

Social Value Report Review

Context:

Any method for accounting for social value can apply the [Principles of Social Value](#). The Report Review Service is a useful and practical learning exercise for any organisation that has prepared an impact report. Social Value UK will provide a review containing the following:

1. A summary of the strengths and weaknesses of the report in the context of the Principles of Social Value.
2. Recommendations on how the report (and the reporting process) might be improved in order to demonstrate a better understanding and application of the Principles of Social Value.

The Report Review Service is different to [Report Assurance](#) and the [Professional Pathway](#) in the following ways:

Many reports are not designed to not contain the technical detail needed to meet full Report Assurance. The Report Review Service can provide an assessment of any social impact reporting method.

- Report Reviews do not provide an assurance statement.
- Report Reviews do not offer a formal feedback consultation or an amendment period in order to implement any changes for re-submission.
- The Report Review Service is delivered by Social Value UK and does not include involvement from an independent assessor.

Social Value UK also recommend the [Social Value Self-Assessment Tool](#) as another useful learning exercise. This online survey provides you with an overall score of your organisation's application of the Principles of Social Value. Accompanying this Self-Assessment are documents and guidance for improving your understanding and application of the Principles of Social Value.

Summary:

Date:	
Report Submitted by:	
Report Title:	
Report Review by:	

Table of Comments and Recommendation

Principle One: Stakeholder Involvement

The important issues to demonstrate here are:

- Identification of stakeholders and a rationale for those that have been included and excluded from involvement in the process.
- Evidence of involvement of the included stakeholders in the application of the other principles or a rationale for not involving.

Stakeholders are those people or organisations that experience change as a result of the activity, and they will be best placed to describe the change. This Principle means that stakeholders need to be identified and then involved in consultation throughout the analysis.

Criteria	Element	Comments	Risks	In future consider...
RR1.1	The report includes a range of stakeholder groups (not just intended 'beneficiaries')			
RR1.2	The report considers stakeholder sub-groups			
RR1.3	The report clearly describes the approach to identifying stakeholders			
RR1.4	A rationale for those that have been included and excluded from the involvement process			
RR1.5	Evidence of involvement of the stakeholders in <i>only include what is material</i> or a rationale for not involving			
RR1.6	Evidence of involvement of the stakeholders in <i>not over claiming</i> or a rationale for not involving			
RR1.7	Stakeholder Involvement bias			

Principle Two: understand what changes

The important issues to demonstrate here are:

- Inclusion of a clear explanation of the theories of change or chains of events for included stakeholders.
- Statement of which outcome in each theory of change will be valued and why.
- Evidence to support causality.
- The experience of all stakeholders in stakeholder groups is included.

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Criteria	Element	Comments	Risks	In future consider...
RR2.1	Defining the scope of the analysis			
RR2.2	Description of how outcomes were defined with stakeholder involvement			
RR2.3	Inclusion of a theory of change for each included stakeholder group			
RR2.4	Statement of which outcome in each theory of change will be measured and reported on and why			
RR2.5	Evidence to support causality in the theory of change			
RR2.6	The report uses indicators to measure outcomes			
RR2.7	Measurement of amounts of change with stakeholders			
RR2.8	The experience of all stakeholders in stakeholder groups is included			
RR2.9	Acknowledgement of unintended outcomes and negative outcomes			

Principle Three: Value the things that matter

The important issue is that the relative importance of outcomes to stakeholders is reflected in the valuation method.

Criteria	Element	Comments	Risks	In future consider...
RR3.1	Understanding of valuing social outcomes is clear			
RR3.2	The valuation method reflects the relative importance of the outcomes to the stakeholder group			
RR3.3	The valuation technique used to value outcomes is explained			
RR3.4	The report includes inputs made by stakeholders, and the value of these			

Principle Four: Only include what is material

The important issues are:

- Is there evidence to support decisions to exclude outcomes identified from stakeholder involvement and other research?
- Does the evidence show why the stakeholder group would not be expected to make a different decision in relation to the activity had the information been included?

Criteria	Element	Comments	Risks	In future consider...
RR4.1	The report demonstrates an understanding of the Social Value Principles approach to materiality			
RR4.2	The report makes decisions to exclude or include stakeholders on the grounds of materiality			
RR4.3	The report makes decisions to exclude or include outcomes on the grounds of materiality			

Principle Five: Do not over claim

The important issue is that the analysis does not overstate the value claimed as caused by the activity.

Criteria	Element	Comments	Risks	In future consider...
RR5.1	The report considers deadweight and provides evidence of this			
RR5.2	The report considers duration and provides evidence of this			
RR5.3	The report considers drop-off and provides evidence of this			
RR5.4	The report considers displacement and provides evidence of this			
RR5.5	The report considers attribution and provides evidence of this			
RR5.6	The report addresses potential double counting of outcomes			
RR5.7	The report uses financial proxies that relate to the same duration as the outcomes			

Principle Six: Be transparent

The important issue is that the report clearly communicates the decisions relating to:

- Stakeholder involvement
- Outcome selection
- Indicators
- The valuation approach
- Sources and methods of information collection
- Sensitivity analysis

The involvement and communication of the results to stakeholders should be explained and documented.

