



HTS 2019/20 Social Impact Report:

Analysis of the social impact generated by HTS
(Property and Environment) Ltd

James Williams

August 2020

Contents

Executive summary	3
Section summaries	4
Section 2: Social Impact Measurement techniques	6
Wellbeing valuation and the UK Social Value Bank.....	6
Local Economic Multiplier (LM3)	7
Section 3: Social value results and assessment	9
Wellbeing valuation analysis	14
Section 4: Recommendations	20
Section 5: Summary and the future.....	21

Executive summary

The purpose of this report is to perform a social impact analysis of selected HTS Group activities in 2019/2020.

HTS Group has a commitment to delivering positive social impact as outlined in their corporate objectives. This report explores the social impact generated across several outcome areas and through a range of social impact analysis techniques.

The report uses contextual analysis, wellbeing, cost benefit analysis and economic multiplier techniques to assess social impact outcomes.

Key findings are:

- HTS Group can demonstrate that it created social value in relation to key core CSR objectives as well being able to quantify social impact through **work experience, staff training, volunteering, apprenticeships and supporting community organisations.**
- HTS created £698,058 of social value in the 2019-20 year.
- It is likely more social impact was created across other outcomes but as this is a retrospective analysis, the evidence does not exist to demonstrate these achievements.
- There have been several significant changes to the operating environment in particular the impact of the Covid-19 pandemic.
- Recommendations include adoption of a Social Impact Framework, setting up a social impact working group and investigation into how to adopt the local wealth building concept in Harlow.

Section summaries

The report is split into the following five sections:

Section 1 provides a description of the activities of HTS Group in relation to social impact and the current operating environment.

Section 2 explains the methodology adopted in the social impact assessment and how social value is measured using contextual analysis techniques, Housing Association Charitable Trust (HACT's) UK Social Value Bank, Commission for New Economy Unit Cost database and Local Multiplier 3 calculations.

Section 3 assesses and quantifies the social impact created through HTS activities and presents a breakdown of this.

Section 4 makes recommendations of how to maximise social impact.

Section 5 provides a summary and discusses the future.

Section 1: Social Impact context and background at HTS Group

HTS Group was established by Harlow Council to provide a range of property and environmental services. Services provided are housing repairs, maintenance, facilities management, environmental services, compliance, capital and planned works to residents, leaseholders and support to community organisations.

HTS Group has a vision:

Where Harlow is a place where people want to live and work as well as encouraging healthy lifestyles for employees.

Additionally, HTS Group aims to be acknowledged as an industry leader in Corporate Social Responsibility (CSR) and has a well-established programme in the community actively engaging with environmental, charitable and people-based initiatives.

To help inform and take this work forward Housing Association Charitable Trust (HACT) worked with HTS to produce an initial 2018-19 report which provided an initial social impact assessment and recommendations to improve social impact measurement practice.

Since the initial 2018-19 report there have been several notable external and internal developments relevant to how HTS Group undertakes its CSR work.

- **The Covid pandemic** is changing how organisations operate and enormous social and economic impacts are starting to be felt in communities even at the end of 2019-20. The extent of these impacts in the future are largely unknown but are expected to impact significantly on the operating environment. Put simply it won't be business as usual in the future. For example, the Office for National Statistics (ONS) estimates 24% of the British population feel that it will take more than a year or that life will never return to normal¹
- **The Covid pandemic** will and already is affecting affect employment levels (which are expected to decrease significantly see Table 1 and Map 1 below).
- **In November 2019 HTS Group became a founding member and sponsor of the National Local Authority Trading Companies (LATCo) network.** The network aims to ensure LATCo's conduct their business in a way that is ethical. Membership of the network commits HTS Group to maximising social impact by aligning with public service ethos and values, ensuring fair and open practices and good customer relations, choosing suppliers carefully, looking at their health, safety, and environmental practices, creating positive change in the community, e.g. sponsoring local events, taking part in charity initiatives, volunteering, being responsible employers who do more than simply comply with the law.
- **A new company has been registered, HTS (Housing and Regeneration) Ltd.** The company aims to source and provide housing at

¹

<https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/personalandeconomicwellbeingintheuk/june2020>

social, affordable and commercial rents to the local community through the purchase and renovation of properties to decent homes standards. Thereafter, taking on landlord and ongoing property repairs and maintenance responsibilities. The establishment of this company will bring additional opportunity to create social, economic and environmental impacts.

