

# Social Value

# 101



A guide to getting started



**Social Value  
Portal**

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## Introduction



**It's likely you are already delivering Social Value, but how do you shape it, prove it – and focus efforts in a way that has the most impact?**

**Guy Battle** 

Social Value Portal  
CEO

Imagine a world where people and organisations collaborate to build flourishing and sustainable communities for all. That is essentially the purpose of Social Value – and it is rapidly moving up the business agenda.

To put it into perspective, it has taken 25-30 years to establish the concept of sustainability, whereas Social Value has gone from zero to hero in only five years.

**There are two good reasons for this:**

- 1** Government legislation (Social Value Act of 2012)
- 2** Businesses taking responsibility (particularly post-Covid)

We've not got a lot to thank Covid for but what it did do is bring communities together when everyone, including businesses, realised they had their part to play in 'levelling up'.

Social Value has evolved from something that is a nice-to-have to an impactful, essential and permanent change in how we do business. However, despite this, there is no legal definition of Social Value and much confusion about how best to navigate it.

That's why, as the Social Value experts, we've created this simple guide to take you through where Social Value has been, where it is going – and how you can get started...



# Our basic human values: a foundation for behaviour

Giving back to society, treating people fairly and taking care of the environment have been part of the human psyche since history records began.

The key for organisations is understanding how these values reflect the **way we do business**.

1950s

## CSR Corporate Social Responsibility

**A theme to create focus outside of profit**

CSR is a term coined by American economist Harold Bowen to reflect the need for businesses to pursue policies which align with the needs of society. CSR became the theme which encouraged businesses to support local communities alongside their profit targets.

1987

## Sustainable Development

**A concept to bring greater attention to the environment**

As a result of the Brundtland Report, 'World Commission on Environment and Development', a global agenda for change was established for the United Nations and 'citizen groups' to align around long-term environmental strategies.

2004

## ESG Environmental Social Governance

**A yardstick by which to assess impact**

ESG emerged as a set of requirements used by investors to assess the impact a company has on the environment and communities. ESG gained further traction in 2012 with the start of a series of open letters from Larry Fink, CEO and chairman of investment company BlackRock, in support of environmental sustainability being a core investment goal.

2006

## B-Lab

**A nonprofit network mobilising businesses to be a force for good**

B-Lab is known for certifying B Corporations, which are companies which meet high standards of social and environmental performance, accountability and transparency.

2012

## Social Value

**A holistic measure of social, environmental and economic value**

The Public Services (Social Value) Act requiring public sector buyers to assess the positive contribution to society of all contracts was passed into law. At the same time, the term Social Value entered common vocabulary.

2016

## UN SDG United Nations Sustainable Development Goals

**A set of 17 globally agreed goals to help improve our world**

The goals, developed collaboratively by the United Nations, act as a guide for better sustainable behaviour and a framework for sustainability reporting.

2016

## National Social Value Taskforce

**A network facilitating good Social Value practice in the public sector and business community**

The Taskforce welcomes any organisation to engage in leveraging collective knowledge in effectively implementing the Public Services (Social Value Act) 2012.

2017

and beyond

## Social Value measures

**The frameworks by which organisations can quantify their Social Value contribution**

The National TOMs Framework of measures were published as the principle tool for reporting Social Value to a consistent standard and based on the Social Value Act's themes of social, economic and environmental wellbeing.

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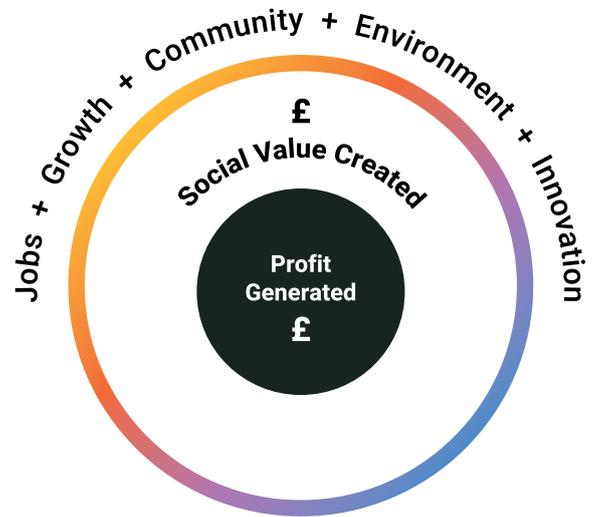
# So what exactly is Social Value?



