

Revo

Retail. Property. Community.

Social value framework

Guidance on data
and methodology

Guidance.

Understanding the value of business in society is a complex issue. In order to assist the retail property community to understand, measure and improve the creation of social value, Revo developed the Social Value Framework. It is a matrix of goals, actions, measurements and outcomes, staggered according to the complexity of creating social value. Adaptation of the framework and the choice of goals and measurements is voluntary.

This guide has been developed to help businesses in the process of adoption of the framework and measurement of the social value of their business.

Key steps in the process of measuring social value.

Define your objective.

Clarity of purpose is necessary for a successful creation and measurement of social value. Define what is it that you are trying to achieve and select goals that you intend to focus your efforts on over the coming years. Make sure your choice is consistent with the company's strategy. If your company does not yet have or is just planning to develop new ESG strategy, such new objectives aimed at creating and increasing social value can help inform the strategy. The choice of goals and actions for particular assets needs to be defined by local context.

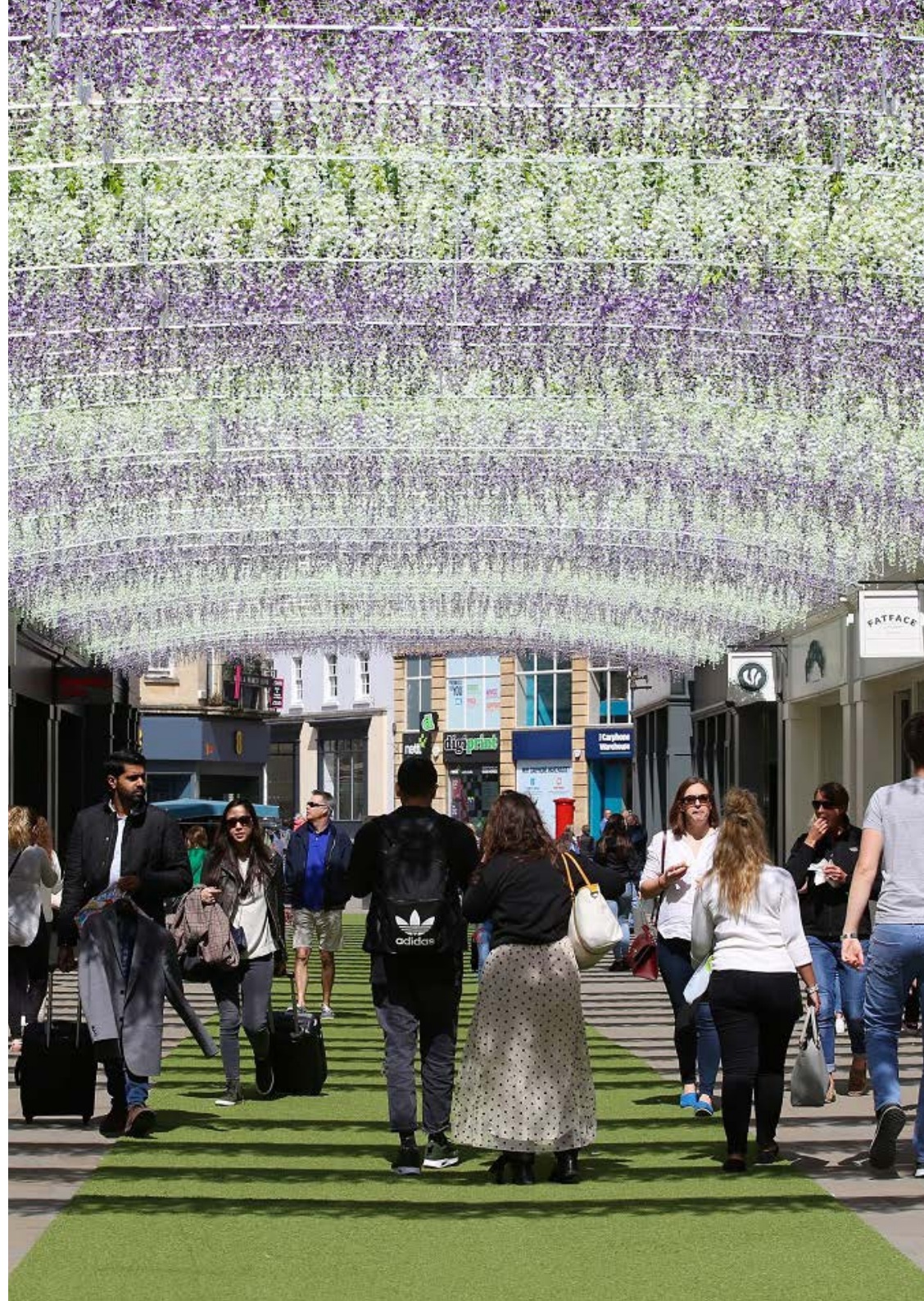
Identify and consider your resources.

