

SOCIAL VALUE

CREATION AND
MEASUREMENT IN
THE REPAIR AND
REUSE SECTOR

Sept 2024



REPAIR: SOCIAL VALUE

This report was prepared by the UCL Plastic Waste Innovation Hub as part of the UKRI Interdisciplinary Centre for Circular Metals funded by EPSRC, NERC, and UKRI. The research team takes a systems approach to growing the UK repair economy and its work is underpinned by citizen-science and stakeholder engagement.

The report aims to provide researched perspectives on why social value creation and measurement is important for the sector, highlighting the potential of value added to society through growing repair and reuse activity and the multiple barriers that exists for the sector to adopt social value measurement more widely.

The report also offers a practical guide to understanding the social value creation and measurement landscape, its range of concepts, frameworks, standards, themes, outcomes and measures.

The intended audiences include organisations within the repair and reuse sector, social value framework developers, economists, funders and policy-makers.

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Further information and research:

<https://www.bigrepairproject.org.uk/>



Above: The repairers illustration @UCL Big Repair Project

“Repair helps us build communities. It is a participatory, collaborative exercise that involves the sharing of knowledge and skills.”

(Perzanowski, 2022)

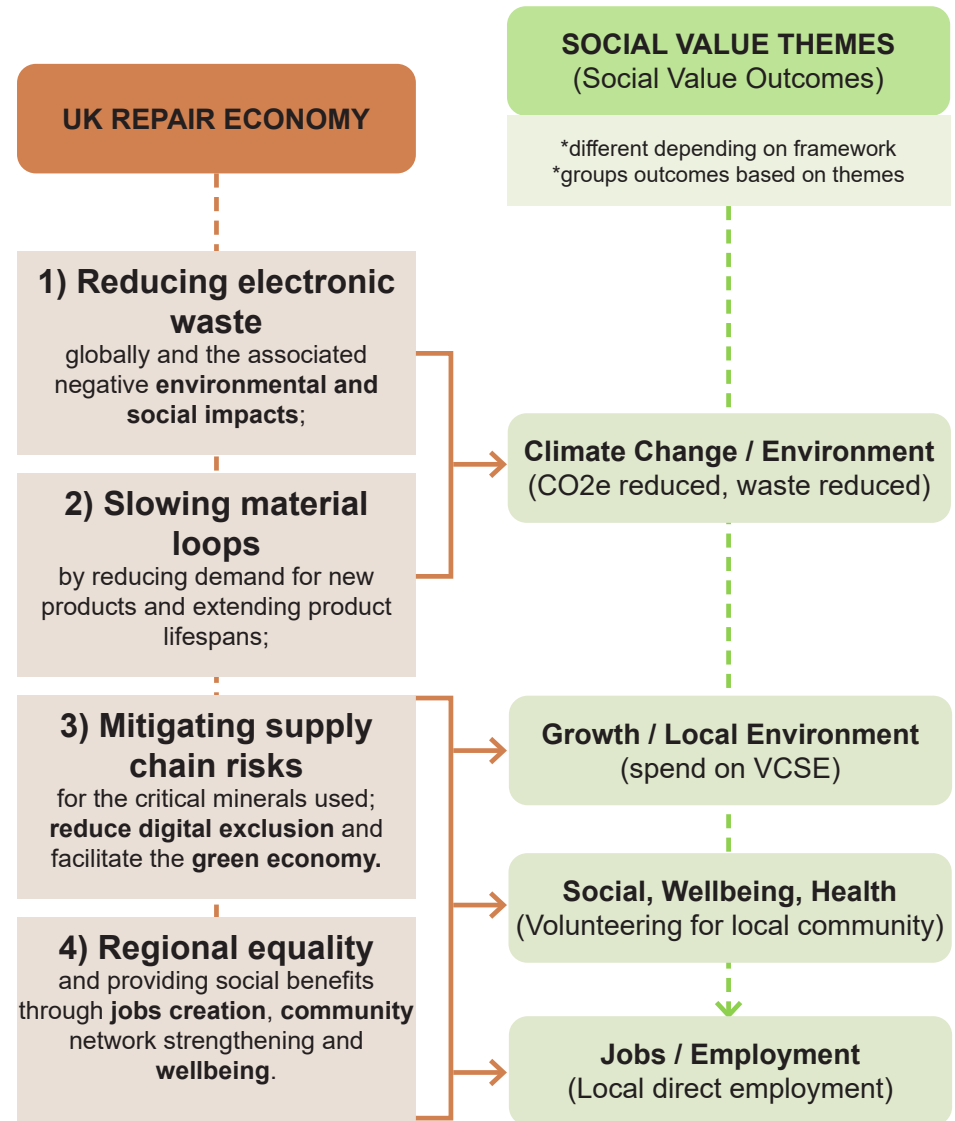
The UK repair economy, by its nature, is a complex system involving an interplay of a large number of stakeholders (both individuals and organisations) including citizens, educators, repair professionals, producers, waste processors and policymakers, which are interacting within the local, national, and global context.

