

Social Value

BRE Trust Future Focus Programme

26th February 2020

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BRE



THE SOCIAL VALUE PORTAL
Where Community Speaks and Business Listens

bre

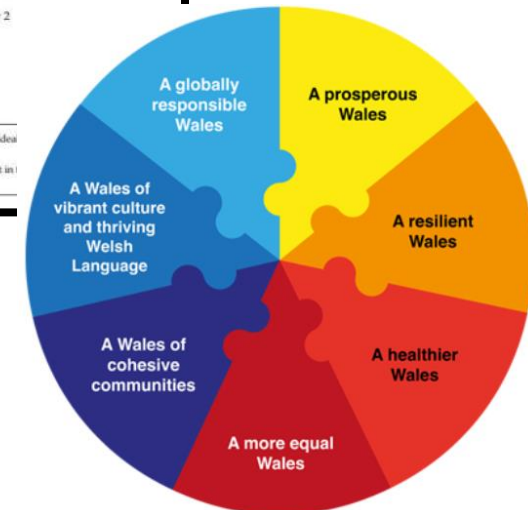
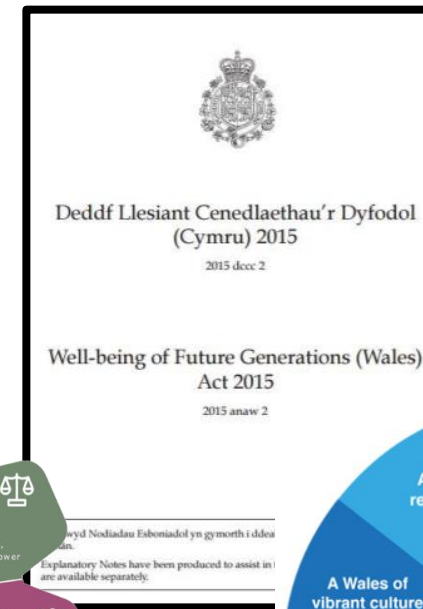
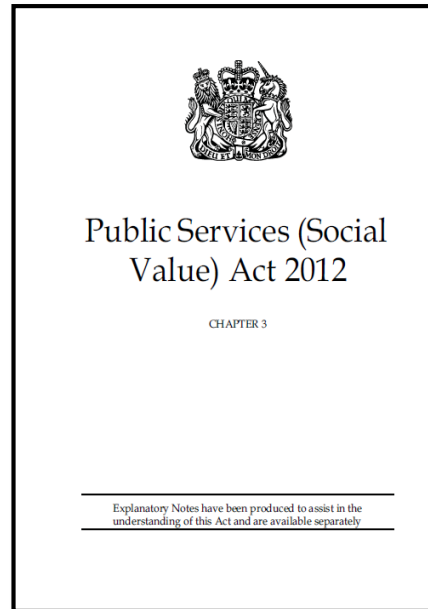
What is Social Value?



The Social Value Act



Social Value has become part of the legislative landscape through successive Acts across GB



“An act to require public authorities to have regard to **economic, social and environmental well-being** in connection with public services contracts and for connected purposes.”

Public opinion is changing



Public policy is aligning with investor concerns



DealBook / Business & Policy

BlackRock's Message: Contribute to Society, or Risk Losing It

Andrew Ross Sorkin

DEALBOOK JAN. 15,

On Tuesday, the chief executive of BlackRock, Larry Fink, wrote a letter to investors from one of the most powerful corners of the financial world, stretching from Wall Street to the heart of the corporate world.

Laurence D. Fink, BlackRock's chief executive, informed business leaders that they should contribute to society and the world.



Perspectives

Ideas and innovation

Direct investment

Pensions de-risking

Financial resilience



Responsible Investor

Legal & General Investment Management's real estate arm plans social value score for investments

19 Feb 2018

LGIM Real Assets, the £24.9bn (€28bn) real estate arm of UK fund giant Legal & General Investment Management, has made a commitment that 20% of its commercial real estate portfolio will have a "social value score" over the next five years.



Dealing with the "S" in ESG...