Evaluate stakeholder priorities in relation to those of your business and its strategy. It is important to ensure your business takes action on the most important issues rather than expend resource in areas which will have less

impact. This will ensure business objectives are achieved more efficiently and positive impacts on stakeholders are larger.

Evaluate your current internal reporting and data range.

It is quite probable that you do more than you think, and you collect large amounts of valuable data, but due to current processes of internal reporting, relevant departments may not capture important strategic information. As a result the company might not be aware of, and may not act upon areas, which require intervention. Measurement forms the basis of good management. Assessing and improving the ability of the existing systems will be vital to support social value measurement. You should prioritise activities in line with your strategy, and then gradually expand the database.



Identify stakeholders.

Who will be the beneficiaries of your actions and what key partnerships do you need to develop and rely on in order to deliver desired outcomes and long-term goals? Engage with your employees, occupiers, suppliers, customers and local community groups. They should be your key partners in all stages of measuring and creating social value, including assessment, planning, collection of relevant information, and measuring progress. Make them aware of the importance of this undertaking. Being transparent about the objectives and the process will allow you to achieve better outcomes.

You may want to engage a third party to carry out assessments of your internal reporting and data, to ensure your data is robust, your strategy is impactful and actionable with relevant and measurable KPIs.

Choose and adopt relevant measurements.

The prioritisation of goals, actions and subsequently measurements should be defined by what you are trying to achieve in particular communities. One size does not fit all. All the behaviours and consequently measurements need to be relevant to the local area. The choice, understandably, will also be driven by the level of complexity, availability and cost of resources. It is important to recognize interrelations, as choosing some actions and measurements can have an exponential impact.

Consistency and reliability of data are essential in the successful measurement of outcomes.

Setting up relevant KPIs is not a one-off exercise. They should be subject to regular assessment and re-examination. This will allow you to continually improve and effectively assess whether the envisaged outcomes are actually achieved.

Disclose and improve.

The aim of measuring social value is continuous improvement of positive impacts and mitigation of any negative or unintended ones. Therefore, the evaluation of the process, measurements and outcomes is crucial for your progress in creating social value. All the stakeholders should have a full picture of the process and how valuable their input is. It will allow for better engagement and new useful partnerships. Know your audience - the way you communicate on social value to investors or government will be different to beneficiaries. Different types of information and benefits will be important to different stakeholders.

We recommend sharing information with wider industry for scrutiny and improvement purposes.

Measurement.

Number of measurements.

In the framework, we have proposed multiple measurement KPIs. This does not mean they all should be implemented right away. Measurement KPIs should be chosen according to how important they are to stakeholders, your business and how accurately they reflect the goal you have set. Using one measurement is a good place to start, especially if your resources are limited. This should be followed with a gradual expansion of measurements. The challenge is, of course, to track the number of measurements small enough to manage, but large enough to properly assess the outcome. A wider range will allow you to create a better picture and ensure outcomes can be achieved.

Measuring progress.

The measurement KPIs have been designed to track progress. While keeping consistent measurements is useful and important flexibility is also important to the process. If you were to change the measurement KPIs in order to better reflect the desired outcome and agreed strategy this would be acceptable, although it must be made clear as part of the reporting why this has happened.

Presumed and validated outcomes.

Whether an outcome has been achieved will be based in many cases on different levels of attribution to the activities undertaken by retail places whether they be direct or indirect and not necessarily precise

calculations/evidence. These activities can support and be included in measurement towards achieving goals but will require some qualification.