The UK repair economy for appliances and electronics can effectively address environmental, social and economic issues by:

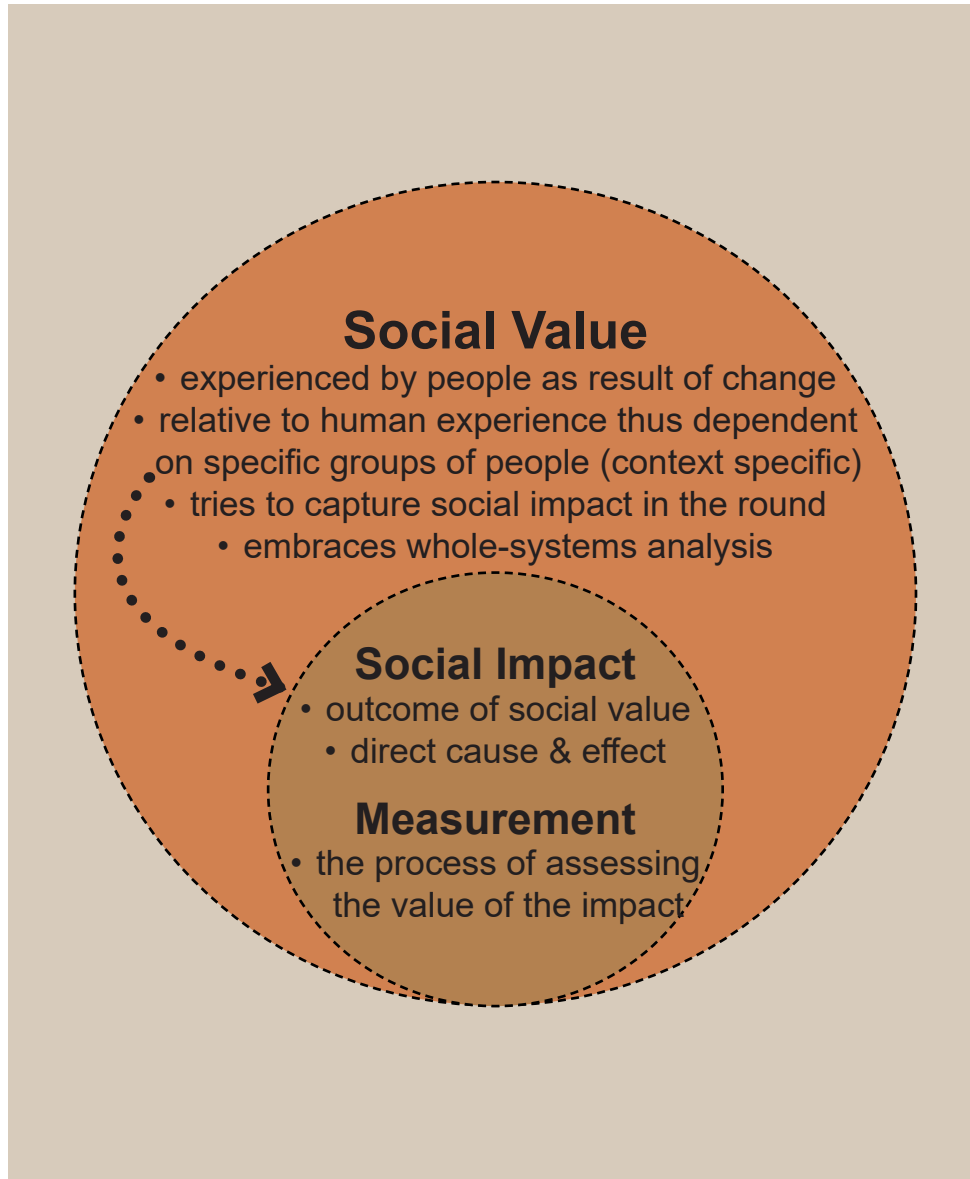
- 1) Reducing electronic waste** globally and the associated negative environmental and social impacts;
- 2) Slowing material loops** by reducing demand for new products and

- extending product lifespans;
- 3) Mitigating supply chain risks** for the critical minerals used in electronic products and technologies that reduce digital exclusion and facilitate the green economy (i.e. laptops, electric vehicles, photo voltaic);
- 4) Providing regional equality** and social benefits through jobs creation, community network strengthening and wellbeing.

The wider impacts stated above, point to the creation of significant net positive social value. However, measuring that value added to society is very challenging and we want to understand how as a sector we can address this challenge.



Above: Diagram showing the direct links between repair outcomes and common social value framework themes and outcomes.



WHAT IS SOCIAL VALUE?

