A response to "BS 8950 - Social value — Understanding and enhancing — Guide"

I. SOCIAL VALUE (SV) AND WELLBEING

I.a. Definition

I.a.1. Synonyms: From the immediate start of the guide, i.e. 0.1 social value, SV and wellbeing are used interchangeably. This is yet again amplified in 0.3 Wellbeing where it is made explicit that these terms are synonyms. This continues to carry on throughout the guide and the reader never encounters an explanation on why this assumption has been made. Although Annexes A and C describe some of the other measures of SV, we cannot say the interchangeable use of terms is justified. Also, 'wellbeing' is only one part of one theme in the UK government's proposed Social Value Act reform, where the themes are: Diverse Supply Chains, Skills and Employment, Inclusion, Mental Health and Wellbeing, Environmental Sustainability, and Safe Supply Chains[1]. The themes in TOMs are Jobs, Growth, Social, Environment, and Innovation[2]. Consider adding both references to section 0.1. social value.

If the authors believe there is high correlation between these concepts, using a softer terminology such as "*due to fundamental difficulties associated with measuring wellbeing, normally proxies representing this concept are being used that are neither flawless nor fit-all. Some of the issues with measuring wellbeing are described under 0.3. Wellbeing.*" right after the first sentence is advised.

I.a.2. outcomes and impact: based on sub-sections 3.3. social outcome and 3.6. social impact, it appears wellbeing, or its dimensions, are taken as 'outcome' and their changes as 'impact' based on a standard theory of change[3]. This makes the distinction between SV outcomes and SV impact even fuzzier especially when SV is used solely. Two other issues here, (i) 'dimensions of wellbeing' are not defined anywhere in this guide; (ii) wellbeing is normally taken as 'impact' and proceeds 'outcomes' on theories of change

---

[1] See https://www.gov.uk/government/consultations/social-value-in-government-procurement.

[2] See http://socialvalueportal.com/national-toms/

[3] A standard theory of change starts with identifying an issue, inputs, activities, outputs, outcomes, and at the end impact (https://golab.bsg.ox.ac.uk/toolkit/technical-guidance/pricing-outcomes/).

and represents the ultimate result of an intervention/investment. The new definitions presented in this guide need further description to clarify the arguments.

I.b. Issues with this approach

There are two major problems with defining SV as simply 'wellbeing';

I.b.1 complexity with measuring wellbeing: e.g.

- All wellbeing measures introduced to this day suffer from some level of subjectivity. Advocating high level decision making based on a definition of social value which is equal to wellbeing carries on that risk and even amplifies it.

- In 0.1 Social Value, "…People's Wellbeing…" is used. This raises many questions that are not answered either there or anywhere else in the guide, e.g. Which people? Are we talking about the 'average' wellbeing? 'sum' of the population's wellbeing? Individuals? If the latter, does an 'improved wellbeing' of a group represents an increase in all individuals' wellbeing within that group of the total increase of the wellbeing of the group? The technicalities lying within the definition of wellbeing are of utmost importance when assuming such a high role for it as the equivalent of SV. Consider changing to "…social value…"

- in 3.1. Wellbeing, Note 3 suggests "…wellbeing can be achieved on greatly varying timescales…". This is true, but is also one of the main challenges in using wellbeing as a robust measure in planning programmes. Wellbeing is a subjective measure and highly dependent on not only the subject, but also time and location; e.g. wellbeing of individual X at time t at location A is most likely not the same to the same individual at a different time and location, say t+1 and B respectively.

- Consider adding all the above points to either section 0.3. wellbeing or section 3.1. wellbeing.

I.b.2. defining social value as wellbeing: e.g.

- wellbeing is normally a measure for individuals (i.e. micro-level) rather than society (macro-level), where the first word of the term 'social value' refers to 'society'.

- Wellbeing is highly dependent on time and its measurement normally captures a snap, i.e. short-term, where SV and impact are concepts normally represent long-term changes.

