

Meeting  
Place

Bristol Social Value Symposium

# Unlocking the potential of social value





# Foreword

Social impact is evolving into a litmus test for how businesses should operate in the UK.

The term covers a broad church of interventions with far-reaching implications. However, it can be distilled down to the impact an organisation contributes to wider society, beyond the profit it generates.

At its best, a focus on social value can be seen as a key to unlocking the embedded potential of the built environment. It can enable greater social mobility, help to level up our society and lay the foundations for our communities to thrive.

Social value has immense potential to deliver long-lasting impact on people, our places and the planet.

Whether it's supporting social enterprises, designing spaces for the community, creating apprenticeships for those overlooked by the jobs market, or engaging underrepresented communities, the greatest benefit our industry can create is the built environment itself – the spaces where we live our lives.

However, with economic uncertainty, how can we ensure social value isn't just a nice-to-have during boom times, but something which delivers social and commercial benefit and sets a precedent for how we should do business?

Arguably, the need for a focus on social value delivery has never been more pressing in the UK; with austerity, the pandemic and the cost-of-living crisis all disproportionately impacting disadvantaged communities.

Implemented properly, with tangible clout, social value initiatives can bolster community cohesion and economic resilience – helping communities navigate the choppy waters ahead.

That's why Meeting Place brought together a diverse group of private, public and third-sector leaders doing great things in this space. Our Social Value Symposium asked them what best practice looks like, but critically, explored what more can be done to level the playing field.

If there was one overarching solution to this problem addressed in the symposium, it was to see social value becoming an integral, legally binding part of the planning process and a central focus across all stages of development.

**Nikki Davies, Managing Director,**  
Meeting Place



## Overview

**Defined in the Public Services (Social Value) Act 2012 as the 'economic, social and environmental' benefits created by businesses, social value is certainly not a new concept.**

Best practice in maximising benefits can be found across all corners of the built environment and is even being incorporated into some council's local plans across the UK - for example, cities like Bristol, which are seen as more progressive than most on the topic.

However, Meeting Place's Social Value Symposium identified real issues in parity when it comes to best practice and key areas where we must do better as an industry, across both public and private sectors.

What rang clear was a need for government intervention to redress the imbalance between those who prioritise social value to deliver long-term benefits, against those who see it

as a box-ticking exercise and a means to only maximise their own profits.

With planning reform very much on the government's agenda, this report details straightforward recommendations for how we can unlock the embedded potential, and deliver the substantial social, economic and environmental rewards on offer.

Our symposium partner organisations - Places for People, Socius and BoKlok - brought together decades of best practice expertise in the field to help shape the narrative, our understanding and future recommendations.

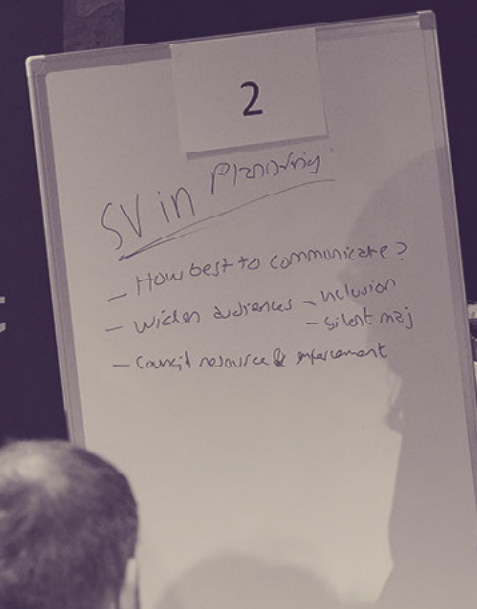
Utilising insight from our partners and delegates, we address what best practice looks like, what more can be done to maximise social value and call on the government to shape what the future course could - and should - look like.



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The built environment has so much potential

it



## The potential impact

**The output of the UK's construction industry delivers £110bn annually (7% of GDP).**

Although social value is already woven into procurement to varying degrees of success, it is often left out of the many stages of a project's lifecycle (consultation and the planning process, through to occupation and ongoing legacy).