Social Value is the value people experience as the result of changes in their lives (Social Value International, 2024). It goes beyond financial or economic value and tries to capture social impact in the round (Social Value UK, 2024), embracing complexity and whole-systems analysis. Social value is also described as the wider financial and nonfinancial value created by an organisation through its day-to-day activities in terms of the wellbeing of individuals and communities, social capital created and the environment (Local Government Association, 2024). As social value is relative to human experience what constitutes social value will depend on the characteristics and needs of a group of people and the interventions and outcomes can be very different in different contexts (UKGBC, 2021). Although interventions and outcomes might be different, the ultimate goal is the improvement of quality of life (OECD, 2021).

Social impact definitions, on the other hand, vary, with literature suggesting there is no international agreement on a common definition (OECD, 2023). For the purpose of this document social impact is defined as the outcome of social value, where social impact is about direct cause-and-effect relationships.

Social impact measurement is the process of assessing the value of the impact, whether that value is quantitative or qualitative.

In the last decades there has been increasing demand for measuring social value and impact (Mulgan, 2010). A large number of policies, frameworks and standards can be applied to social value measurement across the international, national and corporate context, creating a complex landscape.



The value people experience as result of changes in their lives.

Above: Festival of Stuff 2024, Repair; Image courtesy of Institute of Making.

POLICY, FRAMEWORK, STANDARD, TOOL

In the last decades there has been increasing demand for measuring social value and impact (Eurodiaconia, 2011). The demand is driven from multiple angles and within different contexts simultaneously that can be grouped into three categories:

1. **Global agreements** committing nations to evidence-based decision-making and sustainable development (United Nations, 2015).
2. **National policies** (HM Government, 2012) and government officials having to account for spending decisions (HM Treasury, 2023).
3. **Corporate and organisation level**, investment funders wanting to direct their money to the most effective projects, and organisations themselves needing to demonstrate their impact to funders, partners and beneficiaries (Mulgan, 2010).

Under each category a number of different standards and frameworks exist. In the UK context, Social Value was introduced by the Cabinet Office in 2011 followed by the Social Value Act 2012 which requires all public bodies to consider how what they are proposing to buy (services and goods) might improve economic, social, and environmental wellbeing (HM Government, 2012) effectively requiring organisations providing services and goods to demonstrate social value added.

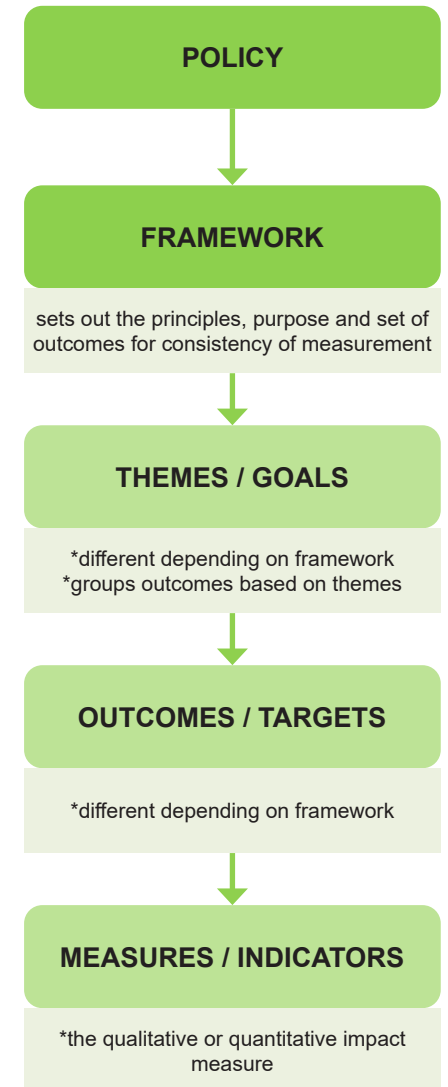
This led to the Local Government Association and the Social Value Portal to launch the National Social Value Measurement TOMs Framework in 2017 to aid public procurement within local government.

