

Embedding Social Value into Planning

Briefing Paper
August 2021



**Social Value
Portal**



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Briefing Paper

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For more information on the Embedding Social Value into Planning Taskforce email:
info@socialvalueportal.com



Executive Summary

The Social Value Act has transformed the nature of public sector procurement requiring all suppliers to provide not only their best price but also their best social value offer. Despite this success neither the planning authorities nor developers have grasped this opportunity leaving a massive £30bn of social value sitting on the table.

Social value is broadly defined by the Public Services (Social Value) Act 2012 (Act), which came into force in January 2013. It requires all public bodies to look beyond the financial cost of a contract and consider how the services they commission and procure might improve an area's economic, social, and environmental wellbeing.

More recently, the principles of the Social Value Act have been reinforced by Procurement Policy Note PPN06/20 and, more importantly for real estate, the Construction Playbook which sets out key policies and guidance for how public capital works, projects and programmes are assessed, procured and delivered.

For real estate, social value may be defined as “the wider social contribution that a development creates for society through how it is constructed and managed including the economic returns to the local economy, the wellbeing of individuals and communities as well as the benefits to help regenerate the environment”.

Whilst there is a wide application of social value within procurement, it is rarely explicitly accounted for during the planning process. As a result, communities are being denied up to £30bn worth of additional social benefits that would otherwise accrue if developers were asked to focus on maximising the wider contribution a development can bring to society.

This makes little sense, especially as we emerge from the pandemic when it will be even more important for planners and developers to work closely together to see how they can build back better, greener and fairer.

The Public Services (Social Value) Act provides a significant precedent. The Act focuses on public procurement and has transformed the relationship between the public sector and its suppliers and whilst the Act itself does not cover planning, the outcomes and objectives are exactly the same; **to help our communities thrive and flourish.**

Generating more value for our communities and helping them recover from the impact of the pandemic is not the only reason we should integrate social value into the planning process. A recent survey by Grosvenor shows that less than 7% of the public trust local authorities to look after their interests in big developments (N.B. the percentage of people trusting developers is even less at 2%) – this is an unacceptable state of affairs and suitable for no one.

¹ Grosvenor (2019): Building Trust:
<https://www.grosvenor.com/our-businesses/grosvenor-britain-ireland/supporting-community-success/building-trust>

This briefing paper is the result of collaboration across the planning, development and design communities. It shows that all parties have a clear desire to find a way to work together to embed social value into the planning process to help our communities recover, deliver better places to live and work to rebuild trust.

Key issues covered within this briefing paper include:

- Clear guidance for councils on the options they have available to them to embed social value into planning policy in the short term and before the development of a Local Plan
- Policy Guidance for the planners on how to embed social value into the Local Plan
- Guidance for developers on how they can use the National Planning Policy Framework (NPPF) to submit a Social Value Statement and ensure it is taken into account as part of the planning submission
- Examples of best practice to illustrate progress is being made by some over and above planning compliance

£30bn

The social value opportunity every year through development

**Jobs for those
furthest from the
job market**

**No. jobs created or
sustained**

**Charitable
Donations**

**Volunteering in the
community**

**Apprenticeships
and training**

**Support for Small and
Medium Enterprises**

**Expert hours
offered in kind**

**Carbon dioxide
saved**

**Spend with
Community Groups
and Social Enterprises**

**Contracts with
local businesses**

**Support for Staff
wellbeing hours**

**Waste recycled
or reused**



Key Findings and Recommendations

The Social Value Planning Taskforce was set up in November 2020 as a working group of the National Social Value Taskforce² to specifically look at how to integrate social value into the planning process.

Our headline findings are as follows:

- The best way to embed social value into planning is by requiring developers to submit a **Social Value Statement** as a part of the planning application. This could be linked to the planning approval using a Section 106 (S106) agreement along with the relevant clauses that require a developer to report and prove progress, including an agreement of any remedial actions that may be taken in case of non-delivery of the agreed social value commitments
- **At a statutory level**, the combination of the National Planning Policy Framework (NPPF) and the Health and Social Care Act 2012³ provide the necessary permissions and rationale for planning authorities to request a Social Value Statement. This would be considered through the planning process to explain how the development meets the principles of sustainable development (which holds the same definition as social value) and responds to the relevant area's Joint Strategic Needs Assessment (JSNA). However, this is deemed to be insufficient by many local authorities, and further steps may be taken to bolster this statutory positioning
- A **Local Plan**, which forms part of the statutory development plan, represents the most robust way of ensuring that social value is addressed through the planning and development process. It may be used to provide specific additional local requirements that development teams can respond to
- Where a **Local Plan** does not exist or does not yet contain any reference to social value, the SVPT's findings indicate that the prevailing national legislation combined with **existing local policies** are most likely to provide councils with the initial justification to require developers to address social value issues as a part of a planning application for major developments
- Local policies relevant to social value may include employment or health and wellbeing policies or a specific Social Value Policy
- Councils can, however, include the requirement for a Social Value Statement within their **Validation Checklists** for major developments and request a social value response within Environmental Impact Assessment (EIA) scoping where projects meet the relevant EIA thresholds and where social impacts are considered potentially 'significant'
- A Social Value Statement can be transformative in demonstrating a developer's understanding of local needs and commitment to addressing these through measurable social value outcomes. Setting social value targets for design, construction, occupation and estate management within a Social Value Statement ensures that social value is acknowledged and valued in negotiations and then committed to throughout the lifecycle of the development. These commitments can be secured through the planning system to ensure delivery

² [National Social Value Taskforce](#)

³ [Health and Social Care Act 2012 \(legislation.gov.uk\)](#)

- Where a Social Value Statement has been completed, developers can expect its contents to be considered as a material consideration within the planning application determination
- The social value outcomes included within the Social Value Statement which meet the three tests can become a contractual agreement

Councils wishing to embed social value into the planning process by requiring developers to submit a Social Value Statement should consider the following actions:

