

EHSS **CONNECT**18

Cambridge | 13th - 14th September 2018



Utilising Cr360 in the measurement of social value

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Socio-Economic Performance Manager



The Challenge

HINKLEY POINT C NEW NUCLEAR POWER STATION



Type	4-Loop PWR
Thermal Power	4500 MW
Electrical Power	1600 MW (37% efficiency)
Fuel	Uranium oxide
Operating Temp	327°C
Operating Pressure	155 bar (primary)
Coolant Pumps	4x 10kV, 8.7MW, 28500m³/hr
Availability	91% - 14 day refuelling outage
Service Life	60 years (+ extensions)

3.2_{GW}

Low Carbon
Electricity

7%

Of UK
Capacity

£200m

Annually to regional
Economy

25,000

Employment
Opportunities



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HINKLEY POINT C NEW NUCLEAR POWER STATION

3 Million

Tonnes of Concrete

5.6 MILLION

M³ of earth to be moved

4000 km

electrical cabling

64% of the total

construction spend to UK

25,000

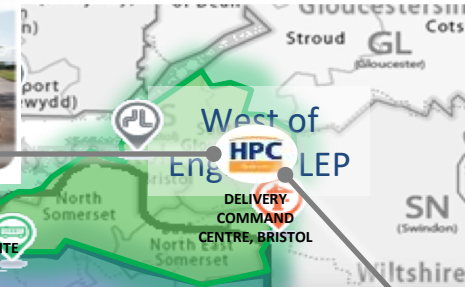
Employment Opportunities



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HPC – Providing Sustainable Benefit for the South West



EDUCATION








SKILLS

Heart of the South West LEP




SUPPLY CHAIN

COMMUNITY INVESTMENT

-  **FACE:** Reprographics and Design
-  **COMA:** Construction Utilities
-  **Somerset Larder:** Catering
-  **Somerset Passenger Solutions:** Bussing
-  **HOST:** Accommodation
-  **Somerset Infrastructure Alliance:** Site Infrastructure
-  **TCI:** Building Fit-Out



A blurred high-speed train is moving along tracks at a modern station platform. The platform features large windows on the left and a glass roof structure. Several people are visible on the platform, some standing and others walking. The background is heavily blurred to convey a sense of rapid motion.

“The tangible, additional socio-economic benefit to the communities in which we operate over and above the direct purchasing of goods, services and outcomes.”



The Opportunity and Solution

THE VALUE OF SOCIAL VALUE

- Evidence to support Project Commitments to local community and key stakeholders.
- Evidence to support future developments and planning applications.
- Evidence based outputs that demonstrate the effectiveness socio-economic strategies.
- The ability to derive ROI from more intangible investments.
- The ability to manage and make better strategic decisions on socio-economic interventions.
Core priority areas can be quantitatively measured and strengths and weaknesses clearly identified.
- To better align wider socio-economic reporting with public sector legislation and the Social Value Act.
- The demonstration of additional social value is a strong mitigation against negative press coverage.



DEVELOPING A MEASUREMENT FRAMEWORK

Hinkley Point C Social Value Measurement Framework

FINAL VERSION: V.1.0

23.05.2018

THEME	REF	METRIC	OWNER	UNIT	REPORTING ORGANISATION	DEFINITION and EXPLANATORY NOTES	DATA SOURCE	CURRENT VALUE	FINANCIAL VALUE PRO	Social Value (£ if applicable)
1. Supply Chain and Economic Development	1.1	The current, cumulative number of sustainable employment opportunities created or safeguarded on-site across the course of the project.	Helen Higgs	No. employment opportunities	EDF Energy	The current cumulative number of filled employment opportunities created or safeguarded on-site over the course of the construction phase that fulfil the Department for Work and Pensions' criteria of sustained employment of 13 weeks. HPC expects 25,000 employment opportunities to be created over the 10 years of construction. Many of these opportunities will be taken by those who are already on the project and up-skilled and re-trained.	HPC Workforce Reporting System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.2	Cumulative number of in-direct jobs created as a result of the project.	Helen Higgs	No. indirect jobs	EDF Energy	The current, cumulative number of in-direct employment opportunities created as a result of direct employment and spending throughout the project. Indirect employment is a very important additional measure of positive socio-economic impact. It can be calculated using locations of jobs supported through the indirect impact of EDF Energy's supplier spending using the location of these suppliers and the United Kingdom's input-output tables. Source data can be sourced through the LMS system.	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.3	Total % value of total construction budget to UK based companies	Chris Squire	% of contracts	EDF Energy	The current percentage by value of construction contracts at preferred bidder stage or signed with UK registered tier 1 companies compared with the total value of all construction. Where appropriate, and based on specific circumstances of the company and contract involved, the % value has been split to represent the make-up of any consortia.	Table 5a with additional analysis and calculations		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.4	Total direct spend (£) within regional (South West) economy throughout construction of Hinkley Point C	Jamie Driver	£ spent	EDF Energy	Total actual spend incurred by HPC regional (South West) businesses, inclusive of regional (South West) supply chain spend at T1 level, section 106 planning agreement payments, property, rent and real estate.	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
		Total indirect spend within regional (South West) economy throughout construction of Hinkley Point C	Jamie Driver	£ spent	EDF Energy	Regional (South West) Economic Value is calculated using the latest analysis of the regional supply chain. The total consortium was made within the project's Development Consent Order and covers the use of regional companies during the construction period and into operations. The indirect impact of HPC, in terms of spending, captures the multiplier effect of the company's spending with its direct suppliers. These suppliers will spend money with their own suppliers, who will in turn spend with their suppliers and so on. Indirect spend into the local economy via suppliers can be measured directly through the LMS system. It can be supplemented using accepted multiplier methods and multipliers and a 'multiplier effect' can be deduced.	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.6	Total induced spend within the regional (South West) area	Jamie Driver	£ spent	EDF Energy	Induced spend measures the spending of EDF Energy's employees on consumer goods and services in the economy. Data can be calculated using assumptions and proxies based on empirical data from LMS system. The induced impact of the spending of HPC's employees.	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.7	Total Direct spend with SMEs	Jamie Driver	£ spent	EDF Energy	The total spend confirmed to be with SMEs via T1 contractors. Our definition of SME is aligned with UK Government's <i>any business with fewer than 250 employees</i> .	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier
	1.8	HPC Gross Economic Impact to the UK	Jamie Driver	£ spent	EDF Energy	HPC's UK Gross Economic Impact constitutes the total of all direct, in-direct and induced spend collected and calculated using the LMS system.	LMS System		To be confirmed. Proxy Values' allow us to assess the financial impact that any measure will make.	Calculated using appropriate proxy or multiplier