Despite the size of the industry, estimates suggest communities across the UK are losing out on an additional £28bn from this oversight.

It's a colossal amount and opportunity for the country to miss out on, which could be unlocked through a root and branch approach to reimagining social value.



# Tapping into the potential of social value, five recommendations from across the built environment.



## 1. More powers and accountability

**Section 106 agreements are a key tool for local authorities to calculate and administer social value surrounding a particular development.**

However, consistency of that impact is lacking. For example, some authorities can implement commuted payments, where contributions are offset in other areas, meaning the community doesn't always see the immediate benefit on their doorstep.

Although it was implemented to make the industry more accountable, attendees felt the Social Value Act (2012) 'lacks teeth', with take-up in recent years piecemeal at best.

Whilst the Act has helped to shift public expectations of developers in the intervening decade, it called for authorities to consider social value; leaving the process open to interpretation and difficult to enforce.

Rather than something to purely consider, a collaborative effort is needed to make social

impact statements compulsory as part of planning application validation checklists – potentially combined with statements of community involvement – to maximise benefit and ensure it is interwoven throughout the engagement process.

The symposium recognised underfunding and a lack of resourcing across local authorities have made it incredibly challenging for teams to see things through and ensure promises are kept.

However, the symposium called on assessments to be embedded into more local plans and a real effort to give developers greater clarity on the direction of perceived local needs, to ensure the project delivers impact where it is needed most.

Across public and private sectors – delegates agreed a more coherent policy framework was needed; one which sets minimum standards and grants more powers to hold businesses to account.

## 2. Less parochial, with greater flexibility

**Whilst Social Value Statements are an important step in the right direction, submitting and rigidly sticking to them as part of an application misses the point.**

The industry must move beyond pure compliance to proactively communicate and engage throughout the whole process – constantly evaluating, refining and developing their offer to the community.

Although greater accountability was welcomed, delegates warned against overly rigid measurements and metrics, which could overlook the bigger picture of what communities need.

For example, large infrastructure and long-term projects, which require a more flexible approach to social value – one that adapts to the ever-changing economic and political situation throughout the development's timeline.

For this to work, transparency and managing expectations from the outset are essential.

Developers should bring authorities and the public on that journey – letting them know how and why they've decided to reallocate budget or resources to deliver more impact.



### 3. Greater collaboration across public and private sectors

**Both sides agreed organisations and local authorities need to do a better job of identifying and articulating what their aspirations are for a particular area.**

Facing a potential £8 billion shortfall by 2025, council budgets will come under increased pressure in the years to come.

With greater expectations levelled at the private sector to deliver positive social impact, we'll need to see a more collaborative approach if operators are to step in and support authorities facing budget deficits. Delegates noted inconsistencies between local

authorities across the country when it comes to this approach and their understanding of social value - with Bristol City Council seen as one of the most progressive and collaborative on the issue.

Local authorities should take Bristol's lead by creating an impactful social value framework for developers to follow and align to.

Whether by will or necessity, it's expected social value and a need to collaborate will become even more significant for operators and authorities this year, especially if the Procurement Bill passes as expected.

### 4. Avoid the parachute

**Community engagement - which ensures interventions are meaningful and deliver in the long term - is too often absent from conversations about social value. Delegates suggested more should be done to understand what communities want and need, with a lack of consistency identified when it comes to community involvement across the sector.**

Early engagement in shaping the approach is vitally important, which should focus on broader issues rather than those purely inside the project's 'red line'.

For instance, exploring how development could improve health and well-being, crime, social cohesion, economic impact, or social mobility. Or perhaps engaging with nearby schools, colleges or universities to discuss employment and to tackle skills gaps.

Developers should be careful not to dictate to communities about their wants and needs and ensure they're thinking holistically by asking more of the right questions.

Businesses can do more to raise awareness, too. People are aware of social value as a term, but not necessarily in practice - for it to be consistently and effectively implemented (and not piecemeal), companies and public authorities should be aware of what it is internally. It's so much more than just local employment or low emissions....