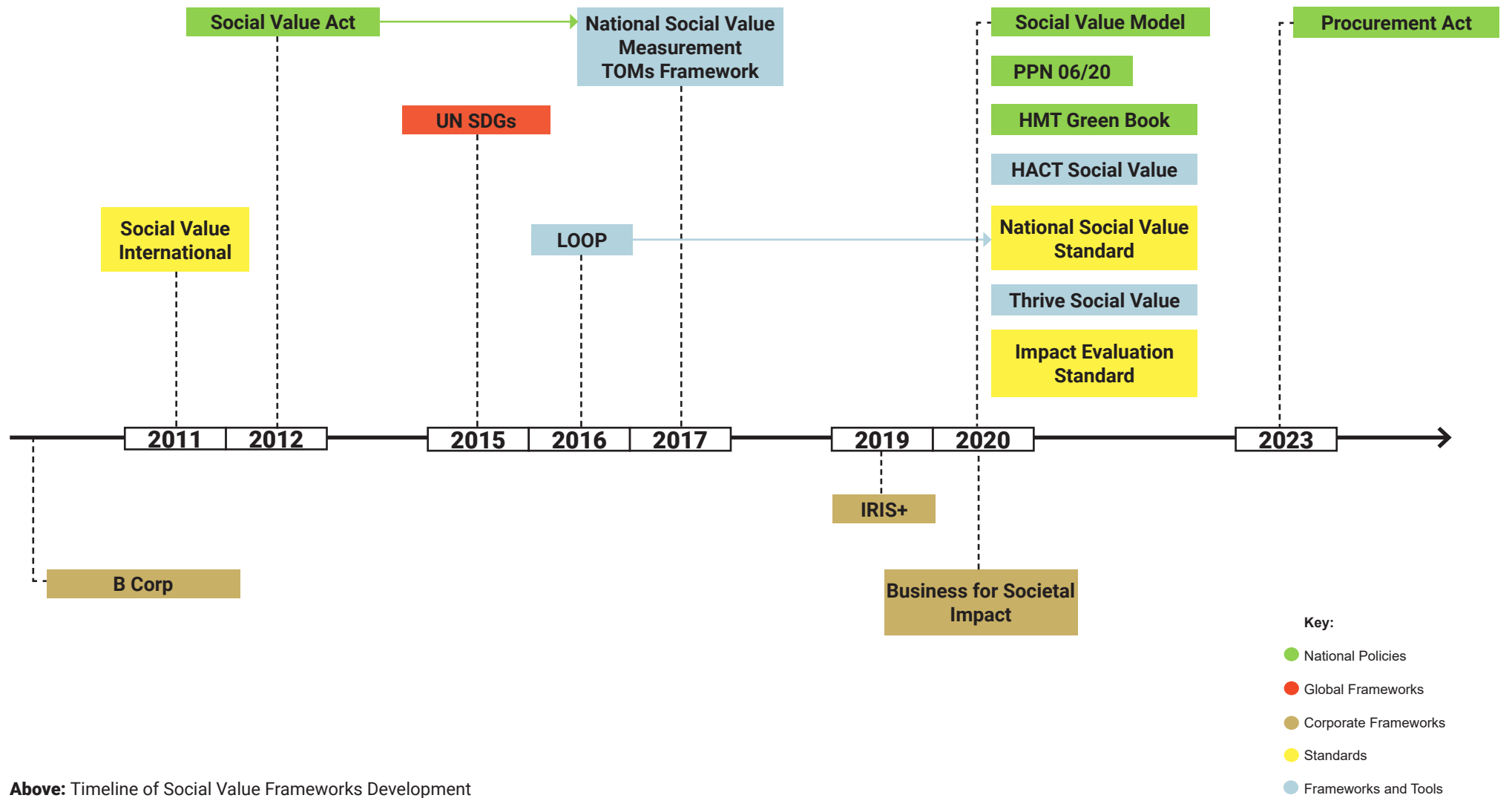
At central government level, this has been further reinforced by Policy Procurement Note PPN 06/20 requiring all central government procurement to evaluate social value of tenders. And

led to the subsequent publication of the Cabinet Office's Social Value Model (HM Government, 2020) and the Guide to Using the Social Value Model which mandates a Model Award Criteria (MAC), alongside using a qualitative approach for evaluating social value and applying a 10% minimum weighting for social value.

Alongside public procurement frameworks, a number of corporate frameworks, tools and standards have emerge claiming alignment to the broader international and national models.

Social value frameworks set out principles, purpose and the outcomes for the consistency of measurement. It is key to understand the purpose of a given framework as that defines how outcomes are identified and grouped in principle themes. Some frameworks also include measures or indicators.





Above: Timeline of Social Value Frameworks Development

WHY IS IT IMPORTANT?

The below findings are based on qualitative research including a targeted industry workshop in July 2024. The findings show the importance of social value measurement for organisations within the repair and reuse sector as:

ECONOMIC JUSTIFICATION:

Repairing and reusing items may not be economically viable in the short term, but acknowledging the long-term benefits through social value helps justify circular economy practices.

TRACKING AND BENCHMARKING:

Social value helps organisations track their progress, benchmark their efforts, and identify areas for improvement.

MISSION ALIGNMENT:

Repair and reuse are essential for reducing consumption and are a central focus in improving waste management.

PURPOSE, SUPPORT,

DIFFERENTIATION:

