

SOCIAL INCLUSION IN MAJOR PROJECTS



Highlights from the Major Projects Association event held on **14th November 2019**

In a period when austerity and Brexit have highlighted the social divide in our country, the need for an approach to major projects that puts social inclusion at the core of what we do has never seemed more relevant. If the pot of money is smaller but the need to bring people together is greater, we must look closely at how we deliver value to our clients, engage with stakeholders and serve the communities who are the ultimate beneficiaries of our labours.

This seminar aimed to bring together companies at all points on the social inclusion learning curve to learn from each other through knowledge sharing and networking to drive a more proactive and informed approach to social inclusion in the major projects sector.

The following themes emerged:

1. The importance of social inclusion is recognised by an increasing body of companies.
2. Companies are at very early stages in embedding a socially inclusive approach.
3. There is a concern that we are not impacting the right people and that methods of valuing project benefits are causing a distorted approach.
4. Calculating and communicating the spatially distributed benefits of large national projects is extremely challenging.

THE DRIVE FOR SOCIAL INCLUSION

In framing the discussions, the Chair, Sir Peter Hendy of Network Rail, acknowledged that all in the room hankered for a consistently high level of committed infrastructure spend to help modernise our country and create economic growth, jobs and housing.

'However, all too often when the project manifests itself it feels like we end up doing things "to" people not "with" them.'

Sir Peter Hendy CBE, Chair, Network Rail Ltd

Our cost benefit analysis methods, driven by Treasury, tend to ignore wider socio-economic impacts and benefits and it is a struggle to get their importance recognised. However, as an industry, we must also aim to move away from a narrow delivery focus to fully understanding the impact on the ground of projects both during and after delivery.

COMPANY COMMITMENT

Speakers gave us an insight into how their companies were approaching social inclusion. The London Legacy Development Corporation is perhaps the UK's most tangible socially inclusive project. Emma Frost and Michelle May shared principles and experiences on delivering social inclusion through public procurement. In particular they stressed the need to:

- Flip the narrative – do not major on deprivation and disadvantage, come for the rich, diverse untapped talent.
- Focus on co-creation – talk about opportunities and challenges, not about targets and outputs.
- Stress the business imperative – not just the moral one!

Kerry Scott summarised Mott MacDonald's key definitions and building blocks for successful socially inclusive projects.

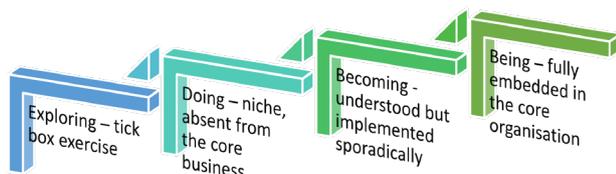
'Improving the terms of participation in society, particularly for people who are disadvantaged, through enhancing opportunities, access to resources, voice and respect for right.'

United Nations definition of social inclusion

A top-tier client like Highways England is understandably committed to achieving social value through its projects but, as Benefits Management Lead, Jamie King is still concerned that the methods used to measure social value (such as those outlined in [The Green Book](#)) are not driving the right outcomes. He said it is important to consider the core economic case of a project alongside the value that can be added through good project design. This was illustrated with a case study of the Princess Quay Bridge in Hull, which tapped into the socially inclusive elements of community identity and civic pride, in addition to benefits for road users and local businesses.

In creating a company culture best placed to deliver an inclusive approach, organisations often turn to consultants like Deloitte to support them. Deloitte have seen a general upward trend in the importance of social inclusion amongst both their clients and employees. They predict that organisations that embed a clear sense of social inclusion will benefit from higher employee engagement levels and a higher-performing workforce.

The Deloitte Social Inclusion Maturity Model below (reimagined) shows a range from Exploring to Being. Most delegates felt their organisations were in the spaces characterised by Exploring or Doing.



James York and Jeremy Galpin from Costain stressed how important it had been for them to realign their goals with **UN Sustainable Development Goals** and pave the way for a socially inclusive approach. As part of this strategic approach, every project must now have a legacy action plan and appropriate stakeholder workshops. Costain have also developed a Social Valuation Calculator (in partnership with **DWP**) to measure the financial benefits of their social inclusion approach such as retraining, employment, apprenticeships etc.

THE CONCEPT OF NET SOCIAL INCLUSION

Both Jamie King and James York shared their concerns about whether we were valuing the right things when measuring social value – time savings for high net worth individuals would have more impact than those whose time was not considered so valuable, for example.

Rich Wilson defined a new concept, Net Social Inclusion: those who are socially excluded benefit tangibly more than those who are currently socially included.

It was proposed that currently too many organisations consider social inclusion as a transient activity within their business, a kind of blind date between them and the community affected. In order to get genuine social value we need to change our attitude so that we view it as an arranged marriage that we will have to work hard at to make it a long-term success.

‘Be there for the long haul. This is not a blind date, it’s a marriage.’

Rich Wilson, Director, OSCA

COMMUNICATING LARGE-SCALE BENEFITS

The sector is not good at describing and selling the large-scale benefits of major infrastructure projects and thus is always at risk of being drowned out by negative messaging. The interactive session run by Judith Sykes from Useful Projects helped us to understand the gaps between our current business behaviours and where we need to be as an industry if we are to create genuine added social value.

Successful projects deliver intended outcomes and we need to get better at defining the desired outcomes from the perspective of social inclusion. Transport projects, for example, too often describe ‘what they are’ not ‘what they do’ and fail to engage the communities that are affected by them. Perhaps as well as addressing what we build, how we build and how we operate our infrastructure, we need to return to why we build it – to serve people, families and communities.

‘We didn’t have a single politician in the room and yet very often they decide what we are to build.’

Sir Peter Hendy CBE, Chair, Network Rail Ltd

POINTS FOR FURTHER DISCUSSION

- How can the Major Projects Association raise the profile of Net Social Value as a concept to ensure those most in need benefit from major projects?
- Would a handbook or framework which sets out what we should measure as social value be helpful to create a standardised approach not just driven by cost benefit analysis?
- How would you describe your project so that it captures the hoped-for social inclusion benefits?

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