The real value is not in numbers themselves, but in moving towards expected outcomes. These should be validated where they can, but they don't have to if it is not possible to obtain precise information.

Sources of data.

Vast majority of the data required to measure social value outcomes will come from internal sources, such as records of employment, catchment area research or customer surveys. Many companies already collect a wide range of data, which can easily be expanded. A low-cost way to increase data availability is to simply add questions to existing surveys and studies.

In order to capture valuable data and increase the range of information gathered it is necessary to assess and improve internal reporting.

All the information collected needs to come from reliable sources, be consistent, comparable and clear. We recommend using the same categories as the government/public bodies statistics for consistency and benchmarking purposes.

The data required for a wider demographic assessment and analysis, as well as



benchmarking purposes will primarily come from the UK government departments and public institutions. There is a wide range of free open data sources that any company or individual can use.

These sources include:

ONS, Local Authorities, DWP, NHS, Nomis, NISRA, National Records of Scotland, British Household Panel Survey, UK Data Archive.

International databases: [World Bank](#), [OECD](#), [WHO](#), [ILO](#), [Eurostat](#), [EU Open Data Portal](#), [UNHCR](#).

In case of more specialized and sensitive issues, such as homelessness, in-work poverty, diversity, specific age, ethnic and gender groups, we recommend to engage with national and local charities and think tanks, in order to gain a full understanding of the issue and access to appropriate data. These can include: Shelter, Joseph Rowntree Foundation and Age UK but to name a few.

Surveys.

Well-conducted surveys provide relevant and reliable information that is not possible to obtain through other ways of data gathering, bringing attention to aspects that otherwise might be neglected/overlooked. It is worth considering engaging a third independent party to carry out surveys and interviews. A clear assurance and explanation of privacy and confidentiality needs to be given to the survey participants.

Monetary value.

We have refrained from calculating or suggesting measuring social value in monetary terms. We believe that financial indicators fail to capture the important aspects of social

value and make it harder to understand and compare outcomes. It is not possible to measure happiness, perception of safety or job satisfaction in financial terms.

We do recognize however, the importance of reporting financial measures for some of the stakeholders. Also, calculating financial contributions for public sector can be useful in engagement with the government/public authorities.

There are consultancies specializing in calculating monetary value of social value. However, there are also multiple free sources which will be helpful in estimating your impact in financial terms.

These include:

Social Return on Investment (SROI)

Social return on investment is a method for measuring values that are not traditionally reflected in financial statements, including social, economic, and environmental factors. They can identify how effectively a company uses capital and other resources to create value for the community.

Social Value UK

Social Value UK is the professional body for social value and impact management. They work with members to embed core principles for social value measurement and analysis, to share best practice and influence policy.

[HM Treasury Green Book.](#)

[PHE Movement into employment: return on investment tool.](#)

[PHE Estimation of costs to the NHS and social care due to the health impacts of air pollution.](#)

[DCMS Health and educational benefits of sport and culture.](#)

Also, the National Social Value Taskforce has created a free [National TOMs Calculator Tool](#).

Transparency & trust.

Measuring and increasing social value is a strategic process, which requires collaboration of various stakeholders and a high level of public trust. It is essential to be transparent about how the whole process has been applied. Businesses should also provide an objective picture of their performance in delivering social value outcomes. This includes both favourable and unfavourable information. Attempts to hide or obscure information will lead to questions from stakeholders and targeted beneficiaries, potentially creating an environment of mistrust.

Being transparent and sharing experiences with the public and the industry will allow for better scrutiny and improvement.

Definitions.

Framework

A matrix of Goals, Actions, Measures and Outcomes within major areas of intervention.

Priority Area

Major social, economic or environmental area identified by Revo as requiring intervention.

Goal

A long-term impact within the Priority Area achieved by delivering desired Outcomes.

Action

Intervention/work undertaken towards delivery of desired Outcomes.

Outcome

Long or short-term change achieved by the Actions undertaken.

Measurement

A way to measure/assess whether particular Outcomes are being achieved.



revocommunity.org

Orion House, 5 Upper St Martins Lane,
London, WC2H 9EA

+44 (0)207 222 1122 hello@revocommunity.org