Section 2: Social Impact Measurement techniques

Contextual analysis

Any social impact analysis should consider the local and national context in which it operates. This is important for a variety of reasons.

- ✓ It enables HTS to cross reference CSR activities in the context of local and national need.
- ✓ It helps to provide insights into how HTS is currently tackling issues at a geographical level, for example it allows HTS to understand and become more aware of social issues in their communities and ask where support is most needed and assess whether business operations, CSR projects and programmes are aligned effectively to that need.
- ✓ Contextual analysis allows us to assess the extent of HTS contribution to key local issues.

The report will make use of several information sources to analyse and understand key issues in the Harlow Local Authority area drawing from the open data tool Community Insight².

Wellbeing valuation and the UK Social Value Bank

As in 2018-2019 this report has drawn heavily on the UK Social Value Bank (UKSVB)³ to assess the social impact created.

Launched in 2014, the UKSVB is a HACT resource that offers organisations and businesses a way to understand the social impact of their investment in communities. The UKSVB was derived using the wellbeing valuation approach and features as part of HM Treasury Green Book⁴ guidance that sits at the heart of policy evaluation approaches within UK Government.

Over 100 outcomes have been valued based on their relationship with life satisfaction. To do this, large national datasets were analysed to identify how people's self-reported wellbeing⁵ changes due to different life circumstances. Analysis reveals the impact of these various outcomes on life satisfaction and calculates the amount of money that produces the equivalent impact on life satisfaction.

² <https://www.communityinsight.org/>

³ <http://www.hact.org.uk/value-calculator>

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf

⁵ How satisfied they are with their life on a scale of 0-10, from 'not at all' to 'completely'.

The UKSVB offers a proportionate way to measure social impact and enables a cost: benefit calculation. It has become the housing industry-standard method to measure social impact, has been downloaded over 13,000 times and more than 250 organisations have attended training and use the model in their business decisions.

It is recommended that the assessment of social impact using the UKSVB begins before any activity is delivered. This way the necessary evidence can be collected to meaningfully measure outcomes using before and after data (the type of evidence required varies by outcome). If evidence is not collected before activity starts, then the 'before' position of individuals may be missed and may result in a less accurate social impact assessment as positive social value may be missed.

New Economy Manchester - Unit Cost database

This report also explores the value of achievements to the state and economy, it does this by drawing on New Economy Manchester's Unit Cost Database. This database contains more than 600 cost estimates compiled through government reports and academic studies. The database includes costs across the following outcome areas: crime; education & skills; employment & economy; fire; health; housing; and social services.

The project was funded by the Department for Communities and Local Government's (DCLG) Troubled Families Unit and delivered by Greater Manchester and Birmingham City Councils. Work to develop and update the database is being undertaken by New Economy (Greater Manchester), with further support from Department for Communities and Local Government and other Government departments.

The data has been subject to a rigorous validation process, including assessing the robustness of the original source documentation, considering how data has been derived from constituent cost elements, comparing costs to related data, and exploring the availability of more recent/robust sources. The data has also been reviewed by analysts from the relevant Whitehall departments.

Different types of value are available, both fiscal and economic using the Commission for New Economy model. This report has used the fiscal values which measure the costs or savings to the public sector as well as economic measures which demonstrate the increase in earnings and growth in the local economy.

Local Economic Multiplier (LM3)

Organisations can make a huge difference to their localities by local buying, recruiting and encouraging staff to spend locally. Local Economic Multiplier (LM3) analysis can be used to measure the economic impact of an organisation in a local economy by analysing three rounds of spending. This helps organisations understand how they are contributing to the local supply chain and wider economy.

LM3 is calculated in three stages;

- ✓ **Round 1** Organisational turnover and staffing costs.
- ✓ **Round 2** Where and with who the company spends their money.
- ✓ **Round 3** Where and how suppliers and employees re-spend their incomes.

The New Economics Foundation and the Countryside Agency published the report 'The Money Trail; Measuring Your Impact on the Local Economy using LM3' in 2002. The principles and calculations outlined in the report have been used to calculate an estimated LM3 score for HTS.

Deadweight

Deadweight, or 'what would have happened anyway', is an important part of social impact analysis. To give an accurate picture of social impact a percentage reduction is applied reflecting that a proportion of the outcomes would have happened anyway.

The UKSVB applies average deadweight figures from the Homes and Communities Agency (HCA) Additionality Guide⁷. This prevents overclaiming as it does not assume a direct cause and effect relationship between an outcome and an intervention. Using HCA figures saves additional research or a less robust figure being used.