- Long-term effects for the current or the next generation cannot be measured, although one of the main challenges of our era which must be heavily reflected in SV is climate change which mainly affect the next generations. This is somehow indicated in the first paragraph on page 20, but not as an issue with wellbeing measures. Also, in the example laid out in <u>section 6.7.1</u>, the wellbeing approach probably would not support fighting the climate change if (i) the country is in the global north since the consequences of a warming climate are not homogenous across the globe; (ii) its consequences will only be realised in far future.

- Consider adding all the above points to either <u>section 0.3. wellbeing</u> or <u>section 3.1. wellbeing</u>.

II. DATA COLLECTION (section 6.5)

- Use of the term 'collect data' to cover all activities from planning and feasibility analysis to implementation, actual data collection, and measurement is confusing. Consider changing the title to "*collect evidence*".

- The BSI standard should clarify and strengthen the principle of 'transparency' with explicit references to open data and open standards. We suggest the following additional language: "*Transparency in social value should advance both the interoperability of social value data systems and public access to social value data. This requires that organisations should systematically and proactively collect and publish data on social value using open data licences and standards, subject to privacy restrictions.*" This language adapts text from the UK central government's transparency principles in Procurement Policy Notes 01/17 and 02/17 and the Open Government Declaration, to which the UK government signed-up as a founding member of the Open Government Partnership.

- In <u>section 6.3</u>, the BSI standard defines "dimensions of data to be collected". These dimensions lack meta-data, terms of data use, and do not include any data to clearly identify how data elements are defined with reference to any data standards. We suggest the following as an additional dimension: "*Meta-data, data use, data definitions and/or data standards.*" One emerging example of an open data standard

is the INDIGO standard from the new International Network for Data on Impact and Government Outcomes (INDIGO)[4], coordinated by the GO Lab.

- In <u>section 6.5</u>, the process of collecting data should include an assessment of what external data, especially open data, are available for use and how these may be joined with other data to describe social value. We suggest the following as additional language: "*Consider whether other organisations have described the same or similar dimensions of social value in the same or different contexts. Assess the quality of such data, the terms of use, and the data definitions or standards. It may be highly efficient and consistent with the principle of transparency to reuse data and/or the data definitions from one or more outside sources*". This could be a new subsection of <u>section 6.5.3</u> as well.

- In <u>section 6.8.2</u>, the process of external reporting process should explicitly reference the principle of transparency and encourage the publication of open data. As currently drafted, the reporting process sections represent a missed opportunity to avoid impact washing - especially the section on reporting wider members of the public (6.8.2.3). We suggest the following additional language: "*Consistent with the principle of transparency, the data on the dimensions of social value should be proactively and systematically published using an open data licence along with data definitions and/or reference to an open data standard.*" Further, we suggest the following statement be added to the list of benefits: "*Transparency benefits, including the interoperability of social value data systems and public access to social value data.*"

III. FURTHER COMMENTS ON OTHER SECTIONS

Section 4.2. Recognition of social value: First paragraph of <u>Section 4.2.3</u> suggests referring to "...the people who experiencing impacts..." to measure materiality. This should probably change to "... *the service users and others who experiencing impacts*..." as the actual users are not normally the main impact beneficiaries of, say, social

---

[4] INDIGO has been established to support data use by policymakers working to address complex social and environmental problems. INDIGO is the International Network for Data on Impact and Government Outcomes. A project of the Government Outcomes Lab (GO Lab) at the University of Oxford, Blavatnik School of Government, INDIGO aims to harmonise various data standards to join data from government, private, and third sector actors who are collaborating on innovative projects. Our plan is not to recreate the standards' wheel, but to borrow wheels from different sectors and policy domains..

intervention programmes. An example of this situation is on the last paragraph of page 13.

section 4.2.5. valuation: Standardisation is probably the most talked about issue in impact measurement disputes, yet it is not discussed in this guide. Consider adding this to the last line of the first paragraph, i.e. "...should be made on a *standardised*, transparent and consistent basis, informed by those affected."