- Review local council-wide policies and identify those policies that, when brought together, form the basis of a Social Value Strategy
- Develop or update their Social Value Policy to specifically refer to the Health and Wellbeing Strategy, underpinned by the Joint Strategic Needs Assessment (JSNA)⁴ and links to the broader council corporate objectives. The Social Value Policy can use the National TOMs⁵ or alternative social value frameworks to define social value and explicitly mention how the policy covers all aspects of the council's operations, including procurement and planning. Where such a policy does not exist, it will take approximately six months to complete and seek Cabinet approval ([see Section 3](#) for recommended text)
- For developments over a certain size and where an EIA is required, councils can ask for a social value response as a part of this extended reporting regime
- Councils should update their Validation Checklists that cover the submission details of what must be submitted with planning applications specifically relating to social value ([see Section 3](#) for details on how this can be done)
- Councils should consider how they can contractualise a developer's social value commitments that meet the three tests to ensure benefit realisation from the Social Value Statement and build trust for local communities
- Councils could use S106 Agreements to agree on social value commitments made within a planning submission and develop standard text to support these ([see Section 6.2](#)). This could include a schedule of remedies for non-delivery of social value commitments based on the National TOMs that should be made available to developers
- Councils could alternatively use pre-commencement conditions to require a Social Value Statement for the construction phase or pre-occupation conditions to require a Social Value Statement for the occupational phase and estate management of a development



⁴ As required by the Health and Social Care Act 2012 Act – [See also Section 2.2](#)

⁵ The predominant Social Value Measurement Framework in the UK - [National TOMs - Social Value Portal](#)

For developers wishing to embed social value into their planning application, recommendations are as follows:

- No impediment prevents a developer from preparing and submitting a Social Value Statement. This can be used to demonstrate a developer's understanding of how the development responds to the JSNA and contributes to the wider social, economic and environmental wellbeing of the area and local authorities' other policies that include social value. However, this cannot be either a condition or a consideration of granting planning permission except where that policy relates to the unacceptable impacts of a proposed development
- The Social Value Statement could be informed through any stakeholder/community consultation initiatives to support or discount requests
- Developers should prepare a Social Value Statement as a part of their major planning application, which should include the following:
 - A description of the needs and priorities, including how community consultation has informed their decision making. A reference should be made to the relevant JSNA
 - How the new development contributes to the delivery of relevant policies as well as the Social Value Policy where one exists
 - Clear commitments that cover design, construction and in-use phases
 - A clear proposal on how the delivery of social value will be managed and monitored, including an agreement on remedies to be taken in case of non-delivery or changes to respond to external factors
 - More details can be found in [Section 7](#)
- Developers should commit to regular and transparent reporting of the delivery of social value commitments outlined in the Social Value Statement to build trust with the local community. For those social value commitments that form part of a contractual agreement, developers should agree to a Remediation Schedule in case of non-delivery to build trust between the developer and council

"For First Base, embedding an approach to social value from the outset of any project is fundamental. Developing a Social Value Strategy for our planning applications is the best way to ensure that we can maximise the social, economic and environmental value generated throughout the lifecycle of our developments. It is important to us that any social value delivered is tangible, needs-based and developed in collaboration with communities. That is why we are committed to adopting the Social Value Portal's approach on all major developments."

– **Liam Ronan-Chlond Stakeholder & External Relations, First Base**



1 Introduction

The Public Services (Social Value) Act (Act) 2012⁶ has transformed the relationship between the public and private sectors by placing social value at the centre of procurement decision making. This change was given a considerable boost with the publication of Policy Procurement Note PPN06/20⁷ that adds further weight to the Act by requiring all major procurements not only consider but explicitly evaluate social value.

Despite the success of the Social Value Act in procurement, and that planning was explicitly mentioned Civil Society Strategy 2018⁸, there has been little progress in integrating social value into the planning process. However, a small number of planning authorities⁹ who have been leading the way by integrating social value into their Local Plans.

The Social Value Planning Taskforce (SVPT) was created in November 2020 as a sub-group of the National Social Value Taskforce¹⁰ specifically to look at how social value can be integrated into the planning process and to propose practical steps that can be taken by both the planning community and developers.

Key issues covered in this report are as follows:

- How can councils mandate a Social Value Statement as a part of the planning submission where there is no Local Plan?
- How should Councils embed social value commitments into the planning permission and what steps may be taken to ensure commitments are realised?
- What does good practice look like?

The SVPT comprises over 30 organisations from across the private and public sectors and over the past 6 months, the SVPT has been focusing on multiple workstreams through three working groups:

- **Working group 1. Policy Guidance and Best Practice**, worked to combine knowledge from public and private sector participants to develop guidance on how to embed social value into planning policy
- **Working group 2. Benefit Realisation**, focused on understanding the legal and non-legal levers that can be used by planning authorities to embed social value in the planning process and ensure that social value outcomes are delivered during the full lifecycle of a development
- **Working group 3. Resource Sharing for Best Practice** has utilised the wide-reaching network of the SVPT to gather case studies that demonstrate best practice in delivering social value through the lifecycle of development across the UK

⁶ The Public Services Social Value Act 2012: www.legislation.gov.uk/ukpga/2012/3/enacted

⁷ Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts - GOV.UK (www.gov.uk)

⁸ Civil Society Strategy: building a future that works for everyone - GOV.UK (www.gov.uk)

⁹ For example Islington Council and Salford City Council

¹⁰ The National Social Value Taskforce: www.nationalsocialvaluetaskforce.org

Taskforce Contributors

The following organisations have contributed to the development of this briefing paper through their involvement in the Embedding Social Value into Planning Taskforce.



2

Relevant Legislation and Planning Tools

This section examines the different planning policies and tools available to councils. It explores how they might be used to justify requiring developers to address and account for social value as a part of their planning application.

2.1 The National Planning Policy Framework

The generation of social value is already at the heart of the planning system, which is fundamentally about the planning and regulation of land to secure the houses and workplaces a society requires. As such, it operates for the wider public good rather than the private individual.

At a policy-making level, the concept of sustainable development and social value is already integrated within national guidance. This filters through to local authorities through the National Planning Policy Framework (NPPF), which has been a part of National Policy since 2012 and is seen as a golden thread running throughout the operation of the planning system.

The NPPF sets out the three core dimensions of what constitutes 'sustainable development', which are completely aligned with the aims behind the Social Value Act:

- **Economic** – building a strong, responsive and competitive economy by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation
- **Social** – supporting strong, vibrant and healthy communities by providing the supply of housing required to meet the needs of present and future generations; and creating a high-quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural wellbeing
- **Environmental** – contributing to protecting and enhancing the natural, built and historic environments; the prudent use of natural resources, minimisation of waste and pollution, and adaption to a low carbon economy

Importantly, the NPPF notes that these three dimensions are mutually dependent. Economic growth, for example, can secure higher social and environmental standards, and well-designed buildings and places can improve the lives of people and communities. Therefore, to achieve sustainable development, economic, social and environmental gains are sought jointly and simultaneously through the planning system.

