

The UK needs a social value revolution

Embracing social value is crucial to 'building back better' and the common key to understand, address, and resolve the most pressing challenges the UK faces today, says Jacobs' Donald Morrison.



Donald Morrison is senior vice president at Jacobs People and Places Solutions UK/Europe.

As we've surpassed the milestone of 15 million people vaccinated in the UK, a way out of repeated Covid lockdowns seems to be on the horizon. This is a critical moment to devise a concrete national plan for a full economic recovery across all four corners of the UK. For this to be successful, the UK needs an infrastructure revolution - the key to achieve Net Zero and 'level up' the country. But for this infrastructure revolution to succeed, we must embrace another - the social value revolution. Put simply, we now need to embed social value measurement and analysis at the heart of the UK's post-pandemic investment process.

Social value is the holistic impact of a project or investment, which includes sources of value that cannot be defined by conventional market economics. For example, the mental health benefits or sense of safety for a set community. By being people-centred, social value places social outcomes on an equal footing with cost-efficiency imperatives, increasing the focus on maximising long-term benefit and value to all of us socially, environmentally and economically.

The implementation of wellbeing, outcome-focused and social value measurement frameworks has enormous potential to change how future spending decisions are made and could lead to fundamental changes in the way we look at economic growth. The main challenge now is to identify and join up the right vehicles and mechanisms to ensure a systemic approach to generating social value through infrastructure projects.

There are three ways social value can be integrated as a key component in our industry, which will shift the focus to social value outcomes in practice and 'build back better' after the pandemic.



Firstly, we need a procurement framework which creates clear, performance-related contracts where the traditional focus on cost is balanced by rewards linked to social value outcomes. The *Construction Playbook* seeks to correct many of the practices identified as being obstacles to successful procurement and delivery and we welcome its intent around the use of outcome-based specifications with whole life carbon assessments and social value outcomes built in. The government's consultation paper, Transforming Public Procurement, also looks at much-needed regulatory reform to make public procurement more effective in working for the public good.

Simetrica-Jacobs, has also developed the world's first set of equity and welfare weights, using a methodology approved by the Treasury's Green Book, for effectively quantifying social value in infrastructure planning. This enables us to design and implement bespoke social value frameworks, to help our clients understand how they can transform local, city and regional decision-making - identifying innovative, inclusive and ethical investments.

Integrating these and other social value imperatives into a new, UK-wide planning and procurement framework provides the best opportunity to help 'level up' the UK, showing how and crucially where we invest to unlock transformation of our places and deliver better life outcomes. Only with social value at its core will a post-pandemic recovery strategy ensure that communities feel like projects are developed with and for them and are not done to them.

Secondly, improving cross-sector collaboration and project integration is key to embedding social value at the heart of infrastructure development and delivery. Our industry has long been fragmented, most evident in the lack of integrated

planning and delivery across sectors and departments. This results in different approaches to technical standards, funding, procurement and planning, which stifle creativity and innovation and reduce wider societal benefits. However, if we can use one social value measurement system for all, we'll start to see these impacts reverse.

For example, while previously we might have procured a transport project separately from a flood resilience project, separately from an education project, we can now maximise their social value outcomes by integrating them to understand how together they benefit the whole community.

Take the Edinburgh city centre transformation - an ambitious plan to create a more vibrant and people-focused city centre by reprioritising the use of public spaces, roads and streets to create a more active, resilient and inclusive city centre. We worked with the council to build the case for change and the strategy required to deliver it. Focusing on six locations where transformational change could bring about the greatest benefits for people, the environment and the local economy, the transformation sets out a range of interventions for improved accident prevention, increased accessibility, greater active travel, enhanced public spaces, reduced air pollution and increased economic activity. The plan has the potential to deliver £420m in economic, health and wellbeing benefits to the city and people of Edinburgh - four times that of the economic benefit alone.

Third, embracing the current digital revolution is necessary to achieve the social value revolution. Digital is the enabler - the catalyst to doing things better and reinventing tomorrow. Covid has dramatically accelerated digitalisation, to the point that digital infrastructure has become as important, if not more, than physical infrastructure. The new wave of post-pandemic

investment in infrastructure should therefore be guided by the improved insights that real time data and advanced analytics offer in assessing how assets will be used in the future.

The widespread availability of aggregated, anonymised digital data can help us understand how people live, learn, work, and play now and into the future. By being fully aware of their most pressing needs, we can deliver the most technologically advanced, sustainable, and cost-efficient infrastructure solutions to the communities that need it most.

The need to put the economy back on track provides important investment opportunities, particularly in the infrastructure sector, where an overhaul is urgent and indeed overdue. Achieving net zero, building back better, and levelling up the country are three key challenges to address, but they are also the stepping stones towards rebuilding a more sustainable and equitable economy. Although these may appear separate, social value is the key component that brings them all together and explains why social value outcomes must be at the heart of all future infrastructure investment and development in the UK.

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