



Social value through supply chains:

Impact Report 2022/23

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Welcome

Peabody is driven by its purpose to help people flourish.

I am pleased to be sharing our first impact report looking at how we ensure social value through our contracts and supply chain. In 2021 we changed our approach to Social Value to maximise the social, economic and environmental value we could create across all of our procurement activities. We publish this at a time of great uncertainty for the economy, and with our customers facing growing cost-of-living challenges. Today our work has never been more important.

Following a merger with Catalyst in April 2022, the Peabody Group is responsible for over 104,000 homes and 220,000 customers across London and the Home Counties. We have 20,000 care and support customers, providing the opportunity for more of our contractors and suppliers to get involved by working with our local teams to expand on their social value relationships in the areas that they operate in.

As the Group grows, we want to ensure we are taking every opportunity to make a positive impact in residents' lives. We spend around £1 billion every year on goods and services, adding significant value to the economy. Our community programmes and initiatives delivered through our Peabody Community Foundation (PCF) also add significant social benefits every year.

By applying social value weighting to our procurement decisions we can leverage our buying power and relationships with like-minded suppliers and contractors to deliver extra added value throughout communities. This report highlights the excellent work happening within our communities thanks to these partnerships.

We want to continue to build on this work, creating a greater social impact within our communities at a local level. It is an exciting time to work with us and we look forward to all the new initiatives in the future.



Bob Heapy

Our Social Value Champion, CEO of Town and Country Housing and Executive Director of Peabody Group

Who we are

As one of the oldest and largest not-for-profit housing associations in the UK, Peabody's purpose is to help people flourish. Created 160 years ago to alleviate poverty in London through quality affordable housing, we remain committed to providing great homes and services, by making a positive difference to the communities we serve.

What is social value and why is it important?

It is important that we scale up our impact through our supply chain and use our buying power to contribute to our mission to help people flourish.

Many businesses recognise that they have a huge opportunity to give back and make a difference in their communities. Some choose to give financial support to local charities, others encourage workers to volunteer their time during working hours, or sponsor community initiatives.

Often when people think of contracts for services they think only about value for money or quality of services. Social value is a different way of thinking about the value we can get out of a contract; it's value that has wider community or public benefit.

Peabody invests a lot of money – approximately £1 billion a year – in goods and services. By including an emphasis on social value in our supplier contracts, we can maximise the value for money we create for our communities for every pound we spend on our business-as-usual activities. In real terms it gives us a great opportunity to increase our social impact and make a real difference to our residents' lives. Social value is an extra added value but one we consider to be an essential at Peabody.



Our social value journey so far

As part of our social value pilot, we changed our social value approach in 2021 to maximise the social, economic, and environmental value we create across all our procurement activities. To test our new approach, over the past two years we piloted a 20 per cent social value weighting across a range of contract types.

From working with our suppliers, we know that they want to make a real difference in our communities, and have the mechanisms to make it happen. Findings from the pilot revealed a clear increase in committed social value through our procurement process.

Commitments have typically included:

- Providing employment, enterprise and educational opportunities including apprenticeships to local people
- Supporting projects to boost mental and physical wellbeing, tackling social isolation and loneliness
- Improvements to the physical environment; facilities and amenities, and public realm
- Support for children and young people
- Actively volunteering in our communities
- Direct funding for community programmes
- Driving local economies and supporting grant programmes for resident led initiatives
- Providing environmental and sustainability measures.



The difference we make by working together

Social value fuels broader employment initiatives. Utilising our relationships through our Economic Inclusion team, our suppliers have provided additional employment opportunities for Peabody residents and the wider community. Our suppliers have supported our teams with CV and career advice, professional mentoring and by having local hiring targets to ensure they recruit people from the areas they are working in.

Rose, a Peabody resident from East London who was supported by our Economic Inclusion team said:

“We’re just so happy and so grateful because it’s made such a massive impact on our income. To anybody who is thinking about contacting the service, or are not sure, whatever the reason is, I would really, really recommend, just contact them. Honestly, it’s so helpful.”