Finally, the NPPF sets out 12 'Core Planning Principles' to build on the above overriding principles. Of particular note is that principle 12 states, "Planning should take account of and support local strategies to improve health, social and cultural wellbeing for all and deliver sufficient community and cultural facilities and services to meet local needs".

¹¹ The National Planning Policy Framework:
assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

2.2 The Health and Social Care Act

The Health and Social Care Act 2012¹² was established to require the National Health Service Commissioning Board and Clinical Commissioning groups to consider the need to reduce inequalities between patients concerning access to health services when exercising their functions. The Health and Social Care Act 2012 was transformative as the primary Act to legally require action from the public sector to reduce inequalities across England. For planning authorities, the Act triggers the requirement to develop a Health and Wellbeing Strategy, underpinned by a Joint Strategic Needs Assessment (JSNA), to understand the needs in the area and how these relate to reducing inequalities.

All new developments should therefore be able to demonstrate how the development responds to the JSNA and support proposed local strategies for reducing inequality.

2.3 The Public Services (Social Value) Act

The Public Services (Social Value) Act 2012 requires public procurement to consider how they can secure wider social, economic and environmental benefits from their activities. The Act makes no direct reference to the operation of the town and country planning system. Still, public authorities' operation and administration of the planning system involves significant levels of public spending. This is both direct from public budgets and indirectly through the spending of monies received from developments by way of planning obligations (S106) and the Community Infrastructure Levy (CIL).

The principles of the Act have recently been reinforced through additional procurement policy notes principally aimed at central government and now make it a requirement for buying teams to evaluate and account for social value during the procurement process (PPN06/20).

The planning system provides a major opportunity in which the broader aims behind the Social Value Act can be secured indirectly.

2.4 The Planning and Compulsory Purchase Act 2004

The Planning and Compulsory Purchase Act 2004 (PCPA 2004)¹³ makes provisions relating to spatial development and town and country planning, and the compulsory acquisition of land.

Section 38(6) of the Act provides:

"If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise".

As noted above, where there are 'material considerations', the assessment must also take into account these considerations. This means that any relevant local policies could be considered, such as the council Local Employment Policy, Health and Wellbeing Strategy, JSNA or Social Value Policy. Where the policies either implicitly or explicitly refer to planning and development, the case for considering social value within the planning process is more significant.

2.5 Civil Society Strategy

The Civil Society Strategy sets out how government will work with and support civil society in the years to come so that together we can build a country that works for everyone.

"Growing the economy and strong communities are mutually reinforcing and I very much welcome the steps which this new Civil Society Strategy takes to build on the Industrial Strategy approach, particularly to involve communities more strongly in local planning for economic growth, prosperity and employment" – Greg Clark MP

¹² The Planning and Compulsory Purchase Act 2004:
<https://www.legislation.gov.uk/ukpga/2012/7/contents/enacted>

¹³ The Health and Social Care Act 2012:
www.legislation.gov.uk/ukpga/2012/5/contents

For the purpose of the Strategy, civil society refers to individuals and organisations when they act with the primary purpose of creating social value, independent of state control. By social value, the government means enriched lives and a fairer society for all.

The government believes that social value flows from thriving communities. These are communities with strong financial, physical and natural resources and strong connections between people. This includes public funding, private investment, buildings, and other spaces for a community to use. It also includes trust, goodwill and the organisations and partnerships that bring people together. To help communities thrive, the government believes they need to look at five foundations of social value: people, places, the social sector, the private sector, and the public sector.

2.6 The Local Plan

Local planning authorities must prepare a Local Plan as it sets planning policies in a local authority area. According to the NPPF, succinct and up-to-date plans should provide a positive vision for the future of each area and a framework for addressing housing needs and other economic, social and environmental priorities.

Annex 2 of the NPPF states the following:

“Development Plan: Is defined in section 38 of the Planning and Compulsory Purchase Act 2004, and includes adopted local plans, neighbourhood plans that have been made and published spatial development strategies, together with any regional strategy policies that remain in force. Neighbourhood plans that have been approved at referendum are also part of the development plan, unless the local planning authority decides that the neighbourhood plan should not be made.”

Paragraph 2 of the NPPF states the following:

“Planning law requires that applications for planning permission be determined in accordance with the development plan, unless material considerations indicate otherwise.”

2.7 Joint Strategic Needs Assessment (JSNA)

The JSNA identifies the current and future needs concerning health and care in the local population. The assessment informs planning and procurement decisions; therefore, planning applications must demonstrate how the scheme will address the key needs identified.

2.8 Supplementary Planning Documents or Guidance

(SPDs/SPGs) are defined in Annex 2 of the NPPF as:

“Documents which add further detail to the policies in the development plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.”

2.9 Council Social Value Policy

Most councils across the UK have a Social Value Policy that sets out their response to the Social Value Act (SV Act) and describes how a council intends to apply the SV Act against the overall council corporate strategy. The Social Value Policy may be specific to procurement, but where councils refer to the delivery of its wider corporate objectives (which are by their very nature ‘social’), the Act could be used within a planning context. This may be made even stronger where there is a specific reference to ‘all council activities including procurement, planning the delivery of its services’.

2.10 Other Planning Tools

The day-to-day management of development is undertaken through the system of development control, and the main component of this process is determining planning applications. The determination of planning applications is highly regulated to ensure fairness and transparency and avoid abuse and the perception that planning permission can be 'bought'¹⁴. The impacts of developments are managed through the planning application process by ensuring good design, and this is further controlled using planning conditions and/or planning obligations (S106). These mechanisms can be applied differently in the context of social value commitments to ensure transparency and accountability are maintained.

