thrive

Finding Social Value in Your Business

Introduction

The term 'social value' is now well and truly embedded in the corporate lexicon and if you are reading this guide then you must have decided that there is some benefit to your company to pursue the concept further... but for many organisations there is still confusion around what this term actually means:

- Is it just the new 'on trend' name for Corporate Responsibility?
- Is this the same as ESG reporting?
- Or if you are a government supplier: what is it you need to provide to win contracts under the social value procurement and reporting rules.

To add to the confusion, there is simply no one definition of 'social value – it can mean different things to different people, organisations or sectors. However, in an attempt to simplify this, for business entities social value can be thought of as...

All of the value created by your organisation beyond income and profit. It includes economic improvement, environmental benefit, and social wellbeing.

Further confusion is added by the existence of multiple approaches, methodologies and social value reporting frameworks. However, movement towards a unified approach began with the UK government's Social Value Model, which was first released under Procurement Policy Note 06/20 (PPN 06/20) and then revised entirely under PPN02 in 2025. These Models have been in use since January 2021, providing a standardised framework and driving social value forwards.

While the Social Value Model's primary intention is to assist public sector procurement, what can be captured and reported on as social value typically goes beyond traditional corporate responsibility. It also goes beyond the more 'compliance' based aspects of ESG reporting; instead providing a more holistic way to convey the value that you are creating rather than just a tick box exercise.

Done well, social value is an opportunity. It is an opportunity to more comprehensively capture all of the value your organisation is creating and an opportunity to 'tell your story' of social, environmental and economic benefit. There is also now opportunity to bring a standardised structure to your reporting which will enable you to track your own performance year on year, or for others to compare your performance against similar organisations.

> *The introduction of Thrive now provides Walter Lilly a holistic view of the social value we are providing to our people, the community, and the environment.*
>
> **Tess Banning**
> Social Value Lead, Walter Lilly

The following sections outline where to identify and increase social value within your business, as well as how to capture and report on this.

Identify Where You Can Create Social Value

The 5 Themes in the 2021 Social Value Model provide enormous scope for businesses of all types to make an impact.

Equal opportunity

Wellbeing

Tackling economic inequality

Fighting climate change

Covid-19 recovery (rarely used today, but still present in the Model)

The same is true of the 2025 versions Missions:

Kickstart economic growth

Make Britain a clean energy superpower

Take back our streets

Break down barriers to opportunity

Build a National Health Service fit for the future

Health, Wellbeing, & Opportunity

For many organisations, their 'traditional' corporate responsibility initiatives will broadly fall into these areas.

They cover the health and wellbeing of your workforce, community investment activities such as volunteering, fundraising and donations - plus support for disabled workers and those from other underrepresented groups, as well as modern slavery.

For example, did you know that you can account for the "number of people-hours spent supporting local community integration, such as volunteering and other community-led initiatives, under the contract" (2021) or "number of engagement activities with the community, community representatives and or anchor institutions" (2025)?
So if you can apportion some time to get involved with the local community; be it giving your expertise to students at a local college or supporting their already established community campaigns, you can account for that - and the time spent planning it - as social value.

Economic Inequality and Economic Growth

In this field, the 2021 Model presents 22 metrics across 2 Policy Outcomes:

- Creating New Businesses, New Jobs and New Skills
- Increasing Supply Chain Resilience and Capacity

The 2025 version has 16 Standard Reporting Metrics and 3 Policy Outcomes:

- Fair work
- Skills for growth
- Resilient, innovative and flexible supply chains

The economic benefit that organisations can deliver is powerful, but most organisations don't realise that many of the aspects of their 'business as usual' activities are actually already delivering significant social value and they can capture and report upon that.

In terms of jobs and skills, if your organisation is creating new job roles, delivering training programmes and other learning interventions, or improving workforce diversity, you are creating measurable social value under both Social Value Models.

In addition, have you considered your supply chain?

Any spend on Small & Medium Enterprises (SMEs), start-up businesses, and Voluntary, Charity & Social Enterprises (VCSEs) counts as promoting economic diversity and resilience in your local area and counts towards social value delivered.

Climate Change and Clean Energy

Environmental sustainability brings additional opportunity. Most organisations will now have some level of sustainability reporting, whether it's as simple as tracking energy and water consumption or waste generated on projects, or a full assessment of their Scope 1, 2 and 3 environmental emissions.

Instead of reporting these aspects in isolation to your 'social' endeavours, under the Social Value Model, environmental improvement aspects are - rightly - considered as delivering value to society.

So if your organisation is on a journey of reducing greenhouse gas emissions, water consumption and waste it sends to landfill, this reduction is inherently valuable and should be captured in your social value reporting - whether it is tied to a specific contract or you were already doing it anyway.