Deadweight reductions on values are 15% for employment and training outcomes, 19% for community and social outcomes, and 27% for health outcomes.

⁶ <https://neweconomics.org/2002/12/the-money-trail/>

⁷ <https://www.gov.uk/government/publications/additionality-guide>

Section 3: Social value results and assessment

HTS operates the following CSR programmes:

1. An employment and skills programme with a focus on full-time employment opportunities for the disabled, apprenticeships and training.
2. Work experience opportunities for young people.
3. Partnerships with local schools and charities.
4. Wellbeing programmes for staff.
5. Becoming an accredited Living Wage employer.
6. Upward review of pay grading.
7. Core work of renovating and improving the environment.
8. Maximising the economic impact on the Harlow community.

The contextual analysis below will focus on the above programmes and seek to demonstrate and understand the extent to which these activities impact and meet needs in the wider community.

Taking each programme in turn.

Programmes 1 and 2: (Employment and work experience)

Table 1 below illustrates data from Harlow Local Authority area. It demonstrates that whilst performing relatively well in relation a whole range of socio-economic indicators as compared to the English average, Harlow still has a higher than the English average of unemployment benefit claimants both for 50+ and youth (18-24) unemployment.

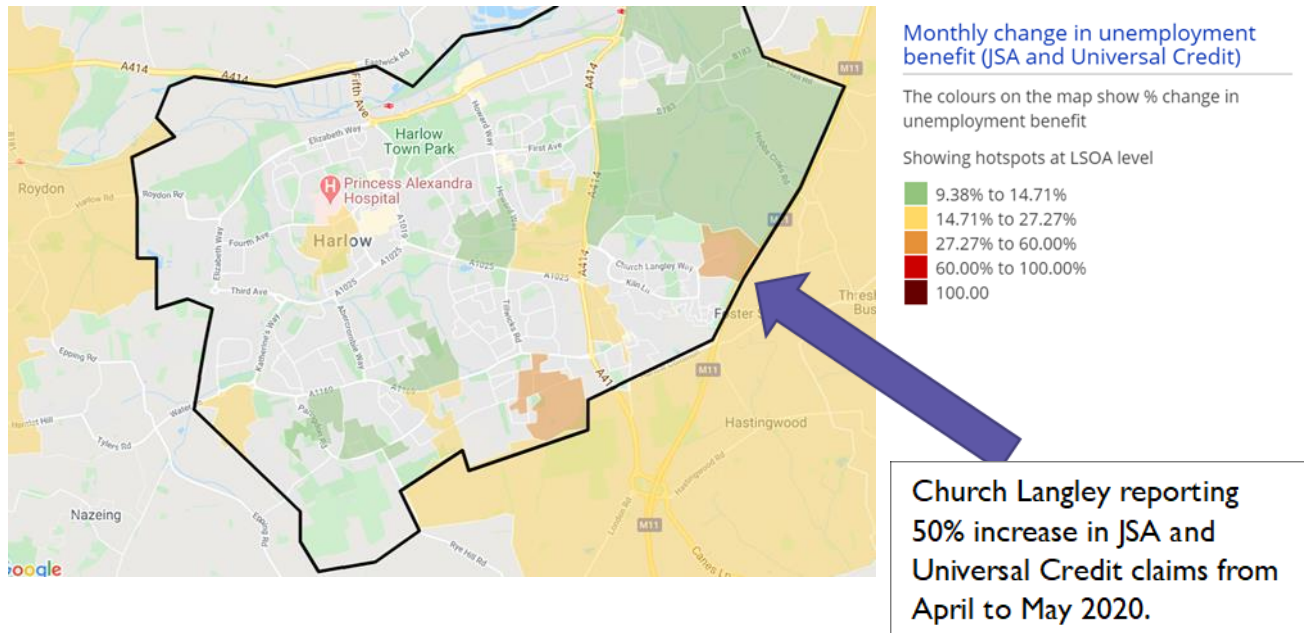
Table 1 Key unemployment data from Harlow (source Department for Work and Pensions)

Number of Unemployment benefit (JSA and UC) claimants (May 2020)	Number of Youth unemployment (JSA/UC claimants aged 18-24) (May 2020)	Number of Older unemployed (JSA/UC credit claimants aged 50+) (May 2020)	Number of Male unemployment (JSA and UC) claimants (May 2020)
4720	840	1025	2900
Claimants as a proportion of population 16-64	Claimants 18-24 as a proportion of population 18-24	Claimants 50+ as a proportion of population 50+	Male claimants as a proportion of male population 16-64
Harlow 8.8%	Harlow 12.9%	Harlow 3.5%	Harlow 11%
England average 6.5%	England average 8.8%	England average 2.5%	England average 7.9%

Recently the impact of Covid has resulted in higher levels of claims for unemployment benefit and this can be seen with up to 50% increase in claimants in localities such as

Church Langley with a particularly high level of increase from April to May 2020 please see map I below.