This could take the form of internal social value training days - they're easy to implement, with ample resource out there - which will help to drive cultural shifts within organisations.

The public sector can also make it easier for organisations to build understanding - ideas raised by delegates to address this included creating a meanwhile-use opportunity bank or an organisation-in-need list, supported with better frameworks and signposting.

Accurately finding out these local needs will require closer engagement with seldom-heard groups, i.e., those who do not often engage in the planning process - as opposed to simply listening to the usual suspects or the loudest voices.

In the private sector, some developers have also employed a local person as a 'social value coordinator' to be the bridge between the developer and the community.

A better understanding of local community and stakeholder needs can also deliver commercial benefits.

Improved access to jobs and opportunities and lower crime levels will create more desirable places to live and work - which in turn, can increase the value of a particular asset.



### 5. Qualitative and quantitative

**From stakeholders to consumers, the world is waking up to corporate virtue signalling, with a fifth of companies accused of "greenwashing" in a recent report - the promotion of unproven environmental claims and commitments.**

Businesses which invest time and effort in collating more accurate data and metrics to substantiate their positive impact will be best placed to tackle virtue signalling criticisms head-on.

However, social value requirements can too often obsess over numbers, losing sight of the vast range of qualitative benefits that can come with development.

This means measurements which are hard to quantify can be overlooked, such as the buildings themselves, quality of design, social cohesion, co-locating of different services, etc. In some ways the numbers-based system

is a necessary evil - however, it does have its limitations in articulating the full story. Implementing a flexible process is vital - one which is open to qualitative metrics and accepts that project requirements can flex and change dramatically over time.

It shouldn't only focus on the planning and construction phases either; measuring value and collecting data is vitally important to show impact - even more so once the development has been built to assess long-term legacy.

This is where the industry should demonstrate stewardship and how they're committed for the long term. The sector should incentivise proper monitoring throughout the planning, construction, and occupation phases - with commitments built into existing processes i.e. planning, BREEAM, Considerate Constructors Scheme, and Future Homes.



# Conclusions

Things have come a long way since the Social Value Act in 2012. However, there remains a real need to level up - between businesses which see the concept as a means to justify an end, against those which truly want to deliver sustainable legacies and are already leading the charge.

The argument for a radical rethink of how we implement social value is overwhelming. However, we must first concentrate on reconsidering the government's role in the process if we are to see improvements and level the playing field.

To that end, social value must become a serious, binding consideration in contracts and discussions between stakeholders - from planning, delivery and beyond - with conversations focused on how the project can benefit local communities in the areas they need it most.

The Government's Procurement Bill shows signs of a move in the right direction - proposing a shift from MEAT (Most Economically Advantageous Tender) to MAT (the Most Advantageous Tender). It asks how businesses can help to solve environmental and societal challenges, whilst rooting out bad actors who have performed poorly against KPIs.

Although there are hopes the proposals will provide public authorities with more say over how they implement procurement decisions, the bill has been criticised by some as a "tick box exercise".

If we are to learn from the Social Value Act, what we don't need is yet more vague wording which can be left open to interpretation. We need a wholesale rethink of what roles businesses should play in our society.

We'll require greater accountability and collaboration between the public and private sectors, but one with a clear direction and purpose. For example, imagine tender portals which have a prerequisite for businesses to demonstrate community benefit.

Our call to the government is a straightforward one. Although it is already embedded within the procurement process, we want to see social value becoming an integral, legally binding part of the planning process, rather than something to purely "consider".

Government intervention and stewardship - along with devolved powers for local authorities - will be key.

Although Whitehall is detached, councils know what's happening on the ground, but lack the power and resources. Consider what could be achieved for local communities if councils had well-funded social value teams, rather than just one or two individuals.

The government must lead by example, with increased funding and greater powers to local government a vital next step.

Finally, we need a stronger and swifter culture shift within certain parts of the private sector - moving away from a fixation on profits and bonuses, to align with those who maximise benefits for people, places and the planet.