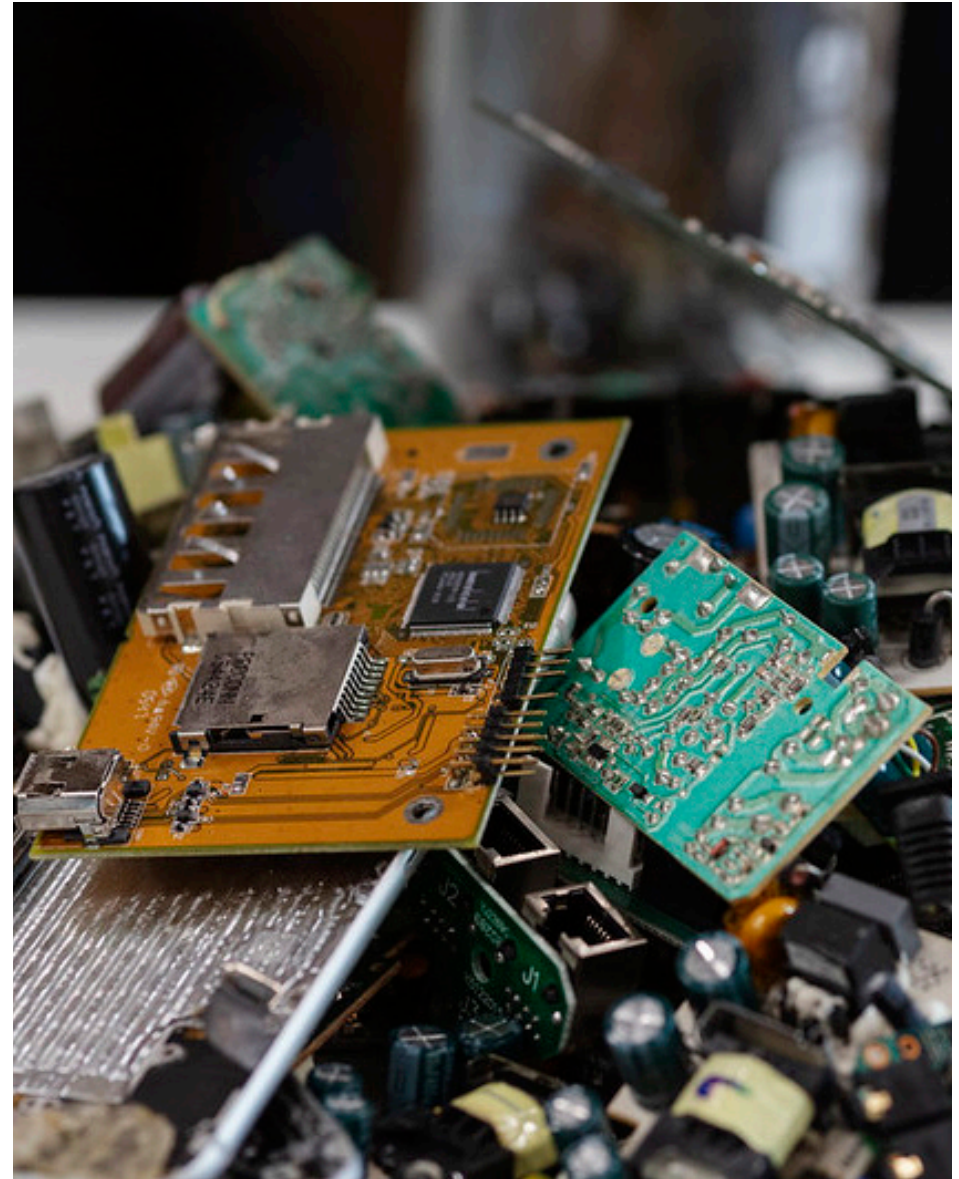
Demonstrating social value helps showcase the purpose and impact of an organisation's work, attracting support. Highlighting social value is crucial for differentiating organisations from their competitors. Measuring and demonstrating social value aids in scaling up initiatives and campaigning for broader recognition and support.

COMMUNICATION AND AWARENESS:

Social value is important for communicating the broader benefits of repair and reuse, such as carbon reduction, supporting the cost of living, and promoting green skills.

FUNDING AND POLICY INFLUENCE:

Highlighting social value makes a strong case to funders and sponsors, and can influence policy to prioritize the repair and reuse sector.



Above: Festival of Stuff 2024, Repair; Image courtesy of Institute of Making.

“Social Value is the reason we do what we do.”