- **Validation checklist** – A list of information that developers must provide to accompany a planning application. The process of changing the Validation Checklist is subject to consultation and approval and usually takes approximately 3-6 months and should be reviewed at least every two years. Any local information requirement that is not on the list has no bearing on whether a planning application is acceptable¹⁵. Councils may include a requirement for developers to submit a Social Value Statement within their Validation Checklists
- **Environmental Impact Assessments (EIA)** – The assessment of consequences of a plan, policy or development informing the decision on whether or not to grant permission for the proposals. EIAs are required for Schedule 1 (larger) developments and sometimes for Schedule 2 (sensitive) developments as detailed in the Town and Country Planning (Environmental Impact Assessment) regulations 2017¹⁶. If appropriate, and for larger developments, councils could request that development teams submit a Social Value Statement as a part of their impact assessment
- **Planning Conditions** – The guidance on the use of planning conditions states that they can enhance the quality of a development and enable proposals to proceed where it would otherwise have been necessary to refuse permission by mitigating the adverse effects of the development. However, conditions have to be fair and reasonable and should not seek to control matters that are not needed to make the development acceptable. The relevant tests should be applied clearly to determine if it is appropriate to impose a planning condition
- **Planning Obligations (S106)**. Like planning conditions, obligations are negotiated to mitigate the impacts of development and to make a proposal acceptable in planning terms. Planning obligations may only be required if they meet the necessary tests to make the development acceptable in planning terms, are directly related to the development, and are fairly and reasonably related in scale and kind. These tests are set out as statutory tests in the Community Infrastructure Levy regulations 2010¹⁷
- **A Statement of Community Involvement (SCI)**, produced by a developer, demonstrates how community consultation will inform a development proposal to ensure it is suitable for the area
- **Community Infrastructure Levy (CIL)** – CIL is a non-negotiable tariff that can be pooled to secure mitigation across several proposals or areas. It has not completely replaced S106, however, and the two are currently used in parallel. A developer's contribution to the CIL is calculated proportionately to the total floor space of a development. The local authority is responsible for deciding how the CIL is spent and typically allocate CIL funds towards strategic borough-wide schemes such as highways, flood risk management and school expansion

¹⁴ Determining a Planning Application – Gov.UK

¹⁵ Making an application – Gov.UK

¹⁶ The Town and Country Planning (Environmental Impact Assessment) regulations 2017:
<https://www.legislation.gov.uk/uksi/2017/571/contents/made>

¹⁷ The Community Infrastructure Levy regulations 2010:
<https://www.legislation.gov.uk/ukdsi/2010/9780111492390/contents>

Case Study: Hadley Property Group, Blackwall Yard

Asset Type: Mixed-use Regeneration Development

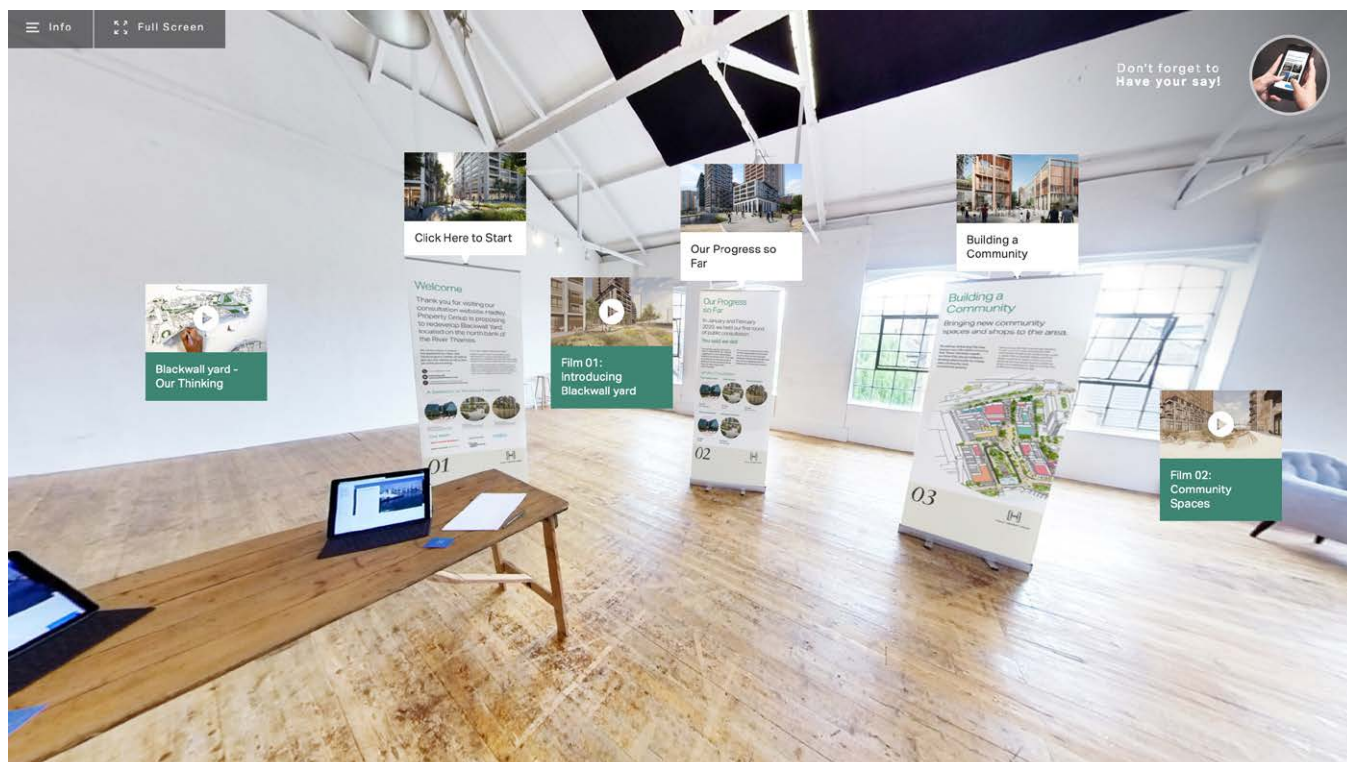
Location: Tower Hamlets



Project overview: The Planning Application for Blackwall Yard was submitted in November 2020 and included plans for new connections through the site along the Thames Path, a two-form primary school for the borough and a reimagined and revitalised graving dock, as well as cafes, shops, community space and 898 new homes.

Whilst a developer does not determine how the CIL is spent, there can be opportunities for the developer to work closely with the local community and facilitate residents' recommendations on the ways in which funding pots can be allocated to bring maximum benefit to the community on a micro rather than borough-wide level.

As part of Hadley's post-submission engagement at Blackwall Yard, they continued to consult with the local community where they identified improvements to the Thames Path as a local need. By providing architectural and construction expertise to the residents engaging with the local authority, the developer helped mobilise and empower the community to influence council spending, ensuring that those most affected by new development in an area are also its direct beneficiaries.



2.11 The New Planning Bill

The recently announced Planning Bill, if approved, will bring significant change to the planning system, primarily through the traffic light system to divide the UK into areas of 'growth', 'protection', or 'renewal'. 'Growth' areas will see many current planning restrictions removed with planning permission granted for applications for homes, shops, offices, schools and hospitals as long as they meet local planning rules. If these changes are approved, it will be even more important for councils to embed social value in the planning process to ensure that 'growth' areas also deliver social value for their communities.

2.12 Viability

The Planning Practice Guidance (PPG)¹⁸ defines viability as "a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land, value, landowner premium and developer return."