Map I-Percentage Monthly change in unemployment benefit (JSA and Universal Credit) April to May 2020



Clearly in the context of the Covid-19 pandemic there is a specific need which can be evidenced regarding providing local employment and apprenticeships.

HTS is impacting positively on local employment in the following ways:

- ✓ 7 apprenticeships are in post across different departments in the organisation as well as 2 apprentice progressions to level 4 in accountancy and from business administrator level 3 to trainee quantity surveyor.
- ✓ HTS Apprentice won the Apprenticeship of the Year award as part of the Harlow Educational Awards 2019.
- ✓ HTS also runs several work experience programmes which are designed to inform future work choices, provide opportunities for young people to prove themselves and help instil attitudes and behaviours expected at work⁸.
- ✓ HTS is a disability confident employer which means a commitment to recruiting, retaining and developing disabled people. Currently 10.5% of the workforce are identified as disabled well above the minimum statutory requirement threshold of 3%. This is a significant figure as nationally people with disabilities are often under-represented in the workforce, with disabled people 28.6% less likely to be in employment than non-disabled people⁹.
- ✓ HTS offers opportunities to those with mental health conditions and has provided 1 placement of 12 weeks - through Employability (Mental health NFP organisation) helping them build confidence, administration skills and their CV.

⁸ <https://www.tes.com/news/work-experience-it-really-worthwhile>

⁹

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/bulletins/disabilityandemploymentuk/2019>

- ✓ Providing 2 work placements of 16 weeks to young people to volunteer and train in plumbing, this led to both being offered apprentices at the Living Wage rate (£9.30 per hour).
- ✓ An additional 27 work experience placements of 1 week across the business were provided in 2019-2020.

Programme 3: (Partnership with Schools and Charities)

Partnerships with Schools and Charities bring numerous benefits. Research from the Careers and Enterprise Company states that early interventions can bring a lasting impact on children's development and perceptions of different occupations and of the subjects enabling access to them¹⁰.

HTS is an active in local schools and with Charities in the following ways:

- ✓ By providing staff as school governors and by involvement in the Crucial Crew project where HTS provided presentations on the environment to approximately 1000 primary school students over an 8-day period.
- ✓ Supporting 7 different charitable organisations or causes in the local community in a variety of ways. (Harlow Showcase, Harlow Carnival, Great Get Together, Great British Spring Clean, Harlow Playhouse, Brownie Sponsorship, St Clare Hospice).

Not only do these activities impact on the recipient organisations but also demonstrate to the community and other stakeholders that HTS is an ethical community focused business.

Being an ethical community focused business is important as increasingly employees, investors and other stakeholders are questioning the ethical credentials of business. Undertaking activities such as those mentioned above can in turn provide business benefits such as improved employee motivation and retention. For example, 62% of Millennials report wanting to work for a company which makes a positive impact¹¹

Programmes 4,5,6: (Staff wellbeing, living wage and upward upgrade of staff)

HTS are impacting positively on their workforce in the following ways:

- ✓ Internally promoting circa 15% (53) of staff into higher position/salaries over the period since 1st February 2017. Promotions can improve job satisfaction in the short term and can be an important element of improving wellbeing¹².
- ✓ The Local Government Pension Scheme with a 21.8% employer contribution is 7 times higher than auto enrolment requirements and 3-4 times higher than most company employer contributions.

¹⁰https://www.careersandenterprise.co.uk/sites/default/files/uploaded/1145_what_works_primary_v7_digital.pdf

¹¹ <https://www.theguardian.com/sustainable-business/2015/may/05/millennials-employment-employers-values-ethics-jobs>

¹² <https://whatworkswellbeing.org/resources/job-quality-and-wellbeing/>

- ✓ All staff now receive at least the Real Living Wage recommended wage which is voluntarily paid based on the cost of living of a basket of goods and services and what people need to get by.¹³
- ✓ HTS also runs a staff Health Check programme designed to identify health problems at an early stage so that additional support can be accessed if needed. This helps to identify health problems early or to provide peace of mind and reassurance that all is well.
- ✓ Staff wellbeing is underpinned by health and safety and HTS operates an internal award scheme to encourage and ensure the company fleet of over 200 vehicles is operated safely and considerately.