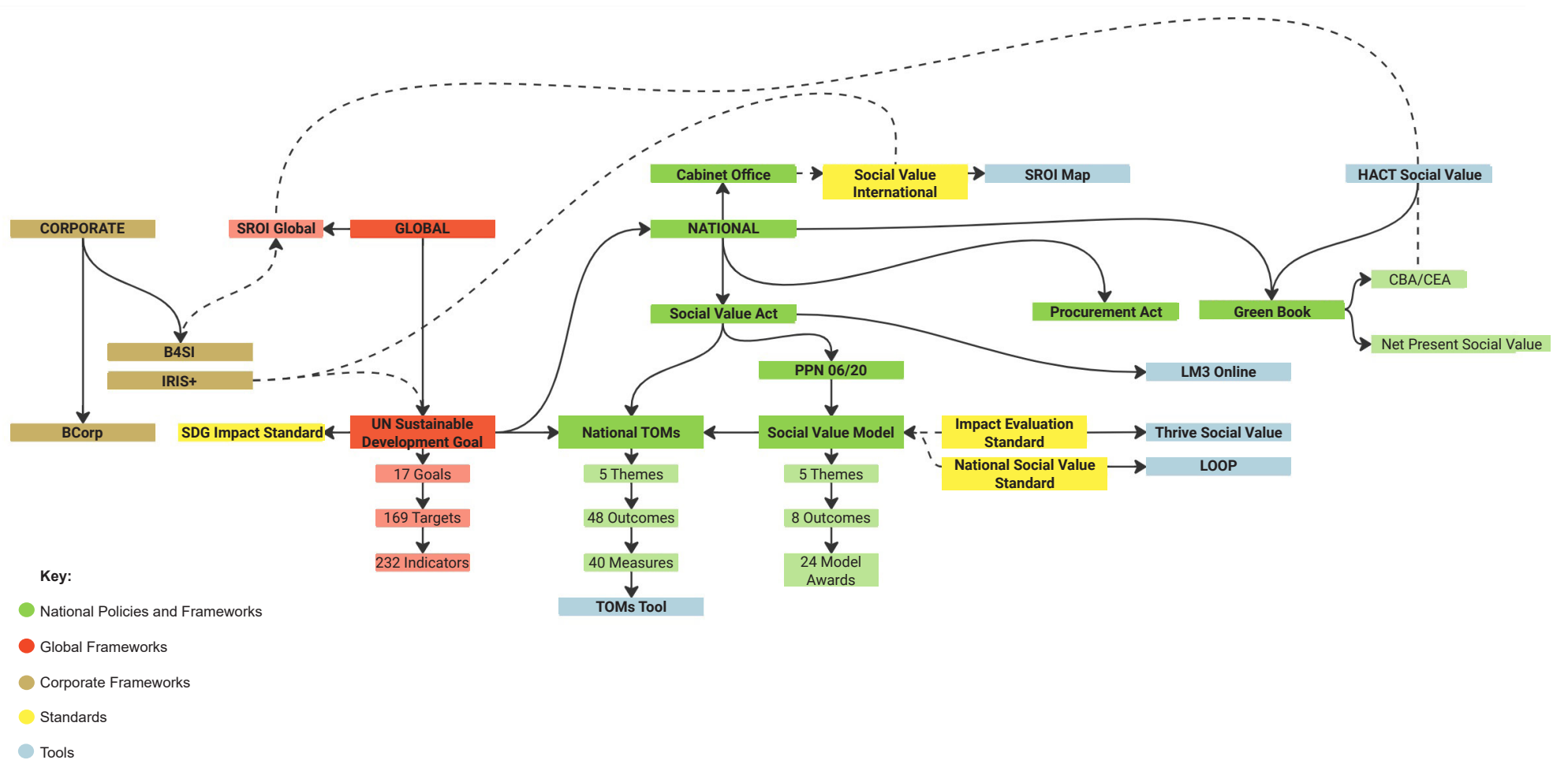
(Fiona Dear, Restart Project, 2024)

“Social Value is really important to demonstrate our purpose and our place.”

(Anna Carmichael, Freegle, 2024)



Above: Repair session @The Restart Project / Mark A Phillips 2018



Above: Analysis of Social Value frameworks, standards and tools across the global, national and corporate context. Showing a complex landscape.

BARRIERS

Repair and reuse organisations face a range of challenges in the selection and implementation of social value measurement and the use of the information it produces. These include:

COMPLEXITY, COST AND ACCESS:

Organisations struggle with the financial, technical and human resources (skills and time) needed to accurately measure social value. Existing tools or consultancies may not be affordable or accessible for many organisations in the sector. The volume, specificity and sensitivity of data collection is also a major barrier.

SPECIFICITY:

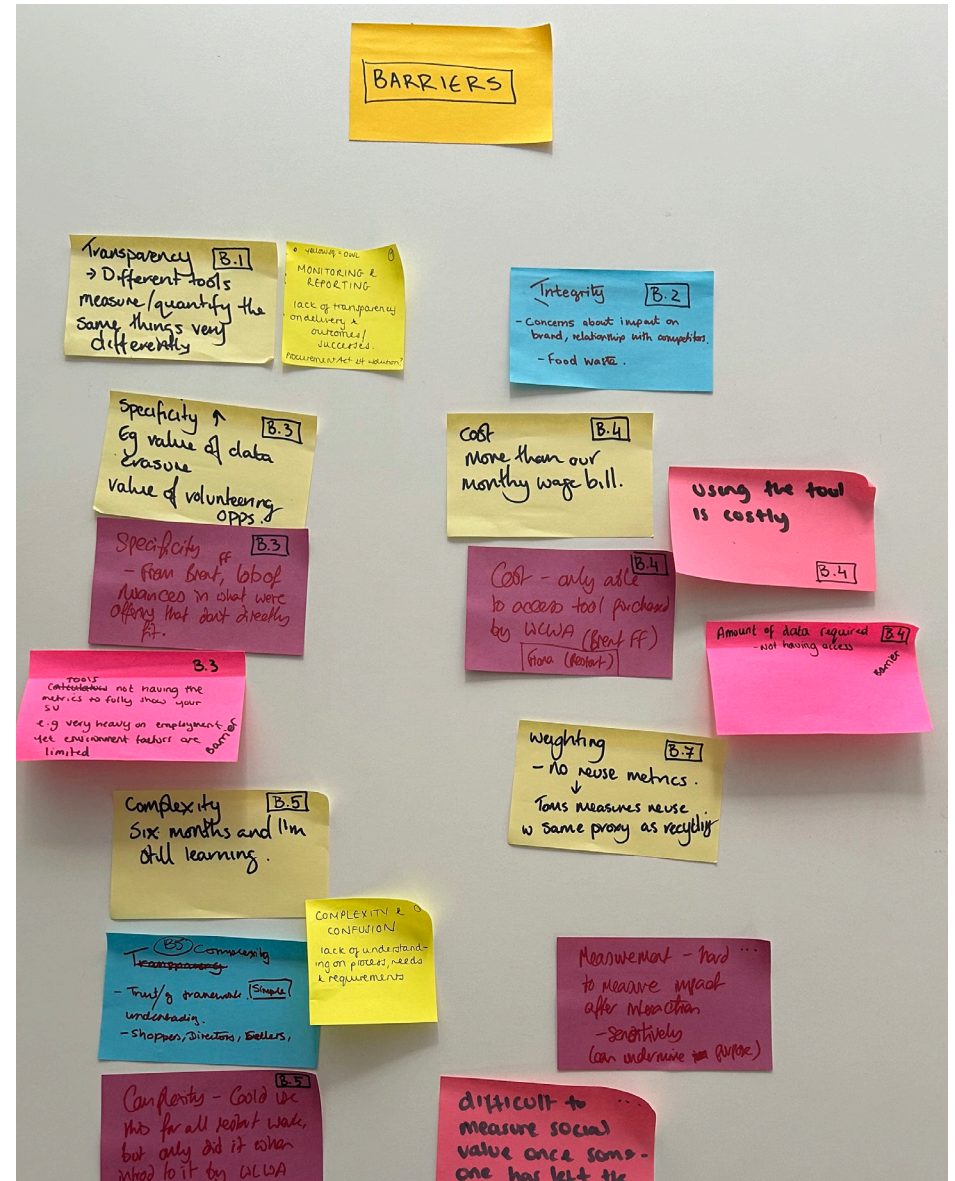
Measures are either too specific or too broad; with some repair and reuse activities not fitting in frameworks and not enough emphasis on environmental benefits. There is also lack of confidence that

the right things are being measured, and organisations feel misaligned with the metrics imposed by external bodies which may not understand the context.

TRANSPARENCY, CONSISTENCY, INTEGRITY:

Different frameworks yield significantly different results for the same activity, making it difficult to justify figures which leads to concerns about reputational or brand damage. There are also concerns about the integrity of the authoring bodies.

OTHER: siloed approaches, competing priorities or de-prioritisation and dependency on suppliers to verify delivery.



Above: Image from Social Value workshop in July 2024.

MEASURES

Although repair and reuse activities might defer depending on the organisation, there are some universal measures which are common for the sector including:

EMPLOYMENT:

Repair and reuse organisations associate with significant number of local jobs, apprenticeships, training opportunities and new skills development.

SOCIAL: Volunteering for the local community and donations are also common. Including engaging specific and vulnerable groups contributing to wider societal equality, diversity and inclusion.

WELLBEING AND

MENTAL HEALTH: Repair and reuse is also associated with contributions to social inclusion, wellbeing and mental health improvements through providing

access to communities, spaces and hobbies.

ENVIRONMENTAL:

Waste diverted and CO2 emissions reduction.

However, common frameworks can do more to support higher-priority waste activities such as repair and reuse and support SMEs in the sector to demonstrate the added value of their work. The missing measures include:

ENVIRONMENTAL

MEASURES such as reduction in consumption/extended lifecycles (critical raw materials), value of reused items or no. Items repaired; .

WELLBEING MEASURES

such as reducing climate anxiety and stress, improving awareness/ association of higher-priority activities and options and personal satisfaction/ improved mental health.



Above: Islington Fixers Launch 2024 @The Restart Project / Mark A Phillips 2024

The global electronic equipment repair service market size was valued at USD 120.26 Billion in 2022 and is expected to nearly double by 2030. (Statista, 2024)
This presents a significant opportunity to account for and deliver social value through repair services.

With the projected growth of the repair market comes an opportunity to deliver added value to society in an accountable, transparent and accessible manner. This relies on the repair and reuse sector having a set of common principles and processes of measuring impact within recognised frameworks which are accessible to SMEs and not-for-profit organisations which often operate in the repair and reuse sector. Framework developers need to recognise the needs of the sector and ensure broad procurement frameworks such as the National TOMs

for example, accurately accounts for higher-priority activities such as repair and reuse (as opposed to favouring recycling in public contracts).

The potential for added value delivered through repair and reuse activities as opposed to recycling alone, is significant and is linked to better mental health, education and economic outcomes for a wide range of citizens.