# What is Social Value?

In simple terms, Social Value is the value an organisation contributes to society beyond a reported profit.

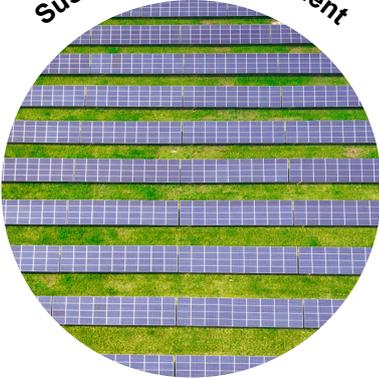
Where profit is measured in standard accounting terms, Social Value is measured by actions.



## Social Value in action

Ask yourself, do you do any of these?

Sustainable procurement



Training & apprenticeships



Buying locally



Reducing carbon emissions



Volunteering



Employing locally



**Then you're creating Social Value, you just might not know it yet.**



Employing a long term unemployed person =

**£20k+**

of Social Value.

50 hours of volunteering to support local community projects

**£846**

of Social Value.

## Did you know?

Social Value influences around a third of all public sector procurement spending.



Removal of 1 tonne of CO2 emissions

**£244**

of Social Value.



1 hour of training on equality, diversity and inclusion for 1 employee

**£101**

of Social Value.





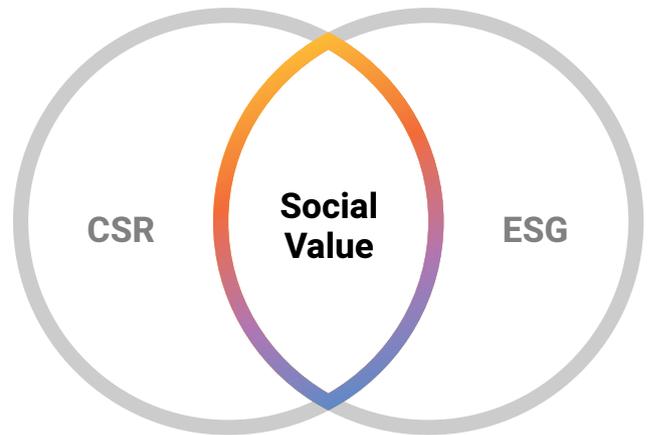
## Is Social Value different to CSR and ESG?

Social Value is the collaboration of an organisation with society to improve the community, economy and environment around it.

It embraces both CSR and ESG but works in a way which embeds community needs at the heart of an organisation's activities.

Social Value demonstrates, in simple monetary terms, positive impacts within an organisation and across supply chains.

In this way, we can shine a light on the 'good' an organisation does for more meaningful visibility.



**There is genuine change happening in how businesses are thinking about their environmental and social practices. Organisations are now dedicating more resources and attention to Social Value"**

Dr Joshua Pritchard, Policy Advisor, CBI

**64%**

Of people believe big businesses and government should take action on making society fairer.