HTS has gained two Royal Society for the Prevention of Accidents (RoSPA) Gold Awards.

1. **Gold Award For health and safety performance** recognition and proof of HTS commitment to maintaining and improving health and safety standards. RoSPA gold award winners have achieved a very high level of performance, demonstrating well developed occupational health and safety management systems and culture, outstanding control of risk and very low levels of error, harm and loss.¹⁴
2. **Gold Fleet Safety Award** is recognition and proof of HTS commitment to demonstrating excellence in managing occupational road risk.

Finding a secure rewarding career is difficult and feeling your job is secure is both closely related to improved wellbeing along with positive relationships with colleagues and managers. The What Works Centre for Wellbeing reports that employment is one of the top three drivers of personal wellbeing with partner relationships and health particularly mental health¹⁵

In summary by providing internal promotions, offering staff health checks, provision of in-house training, providing secure terms and conditions including high health and safety standards. HTS is committed to many of the factors which determine good staff wellbeing.

Programme 7: Core work in improving the environment.

An attractive well-maintained environment is crucial to wellbeing¹⁶. HTS provides core services which impact significantly on how people feel and their life satisfaction. Grass cutting and landscaping, street and grounds and housing repairs all impact on how an individual feels. This is demonstrated in the HACT report *Valuing Housing and Local Environment Improvements*¹⁷. The report demonstrates that improvements such as removal of litter problems, resolutions of problems with mould, damp and condensation, rectification of floor, ceiling and door problems impact positively on

¹³<https://www.livingwage.org.uk/what-real-living-wage>

¹⁴ <https://www.rospace.com/Awards/Winners/2019/Gold-Awards>

¹⁵ <https://whatworkswellbeing.org/resources/job-quality-and-wellbeing/>

¹⁶ https://whatworkswellbeing.org/wp-content/uploads/2020/01/Places-spaces-people-wellbeing-May2018V2_0119660900.pdf

¹⁷<https://hact.org.uk/sites/default/files/uploads/Archives/2017/01/Valuing%20Housing%20and%20Local%20Environment%20Improvements%20-%20Jan%202017.pdf>

wellbeing. Diagram 2 illustrates how housing and environment impact on life satisfaction¹⁸.

Diagram 2: How Housing and Environmental factors improve life satisfaction

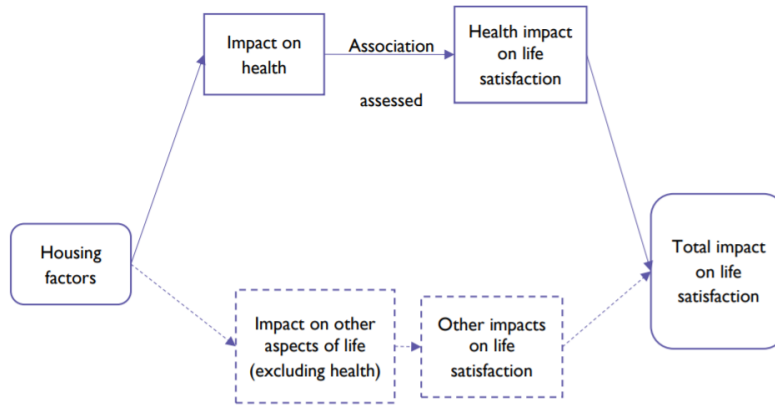


Diagram 2 demonstrates the importance of its core services in generating social impact in relation to improvements in health but also potentially in relation to lower energy bills for customers and affordable warmth. Recognition of these core services should in time become a standard part of the social impact reporting process.

It is widely accepted that Social, Economic and Environmental impact are inextricably linked¹⁹. Activities and actions which protect and harm the environment also impact on a whole variety of social and economic outcomes.

HTS states a commitment to minimising the impact of its activities on the environment. HTS publishes an environmental policy statement online²⁰ and states a commitment to ‘respond to the social, economic and environmental expectations of our community, our customers and our stakeholders’.

HTS have received recognition of positive impact in this area by winning gold at the national Green Apple Awards (run by Investors in the Environment) for environmental best practice²¹. The awards aim to improve environmental performance, encourage the efficient use of resources, enhance the competitiveness of organisations and support the wider goals of sustainable development, including social benefits through community and staff involvement.