For example, under the reporting metric "Number of green spaces created under the contract" you can look at things like green walls or utilising roof tops for plants and pollinators as part of the project. Basically, any green space in and around buildings in towns and cities is counted as an additional environmental benefit and helps work towards the net zero goal.

Covid-19 Recovery (2021)

The Covid pandemic of 2020 to 2023 had such an impact on peoples' livelihoods and wellbeing that, understandably, the Social Value Model - implemented at the start of 2021 - included a specific theme for actions taken to aid recovery.

Today, it is rarely cited, but many of the actions discussed in the Model under this theme are also relevant to other themes.

Take Back Our Streets (2025)
The new Social Value Model removes Covid-19 Recovery as a priority and while four of the five Missions in the 2025 version overlap substantially with 2021's other Themes, there is one completely new one: "Take back our streets - by halving serious violent crime and raising confidence in the police and criminal justice system to its highest."

The Policy Outcome associated with this Mission is:

- Support the reduction in crime through community cohesion, awareness raising and action

Domestic abuse is a particular focus, and suppliers are advised to focus their efforts on learning interventions to influence staff, suppliers, customers and communities.

Data Capture

Having identified where your organisation is delivering – or can deliver – social value, the next big challenge for most organisations is capturing that data.

Inherently, social value is delivered right across an organisation – across a number of projects or sites – and even through your supply chain and partners. This can often create an information 'black hole'. Many organisations know the information exists but have no processes or tools to centrally record this. Therefore, they lose the ability to convey the value they deliver.

There are 2 key aspects to addressing this:

- Communication
- Software

Communication

You should craft your social value message - your organisation's purpose and values - and ensure this is regularly distributed through your communications channels.

Include messages that convey your overall vision but also how capturing this information is important to each stakeholder group.

At Thrive we can help you with your social value messaging and provide systems to keep in contact with relevant stakeholders throughout your organisation.

Software

Using software to support the data collection process can significantly reduce admin overhead, and result in a higher quantity and better quality of information.

Thrive's Social Value Module enables you to retain all of your data and evidence in one central location thus making your reporting to internal and external audiences easy.

Case Study

At VolkerWessels UK they used a mixture of online tools, spreadsheets and emails, to log and track the social value achievements across the business. But due to the size of the business and complexity of the components, some of the work was being under reported, or worse, not captured at all. A lack of a centralised hub for information meant that there was no easy way to capture the great work that was being delivered, making reporting a challenge.

The team at VolkerWessels UK worked with Thrive to address this and as Emma Ward, head of Sustainability at VolkerWessels UK explains;

"Thrive's software meant we could overcome data collection bottlenecks, by engaging with employees across the whole business. The reporting features have been pivotal in us being able to share our progress, and further drive engagement internally, with our supply chain, and with our clients.

Emma Ward
Head of Sustainability and Inclusion

VolkerWessels UK

Reporting

Once you have your data in one place, you need to decide how to report on that. Notably, the Social Value Model recommends both quantitative (reporting your data) and qualitative (telling your 'story' around the data) reporting. This is key to successful social value reporting - presenting figures that can be used for evaluation and comparison, combined with legitimising your data claims through clear evidence.

The other big reporting consideration is whether or not to put a £(financial) value on the social value you are generating using what are referred to as 'proxy values'.

Some clients and stakeholders advocate this approach as it enables comparison using the 'common language' of money. Others dislike this approach citing inaccuracies in the methodologies employed and the inherent concept that social impacts and interventions cannot be valued in the same way as economic impacts.

In our experience, most businesses benefit from using proxy values as they permit different ways of delivering on contracts' social value requirements to be compared directly - bringing the whole range of Social Value Model criteria and metrics to bear.

A number of different frameworks of proxy values exist and currently the only one directly mapped onto the Social Value Models is the Impact Evaluation Standard. Ultimately you will need to gauge your own audience and decide which approach is the best fit for your organisation.

> *As a strategic supplier of central government it's really important that we were able to lean into a framework like the Impact Evaluation Standard. We really wanted a robust process that would enable us to report our social value accurately, so that we could to be really confident in the data that we were providing.*
>
> **Sue Bailey-Owen**
> Social Innovation and Sustainability Manager, Equifax UK

It is becoming harder and harder to differentiate on elements such as price and experience. But, with planning and some investment in better tracking, calculation and reporting, your social value commitments and business values can really give you an edge in a crowded marketplace!

At Thrive, we exist to maximise organisations' positive and sustainable impact on society.

To learn more about Thrive, the Impact Evaluation Standard and our Social Value Consultancy service, or to chat about how we can support, please contact: info@thrive-platform.com

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