When embedding social value into planning and requiring additional documents and commitments from developers, a key consideration is that these requirements do not deem a scheme unviable. So as not to jeopardise the viability of a proposed scheme, the council must lay out its expectations as early as possible. These expectations should be relevant and proportional to the size and type of development to allow developers to submit a viable proposal that can also deliver social value.

2.13 Summary

Our planning system is highly regulated and designed to ensure there is no perception that planning permission may be bought. However, the aim of the planning system is to specifically look at and understand the wider impacts of a new development. This specific requirement is laid out at a statutory level within the National Planning Policy Framework, which promotes 'Sustainable Development' defined as the social, economic and environmental impacts that a new development may bring, which are the same principles laid out within the Social Value Act.

The impacts of developments are managed through the planning application process by ensuring good design. It seems obvious that one way of requiring developers to describe these wider impacts on our communities, the local economy and the environment is within a Social Value Statement. In [Section 3](#), this opportunity is explored in more detail.

"In Salford we are committed to creating a fairer, greener and healthier Salford and continue to work towards this through The Salford Way. This includes developing an inclusive economy that benefits everyone in our communities – embedding social value in our planning processes is a key part of this in providing the framework to enable the developer to identify how they can make a positive impact on residents and communities from the outset."

– Nina Howells, Place Social Value Lead (Salford City Council)

¹⁸ The Planning Practice Guidance – Viability and plan making:
<https://www.gov.uk/guidance/viability>

3

Using the Planning Hierarchy to Require Social Value

Based on the policies described in [Section 2](#), there are several steps which a local planning authority can take to embed social value into the planning process. This section of the report specifically looks at how this hierarchy of existing policies in line with the additional planning tools that a council has within its toolkit may allow councils to request Social Value Statements with planning applications.

Figure 1 below shows a clear hierarchy and that the different policy steps afford different weights to this ability in terms of their robustness and evidenced local needs.



Figure 1: Hierarchy of mechanisms to embed social value in planning.

A Permissive Statutory Environment is provided by the combination of the NPPF, the Health & Social Care Act and the Social Value Act. However, these statutory powers should be supplemented by specific local policies and planning tools to ensure developers understand the particular local context and requirements.

A Local Plan forms part of the statutory development plan and therefore provides the most effective power and can be used to trigger a range of specific requirements, including social value, to be explored at the pre-application stage as well as a Social Value Statement as part of the planning submission. The Local Plan can also set out requirements for reporting social value through construction and even into occupation. However, most councils have not yet started this process and even when started a Local Plan can take over 4-5 years to complete and get approval. For more information about how to embed social value into a Local Plan, [see Section 5](#).

The Strategic Plan (if applicable) can be a key delivery agent for a Social Value Policy, for example, at Liverpool City Region, the Spatial Development Strategy¹⁹, including social value, will cover the six constituent Local Authorities and provide consistency and wide coverage across the region quickly.

Supplementary Planning Documents or Guidance, which refer to social value or form a part of the social value narrative by a council, can strengthen the requirement for developers to complete a Social Value Statement in response.

SPDs can include requirements for certain developments to achieve baseline targets associated with social value. For example, Tower Hamlets Council set apprenticeship targets for construction proportionate to the development costs²⁰.

At present, there is a high disparity between what is included in SPDs/SPGs, with some being quite vague. To support the effective embedment of social value in planning, the SVPT recommend that SPDs/SPGs include the following:

- a) Provide prospective planning applicants with the information required to understand how to include social value in the planning application and what is being asked of them (e.g. in relation to schools, highways, apprenticeships, jobs and local spend)
- b) A clear narrative as to which adopted planning policies the SPD relates
- c) Are clear, transparent and straightforward concerning remedies and calculations associated with planning conditions
- d) Contain up-to-date information that is ideally updated yearly to ensure that requirements and remedies are relevant to current local needs

¹⁹ Liverpool City Region Spatial Development Strategy:
<https://www.liverpoolcityregion-ca.gov.uk/lcr-our-places/>

²⁰ Tower Hamlets Planning Obligations SPD 2021:
<https://talk.towerhamlets.gov.uk/3454/widgets/11234/documents/11637>

Figure 2 shows the benchmarking exercise, undertaken by the London Borough of Hammersmith & Fulham (LBHF), which looked at Supplementary Planning Documents from multiple London boroughs to show the type of requirements that can be included in S106 relating to supporting workless local residents and the additional financial contribution that would be associated with non-delivery of each requirement.

Local Planning Authority	Sub-region	MCIL Zone	Minimum proportion of local labour	One apprenticeship per value of build cost or size	Additional Financial Contribution	SPD Adopted
Barnet	West London Alliance	2	30%	£1m	None	2014
Brent	West London Alliance	2	None	500 sqm of commercial space	£1,200 / Placement	2007
Enfield	Local London	2	25%	£1m	None	2016
Hammersmith & Fulham	West London Alliance	1	10%	£2m	£3,500 / Placement	2021
Haringey	Central London Forward	2	20%	£3m	£1,500 / Placement	2018
Islington	Central London Forward	1	Based on the proportion of residents unemployed	20 residential units + 1,000 sqm GEA of commercial floorspace	£5,000 / Placement	2016
Lambeth	Central London Forward	2	25%	1,000 sqm of commercial space or 10 residential units	£6,500 / Placement	2018
Tower Hamlets	Central London Forward	2	20%	Subject to viability and negotiation	£4 x sqm of new floorspace GIA for construction phase + £2,040 / Placement for end use phase	2016
Waltham Forest	Local London	2	Subject to viability and negotiation	£2m	None	2017
Wandsworth	Central London Forward	1	5 jobs / 1,000 sqm for construction phase + sqm GIA x employee density for end use phase	Based on "CITB standards"	£3,025 / Placement	2020 (draft version)

Figure 2: LBHF employment and skills SPD benchmarking (London)

The Validation Checklist can be updated to require additional items that relate to social value, including a specific requirement for a Social Value Statement for certain types of development proposals, or a suite of supplementary documents including a **Statement of Community Involvement** (SCI) which is a good indicator of a developer's intentions.

The process of updating a Validation List is approximately a 3-6 month process and requires councils to undertake the following steps:

- 1) Scope and write the document
- 2) Consult upon the proposals and consider responses
- 3) Report to the council
- 4) Approval and adoption of the proposed changes

The EIA scoping process is an opportunity for a developer to agree with the council whether to 'scope in' socio-economics (i.e. a socio-economics technical chapter is included within the main volume of the EIA). This decision is based on whether or not significant socio-economic effects are considered likely to arise; however, in practice, an Applicant could choose to voluntarily include a Social Value Statement within its scope as a means of describing the wider social, economic and environmental impacts of the development.