Section 4.3. Reporting on social value: Consider adding a subsection entitled 'Standardisation' right after 4.3.1. transparency to promote "*adhering to standard measures to collect, analyse, and report data*". As description, you could state "*use of standardised and/or harmonised measures are encouraged throughout the stages of the framework outlined in section 6.1. This includes collecting data, use of metrics, and valuation methods.*"

section 5. Culture: There needs to be more emphasis on the role of '*incentives'* in shaping the culture. Also, it should made explicit that "measurement often creates incentives, whether intended or not. These incentives are not the same in different sectors, e.g. public vs private sector, but their role is essential to the success of delivering social value."

section 6.1. General: Consider stating that "*this framework starts only after the social issue has been selected by the decision maker, since this guide doesn't not cover that stage.*"

section 6.5.3.6. Ranking impact: it seems like economic valuation methods are introduced as a ranking tool rather than an impact measurement tool. This is not consistent with the current conversations around impact management, where monetisation, a form of valuation, is promoted as the preferred strategy in measuring impact. If this guide does not agree with that, this should be brought up and discussed further.

IV. ADDITIONAL HIGH-LEVEL COMMENTS

IV.a. The overall tone

- It feels like the guide somehow promotes the exclusive use of wellbeing measures for SV. This should be corrected throughout the text since there are numerous issues

with wellbeing measures that need to be not only mentioned, but also explained how they could be mitigated.

IV.b. Presentation

- Consider adding some infographics and overview tables so that readers are able to quickly skim through – too much text.

- There is much repetition, e.g. there are a couple of subsections labelled 'wellbeing' which discuss similar matters.

IV.c. Content

- social value is fundamental in public provision, but even more essential to outcome-based contracts (OBC). Assuming that a big portion of this guide's audience are commissioners, it would be helpful to describe briefly how this guide could help OBCs and impact bonds in all stages from design and implementation to impact measurement. The guide favours the investor community.

- Overall there could be more references to other sources out there. Currently there are only brief references of Social Value Act and Impact Management Project.

- There is in general too little reflection on potential challenges and how to mitigate them, in particular in the data collection, analysis and setting targets section; e.g. issues with measuring wellbeing or inconsistency in economic valuation methods for measuring social value or impact.

- There is no mention of political considerations and bureaucracy involved in decision making.

V. MINOR COMMENTS

- ***0.2. Purpose and Audience***: Page 5, fourth paragraph, it's better not to advocate use of incomplete data unless explicitly describing the risks associated with their usage; i.e. the underlying reason why data is missing could be correlated with the success of the programme/investment.

- ***0.4.2. Rigor***: "*For an option which has a low cost to implement and a low cost to reverse, the data may not need to be so rigorous*", two issues: (i) better add the term 'relative' before using costs as budgets of commissioners are not the same; (ii) piling

up many high-risk investments/interventions based on bad data piles up the chances of a big fail. Maybe add a sentence explaining that *"infrequent use of low-quality evidence could be permitted as a small share of an otherwise high-quality portfolio of projects."*

▪ We identified many typos in the text, e.g. 'pursed' should change to 'pursued' on page 12; 'pre-deermined' to 'pre-determined' on page 13; 'qualitative' to 'quantitative' on section 6.5.2. second bullet point (b), same line, "...bring it to *life*..."; "makes an transparent..." to "makes a transparent..." on page 24; "...about hte total..." to "...about the total..." on page 25; etc.

The GO Lab would be happy to provide further information upon request. The lead author of this submission is Dr Mehdi Shiva and any errors are those of the author. Writing this was assisted by Ruairi MacDonald, Franziska Rosenbach, and Nigel Ball. We could be contacted via email mehdi.shiva@bsg.ox.ac.uk or golab@bsg.ox.ac.uk.

Dr Mehdi Shiva

Government Outcomes Lab,

Blavatnik School of Government,

University of Oxford

120 Walton Street, OX2 6GG, UK