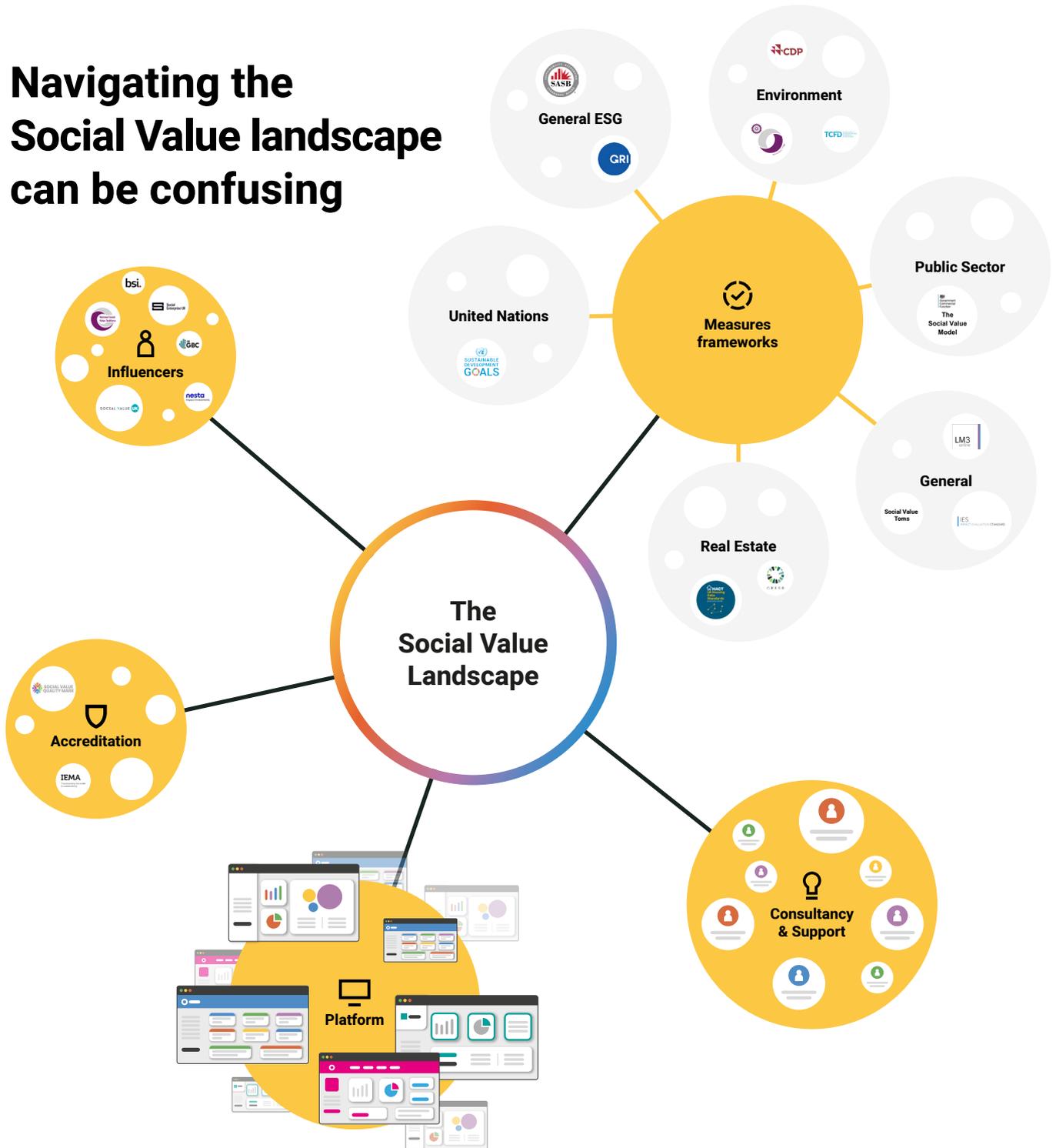
PWC

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# Navigating the Social Value landscape can be confusing



## The Social Value landscape is complex

Many providers offer platforms for recording and reporting Social Value, while there are also many consultants offering guidance for Social Value strategies too. So from leaders and enablers providing information, to the complex array of tools for measuring 'good' – it can be hard to know where to start.

**A solution to simplify**  
 Social Value Portal is a one-stop solution offering strategy, measurement, reporting – and continuous improvement.

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# Why Social Value matters



**There is a huge misunderstanding which says that somehow delivering social value involves foregoing a commercial return – that somehow being socially useful or economically useful is a zero-sum game.**

**This is not true: the two go hand-in-hand and are mutually reinforcing over any reasonable period of time, and the economically sustainable business is the one that has a relevant, socially useful mission or purpose.**

Chief Executive at Legal & General Group



Social Value allows organisations to think about their activities, and how together, they can create positive benefits for stakeholders and society.

It is no longer acceptable for any organisation to just think about the bottom line.