¹⁸<https://www.hact.org.uk/sites/default/files/uploads/Archives/2017/01/Valuing%20Housing%20and%20Local%20Environment%20Improvements%20-%20Jan%202017.pdf>

¹⁹ <https://www.bitc.org.uk/blog/why-social-environmental-and-economic-sustainability-are-inextricably-linked/>

²⁰ <http://www.htsgroupltd.co.uk/wp-content/uploads/2018/06/Environmental-Policy-Statement-2018.pdf>

²¹ <https://thegreenorganisation.info/2019-winners-green-apple-awards-for-environmental-best-practice/>

Programme 8: Maximising the economic impact on the Harlow Community.

This report calculates a Local Economic Multiplier in section 3 below (Table C). This calculation is useful when demonstrating how HTS impacts economically locally. Being able to identify and improve the local economic contribution is a starting point to understanding how HTS connects to the emerging Community Wealth Building movement defined as:

A people-centred approach to local economic development. It reorganises local economies to be fairer. It stops wealth flowing out of our communities, towns and cities. Instead, it places control of this wealth into the hands of local people, communities, businesses and organisations²²

HTS as a locally authority owned company committed to public service values and ethics employs over 70% of its workforce resident in Harlow and supports 158 Harlow and wider Essex based business (out of a total of 366 suppliers) through the supply chain. As such more wealth is retained in the hands of local communities and stops wealth flowing out to surrounding areas. HTS was able to return a 'profit' of to the Council in 2019-2020 which is then able to be recycled to support local public services such as maintenance of parks, playgrounds, social care provision, or business support.

Full details and analysis found in LM3 section below.

Wellbeing valuation analysis

HTS have collected data on the activities delivered in 2019-2020 and recorded the resulting outputs and achievements in Table A. A **full review of this data** has been carried out and has been analysed retrospectively using HACT's Value Calculator tool and applying the UKSVB.

The analysis concentrates on individuals who directly experience a wellbeing benefit from the activities or interventions funded and/or delivered by HTS. This includes those who receive training and move into employment, for example. The state also experiences knock-on benefits from HTS investment through the outcomes experienced by the individuals leading to reduced public spending or increased tax and national insurance contributions.

Table A shows the social value created for the individual through activities delivered as part of the project where available outcomes in the UKSVB exist. Seven different UKSVB outcomes were utilised in the analysis.

Points to note:

- It is a certainty there are some additional outcomes that were achieved but due to the evidence available for example in relation to the core activities of HTS. Therefore, no value has been claimed for improvements to the environment or physical improvements to housing.

²² <https://cles.org.uk/what-is-community-wealth-building/>

- There are some activities as part of the programme that were delivered that do not have a corresponding value in the UKSVB. This does not necessarily mean that an activity (particularly in relation to fundraising and charitable support) did not create social impact but that it is not possible to assess it currently.
- The value for each outcome in the UKSVB is applied on a per person per year basis.
- LM3 calculations were based on information and estimates provided by HTS and as such are not as accurate as they might be if questionnaires were undertaken with staff as to the Geographic location where they spend their salaries.

Table A: Wellbeing Social impact (wellbeing) created by activity – for the individual

Description of activity	Source of data	UKSVB outcome/ value	Average person value	No. of beneficiaries	Total social value (minus deadweight)
Apprenticeships.	Update report	Apprenticeship	£2,353	7	£13,060
Health Check programme based on likelihood of early diagnosis	Update report	Early diagnosis benefit	£n/a	60	£8722
Paringdon Youth Football Club (assumption that sponsorship results in 5 additional members who would not have normally attended)	Update report	Go to youth clubs or organised activities	£2300	5	£9980
Volunteering (Board members). HTS staff serve on 3 different organisation boards.	Update report	Regular volunteering	£3,249	5	£12,955
Work experience. HTS provide unpaid work experience with schools and offers to the wider community.	Update report	General training for job	£807	30	£16,510
Spring clean volunteering initiative	Update report	Regular volunteering	£3249	38	£98450
Staff training programme	Update report	Employment training	£1567	346	£445,548
Total					£596,503

Table B: Social value created by activity – for the state and economy

The Unit Cost Database has a limited number of values and so was not possible to attach a value to all of the outcomes reported. The table below includes the values and calculations that did align with the outcomes. Where annual benefits are listed one year of value has been applied to be

Description of activity	Source of data	Value Business productivity	Value Economic benefit	Value (cost saving) to the state,	No. of beneficiaries	Total social value (minus 10% deadweight)
apprenticeships assumed on level 3	New Economy Manchester – Unit Cost Database	£20,352 (per organisation)	£1924.75	£1390	7	£43,555
Donations and time in supporting community organisations	Internal data	n/a	n/a	n/a		£58,000
Total						£101,555

conservative and prevent overclaiming. Additional value has been included based on the HTS calculation of the value of time and donations to community activities.

