

Briefing Note

Seeking Social Value through Energy and the Built Environment

27 June, UCL East – Marshgate, 7 Sidings Street, E20 2AE

On 27 June 2024 a joint UCL/University of Manchester workshop was held in London to explore how social value is being approached across built environment and energy projects. The meeting was convened by anthropologists Hannah Knox, Itay Noy, Constance Smith and Saffron Woodcraft who are all doing research on infrastructure, energy, climate change and the built environment. In recent months we have been exploring the role that anthropological research might play in clarifying the meaning of social value as it is used across different communities of practice. We have also interested in whether there is a need for alternative terminologies and methodologies for describing the local and distributed social effects of infrastructure projects, and what these might look like. We convened the workshop to explore where the idea of social value is being used and why, and to understand where the limits to the concept lie.

The workshop brought together a group of practitioners and academics with experience of working in local authorities, third sector organisations, cooperatives, companies and research projects. Participants at the workshop had a wide range of expertise across projects focused on urban regeneration and the pursuit of a just energy transition. A list of participants is included at the end of this document. The key points to emerge from the workshop were as follows:

1. Social value has proved useful in the context of public sector procurement. It has produced a tangible shift in priorities within local authorities, and enabled forms of value that would have been previously overlooked to be incorporated into the process of tendering for work.
2. Social value in this context has a specific and narrow definition. It is focused on aspects projects that can be translated into monetary value (e.g. jobs created, carbon saved, health outcomes achieved). It does not cover more qualitative benefits from projects that cannot be easily quantified.
3. There is an open question as to whether social value should be extended to quantify and translate more effects into monetary terms, or whether alternative methods are needed for evaluating and evidencing impacts that cannot be reduced to monetary equivalence.
4. Social Value evaluation offers incremental change but it is not oriented to systemic transformation of the political, institutional and cultural status quo which building and energy projects exist within. Transformative change, based on a commitment to justice, reparation, ethics etc. cannot be achieved through the idea of 'social value' alone, and requires other approaches that can sit alongside social value methodologies.

The Workshop

After a round of introductions, and two presentations of example projects (see Examples) participants joined groups to discuss four key questions:

1. What are the opportunities and drawbacks of seeking social value in procurement and planning?
2. What other frameworks are in circulation, e.g. “wellbeing” or holistic approaches to social value?
3. What’s the relationship between social value, co-design and participation?
4. How do you capture or evaluate social value? (How do you know when it’s been achieved?)

An additional question was also added during the workshop:

5. Where do different organisations put boundaries around the term 'social'?

The key points to come out of the discussion are summarised below.



Figure 1: AI-generated image by Chat GPT in response to the prompt, 'What is social value?'

Summary of the Discussion

Question 1: What are the opportunities and drawbacks of seeking social value in procurement and planning?

Opportunities:

- Social Value requirements encourage organisations who haven't thought about social value before to do so.
- Social Value measurement techniques allow social considerations to be translated into numbers and monetary value. This ensures that a wider range of things that matter about projects actually count in procurement and decision making.
- Using social value measures in procurement makes the process of accounting for social value more transparent and easier to communicate.
- The Social Value TOMs system (Themes, Outcomes, Measures) is still evolving. This means that there is still scope to influence the metrics used to determine whether social value has been achieved in a project.

5 THEMES
20 OUTCOMES
48 (core) MEASURES

ONE MEASUREMENT & REPORTING STANDARD

Theme	Outcome	Measures	Units	Value
Growth and Jobs	More local people in local work	No. Young Offenders	No. people	£58,611/per
Promote Local Business	More opportunities for local SMEs and VCSEs	No. Voluntary hours	No. hrs	£14.43/hr
Healthy Communities	A More Resilient Third Sector	Spend in local supply chain	£ spent	Local Spend
Greener and Cleaner	Vulnerable people better supported	Reduced CO2e	tCO2e	£64.66/tCo2e
Social Innovation	Crime is reduced	Reduced carbon emissions		

*Total Social Value = Sum(Measures*Value)*

Figure 2: <https://democracy.leeds.gov.uk/documents/s215531/Appendix%201%20Introduction%20to%20TOMs%202021%20003.pdf>

Drawbacks:

- People in businesses and councils are still often focused on what they can do at the least expense. It requires a passionate advocate of social value to make sure that social value is genuinely taken into account.
- If social value is not done well it can become 'death by KPIs'. It is important not to get bogged down by the Key Performance Indicators (KPIs) and to keep a view of the bigger picture.
- Social value measures are only one way to tell a story of the wider benefits of a project. There is a risk that accounting for social value silences these other stories.
- Social value can be used as a sticking plaster (a stand-in) for tackling the fallout from the wider systemic changes to public services and the effects that this has brought about (e.g. outsourcing, less secure jobs, fewer personal development opportunities for outsourced employees).

Question 2: What other frameworks are in circulation, e.g. “wellbeing” or holistic approaches to social value?