Creating jobs and apprenticeships in construction

When we build new homes, we create opportunities for local people to train and work in construction. We want to ensure that local people are benefitting from our developments as much as possible. Last year, we supported 191 people through our supply chain while working with colleagues across the Peabody Group to maximise social value for residents. We delivered information sessions and traineeships with contractor partners such as Durkan, Berkeley Homes, Ardmore, and Mulalley to ensure those entering their apprenticeship programmes have the best chance of success.

In Islington, we have been working with developer London Square and The Skills Centre to give people in the local community training

in green skills. Thomas, who lives on a Peabody estate, is one of 11 residents who recently completed our free taster course. As well as getting a CSCS Labourers Card, participants learned about new technologies, modern ways to build, and achieved qualifications in health and safety and environmental awareness.

Thomas said: “I learned a lot from the green skills course. I liked getting to know new people and picking up new skills. I want to get my HGV licence or work as a scaffolder after I finish this course. I hope to get a job at Holloway Park in the future.”

Thomas hopes that finishing the course will be the first step towards changing his life by getting a job in construction.

Our goal is to provide a pool of talented people who can work on the site of the former Holloway Prison, where we will be building a great new neighbourhood with 985 new homes including 60 per cent affordable housing, a 1.4-acre public park, and facilities for everyone to enjoy. We have 51 apprenticeships available on site for people in the community.

“For us at Peabody, Social Value is so much more than just a term, it is transformative and changes people’s lives. By making social value a key part of business decisions and collaborating with our supply chain and strategic partners we can create meaningful opportunities and long term social and economic benefits. From creating clear pathways into careers with employment, apprenticeship and training opportunities to helping local businesses start and grow, social value empowers people to achieve their goals”.

Christofi Christou, Economic Inclusion Manager



Case Study: Durkan

Our partnership with Durkan in South Thamesmead has generated additional social value and benefits for local residents in Southmere in Thamesmead.

Over the past few years, Durkan has worked with us to create demand-led social value projects for the Thamesmead community.

Employment, skills and training

- Providing training, apprenticeships and employment opportunities for residents in construction.
- Providing materials, including personal protective equipment and tools for our training programmes.
- Helping long-term economically inactive people into work on their site.
- Supporting PCF programmes locally such as the Youthbuilders' programme delivered in partnership with YouthBuild.
- Attending PCF events to promote the construction industry and modern methods of construction to a wider audience.