Table C: Local Multiplier 3 calculation 2019/20.

Spending Round	Amount
1 Organisation turnover	£25,901,955
2 Local supply chain spend	£10,029,132
3 Staff salary spend (estimated 50% local spend)	£5,827,675
LM3 Calculation	£41,758,762m/£25,901,955m=1.61

Based on estimates of 50% local spend for both HTS suppliers and staff an LM3 score of 1.61 has been calculated. This means for every £1 spent by HTS £1.61 is further generated in the local economy. Local economy in this context is defined as Harlow and wider Essex/Herts postcodes with 76% of total supply chain spend benefiting local Harlow/Essex/Herts Companies.

It is possible to interrogate the figures and provide much more accurate figures if an analysis was done of staff spend which would provide greater certainty to the figures produced. This further analysis is out of scope to this report.

To put the LM3 score into context a LM3 score of 1 is the lowest possible and 3 is the highest. A realistic upper limit would be 2.5 as there will always be some spend outside of the Borough. The HTS score represents a positive contribution to the local economy to be considered in relation to the wellbeing and financial/economic impacts highlighted in Tables A and B.

Table D: Combined Results –Analysis summary

In reports such as this, the value that accrues to different beneficiary groups through the same outcomes can be added together to produce an overall combined social value illustrated in the table below.

Social Impact	Value	%
Wellbeing	£596,503	85%
The State and economy	£101,555	15%
Total	£698,058	100%

Key findings

Combined overall

- Most of the social impact reported is wellbeing created for the individual (85%) with the state and economy accruing (15%)
- There is a large contribution made by regular volunteering to wellbeing impact.

For individual wellbeing (Table A);

- An estimated 429 people experienced a measurable outcome (it is acknowledged that it is likely that many more individuals were engaged but the necessary evidence is lacking to claim value from the UKSVB)
- The highest value recorded per project was employment training for staff £445,548.

As a multiplier to the local economy (Table 3);

- A LM3 score of 1.61 has been calculated. For every £1 spent by HTS there is a multiplier in the local economy of £1.61. This score should be used as a benchmark for future economic analysis.

Additional potential outcomes

Other outcomes are likely to have generated measurable social impact (however information is not available to evidence this), including:

- There may be more observable outcomes related to the impact HTS staff have had in their roles as Board members. An analysis into how this supports the schools or charitable organisations benefiting would provide more social impact insights.
- The UKSVB includes values around changes to the physical environment of the home, including improvements to energy efficiency, local environment and repairs to property. Evidence that renovation work led to these improvements would enable a social value calculation to be undertaken.
- HTS provides Harlow Council with a profit which helps the Council to maintain and improve local services. Further discussions with the Council on how this resource is recycled in the community would enable further social impact and local wealth building evidence to be evidenced and included in future reports.
- A recently agreed three-year funding programme with Paringdon Sports and Social Club worth £15,840 additional social benefits will be measurable in 2020/2021. This arrangement should be monitored in terms of future wellbeing impact.
- Due to the higher than average pension contributions HTS offers (3x the typical traditional defined benefits schemes). There is also potential to investigate and test whether recent retirees report higher levels of wellbeing, health and life satisfaction as compared to other non-HTS recent retirees.

Section 4: Recommendations

These recommendations are made with the aim of HTS understanding better the creation of social value and to improve and manage social impact activities in the future.

Recommendation 1: Develop a social value measurement framework.

HACT believes that adopting a social value measurement framework is a crucial approach. The framework should be linked to Corporate aims and CSR Strategy, a theory of change model, be strongly informed by local community need, help to communicate social impact with stakeholders and link to national or international agendas.

Benefits of adopting a formal framework are improving outcomes for the community and staff, identification of what is working well, grow social awareness in the organisation, promote systematic data collection processes, plan activity and monitor outcomes.