Unlike most EIA topics – where most effects are adverse and need to be mitigated to minimise their impact – the socio-economic impacts are often beneficial, such as the contribution to housing targets or the delivery of construction employment. Because of this, an Applicant often chooses to include it within the scope of an EIA voluntarily. However, socio-economic assessment within an EIA does not typically cover the broad range of social value outcomes and will most often focus on elements such as job generation during construction and operational phases, delivery of housing, impacts of new residents on local health and education services. Both councils and developers should consider extending this chapter of the EIA to include a broader social value assessment ([see Section 7](#) for more details of what should be included within a Social Value Statement).

The Statement of Community Involvement could include a section on social value to demonstrate how the local community's views have been sought and taken into account to inform development proposals. A requirement for a Social Value Statement would provide a greater commitment to delivering social value and could build on initial findings from early community involvement; however, this would need to be justified.

A Social Value Policy can support the requirements for developers to submit a Social Value Statement, especially where they link through to the Corporate Plan, Joint Strategic Needs Analysis and Health and Wellbeing Strategy.

Where possible, the Social Value Policy should be explicitly linked to planning or cover the full range of council activities.

Whilst social value policies typically refer to procurement practices, a Social Value Policy can be used to support the requirement for a Social Value Statement in planning where:

- It is targeted at a specific population
- It identifies specific needs
- It is linked to the JSNA and Health and Wellbeing Strategy
- It is connected to the wider council corporate objectives as laid out in the Corporate Plan

3.1 Social Value Policy Self-Assessment

The **Social Value Policy Self-Assessment** has been developed to help councils that do not yet have a Local Plan (that includes social value), understand whether their existing policies allow them to request a Social Value Statement and, if not, the steps they need to take to ensure this would be possible.

Figure 3 overleaf shows the various policy contexts a council may sit within and the relevant steps which should be taken to require a Social Value Statement with major planning applications.

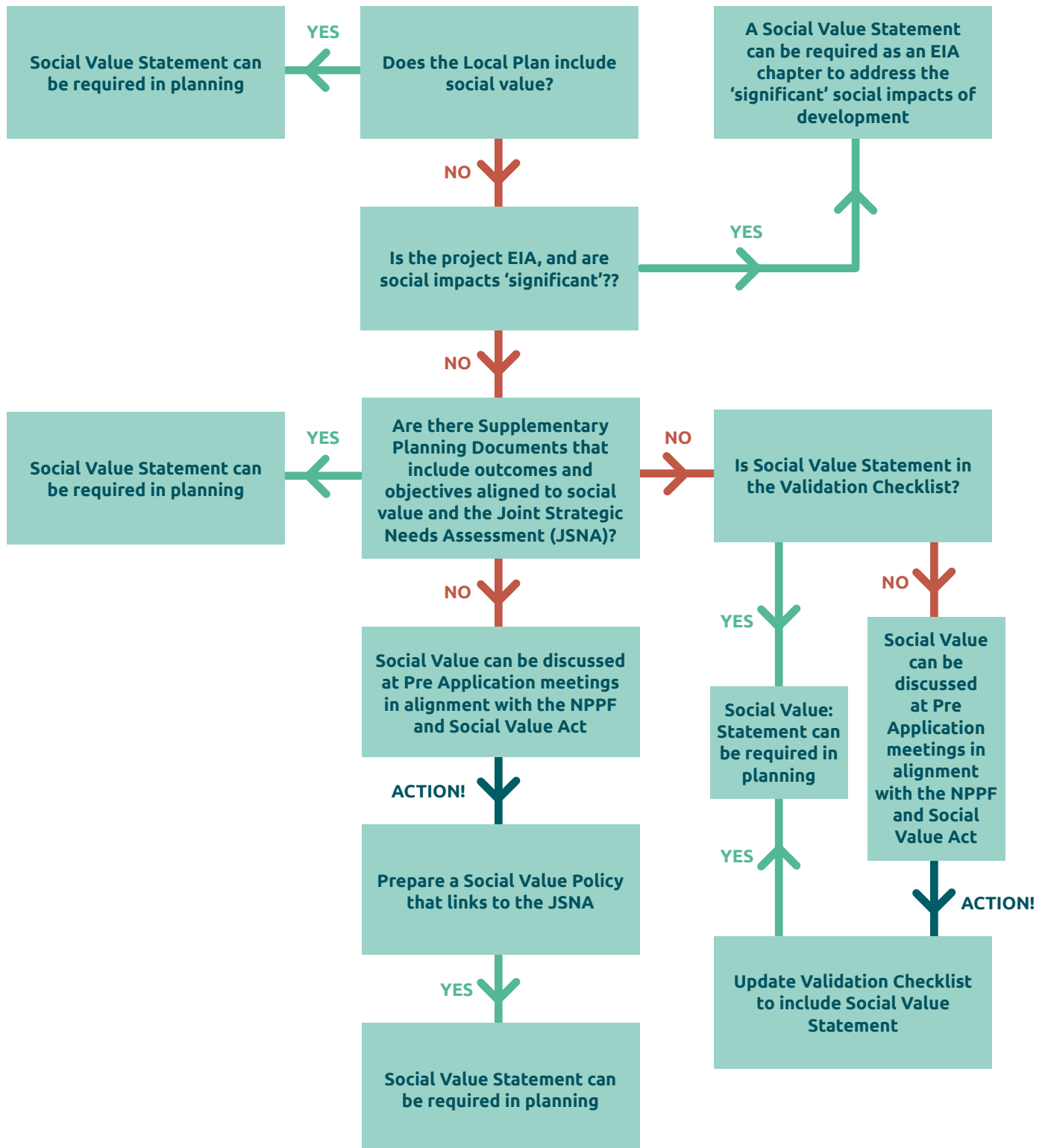


Figure 3: Flow diagram to show the policy lever options a council can use to mandate a Social Value Statement.

3.2 Summary

At a statutory level, the National Planning Policy Framework and the Health and Social Care Act would appear to provide planning authorities with the necessary statutory authority to embed social value into the planning process and require developers to submit a Social Value Statement with their planning application.

This requirement can be bolstered where a planning authority has a Local Plan that explicitly mentions social value and lays out its expectations of developers.