Above: Festival of Stuff 2024, Repair; Image courtesy of Institute of Making.

Public procurement can play a significant role in creating increased and consistent demand for local repair services.

(European Commission, 2022)

NEXT STEPS

We believe that sector engagement with economists and framework developers is essential in order to ensure that the value of repair and reuse activities is accurately reflected in the common frameworks used today. Therefore, the UCL Team will seek to engage with wider actors in Q4 2024.

Further research into the macro-economic measurement of repair and reuse activities will help build an understanding and wider recognition of the inherent and added value of the sector.

Framework developers and valuation experts should plan for the revision and adoption of outcomes and measures reflecting higher-priority activities such as reuse and repair. In addition, framework organisations should consider how to support SMEs and VCSEs in the repair and reuse sector by offering training and access to frameworks free of charge or at a reduced rate.

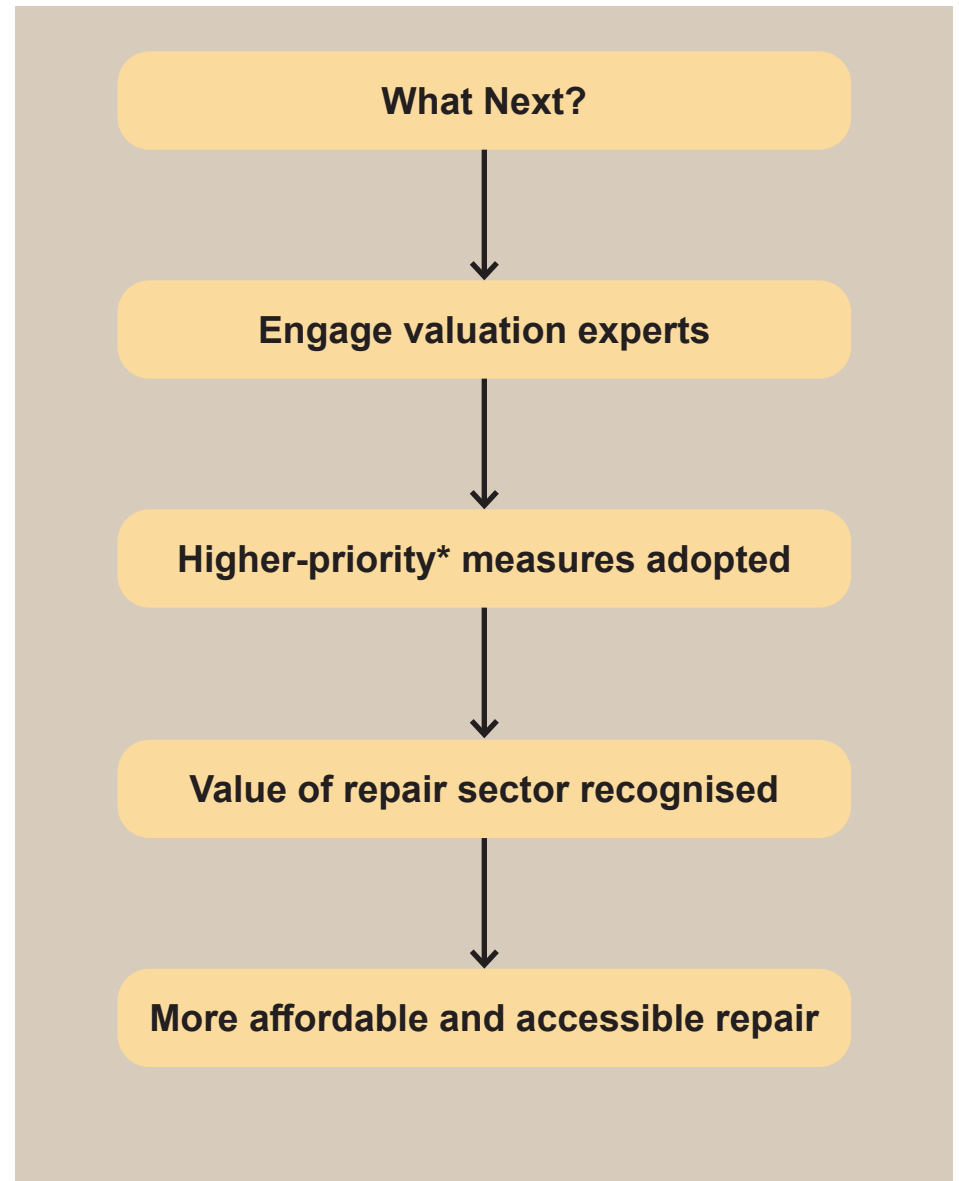
Organisations within the repair and reuse sector should actively seek to measure and report on their social value to raise awareness and attract funding in the sector.

Awareness should be raised with public sector procurement teams highlighting the added value of repair and reuse activities so they can be promoted more effectively.

These steps will help the UK grow their repair economy and offer affordable and accessible repair to citizens.

GET INVOLVED!

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Above: Theory of change .

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