Every metric adopted in the framework should help to improve outcomes, enrich decision making and influence stakeholders. When considered with local community socio-economic profiles and local authority priorities adopting a social value framework can demonstrate to all stakeholders' clear priorities, leadership, alignment with LATCO priorities and demonstrate robustly how progress is being made.

Recommendation 2: Collect data as you go (particularly in relation to core services.)

Although the data that has been collected has made this retrospective analysis possible, if data had been collected with clear social impact goals as part of a framework prior to this analysis a more accurate and meaningful report could be produced. Starting collecting data and inputs at the beginning of the year would enable quality and relevant evidence and inputs (e.g. pre and post surveys data, age, post code, when, length of time, type of intervention) to be collected and enable improved social impact reporting that can be used in informed decision making. This recommendation should also apply to partner charity organisations receiving funding and support from HTS. This data collection exercise should include information about core service delivery.

Recommendation 3: Use Social Impact analysis to develop future initiatives.

It is recommended that HTS gradually builds up an understanding of 'what works' and use this when planning future social impact programmes. This will be achieved through understanding project inputs as well as outcomes and spending time evaluating what is working well. Adopting this approach will put HTS in a strong position as an informed organisation who has evidence of the most effective way to invest a limited pot of money and resources in a community.

Recommendation 4: Develop an organised Harlow wide local community wealth building programme (building on the LM3 calculation).

Undertaking a full more detailed LM3 study will build on the estimated score produced of 1.61. This represents an improvement from 2018-2019 (LM3=1.55). In future HTS

could set a target and develop a local wealth building action plan to improve this ratio further.

This Harlow wide local wealth building programme could be investigated with the Council, NHS Trust, Housing Associations, Harlow College, HTS (Housing and Regeneration) Ltd and other place-based rooted in and with an interest in the Harlow community.

Recommendation 5: Establish or develop a social impact working group to oversee progress of social value measurement framework.

Understanding social impact is crucial to demonstrating progression and benchmarking progress. Establishing a working group to monitor impact with cost benefit analysis is one way of identifying improvements utilising a social value measurement framework (recommendation 1).

Other ways of assessing progress include producing [full social accounts](#) which should include a stakeholder analysis and survey, a social accounting panel to verify and sign off results and develop an understanding of what changes. Board members and other stakeholders such as customers can also be asked to ask key impact questions to clarify thinking such as who is experiencing change, what change is experienced, how much change is attributable to HTS. ²³

Section 5: Summary and the future

This report demonstrates that HTS delivers a positive social impact results through its work in improving wellbeing, in the local economy and cost savings to the state. As a LATCO with a commitment to CSR programmes there is evidence that all HTS CSR activities are being progressed.

The report through contextual analysis and a breakdown of the wellbeing benefit, economic benefits to society provides an overview of how that social impact is being created.

Looking to the future, HTS operates in an ever-changing environment which is more uncertain with the Covid-19 pandemic. These impacts are currently being felt and increasing into 2020-2021. The pandemic is shifting the way organisations think about and deliver social impact work. Housing associations, Local Authorities contractors, suppliers, and public-sector bodies will continue to look for value for money from their spend however organisations are increasingly thinking about social impact when awarding contracts and in their day to day activities.

The creation of the development company HTS (Housing and Regeneration) Ltd offers further opportunities social, economic and environmental value creation in several ways. This includes providing affordable housing for those in housing need or homeless, reducing overcrowding, economically boosting the local supply chain, by providing employment and training opportunities and improving life chances of tenants. As the company begins to develop it will be possible to demonstrate these additional social impacts for example in relation to overcrowding parts of Harlow are well over

²³ <http://www.socialvalueuk.org/ten-impact-questions/>

the England average as classified in the Index of Deprivation Household overcrowding indicator²⁴. Additionally, 109 households in 2018-19 were accepted as homeless and in priority need by the Council²⁵. HTS (Housing and Regeneration) Ltd will in time begin to address these issues.

Along with The Social Value Act 2012 which was a major driver in changing thinking around social value there will be additional pressures to ensure that communities most at risk of negative Covid-19 impacts are mitigated. These pressures may also be additionally impacted upon by the UK leaving the EU.

A robust social value programme underpinned by a measurement framework linked to community wealth building activities will become more important than it has ever been in 2020-21 and into the foreseeable future.

²⁴ Ministry of Housing Communities and Local Government (MHCLG)
(<https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>)

²⁵
https://england.shelter.org.uk/professional_resources/housing_databank/results?area_selection=J%2C22UJ&data_selection=A1&selected_min=1997&selected_max=2019