

**FRC Group's Reporting: Social Value**  
**Materiality and Stakeholder Engagement Policy**

**Reviewed: 17<sup>th</sup> September 2020**

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**Approved by Measuring Social Value Committee: November 2020**

This policy describes FRC Group's approach to understanding, measuring and reporting the social value that is created by the work we do. It explains how we assess what is material to report; how we define our relationships with stakeholders, and documents how we engage with them.

This policy, the determination of material issues and the annual schedule of stakeholder engagement will be overseen by the Social Value Committee of FRC Group's Board. The policy, material issues and annual schedule will be reviewed once a year to ensure it remains current.

"Issue" is used to describe a theme, topic or area of interest to a stakeholder group.

**Material Social Value and Stakeholder Groups**

FRC Group's social value measurement and reporting firstly focuses on activities that are linked to our mission, which is to end furniture poverty. We aim to measure all activity in line with this mission. In all areas, we will assess the impacts of that activity both positive and negative. We are clear that some issues are more relevant and significant than others. This is based on their level of importance to stakeholders and the relationship we have to stakeholders. By applying a judgement about how important the issues are in our operating context, and considering how important they are to our key stakeholders, we are able to determine what is material. Our reporting then focuses on these material issues

FRC Group's stakeholders are those people to whom FRC Group matters and who matter to FRC Group. Our stakeholders include individuals, organisations, communities of location and interest. Stakeholder engagement is carried out by using various methods - one to one discussion, focus groups, telephone online and email surveys.

To determine whether an issue is relevant to the stakeholder group we consider the following:

- What issues are raised as important by the stakeholder group during stakeholder engagement?
- Based on our knowledge and experience, what issues would we expect to be relevant to these stakeholders based on the social norms relating to the stakeholder group and FRC Group?

To determine whether an issue is significant to the stakeholder group we consider the following issues:

- Is the issue indicated as being important to a high proportion of the stakeholders in that stakeholder group during stakeholder engagement?
- Is the issue indicated as being highly important to a low proportion of the stakeholders?
- Based on our knowledge and experience, what issues would we expect to be significant to these stakeholders based on the social norms relating to the stakeholder group and FRC Group?

Our approach to engaging with stakeholder groups is to consider how many of the population we have the resources to engage with. This differs according to the ease of contacting the group members and the method of engagement. For many groups (staff, FRC's housing sector customers, trainees on programme and after they have left etc) we contact the entire population group. For other groups such as Bulky Bob's Furniture World customer we contact a

smaller number of stakeholders. This is determined by an assessment of what is reasonable to achieve given the time required to engage with the group or the difficulty of engaging with them.

When we engage with different stakeholder groups, our expectations about the number of individuals we would attempt to engage with and the minimum level of response varies. With stakeholders who are internal to the organisation (staff, trainees on programme) the minimum level of response aimed for is 75% of those engaged with. 'For external parties such as customers, suppliers etc we aim for at least 50%'.

For each group we set a target for the number to engage with and the minimum threshold for engagement within that group. If this is not reached we will still use the data collected but in using it we will consider the risks involved with using information from a smaller than desired group.

Having applied the materiality determination process, the table below describes our stakeholders and the relationship we have with them:

Stakeholder Group	Will we measure Social value created in 2020 - 2021	Relationship to FRC Group	Issues of interest	Relevant to stakeholder group?	Significant to stakeholder group?	Are this stakeholder's issues material? (	Date of next scheduled stakeholder engagement	Reporting routes	Threshold
<b>Trainees</b> – previously long-term unemployed people.	No	Take part in “Driving Change” programme to gain skills, experience and employment in the logistics industry.	Content and performance of Driving Change programme. Support to find employment.	Yes – trainees are on the programme with the aim of becoming employed	Yes – Trainees spend 40 hours a week on the Driving Change programme	Yes, numbers on programme are very small	Ongoing engagement with this group – Starters review and leavers review. Progress review during programme	Annual Report SMT Paper Board Report	Always report on all where information available
<b>Ex-trainees</b> – people who have been on the training programmes in the past.	No	After “Driving Change”, ex-trainees find employment or receive further support from FRC Group to find work.	Usefulness of skills and qualifications gained through Driving Change. Support to find employment.	Yes – ex-trainees are the experts in how the training programme may have helped them	Yes – although significance may reduce in line with the length of time since they left	Yes, number leaving programme are very small	We will aim to complete one follow up with ex-trainees	Annual Report Board Report	Always report on all where information available
<b>Bulky Bob's Furniture World customers receiving discounts</b> – people in receipt of benefits, pensioners, students, people referred from other support agencies.	Yes	Customers buy ‘pre-loved’ furniture from Bulky Bob's Furniture World. They receive discounts in a tiered pricing structure which offers best value to those in lowest income groups.	Availability of pre-loved furniture. Pricing of furniture. Targeting of service to low-income shoppers. Quality of customer service in store and at delivery.	Yes – customers buy pre-loved items	Yes – but variable depending on the type of item purchased	Yes	Survey taking place throughout the year – chnge syeytem to survey monkey	Social Value Budget report on BBFW MSVC Board report Annual Report	Always report on all where information available