- Need to be clear on what frameworks are for? What are we trying to achieve? If we are trying to achieve a form of success that requires something other than small adjustments to neoliberal governance, then we need to define what we are working towards.
- There are a number of tools that are measuring social issues that are related to if not the same as social value. The tools mentioned during the workshop were:
 - HACT - Social Value Insight
<https://hact.org.uk/tools-and-services/uk-social-value-bank/>
 - Citizen Prosperity Index, Institute for Global Prosperity
<https://www.ucl.ac.uk/bartlett/igp/research/citizen-prosperity-index#:~:text=The%20Institute%20for%20Global%20Prosperity,be%20relevant%20to%20communities%20everywhere.>
 - Local Multiplier Measurements (LM3)
[https://www.lm3online.com/about-us/#:~:text=LM3%20\(Local%20Multiplier%203\)%20is,made%20to%20improve%20that%20impact.](https://www.lm3online.com/about-us/#:~:text=LM3%20(Local%20Multiplier%203)%20is,made%20to%20improve%20that%20impact.)
 - Thrive Assessment Tool
<https://implementingthrive.org/implemented/toolkit/toolkit-phase-1/thrive-assessment/>

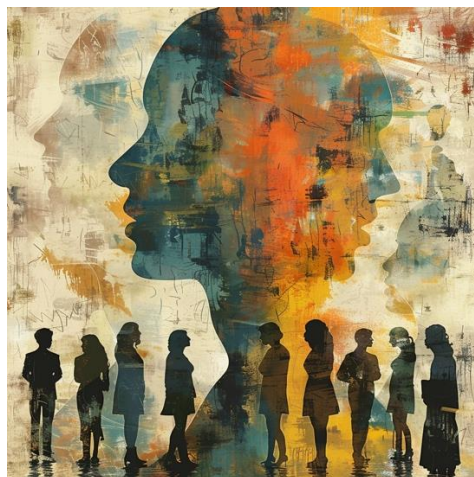


Figure 3: AI-generated image by Midjourney in response to the prompt, 'What does social value look like?'

Question 3: What is the relationship between social value, codesign and participation?

- There are some councils that have developed social value frameworks that explicitly privilege a participatory approach. One example of this is Camden council's work on what does good regeneration look like.
- Sometimes it can be a matter of using different language with different stakeholders. For some the language of social value might work better, for others co-design is more appropriate.
- To achieve positive social outcomes from projects it is necessary to go beyond procurement strategies. The use of participatory and co-design approaches can ensure that socially beneficial outcomes are sought and achieved.



Figure 4: AI-generated image by Chat GPT in response to the prompt, "What is Social Value?"

Question 4: How do you capture or evaluate social value? (how do you know when it has been achieved?)

- This depends on who is defining social value and how. The way it is defined should affect the way it is evaluated and measured. There are different meanings to the term social value and so it should be OK that they are measured differently.
- It also matters who is doing the measuring. Communities can be involved in assessing social value through participation, co-design and feedback. This offers a much richer and deeper form of evaluation than simply filling in a survey or form.

- It is important to build measures that allow meaningful comparison and that highlight and identify best practice.
- Macroeconomic indicators of social value (social mobility, poverty, poor health, social inequality) can provide broad indication of success. However causal links between these outcomes and specific projects or interventions are hard to evidence. In the UK these measures have also been declining – does this mean that the UK is failing at social value? Or that measures put in place to achieve social value are insufficient to stem the negative trend?

One metaphor used in the workshop was that monetary measures of social value can be thought of as ‘the pebble’ in a pond, and the other impacts or benefits can be thought of as ‘the ripples’ that spread out.

Some suggested approaches that go beyond the assessment of monetary value, but which can still evidence more qualitative kinds of social value include case studies, stories, and testimonies.



Figure 5: AI-generated image by Canva in response to the prompt, ‘What is Social Value?’

Question 5: Where do different organisations put boundaries around the term ‘social value’?

- For local authorities what is measured as ‘social value’ often comes down to what an organisation can control specifically, rather than bigger changes or systemic effects.

- In other circumstances what counts as 'social impact' needs to be specific to what you are trying to do. The boundaries in this case should be set anew each time. It doesn't necessarily make sense to have generic boundaries around the term 'social value' as it will mean different things in different kinds of projects that are aiming for different outcomes.
- It can be very hard to put clear lines around impacts that are often separated out (social, environment, financial). Environmental benefits and social benefits are often complexly interrelated.

Examples and Resources Shared at the Workshop

Oldham Energy Futures, Carbon Coop

<https://oldhamenergyfutures.carbon.coop>

Community Led Energy Planning (CLEP) – Carbon Coop and CLES

<https://energyfuturestoolkit.carbon.coop/approach/>

Fairer Warmth, Centre for Energy Equality

<https://www.fairerwarmth.com>

Quality of Life research and consultancy

<https://www.qolf.org>

Lewisham Local

<https://www.lewishamlocal.com>

Future of London

<https://www.futureoflondon.org.uk>

Future of Greater Manchester

<https://futureofgreatermanchester.com>

Brickies (BBC TV series on getting social value out of building projects)

<https://www.bbc.co.uk/iplayer/episodes/p0bxb1fj/brickies>

Workshop Participants

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We would like to thank all the participants for their time and their valuable contributions to the workshop.