

# Social Profit Report 2022



Heidelberg Materials



# Overview

**This report looks at the social profit generated for society by Heidelberg Materials UK between January - December 2022. All data used in this report has been externally validated by Loop.**

**Our total social profit for 2022 is:**

# £53,972,406

This is comprised of the following:

## **Social**

Social Value measured through improved wellbeing of our stakeholders. - E.g. donations to charities, training and qualifications, community visits and stakeholder engagement.

# £5,202,247

## **Environmental**

Representing habitat creation and protection, reduction in CO<sub>2</sub>e against baseline and improvements to air quality.

# £19,969,995

## **Economic**

Savings to Government and taxpayers and economic benefits to HMRC and in increased earnings – E.g. Creating new jobs which support local economic growth.

# £28,800,164



## Social Value

Our stated Social Profit has been established through the delivery of a range of different KPI's, using the Loop social monetisation tool. The following demonstrates a select few of these;



13,960 hours of stakeholder engagement.



86 Mental Health First Aiders trained



128,403 tonnes of CO<sub>2</sub>e reduced through innovative solutions



673 new people, 18 apprentices & 7 graduates employed



49Ha of assorted habitat creation



3342 jobs safeguarded



64,960 hours of training & 415 level 3/4 & professional qualifications delivered



Over £1b invested in the local economy





## Why the metrics have changed

In 2022 the National Social Value Standard (SVS), the measurement framework used by the Loop software, underwent a significant update to its metrics and valuations.

The reason for this is that the nature of monetisation in social value is still maturing and evolves significantly every year. Three key areas drove the updates to SVS:

1. New data – whether that is regular updates to ONS and other economic data, or new academic studies and government best practice.
2. New methodologies – for example, the HM Treasury’s Green Book introduction of the new wellbeing measure (WELLBY) was a positive development but impacted a huge number of valuations.
3. More time and investment – the team behind Loop and the SVS have continued to grow, and their economists have been able to spend more time researching and modelling robust valuations.

These changes were necessary to make the SVS metrics and valuations closely aligned to the HM Treasury Green Book – pursuing a true Cost-Benefit Analysis (CBA) approach. Stakeholder scrutiny has continued to increase, and it is no longer acceptable to not be using the latest data and guidance. The figures need to stand up to detailed scrutiny and any concerns about over-inflated values or green-washing, and these changes to SVS have enabled that. There will be annual updates to the framework to ensure it stays at the forefront of social value monetisation developments, though those future changes will not be as significant as this re-baselining.

Loop have a number of materials available that explain all of these changes and why they were necessary. As well as provide positions on the differences and issues with other frameworks and methodologies.

Finally, this has been the first year we at Heidelberg Materials have assessed our net habitat creation using Biodiversity Net Gain (BNG) Units, in accordance with Defra’s latest BNG metrics; building on our commitment to transparent reporting.

