Social Value Policy Template

Instructions: How to use this template

* This template was produced by the impact team at [Kingston Smith Fundraising and Management](https://www.kingstonsmith.co.uk/services/advisory/fundraising-and-management/) in collaboration with [Social Value UK](http://socialvalueuk.org/). It is designed for any organisation interested in embedding the management of social value into their organisation or projects. It outlines a flexible social value policy which can be adapted for any organisation or project.
* Any content highlighted in yellow in this template, such as [organisation name], is intended to be changed according to your organisation and its specific activities and resources.
* Footnote numbers are included in the text. These refer to notes at the end of the template, which provide more information about what should be included when you are adapting the policy for your use.
* Once you have completely adapted this template for your organisation, delete any text boxes with a light blue background (including this one). The text contained in these boxes is for completion guidance only and should not be included in your final policy.

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## Introduction to [organisation name]’s Social Value Policy

This policy outlines [organisation name]’s approach to social value measurement and management.

The policy is in seven separate sections, each specifically addressing one of Social Value UK’s [Social Value Principles](http://www.socialvalueuk.org/what-is-social-value/the-principles-of-social-value/), and outlines how they will be incorporated into the way we run and review our activities. A list of key definitions can be found at the end of the document.

The contents of this policy will be reviewed annually by [job title] on [date].

**Policy brief and purpose**

[Organisation name]’s social value policy outlines our commitment towards measuring and managing the social value our organisation is creating. We understand that this process is important for four reasons:

1. To be accountable to our stakeholders and ensure that we are taking responsibility for the role we are playing in their lives.
2. To manage our activities to be able to maximise the social value we are creating.
3. To enable best practice as an organisation.
4. To reduce our assumptions about the way our activities create value through outcomes to stakeholders.

**Scope of the policy**

This policy applies to [EITHER all of organisation name’s activities OR the name of the project that you are focusing your social value measurement activities on].1

## Section One: Stakeholder involvement

1. **Stakeholder identification**

[Organisation name] will create a list of stakeholders through consultation with knowledgeable staff and, if possible, with other stakeholder groups, such as direct beneficiaries.

The list of stakeholders will extend beyond a minimum of those stakeholder groups that are traditionally taken account of, for example funders, board, staff, government and intended beneficiaries.

This list will be reviewed by the Senior Management Team and [organisation name]’s board of directors / trustees annually, and will look to incorporate stakeholders and significant sub-groups within each stakeholder group that may experience different outcomes to the rest of the group at large.

This list of identified stakeholders will be used to inform the frequency and extent of stakeholder involvement annually.

1. **Stakeholder involvement in defining outcomes**

[Organisation name] will ensure that our stakeholder involvement is:

* Complete with regard to stakeholder groups

We will aim to involve representatives from each of our stakeholder groups and sub-groups at least annually. If possible, this involvement will take place through focus groups but we may also use other types of engagement methods appropriate and more specific to organisational resources and needs.2

* Representative

The stakeholders we involve in defining the outcomes of our organisation will be representative of the group at large by accessing stakeholders on the grounds of a range of diversity criteria. This will include age, gender, socioeconomic background, extent of involvement in our organisation’s activities and other demographic criteria more specific to our organisation’s activities.3

We will ensure the number of stakeholders we involve is appropriate for the level of decision, and that this sample is as representative of the wider stakeholder group as possible.

* Open-ended and unbiased

We will minimise bias in our questioning around potential outcomes but rather will ask stakeholders open-ended questions. This will enable them to define negative and unintended outcomes as well as the positive and intended outcomes they are experiencing.

## Section Two: Understanding change

1. **Understanding change**

[Organisation name] will ensure that our approach to understanding change is:

* Outcomes rather than objectives-focused

We will involve our stakeholders by asking them open-ended questions about changes they experience. We will allow time and space for stakeholders to discuss all outcomes that they experience including positive and negative outcomes, and intended and unintended outcomes.

We will not take an objectives-focused approach to understanding change because this provides a narrow view of the outcomes that we play a part in creating. This is mainly because it is more likely to be driven by an organisational rather than stakeholder view of change.

* Emphasising causality

For each main stakeholder group, we will have some evidence behind the causal links between our inputs, outputs and outcomes. This may involve reasonable judgements around logical conclusions, and be reinforced by stakeholder data or external research.

* Identifying indicators

For each outcome that we decide to manage, [organisation name] will identify indicators that enable us to measure whether these outcomes are occurring, and how much of these outcomes are occurring.4

## Section Three: Value the things that matter

1. **Valuing inputs**

To gain an understanding of the efficiency of our investments, we will develop an understanding of the inputs, or time and resources, that are required to deliver activities included within the scope of this policy.

This understanding will arise from considering all types of investment, including aspects that are not conventionally monetised, such as volunteer hours.

1. **Understanding the relative importance of the outcomes for all stakeholder groups**

For each stakeholder group, [organisation name] will build an understanding of relative importance for the outcomes that we decide to measure / report on.

We will do this using one or both of the following methods5:

1. Asking each stakeholder group directly to indicate which outcomes are most important to them, either through weighting or ranking the outcomes, or associating them with monetary values through a valuation method.
2. Conducting research to estimate values for each outcome, then verifying these estimations through asking stakeholders whether they are a reasonable representation of their views on outcomes values.