The Larry Fink Moment

BlackRock

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Sustainability as BlackRock's New Standard for Investing

Dear Client,

Since BlackRock's founding in 1988, we have worked to anticipate our clients' needs to help you manage risk and achieve your investment goals. As those needs have evolved, so too has our approach, but it has always been grounded in our fiduciary commitment to you.

Over the past few years, more and more of our clients have focused on the impact of sustainability on their portfolios. This shift has been driven by an increased understanding of how sustainability-related factors can affect economic growth, asset values, and financial markets as a whole.

La Salle - Real Estate Long Term Demand - Underpinned by Social Value Factors

Figure 1: The Secular Demand Drivers for Real Estate DTU + E



Source: LaSalle (01/17)

What is the Social Value Portal?



Social Value Management and Delivery

Social Value Portal is the market leader in social value measurement and reporting.

We work with customers to measure, manage and maximise their broader contribution to society



Measurement

An nationally approved accounting methodology for measuring social value in terms of economic, environmental and social impact



Procurement

A procurement platform for social value to help organisations manage the tender process and to unlock social value in the supply chain



Contract Management

An interactive solution designed to help organisations set targets and manage performance and store evidence



Reporting

Live reporting with interactive dashboards and displays including geospatial mapping of value by area



Our social measurement solution is based on the National TOMs



The TOMs will be mapped against the Global Goals



THE GLOBAL GOALS
For Sustainable Development

Public Sector Customers



Private Sector Customers



How do we measure Social Value?



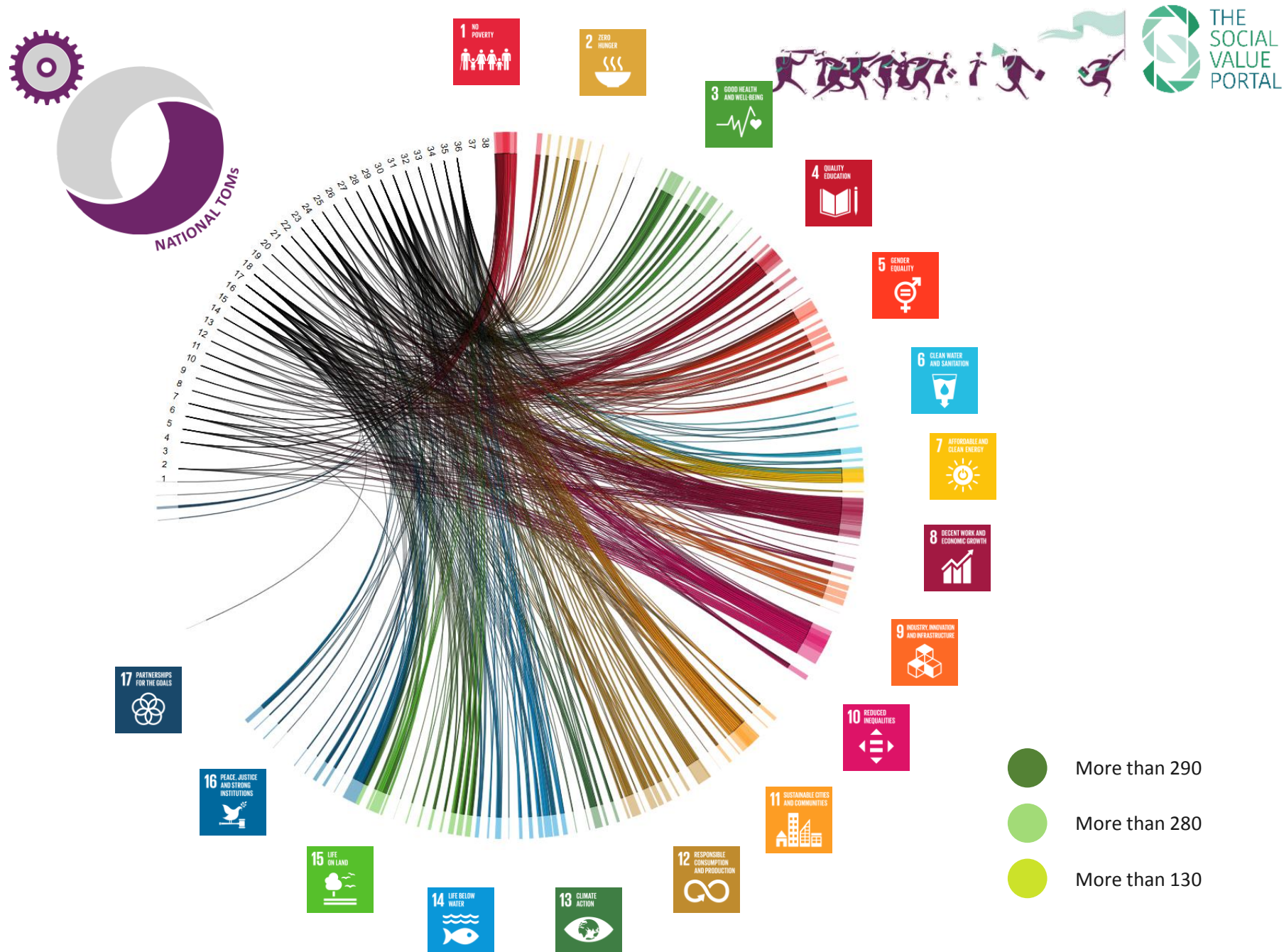
The Social Value Measurement (TOMs) Framework