# Why Social Value matters to business:

## attracting staff

**70%** of employees say they would not work for a company without a strong purpose

[Harvard Business Review](#)

## retaining staff

**40%** higher levels of workforce retention than their competitors when purpose driven

[Deloitte](#)

## cost management

**40%** of Millennials would take a pay cut to work for an environmentally responsible company

[Fast Company](#)

## competitive advantage

**89%** of executives believe strong purpose provides competitive advantage

[Porter Novelli](#)

## brand strength

**x4** Customers are four times more likely to buy from a company with a strong purpose

[Zeno Group](#)

## brand trust

**76%** of customers are more likely to trust a company which leads with purpose

[Porter Novelli](#)

## brand engagement

**49%** of people feel that companies who do not prioritise social issues do not care

[Harvard Business School](#)

## Social Value growth

**80%** of CEOs believe of it's likely companies will take more responsibility for socio-environmental impact in the next five years [EY](#)

## brand value

**78%** of senior executives agree that strong ESG performance contributes to organisational value

[PWC](#)

## business growth

**x14** businesses with a purpose beyond just making money outperform the market by a factor of 14 [Firms of Endearment](#)

## success driver

**6 in 10** businesses believe sustainability to be as important or more important than financial success. [Grant Thornton](#)

## investor appeal

**79%** of investors say ESG is an important factor in their investment decision making [pwc](#)

**It's about building stronger communities and stronger organisations.**



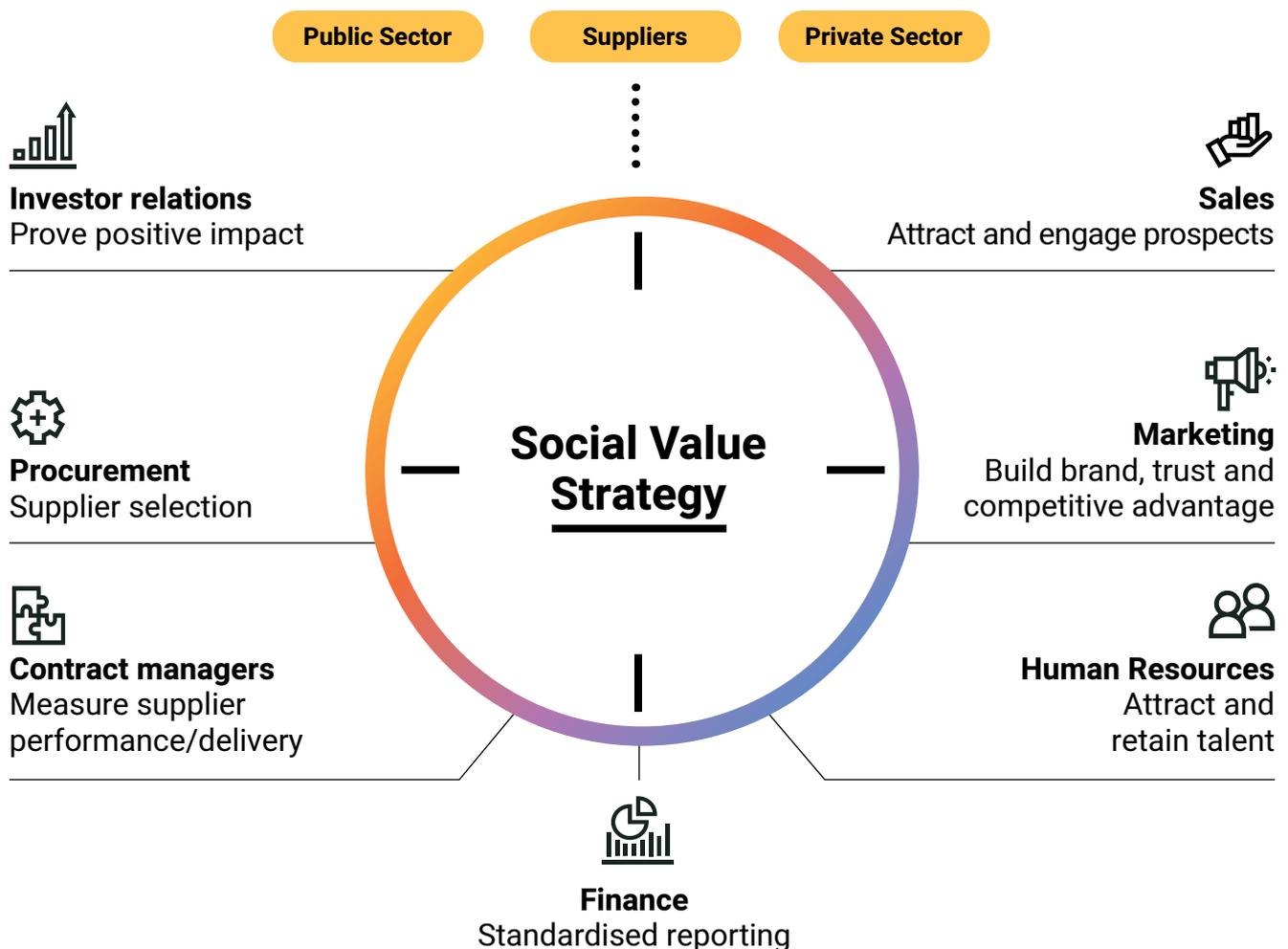
We all own the planet, and we all benefit in some way from economic and social improvement. Social Value is everyone's business.