## Section Four: Only include what is material

**Consider the additional details associated with our outcomes**

For the outcomes that we have chosen to measure / report on, we will estimate and collect the following supporting information:

|  |  |
| --- | --- |
| Quantity | How many in each stakeholder group are experiencing these outcomes? |
| Duration | How long are these outcomes lasting for, according to stakeholder experience? |
| Causality | How strong is the causal link between [organisation name]’s activities and the outcome? i.e. what are the deadweight and attribution values? |
|  Value | How important is the outcome? |

This above information, when considered in full, helps us understand whether an outcome is significant and is material to decisions.

There may be outcomes that we consider relevant, even though they are not significant. We will ensure these are still included in the analysis.

If possible, this information will be collected through asking stakeholders directly about their first-hand experiences.

## Section Five: Do not over-claim

1. **Understand approximate duration for key outcomes**

[Organisation name] will ask stakeholders or use external research to help estimate the duration of outcomes we manage.

1. **Understand deadweight for key outcomes**

[Organisation name] will ask stakeholders or use external research to help estimate deadweight for the material outcomes, i.e. what would have happened if the stakeholders had not been involved in [organisation name / project], and questioning whether they would have experienced some degree of the outcomes, and if so, what degree.

1. **Understand attribution for key outcomes**

[Organisation name] will ask stakeholders or use external research to help estimate what other organisations have contributed to the changes that our stakeholders are experiencing, and how much of the outcomes are down to us rather than the other organisations.

## Section Six: Be transparent

**Be transparent**

[Organisation name] will be clear in both internal and external reports on the scope of our impact analysis and which activities we are analysing.

We will also clearly outline the timescale, audience and purpose of the analysis.

We will endeavour to include links to any external research we are referencing, and clearly explain our rationale for all judgements and decisions that we make.

## Section Seven: Verify the results

[Organisation name]’s policy on verification will depend on the audience and purpose of our analysis.

1. **Verifying results for internal reporting purposes**

For analyses entirely intended for internal feedback and management use, useful verification will come in the form of requesting representatives from each stakeholder group to review the analysis, specifically the results and recommendations section, to ensure it is consistent with their experiences.

1. **Verifying results for external reporting purposes**

For analyses that will be circulated to external stakeholders, such as partner organisations and funders, all reports will be reviewed internally by at least two people, with at least one being a member of the senior management team, in addition to the representatives from each stakeholder group being shown the report.

[Organisation name] will also ask external ‘critical friend’ organisations to feedback on an informal basis before circulating more widely externally.

A list of provisional ‘critical friend’ organisations that we will use for this purpose is below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Contact name** | **Organisation** | **Email address** | **Telephone****number** |
|  |  |  |  |
|  |  |  |  |
|   |   |   |   |

Where appropriate, we will seek a more formal assurance process.

This policy outlines [organisation name]’s commitment to implementing policies that will improve the management and maximisation of our social impact.

We will review it annually, and amend or change it as necessary.

## Key definitions

For the purposes of this document, the following definitions are used:

**Attribution**: an assessment of the amount of change caused by the contribution of other organisations or people.

**Deadweight**: an assessment of the amount of change that would have happened even without the intervention of [organisation name].

**Financial proxy**: the value assigned to different outcomes, expressed in terms of currency.

**Material**: the characteristic of something being relevant or significant to [organisation name] and our activities and future decision making.

**Outcome**: a change, positive or negative, that a stakeholder experiences as a result of an activity. Outcomes usually fall into one of five categories: a change in circumstance, behaviour, capacity, awareness or attitude.

**Outcomes to be managed**: where an outcome is important enough (for example, because it has a high value or occurs frequently among the main stakeholder groups) for [organisation name] to want to increase its frequency or duration through our activities.

**Stakeholder**: individuals or organisations that experience material outcomes as a result of our activities.

[Name and job title]

Signed ……………………………………………………………….... Date …………………………

Date of review …………………………

This policy template was produced by Kingston Smith Fundraising and Management, an independent consultancy specialising in impact measurement and management, and fundraising strategy. If you have any questions about this policy template, measuring your impact or improving your procedures, please contact Helen Campbell, deputy director of impact at Kingston Smith Fundraising and Management.

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Guidance footnotes

1. The decision regarding the scope for this policy is entirely up to your organisation, and depends on your internal resources. However, we do recommend that you begin with a realistic aim and estimation for what you will be able to do as an organisation. It may therefore be more beneficial to limit the scope of this document to a specific project, and once you have some success with this, increasing the scope of this policy to incorporate other projects or parts of your organisation. In this case, the Social Value Certificate will apply to the project rather than your whole organisation.
2. Insert further information here about the other methods of engagement that you may use. These methods may be one-to-one interviews, either face to face or via telephone or online. Surveys are another way to collect stakeholder views but are less reliable and often do not yield detailed enough or the correct type of information for you to go on and elucidate outcomes that should be managed.
3. In place of this highlighted section, add in any demographic features that are specific to your organisation, project and key stakeholder groups. This will often include aspects such as age and gender, but may also include more particular characteristics, such as educational background of stakeholders or family structure (single parents etc).
4. These indicators may be based in pre-existing scales, or may be created by your organisation.
5. In this case, option i. is preferred as it offers the greatest opportunity for stakeholders to inform your valuation. However, especially at Level One of the Social Value Certificate, your organisation’s resources may not be sufficient for an exercise of this sort with all stakeholder groups. In this case, option ii is also viable in place of, or in addition to, option i.