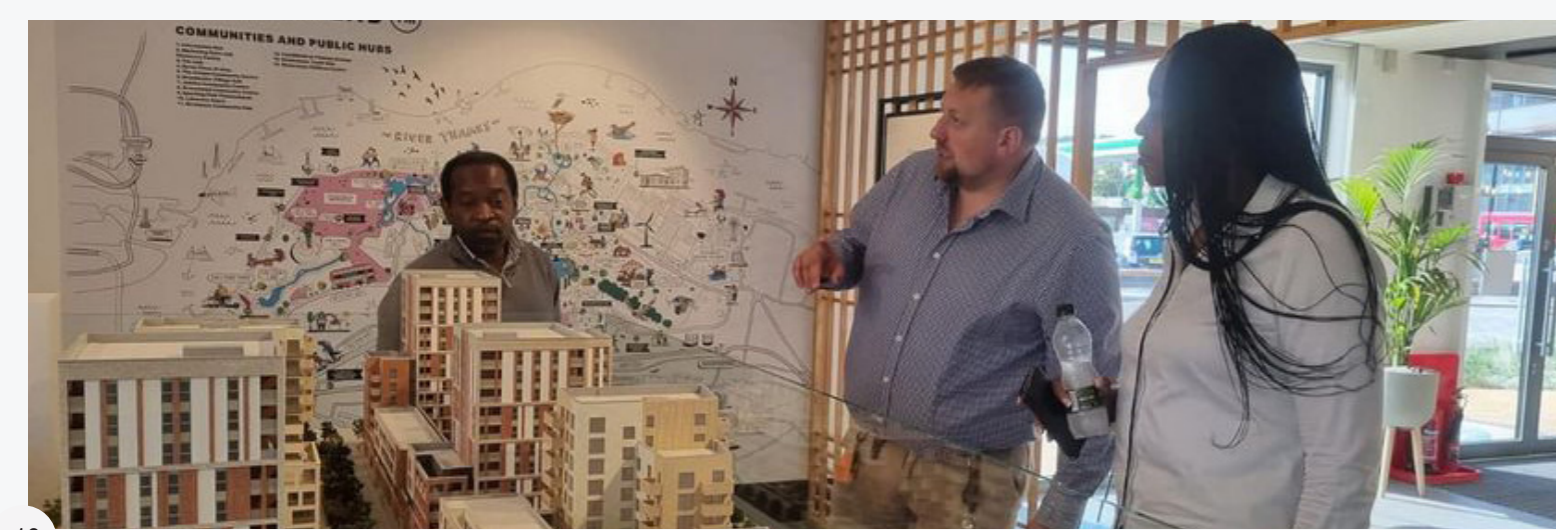
Supporting local businesses

- Durkan organised a 'meet the client' event for its supply chain so their suppliers could learn about Peabody aims and objectives and aspirations across our developments.

- It also arranged procurement opportunities for local businesses and presents regularly at our Thamesmead business forums. As a result, Durkan has commissioned local enterprise organisations to work on its sites.
- The company co-funded an event aimed at start-ups and social enterprises.
- They have attended local school and college engagement events.
- Supported community appeals, both financially and with IT equipment.
- Organised site visits for local young people interested in construction.
- Donated 40 laptops in 2020 to local charities and training providers in Thamesmead.
- Durkan has also worked with us to refit a disused building to house YouthBuild.
- The firm also encouraged its supply chain to support Peabody's annual toy and food hamper appeal.

"Durkan believe creating social value is a core part of our service to clients and communities. Not only does creating social value bring life-changing benefits to residents and their families - social engagement helps us attract and retain staff - and gives us a powerful tool that helps us to win more work."

Kevin O'Connor, Head of Social Value Delivery, Durkan



Case Study: VINCI Facilities

VINCI Facilities are a facilities management and building solutions provider delivering cost effective and sustainable solutions to customers in the public and private sector.

In 2013 VINCI was awarded a 10-year contract to work with Peabody. Delivering social value has been central to our work together since the very beginning.

Every year, VINCI makes both financial and in-kind contributions that are a percentage of the contract value to support many of the initiatives led by the PCF.

- 'Reading from the Start', a programme encouraging parents with children under five to make reading part of their everyday lives and, in turn, positively impact educational outcomes. Each month children receive a free book and families can join reading corner sessions. Now in its ninth year, the programme is delivered in Hackney, Waltham Forest and Thamesmead and seen over 18,500 books sent to families.
- Our 'Positive Steps Thamesmead' social prescribing programme which removes the need for people to navigate their way around services by adopting a single point of access has been running for two years. Volunteers make referrals into a broad range of community sector advice providers and since launch the programme has supported 3,438 people with 5,206 referrals to partner organisations providing essential advice around immigration, debt, housing, domestic violence and emergency support issues.
- Making a financial contribution to our Small Grants Fund, helping local grassroots organisation to do more.

- Supporting the 'Mason Mile Programme' in Thamesmead which encourages people to get actively engaged in their local community through events such as our Halloween event which took place at our TUMP 53 Nature Reserve.
- Supporting our 'Ready for School' programme for two years. The programme aims to improve school readiness of children from low-income families ensuring they do not start school behind their peers. Based at the community at Peabody's Chingford Hall Estate, Peabody and VINCI worked in partnership with the local primary school, a local children's charity, and Waltham Forest Council to offer tailored support to local families.
- Supporting our annual food and toy hamper appeal through donations and volunteering their time to wrap and distribute the hampers to our residents.