Director, Star Procurement

43%

of mid-market businesses have now developed a sustainability strategy and are starting to take action  
Grant Thornton

## Social Value is relevant across all organisation types and size



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# Social Value Portal's impact

Over half  
a million

Volunteering hours

+348k

Apprenticeships  
(in weeks)



**Social Value is not just a check box.  
It creates real impact and change.**

We validate the Social Value reported and evidenced by our members. To date our members have collectively delivered\*...



+17k  
Jobs for  
disadvantaged  
people

£12.5Bn

Total social & local  
economic value

£10.6Bn

Total local  
economic value



\*September 2022



## There is no one size fits all when it come to Social Value

There is Social Value being delivered across the UK. But it comes in different shapes and sizes – and priorities naturally vary too.

Understanding what is important to different communities, and in different circumstances, is an essential part of an effective Social Value strategy.



### Start with your local community

No two communities are the same. Understanding your local community is the first step to building a successful Social Value strategy.

Maybe your local football team needs a new sponsor. Or maybe your local foodbank needs donations. What's certain is that Social Value comes in all shapes and sizes.

Build out the goals and objectives that suit your community and keep track of your progress.

### ! Materiality assessment

By surveying internal and external stakeholders, consensus can be built around the key Social Value outcomes that an organisation is most capable of delivering.

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# How is Social Value measured?



## Measuring Social Value

**The measurement framework is your foundation, so making the right choice is essential to set you up for success.**

It should define the themes most relevant to your community, the desired outcomes that will have the greatest impact and the measures that quantify that impact.

### **For example The Social Value TOMs Framework**

The Social Value TOMs Framework stands for 'Themes, Outcomes and Measures' and aligns to the UN 17 Sustainable Development Goals.

It's the market-leading framework for tracking Social Value, and is free to use.

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### Social Value TOMs Framework

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**Jobs**



**Growth**



**Social**



**Environment**



**Innovation**

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## The 5 key themes explained



### Jobs

#### **Promoting local skills and employment**

The jobs you create directly impact your community. Give someone without a job an income and an opportunity to develop their career. It will not only change their life, but it changes the lives of those around them.



### Growth

#### **Supporting growth of responsible regional business**

There are many ways to help your community grow. Hire local tradespeople and put money in the pockets of your local community. Provide mental health support to your staff and create a happier, healthier society.



### Social

#### **Healthier, safer and more resilient communities**

Track the impact you have on the people around you, from encouraging your staff to stop smoking to donating to local causes.



### Environment

#### **Decarbonising and safeguarding our world**

Measure the impact you have on the environment and track your journey to net zero.



### Innovation

#### **Promoting social innovation**

There are plenty of innovative ways to create Social Value. It might not be an established path to follow, but if you provide skills to your local community, or curb damage to the environment, you create Social Value.