Criteria	Element	Comments	Risks	In future consider...
RR6.1	The report shows a good understanding of the Social Value Principle of Be Transparent			
RR6.2	The report describes the approach taken to involve stakeholders			
RR6.3	The report includes an impact map			
RR6.4	The report includes a sensitivity analysis			
RR6.5	The report includes references			

Principle Seven: Verify the result

The important issue is that the results have been verified (for example, by stakeholders). Stakeholders should have had an opportunity to review the information in the report.

Criteria	Element	Comments	Risks	In future consider...
RR7.1	The report explains how the results have been or will be verified by stakeholders			
RR7.2	The report describes other processes of verification being employed, such as review through a 'critical friend' or a social value working or advisory group			
RR7.3	The report has been (or will be) shared with an independent third-party for verification			

Principle Eight: Be responsive

Pursue optimum Social Value based on decision making that is timely and supported by appropriate accounting and reporting. Optimising Social Value means delivering on societally agreed goals, such as the United Nations Sustainable Development Goals. This Principle requires organisations to implement a management approach based on three types of decisions: strategic - setting goals in alignment with societal goals; tactical - choosing activities that best achieve goals; and operational - making improvements to existing activities. The management approach must also include scheduling of decision-making, Social Value Accounting to an appropriate degree of rigour, and external reporting for accountability.

Criteria	Element	Comments	Risks	In future consider...
RR8.1	The report includes recommendations for changes to activities based on the results			
RR8.2	The report includes recommendations for changes to social value management practice			

Appendix A: The Social Value Principles:

1. **Involve stakeholders:** Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders. Stakeholders are those people or organisations that experience change as a result of the activity and they will be best placed to describe the change. This principle means that stakeholders need to be identified and then involved in consultation throughout the analysis, in order that the value and the way that it is measured, is informed by those affected by, or who affect, the activity.
2. **Understand what changes:** Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended. Value is created for or by different stakeholders as a result of different types of change; changes that the stakeholders intend and do not intend, as well as changes that are positive and negative. This principle requires a theory of how these different changes are created, which is informed by stakeholders and supported by evidence. These changes are the outcomes of the activity, made possible by the contributions of stakeholders. It is these outcomes that should be measured in order to provide evidence that the change has taken place.
3. **Value the outcomes that matter:** Making decisions about allocating resources between different options needs to recognise the values of stakeholders. Value refers to the relative importance of different outcomes. It is informed by stakeholders' preferences. There are various ways of achieving this. One method is to use financial proxies which as well as revealing preferences, also means that the value can be compared with the cost of the activity. This can be an effective means of communicating value in order to influence decisions.
4. **Only include what is material:** Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact. One of the most important decisions to make is which outcomes to include and exclude from an account. This decision should recognise that there will be many outcomes, and a reporting organisation cannot manage and account for all of them. The basic judgement to make is whether a stakeholder would make a different decision about the activity if a particular piece of information were excluded. An assurance process is important in order to give those using the account comfort that material issues have been included.
5. **Do not over-claim:** Only claim the value that activities are responsible for creating. This principle requires reference to baselines, trends and benchmarks to help assess the extent to which a change is caused by the activity, as opposed to other factors. Reporting on and managing the outcomes that have been determined with the affected stakeholders will enable other people or organisations to better understand how they can contribute to creating value, avoiding negative outcomes, and encouraging a system or collective approach to achieving outcomes.
6. **Be transparent:** Demonstrate the basis on which the analysis may be considered accurate and honest, and show that it will be reported to and discussed with stakeholders. This principle requires that each decision is explained and documented in relation to: stakeholders, outcomes, indicators and benchmarks; the sources and methods of information collection; the different scenarios considered; and the communication of the results to stakeholders. This will include an account of how those responsible for the activity will change the activity as a result of the analysis. The analysis will be more credible when the reasons for the decisions are transparent.
7. **Verify the result:** Ensure appropriate independent assurance. Any account of value involves judgment and some subjectivity. Therefore, an appropriate independent assurance is required to help stakeholders assess whether or not the decisions made by those responsible for the account were reasonable.
8. **Be responsive** – Pursue optimum Social Value based on decision making that is timely and supported by appropriate accounting and reporting. Optimising Social Value means delivering on societally agreed goals, such as the United Nations Sustainable Development Goals, as far and as fast as possible. This principle requires organisations to implement a management approach based on three types of decisions: strategic - setting goals in alignment with societal goals; tactical - choosing activities that best achieve goals; and operational - making improvements to existing activities. The management approach must also include scheduling of decision-making, Social Value Accounting to an appropriate degree of rigour, and external reporting for accountability.

More information on the Social Value Principles can be found here: <https://socialvalueuk.org/principles-of-social-value/>