"VINCI strives to deliver social value impact and meet society need, economic challenges and address climate change. Continually searching for solutions which evolve with environmental and social development, we collaborate with our stakeholders and supply chains to create a legacy to improve the lives of existing and future generations. We never allow for complacency, constantly seeking and identifying practices which enhance our commitment to social value"

**Lynne Golbourn, Customer Manager,
VINCI Facilities**



Case Study: Purdy Contracts

As part of the Kinovo Group, Purdy Contracts is a well-established, mechanical, electrical, building services and renewable energy contractor and have been delivering electrical services to Peabody since 2016.

Right from the start Purdy Contracts made a positive impact in our communities, delivering social value by funding 'Transitions'. This is a programme supporting young people who may be living in poverty, at risk of homelessness or who are suffering from homelessness.

Purdy has supported a range of other community initiatives including donating to our community pantry at Waltham Forest which supports 40 families a week, helping residents with their food costs and by volunteering with the pantry team.

Residents told us that their community space was important to them to not only grow their own food, but also for social interaction and for positive mental health and wellbeing.

So Purdy Contracts transformed the patio area at our Paradox community centre, providing new planters and creating a space for residents to use when they attend the community hall, bringing a local community garden back into life in Chingford.

Volunteers worked with residents to clear weeds, install a new pond, and make the garden more attractive. This project was a great example of social value where Purdy Contracts collaborated with other partners in our supply chain - AP Electrical, Willow Services Limited, RDS Fire and Security Ltd and NRG Electrix - to enhance the green space in this residential area.

As we move forward, Purdy Contracts has agreed support for two important initiatives; Ready for School in Waltham Forest, a programme which prepares children from our

Chingford Hall Estate to make a successful transition to school through home learning and family support; and the food bank at our Darwin Court Healthy Living Centre based in Southwark which provides free items to those in high need.

"Creating social value is incredibly important to us and is something we have delivered for several years. We help those in need: local food banks, schools and community initiatives within the local areas that we work, hence supporting Peabody, one of our largest clients, with our chosen initiatives"

Pippa Pang, Social Value and Marketing Manager, Kinovo Group



Case Study: Advanced Building

Advanced Building has years of experience in the housing industry, covering a range of services including one off maintenance projects, completing renovations of private properties, commercial properties, public or local authority buildings such as schools and industrial spaces.

Advanced Building has helped support our communities in many ways including helping to redecorate the communal areas in one of our domestic abuse refuges in 2022. The refuge they worked at has up to 12 families living there at a time, and the women and children have just one living room to share.

Volunteers installed pull down desks, so the children now have somewhere to do their homework, while maximising space when the desks aren't needed.

Advanced Building also donated 10 bikes to our Thamesmead cycle hub. This generous donation will enable more local people, including those who are new to cycling, to take part in cycling activities including family learn to ride sessions.

At the end of 2022, volunteers from Advanced Building also helped spread some holiday cheer among our communities. At our Pembury Community Centre in Hackney, after providing yet another generous donation of gifts, four staff volunteers and local resident volunteers wrapped over 150 presents for children in the local community.

This positive partnership is helping us make an even bigger difference in our communities.

"It has always been a strong part of our ethos to believe that we are helping and supporting the communities that we work and live in. It is an absolute pleasure to work alongside staff of Peabody Community Foundation, to support those in need, but also for us to provide commitment and opportunity to the wider society.

"We at Advanced Building are so proud to be more than just another construction company. From our roots in specialist aids and adaptation, it has always been a strong part of our ethos to believe that we are helping and supporting the communities that we work and live in. It is an absolute pleasure to work alongside colleagues of the Peabody Community Foundation, to support those in need, but also for us to provide commitment and opportunity to the wider society.