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<b>People in crisis receiving essential furniture items</b>	Yes	Customers receive free packages of pre-loved furniture delivered to their homes.	Availability of pre-loved furniture. Accessibility of crisis support. Quality of customer service in store and at delivery.	Yes – referral for this service indicates they are in urgent need of essential items	Yes – items donated are essential items that make a big difference to people's home –bed, sofa etc.	Yes	Surveys taking place – throughout the year	Social Value Budget report on BBFW Board Report Annual Report	Always report on all where information available
<b>Staff from support agencies referring people for crisis support</b>	No	Social support agencies such as homelessness organizations, domestic violence charities and Citizen's Advice Bureaux make referrals for donations of pre-loved furniture packages.	Ease of referral process. Quality of crisis packages. Speed of delivery of goods. Choice offered to recipients.	Yes – these support agencies are working with people to address a range of issues – their feedback tells us that solving material problems is essential before bigger issues can be tackled	Yes – varies by nature of referral agency but for many agencies they refer a large proportion of their clients to us	Yes	–  Survey in 2021/2022	Board Report Annual Report	Always report on all where information available in line with stakeholder engagement cycle
<b>People living locally to where FRC Group operations are working – general public affected by local environmental</b>	No	FRC Group's activities have the potential to impact on local communities and businesses.	Environmental impacts – emissions, noise, visual pollution	No – all sites are currently located in light industrial or retail areas where residential neighbours are	No – all sites are currently located in light industrial or retail areas where residential neighbours are	No	No engagement planned at this time	Headline information reported on carbon footprint in Annual Report	Always report on all where information available

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impact from our vehicles and building and our operations and from our reuse and recycling activities.				few or nonexistent. Vehicle fleet is very small in comparison to quantity of other road users.	few or nonexistent. Vehicle fleet is very small in comparison to quantity of other road users.				
<b>The global community and future generations</b> – we are all affected by the global environmental impacts of our business.	No	FRC Group's activities contribute to global environmental concerns.	Environmental impacts – emissions.	Yes – the effect of global emissions are relevant to everyone	No – FRC Group's contribution to emissions is of miniscule size	Yes	No engagement planned	Headline information on Carbon Footprint reported in Annual Report	Would not engage with or report on this stakeholder group
<b>Staff</b> – permanent employees of FRC Group.	No	FRC Group plays a significant role in the lives of its employees. We aim to be a great place to work where people are valued, rewarded and recognised for their efforts. Everyone at FRC Group contributes to the work of the organisation and the social and financial value that is created.	Working conditions. Culture. Health and safety. Commercial performance. Social performance. Strategic direction.	Yes – the culture, working environment, and social and commercial performance is of high relevance to the staff who work for FRC Group	Yes – staff give a significant proportion of their time and energies to their work. Work is a big part of everyone's lives.	Yes	Annual Survey	Headline information reported in Annual Report	Always report on this stakeholder group

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<b>Board Members</b>	No	The board play a vitally important role in setting the strategy of FRC Group	Commercial performance. Social performance. Strategic direction.	Yes – the social and commercial performance is of high relevance to the board members	Yes	No	None planned	None	None
<b>Furniture Resource Centre customers</b> – the social housing providers who buy furniture and related items from us.	Yes	FRC's customers receive products and service from FRC.	Quality. Range of products. Value for money. Social performance.	Yes – the quality of goods and service, the price of our products is of utmost importance to our customers. There is some variation across the customer group around the importance of our social performance.	Yes – this varies by customer depending on the scale of their purchasing from FRC Group and the importance within then housing association of the project that is being furnished.	Yes	Surveys throughout the year	Headline information reported in Annual Report  MSVC  Board Report	Always report on all where information available in line with stakeholder engagement cycle
<b>Tenants</b> who receive and use the furniture supplied by Furniture Resource Centre.	Yes	Social Housing tenants benefit from the use of the furniture that FRC delivers. They receive service from our delivery staff.	Quality of products and delivery service.	Yes – quality of furniture is highly relevant – the items supplied are core items that a household needs	Yes – essential furniture items are supplied which are central to having a home not just a house	Yes	Surveys to be carried out with RSL tenants as agreements are in place with RSLs	Annual Report MSVC Board Report Annual Report	Always report on all where information available in line with stakeholder engagement cycle