The Themes, Outcomes and Measures (TOMs) are based on the principles of cost benefit analysis and SROI, but simplified to make it easier to use and applicable across all sectors

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

Values are sourced from UK Govt. data base and calculated according to the 'green book' methodology

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



Mapping the TOMs against the Global Goals

The National Social Value Task Force



Public, private and 3rd sector

Supported by Cabinet Office and Crown Commercial Services.

Current members:

- Balfour Beatty
- Baxendale
- Big Society Capital
- Birmingham City Council
- Bristol City Council
- Cabinet Office/DCMS
- CBI
- CIPS
- Countryside Properties
- Coventry City Council
- Crown Commercial Services
- Demos
- Durham Council
- Engie
- Federation of Small Businesses
- Greater London Combined Authority
- Greater Manchester Combined Authority
- Home Office
- IWFM
- Kent Fire Brigade
- London Fire Brigade
- Manchester City Council
- NEPO
- Scape Procure
- Sheffield City Council
- Social Value UK
- Sodexo
- Solihull
- Star Procurement
- Stone King
- Surrey Council
- TUC
- NEPO
- ORBIS
- Supply Chain Future
- Transport for London
- TUC
- UKSSD
- Waltham Forest
- Wates
- West Midlands Combined Authority
- Westminster Council
- Willmott Dixon Foundation
- Wirral



The logo for National TOMs is composed of several elements. At the top left, a series of stylized purple figures are shown in motion, carrying flags and banners. To their right is a green circular emblem with a white geometric design, labeled 'THE SOCIAL VALUE PORTAL'. Below the figures is a purple gear. The central part of the logo is a large, stylized circular emblem with a grey outer ring and a purple inner section, with the text 'NATIONAL TOMS' written in purple along its bottom curve.

- Flexible, option-based framework
- Downloaded over 4000 times
- Provides a consistent measurement solution
- Creates a level playing field for business
- Allows benchmarking

2020: National Social Value Measurement (TOMs) Framework (V2.1)