# The Social Value TOMs Framework is the most established and trusted framework for measuring Social Value today:

- ▶ A single measurement and reporting standard for consistency
- ▶ Flexible for procurement, contract management and business measurement
- ▶ Can be scaled to support business needs
- ▶ Wide adoption supports benchmarking
- ▶ Can be mapped to the Central Government's Social Value Model
- ▶ Powered by robust data sources including the ONS, Unit Cost Database and the Treasury Greenbook



**Nathan Goode**  
Social Value Portal  
Chief Strategy Officer



**We built the Social Value TOMs Framework so that any organisation, no matter what sector or industry, can track and measure the work they do. We've created a set of metrics that mean you can report the good you do in a standard, digestible way. And you can compare with others, like for like.**

Certified



Corporation



Government endorsed

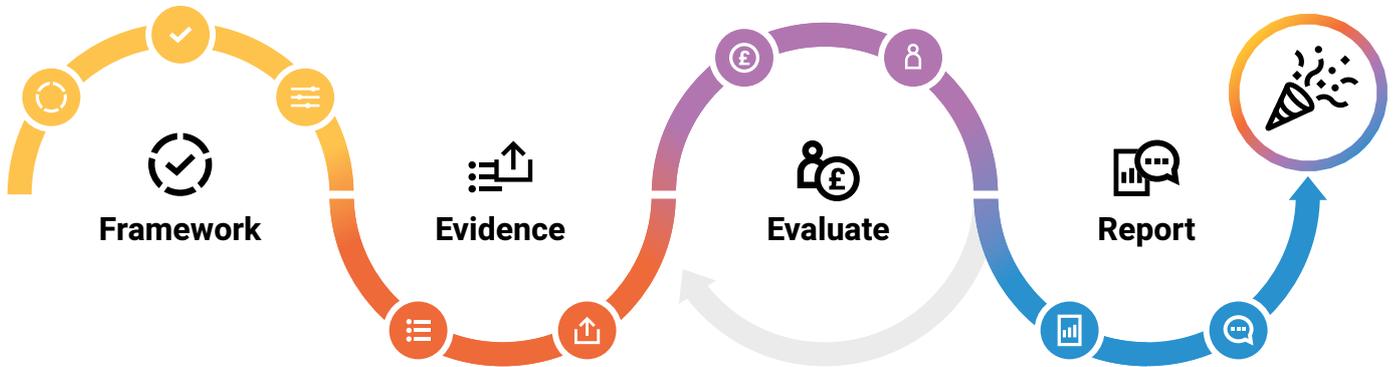


UN Aligned





# Evaluating Social Value



The 'good' an organisation delivers can be equated to an estimated financial value. We call this the 'Proxy Value'. This is calculated, behind the scenes, for all outcomes using a number of evaluation sources (e.g. Office of National Statistics or Unit Cost Database). Most importantly, the calculation reflects the benefit above what might happen without the intervention.

In addition to a financial metric, it is important to 'tell the story' of the Social Value through supporting narrative and images which bring the outcomes to life.



“ I now have a much better job – and with a pay rise too.”

## An example:

### Framework

- Theme:**  
Jobs
- Outcome (desired):**  
Improved Skills
- Measure:**  
Number of weeks of apprenticeships

### Evidence

- Log / Record:**  
Weeks of training - 74  
Participants - 8  
Provider - Cooking Star  
Qualification - Level 3
- Sources:**  
Photos, videos and testimonials

### Evaluate

- Proxy Value:**  
**£17k**
- Qualitative/quantitative:**  
Review of evidence

### Report

- Metrics:**  
Validation of data by specialists
- Story telling:**  
Here is where you make it real through your communications

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**How ready  
are you?**



# How evolved is your organisation when it comes to Social Value?

Answer these questions to find out:

**1 To what extent are your mission, vision and values aligned to supporting people, place and planet?**

A. A lot    B. A little    C. Not at all

[For more support with this, sign up for a strategy session](#)

**2 How involved with communities and causes is your business / your staff?**

A. A lot    B. A little    C. Not at all

[For more support with this, let us build an action plan for you](#)

**3 How clearly do you quantify the benefit of your policies and actions towards people and planet?**

A. A lot    B. A little    C. Not at all

[For more support with this, let us establish clear Social Value measures and set you up on our platform to track them](#)

