for Community Larder users outside of food insecurity	Improved access to community facilities and services	Value of food banks signposting to relevant services	418 Residents of Mid Cornwall area experiencing food insecurity	1 years	£3,213.68	15%	25%	25%	10%	30%	£578,046.63 <a href="#">Page 1...</a>
Improved health due to increased food security	Improved physical health	Average health and social care cost for someone with malnutrition	418 Residents of Mid Cornwall area experiencing food insecurity	1 years	£8,500.85	15%	20%	15%	10%	15%	£1,848,455.43 <a href="#">Malnutrition Pathway - Page 5...</a>
Reduction in food wastage	Better management of waste and/or more efficient use of resources	Value of avoidable food waste	80 Residents of Mid Cornwall area experiencing food insecurity	1 years	£145.15	15%	15%	15%	10%	15%	£6,418.10 <a href="#">The Impact of Love Food Hate Waste, Page 7...</a>
Increased ability to operate food projects in mid cornwall	Working collaboratively and through partnerships	Cost of inefficient collaboration	24 Residents of Mid Cornwall area experiencing food insecurity	1 years	£9,180.00	15%	10%	15%	10%	15%	£128,936.77 <a href="#">Talk Business...</a>
										£2,561,856.93 <a href="#">Present Value (PV) v</a>	
										Total Present Value (PV)	£2,475,224.09
										Net Present Value (NPV)	£2,176,784.09
										Social Return £ per £	£8.29 :£1

# HOW TO USE SOCIAL VALUE

As part of an organisation's impact management strategy Social Value can be a powerful tool to share your impact, understand the difference you make, learn from you work and demonstrate to funders the addtionality of what you offer.



---

## Analysis

Is the service/intervention having the desired impact?

---

## Learning

Do we need to change anything?

---

## Business Development

Help secure funding or make the business case for a service/intervention

---

## Engagement

Involve your stakeholders and empower them to tell their story





# **THANK YOU**

---

**GEMMA.FINNEGAN@CORNWALLRCC.ORG.UK**