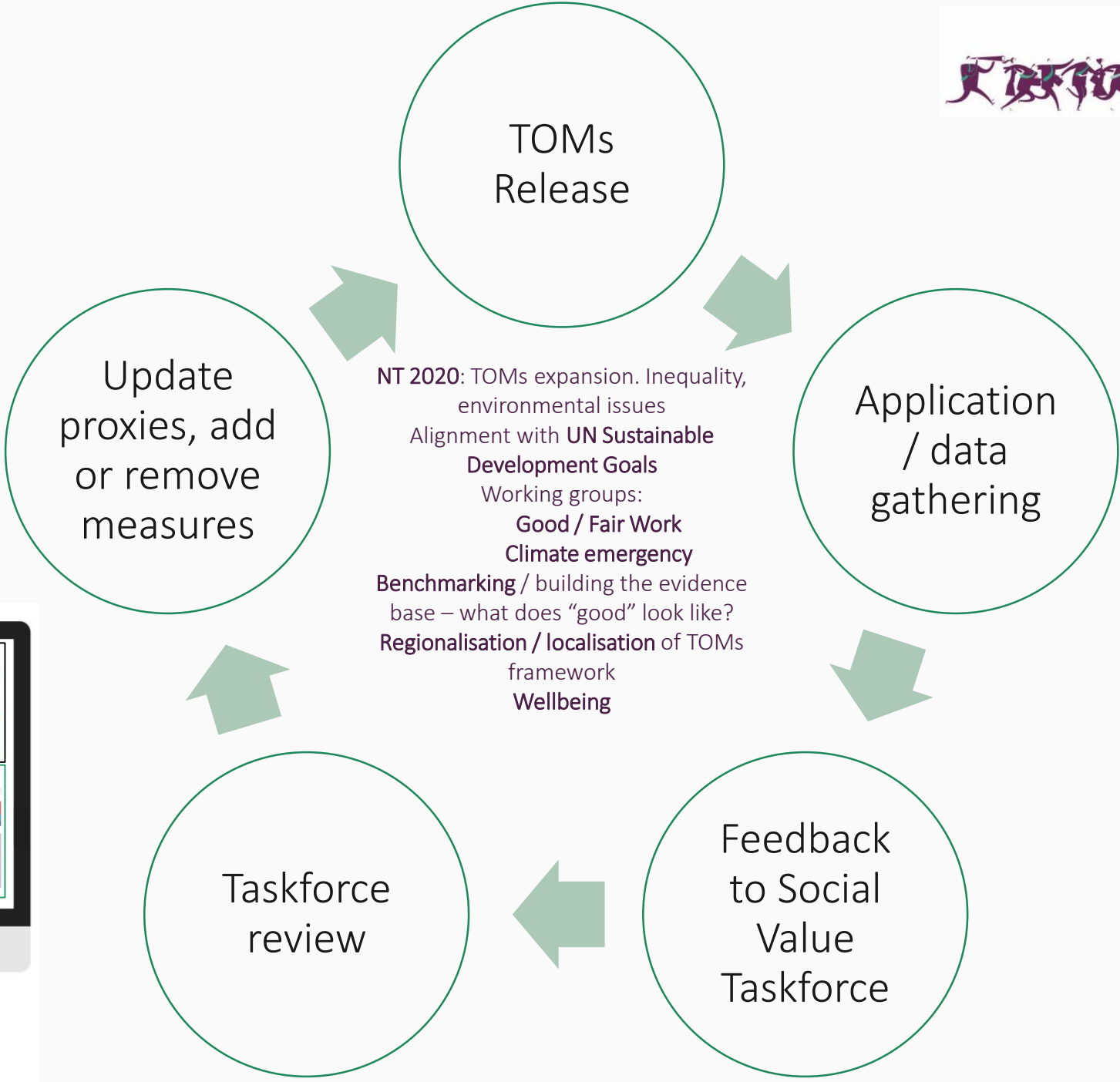
Key challenge: addressing the Climate Emergency

Some of the new measures:

Theme	Outcome	Short description		
Jobs: Promote Local Skills and Employment	Improved skills for a low carbon transition	NT54		"Just transition": Retraining workers from high carbon industries
		NT10b		Low carbon apprenticeships
Growth: Supporting Growth of Responsible Regional Business	More opportunities for local MSMEs and VCSEs	NT15a	RE18a	Expert business advice to achieve net zero carbon
			RE73	Decarbonisation work opportunities for MSMEs
Environment: Decarbonising and safeguarding our world	Carbon emissions are reduced	NT44		Achieving net zero carbon by 2030
	Air pollution is reduced	NT46		Corporate travel schemes to reduce air pollution
	Safeguarding the natural environment		RE65	Offsets or mitigation initiatives on biodiversity
		NT68	RE74	Plastics recycling rate
		NT70		Elimination of single use plastics
		NT71		Local partnerships for circular economy solutions

How can the TOMs support measurable activities that make a difference?

Building a sustainable measurement framework through data collection





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The logo for the BRE group, consisting of the lowercase letters "bre" in a bold, yellow, sans-serif font.

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Conclusions