"The feedback we get from colleagues who participate in these voluntary projects is the feeling of collaboration, working together, sharing knowledge, experience and skills, meeting new people, and a route of discovering new facts, friendships and the development of future projects. We look forward to positively impacting more lives in 2023."

**James Mackinlay, Director,
Advanced Building**



Case Study: Harmony Fire

Harmony Fire supply a range of fire safety engineering solutions.

Harmony Fire has given their colleagues clear roles aligned to their own areas of expertise, ensuring individuals have ownership across the various areas of social value. For example, their HR team has successfully delivered on a commitment to hire people living locally to where they are working on projects for Peabody.

This local approach ensures our communities directly benefit from projects in their area and this has been so successful that Harmony Fire has exceeded the local hiring target they initially set themselves.

“Here at Harmony, ensuring that we give back to the communities that we work in is one of our top priorities. That’s why we’re so pleased to give back to the Peabody communities and provide individuals with the opportunity to progress in their careers and expand their skill sets.

We look forward to continuing to collaborate with Peabody, both in terms of social value and keeping their staff, residents, and buildings safe through compliant fire safety solutions.”

Sophie Palmer, Harmony Fire



Case Study: Working together to support families across London at Christmas

In its tenth year, our food and toy hamper appeal helped over 900 families in 2022, ensuring families had gifts to open at Christmas.

Our corporate partners donated generously to the appeal, including BNP Paribas, VINCI, HS2, Karakusevic Carson Architects, Wettons, JA Steele and Son, Harmony Fire, Trowers and Hamlins, Devonshires Solicitors, Saltash, AD Group, Endersham, MoSys Engineering, SQP Engineering Ltd, London Square, PeopleValue, Advanced Building and LMAC.

Hayley Holmes, a resident in Waltham Forest and mother of four children, said:

"I've picked up some Christmas presents for my kids. It definitely makes a difference this year getting these gifts. This year has been more about paying the bills, with the cost of living being the way it is at the moment. I've just been making sure we've got a Christmas dinner; I'm not really focused on the gifts that we're going to unwrap. So these toys are really helpful. I know we're not the only family feeling this way though."

110 families in Waltham Forest received

133 food hampers and

132 children received toys from the appeal



In Hackney,

450



families received **895** toy deliveries and 25 food hampers.

In Thamesmead,

110



families received toy and food vouchers to help ease the pressure over the festive season.

266

families also received



toy and food hampers in Westminster, Greenwich, Tower Hamlets, Basildon, Kensington & Chelsea, Lewisham, Southwark and Islington.



Delivering social value in the future

Social value is inextricably linked to our social purpose and community investment. By using our buying power to deliver social value and working with our supply chain, we are having greater impact in our communities.

The Peabody Group Inaugural Business Plan 2022-2025 references capturing social value within the key activity of community investment. We are determined to go beyond the requirements of the Public Service Act 2012 in all aspects of our commercial and procurement activity where it is practical to do so and embed social value in all our social procurement and tenders.

As we move forward, we will continue to seek to gain more social value from our spending decisions to address the key issues faced by our residents and our communities. Following our successful pilot, we will continue to apply a minimum 20 per cent social value weighting to the scoring criteria for all tenders above the UK Procurement Threshold which is measured alongside quality and cost.

This ensures that all companies and organisations bidding for Peabody contracts must give social value serious consideration when putting tenders together. It also ensures that we do business with companies who share our values and want to help us increase our positive impact.

“Today our communities need our support more than ever as we see the growing cost of living crisis and the ongoing impact of austerity.

By using our buying power and leveraging social value from our supply chain we can generate better economic, social and sustainability outcomes for our residents and communities.

As we look to the future we will continue to champion social value and embed it in our procurement processes.

Together we can achieve more and truly help people flourish.”

Sahil Khan, Director of Community Strategy, Partnerships and Funding



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