1. Cumulative number of in-direct jobs created as a result of the project.
2. Total direct spend (£) within regional (South West) economy
3. The total cumulative number of hours of programmes supporting local people into Employment
4. Total cumulative number of apprenticeships created as a result of the Hinkley Point C Project
5. Total cumulative number of existing workforce engaged in in-work development training at all levels.

CONNECT TO



VALUE → £

NATURAL CAPITAL

SOCIAL CAPITAL

MOVING FROM INPUT TO OUTPUT MEASUREMENT

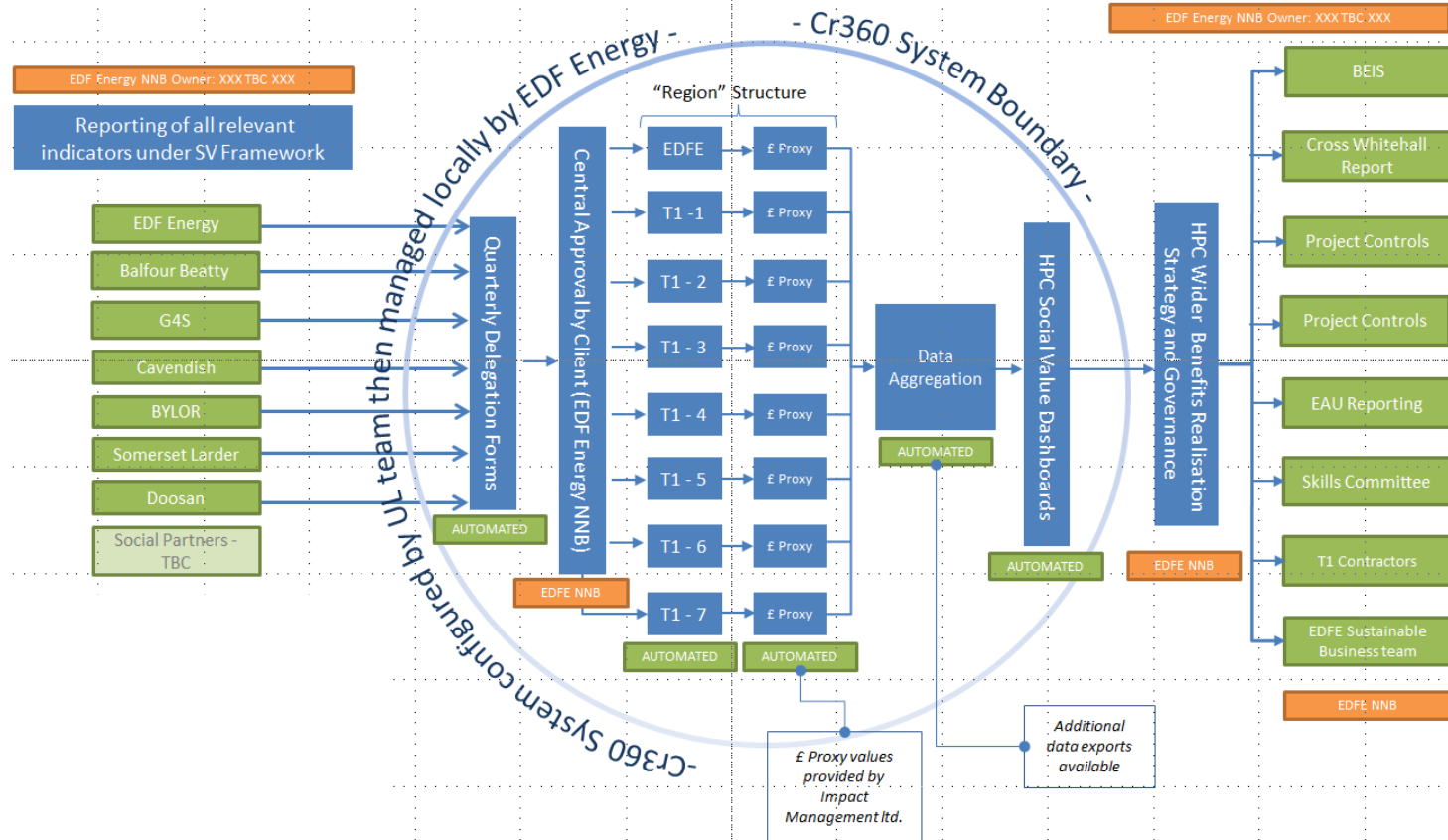
1. **£1.3 billion** in committed contracts to regional business
2. **49% Local Workforce**
3. **250 Apprentices** Created
4. **4,452 new jobs** created to date
5. **150,000 student interactions** as part of Inspire Programme



SO WHAT?

Social Value Measurement begins to answer that question

CONFIGURATION OF Cr360



ITS NOT ALL ABOUT NUMBERS





Q&A

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