Where this is not the case and a Local Plan does not exist, then councils can take a series of steps to require developers to submit a Social Value Statement and to make it as easy as possible for them to do so, including:

- A review of existing local policies, including a JSNA that provides the council with the format and content to require developers to make a social value response and address social value issues as a part of a planning application for major developments
- Local policies relevant to social value may include employment or health and wellbeing policies or a specific **Social Value Policy**
- If the existing local policies do not provide the council with the format and content to require a Social Value Statement, they can:
 - Develop Supplementary Planning Documents that are aligned to social value and the JSNA
 - Update their Social Value Policy so that it links to the JSNA and includes reference to planning
- Councils must, however, include the requirement for a Social Value Statement within their Validation Checklists for major developments and request a social value response within Environmental Impact Assessment (EIA) scoping where projects meet the relevant EIA thresholds and where social impacts are considered potentially 'significant'
- The best way to embed social value into planning is by requiring developers to submit a **Social Value Statement** as a part of the planning application. This could be linked to the planning approval using an S106 agreement and the relevant clauses that require a developer to report and prove progress, including an agreement of any remedial actions that may be taken in case of non-delivery of the agreed social value commitments

Figure 4 summarises the various mechanisms which can be used to require a Social Value Statement, as detailed throughout this section.



Mechanism for social value requirement	Benefit	Constraint	Time to implement	Key steps for implementation
Local Plan	<p>Most effective and robust power and can be used to trigger specific requirements</p> <p>Can require a Social Value Statement</p> <p>Set requirements for construction and even into occupation</p>	<p>Local plan can take over 4-5 years to implement</p> <p>Subject to inspector sign-off</p>	Over 4-5 years	<p>Guidance on what a social value strategy should include</p> <p>Guidance on how the social value statement would be assessed</p> <p>Guidance around measurable criteria</p> <p>Guidance on the impact on development viability</p>
The Strategic Plan (if applicable)	<p>Can be used by as key delivery agent for Social Value Policy</p> <p>Support social value requirements more broadly across a county or region</p>	<p>It may not be specific or place-based to a specific local area</p> <p>Needs to be supplemented with local plan policy</p>		
Supplementary Planning Documents or Guidance	<p>Targets and specific requirements can be included which promote transparency</p> <p>Must be considered by developers</p>	<p>Disparity between what is included across different local authorities</p> <p>Needs to be supported by Local Plan or Social Value Policy</p> <p>SPDs are capable of being material considerations but are not part of the development plan</p>	Need to be regularly updated	
Environmental Impact Assessment	<p>Social Value Statement can be produced as part of the social impacts chapter</p>	<p>Only applied on specific developments (Required for Schedule 1 and sometimes Schedule 2)</p> <p>Social Impacts only assessed if deemed to be potentially significant</p>		
Local Validation Checklist	<p>Clearly identifies a Social Value Statement as a required element of a planning application</p>	<p>Dependent on consultation</p> <p>Needs support based on wider policy documents</p>	3-6 months, and should be reviewed at least every 2 years	<p>Write the document</p> <p>Consult upon it and consider responses</p> <p>Report to council</p> <p>Adopted or approved</p>
Statement of Community Involvement	<p>Include aspects of social value relating to how the development addresses community views</p> <p>Justified in Local Plans and SPDs</p>	<p>Often addresses issues unrelated to social value and could be overshadowed</p>		
Social Value Policy	<p>Can be used to support the requirements for developers to submit a Social Value Statement especially where they link through to the Corporate Plan, JSNA and Health and Wellbeing Strategy</p>	<p>Designed for procurement so can often be too broad for planning</p>		
Joint Strategic Needs Assessment	<p>Can require planning applications to demonstrate how the scheme will address the key needs identified</p>			

Figure 4: Summary of the mechanisms available to councils to require social value statements in planning



4 Case Studies

For most councils, embedding social value into a Local Plan is not an option in the short term due to the time it takes to develop a Local Plan – typically 4-5 years.

Many councils are at various stages of Local Plan updates already. In response, the SVPT has looked at how councils can embed social value where an up-to-date Local Plan (including a Social Value Policy) is not in place or where it is possible still to influence its development.

Three councils were selected:

- Solihull Metropolitan Borough Council
- Suffolk County Council
- Sheffield City Council

The following hypothesis was tested against three existing council policy contexts:

“Prior to embedding social value in a Local Plan, the prevailing legislation combined with existing council policies provide councils with the ability to request a Social Value Statement from developers as part of the planning application and for this information to be taken into account as a part of the planning process”.

4.1 Solihull Metropolitan Borough Council

Solihull Metropolitan Borough Council (SMBC) has a Social Value Policy²¹ that was developed over six months and has Cabinet approval.

Before commencing the procurement process, the council must consider how the economic, social and environmental wellbeing of the borough may be improved through the procurement of its services as part of the Public Service (Social Value) Act 2012. The Act aims not to alter the commissioning and procurement processes but to ensure that councils consider the wider impact of service delivery as part of these processes.

The council has had a Social Value Policy since 2015 and has been applying the principles described in the Public Service (Social Value) Act 2012 to its procurement since that date. The policy establishes a consistent and collaborative approach to social value with the vision to create, deliver and sustain greater community benefits through the use of social value in the council and region. At the time of writing, several of SMBC’s public sector partners have adopted social value policies (e.g. The Sustainability and Transformation Partnership, West Midlands Combined Authority and the West Midlands Fire Service), with this policy being updated to complement SMBC’s partners’ aspirations to align Targets Outcomes and Measures (TOM’s) across the West Midlands. The policy also encourages SMBC’s partners and other businesses in the local community to work in the same way whether they have a contractual relationship with the council or not.

²¹ Solihull Council Social Value Policy: :
https://www.solihull.gov.uk/sites/default/files/migrated/Tenders_Social-Value-Policy-June-2019.pdf

The policy is aligned to the five themes of the National TOMs Measurement Framework (as shown in Figure 5) with multiple outcomes and objectives relating to each social value theme. It requires contractors to consider where and how their activities can have a social impact.