**4 To what extent do you take decisions on which suppliers to engage, based on their attitudes and delivery to the greater good of the community and the planet?**

A. A lot    B. A little    C. Not at all

[For more support with this, sign up for our procurement toolkit](#)

**5 How well do you understand which actions are most likely to have the greatest positive impact on people and planet?**

A. A lot    B. A little    C. Not at all

[For more support, let us perform a more detailed needs review](#)

## Mostly As

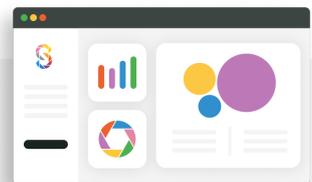
Congratulations you're ahead of the game – let us now help you optimise

## Mostly Bs

We can help you improve your efficiency and effectiveness

## Mostly Cs

No problem, we can help you start on your Social Value journey



**Book a 30min Social Value discovery session today.**

[Get in touch](#)

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# How to get started



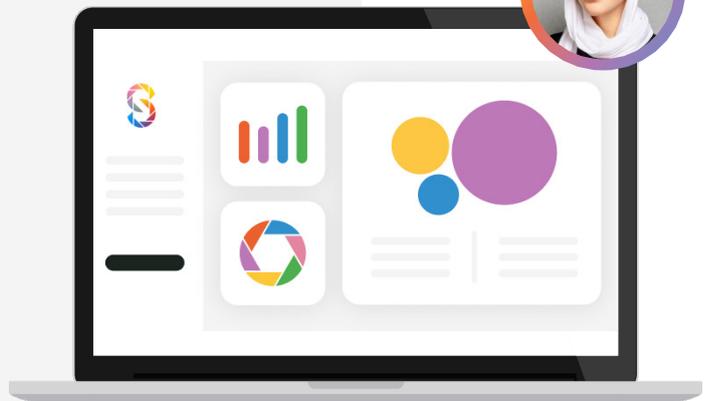
# Getting started

From strategy to set-up and reporting, our expert team and flexible platform have you covered.

## Get in touch

Book your 30 min session with one of our Social Value experts.

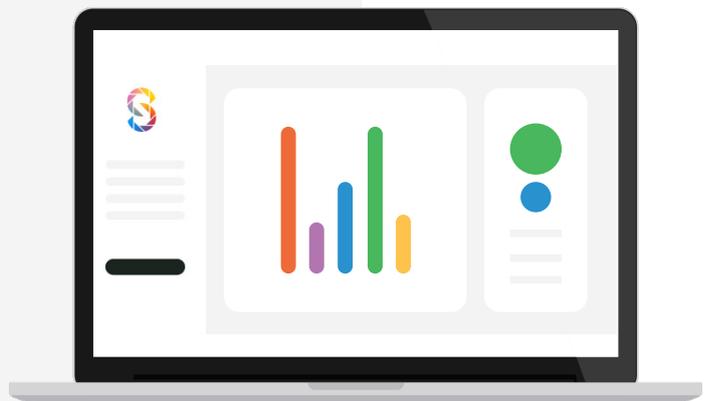
Call: 0203 355 0530  
email: [info@socialvalueportal.com](mailto:info@socialvalueportal.com)  
or fill out our [contact form](#)



## Register for free platform access

Explore the Social Value TOMs Framework for yourself, set up a test project and view a report.

[Start now](#)





# Social Value 101



## It's not rocket science.

Whether employing local people, supporting schools or protecting the environment, Social Value is about doing the right thing – and doing good business.

We can all do more to embed Social Value in our decision making and request Social Value in our procurement – and with the right tools we can be accountable and meaningful too.

Social Value Portal is committed to driving this movement – and working with our members to ensure the good we all do goes further.



**We've come a long way. Social Value influences around a third of public spending, however we want to move to 100% adoption. The opportunities for the private sector are enormous.**

Professor Chris White, former MP and author of the Social Value Act.

The platform and people that support organisations to measure, manage and report on the social, economic, and environmental benefits they contribute to society.

Join the Social Value movement.  
[Book](#) a session with our experts:

**call: 0203 355 0530**  
**[socialvalueportal.com](https://socialvalueportal.com)**