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<b>Bulky Bob's customers</b> – the local authorities that contract with us to provide collection, reuse and recycling services for furniture and white goods.	No	Bulky Bob's provides a collection, reuse and recycling service for domestic bulky waste.	Quality of service. Diversion from landfill performance. Value for money. Social performance – furniture to low-income families	Yes – the local authority procures the service and is the customer	Yes – the bulky waste service is significant to the local authority and especially to the members and officers connected with the waste department	Yes	Engagement is ongoing, through contract meetings where possible	Headline information reported in Annual Report	Always report on all where information available in line with stakeholder engagement cycle
<b>Householders</b> who receive the collection service from Bulky Bob's.	No	Bulky Bob's provides a service to householders.	Quality of customer service at point of collection.	Yes – as the users of the service, the quality of service provided is relevant	No – a collection from the Bulky Bob's service is very small part of a householder overall interests	Yes	–Ongoing survey	Headline information reported in Annual Report	Always report on all where information available in line with stakeholder engagement cycle
<b>BBOCW Customers</b> – all customers who receive a service from BBOCW	No	BBOCW provides a service to customers	Quality of customer service at point of collection	Yes	Yes	Yes	On going	Headline information reported in Annual Report	Always report on all where information available in line with stakeholder engagement cycle

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<b>Bulky Bob's Furniture World Liverpool customers</b> – all the people who shop in Bulky Bob's Furniture World.	yes	Our customers receive products and service in the store and from our delivery crews.	Quality of furniture. Availability of furniture. Prices. Customer service.	Yes – the quality, availability, price and service are very relevant to our customers	Yes – significance may vary depending on the amount of items bought and the type of items. Significance is high when customers are buying many or essential items	Yes	–Ongoing	Headline information reported in Annual Report	Always report on all where information available in line with stakeholder engagement cycle
<b>Our suppliers</b> – the companies who supply us with goods and services.	no	FRC Group buys goods and services from its suppliers.	Professional relationship with FRC Group	Yes – all of our suppliers are concerned with having a good relationship	Yes – this varies according to the size of customers we are to different suppliers. Engagement will target those to whom we are a significant customer		–	TBC this year	Always report on all where information available in line with stakeholder engagement cycle
<b>Furniture reuse charities</b> and similar organisations we work with to	NO	FRC Group works with a number of furniture reuse organisations to provide them with excess reusable	Supply of reusable items and professional relationship with FRC Group	Yes – organisations need reusable furniture to	No – the scale of contribution made by furniture from FRC is low	No	No engagement planned at present+	No	Would report on this stakeholder group depending on



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supply reusable items.		furniture. This supplements the furniture they already collect.		carry out their work					scale of interaction

## Stakeholder Engagement Plan

How we engage with stakeholders to find out their priorities and views varies according to the different groups. Resources to carry out engagement activities and the pace of change in our interaction with different groups also have an impact on the pattern of interaction.

Certain groups within our stakeholders are seen as a higher priority for regular engagement. They are defined by a number of characteristics:

- The significance of the role FRC Group’s work has in their lives
- How the groups relate to FRC Group’s social mission
- The practicality of and resources involved in engaging with them

FRC Group has a rolling three-year schedule of stakeholder engagement to ensure that all groups have a regular opportunity to contribute. The distinction between those groups to be engaged with annually and those to be engaged with once every three years reflects the priority attached to certain groups as discussed above.

Annual Engagement	Three Year Rotating Engagement Cycle
Current Driving Change Trainees	<b>2020/2021</b>
Past Driving Change Trainees	Suppliers of goods and services to FRC
Crisis Furniture Recipients	
FRC Group’s Staff	
Volunteers	<b>2021/2022</b>
Bulky Bob’s Furniture World customers	Crisis Furniture Referral Partner agencies – to be consulted in their own right as a stakeholder group and as a proxy for the crisis furniture recipients
Bulky Bob’s Customers	
Furniture Resource Centre customers	
BBOCW Customers	<b>2022/2023</b>
	Local authorities contracting with Bulky Bob’s