Theme	Outcome
Securing inclusive economic growth	Promote equality and diversity in the provision of services and the way in which the service operates
	Create jobs for local people
	Subcontract to other business organisations or to third sector organisations within Solihull Borough
	Manage risk so that it is proportionate and relevant to ensure equality of opportunity for all providers
	Support local people to maximise their knowledge and skills and access employment opportunities
Planning and delivery for Solihull's low carbon future	Effective and improved environmental performance
	Reduce energy and fuel consumption in the provision of services
	Where energy consumption cannot be reduced explore opportunities for low carbon alternatives
	Improve air quality
	Travel sustainably
	Reduce car miles
Managing demand and expectation for public services	Prevention and early intervention
	Early community and market engagement on changes to services
	Encourage contractors/providers to support community development through volunteering
	Improve health and wellbeing for all particularly those that are vulnerable
	Build long term community resilience
Developing and delivering our approach to services for adults and children with complex needs	Promote the safeguarding and welfare of children, young people and vulnerable adults
	Provide opportunities for all, including the most vulnerable, to make a valuable contribution
	Reducing youth offending
	Service user quality of life is improved (beyond the scope of the service)
	Promote non clinical treatment
Making the best use of our people and physical assets	Promote the health, wellbeing and independence of people and communities, including employees
	Support people into apprenticeships
	Be open and transparent in our procurement processes to encourage participation
	Reduce fraud opportunities
	Efficient use of resources by minimising waste

Figure 5: Solihull Social Value Policy TOMs Measurement Framework

Based on the above, there appears to be a strong mandate for the council to request developers to submit a Social Value Statement with planning applications. This would be made stronger where:

- The Social Value Policy explicitly mentions planning or the 'wider corporate services' of the council – this would need to be signed off by Cabinet
- The council has brought together all relevant policies, including the JSNA, into a single briefing document for developers to respond to
- The expected content of a Social Value Statement has been clearly laid out
- Social Value Statements are included within the Validation Checklist

4.2 Suffolk County Council

Suffolk County Council is responsible for the planning decisions for its own development (e.g., schools, early years and fire stations) and mineral and waste planning. Planning decisions outside of this remit fall to the district and borough councils and the Broads Authority. The councils and other public sector organisations work through The Suffolk Growth Partnership to deliver shared economic growth objectives.

Suffolk County Council strategies and priorities align with all five themes in the National TOMs Measurement Framework. The Suffolk JSNA is informed by a local needs assessment and includes information about the wider determinants of health such as social, economic and environmental factors.

Suffolk is a focal point of Nationally Significant Infrastructure Projects (NSIPs) for the future of our nation's energy supply. In February 2021, the County Council's Cabinet adopted an approach seeking project promoters to identify and deliver social value to affected communities.

Given this context, individual Local Planning Authorities within Suffolk would determine their own approach, such as introducing Local Plan policies and requiring Social Value Statements. Suffolk County Council can support both Local Planning Authorities and put in place their requirements to embed social value into planning processes across the county. This includes:

- Each local authority to use evidence from the JSNA and shared objectives to improve social, economic and environmental outcomes for local communities. Each local planning authority's Local Plans use shared evidence such as skills, transport and wider determinates of health and specific localised community needs assessments that identify social needs, which could inform the requirements of Social Value Statements if introduced
- There is scope for the county council to require Social Value Statements to be submitted when reviewing its validation requirements; this could be relatively straightforward for its own developments

4.3 Sheffield City Council

In conjunction, Sheffield City Council strategies, priorities, and SPDs align with all five themes in the National TOMs Measurement Framework. In addition, the Sheffield JSNA is informed by a local needs assessment and includes information about social, economic and environmental factors.

Whilst Sheffield Development Framework Core Strategy (adopted 2009) does not include a direct reference to social value, the policies and objectives within the Local Plan align to the themes of the National TOMs and therefore provide a solid premiss to be built on by SPDs to require a Social Value Statement in planning. Therefore, in the context of Sheffield City Council, there is reasonable ground to request a Social Value Statement from developers to show alignment to the SPDs and JSNA and other strategies and policies that align to the themes of the National TOMs. To make the request for a Social Value Statement more robust, before including social value in their Local Plan, Sheffield City Council could:

- Develop a Social Value Policy so that it specifically refers to the Joint Strategic Needs Assessment and links to the wider council corporate objectives as laid out in the Corporate Plan
- Choose to use the National TOMs to define social value and explicitly mention how the policy covers all aspects of the council's operations, including procurement and planning
- Update the Validation Checklists that cover the submission details of what must be submitted with planning applications specifically relating to social value
- Review Supplementary Planning Documents regularly to keep up to date

4.4 Summary of Findings

It is likely that there will be an extensive range of social value policy maturities across the public sector and that this will also depend on the extent of their planning powers (i.e. Local Authority, County Council or District Council).

- The planning powers of different councils vary, and this will need to be taken into account as the approaches are developed
- Over 45% of councils have a Social Value Policy²², but few explicitly mention planning and most policies are focused on procurement. Those councils that do not yet have a policy can develop one that also covers planning, and those that have a policy that does not yet mention planning should make the changes as soon as the opportunity arises
- When brought together alongside a Social Value Policy, many councils will likely have policies that will have sufficient requirements to cover the content of a Social Value Statement. However, this is a piece of work that councils will need to conduct or have commissioned
- All councils should update their Validation Checklists to include a Social Value Statement

²² Front_and_Centre_Report_May_2019.pdf (socialenterprise.org.uk)



5 Embedding Social Value in the Local Plan

A Local Plan can also set out requirements for reporting social value through construction and even into occupation. The Local Plan provides the most robust way of including social value in planning; however, most councils have not yet started this process, and a Local Plan can take over 4-5 years to complete and get approval. As a result, this is a long-term mechanism to ensure social value is accounted for in planning applications.

5.1 Case Study - Embedding Social Value in Salford Local Plan

Salford City Council is currently producing 'A Fairer City' The Salford Local Plan: Development Management Policies and Designations (SLP:DMP). Once adopted, this document will form part of Salford's development plan and will provide the central policies that will be used to manage development and determine planning applications. Salford City Council published the Publication SLP:DMP in January 2020 and an Addendum containing proposed modifications to the plan in February 2021. Comments were invited on both of these documents. The plan was submitted to the Secretary of State for examination in July 2021, with the examination hearings due to follow in Autumn 2021. It is expected that the plan will be adopted in June 2022.

The SLP:DMP has been guided by the city council's vision to 'create a better and fairer Salford for all' and aims to tackle the problems people in Salford face as identified in 'The Great Eight'²³. Fairness is at the heart of the SLP:DMP, with its purpose being to provide policies for managing development to help deliver the council's vision.

To reflect the vision and local needs, the SLP:DMP includes the 'A fairer Salford' chapter, which contains four key policies:

- F1 Inclusive development process
- F2 Social value and inclusion
- F3 Inclusive places
- F4 Fairness for all generations

²³ Salford City Council 'The Great Eight':
<https://www.salford.gov.uk/your-council/council-and-decision-making/how-the-council-is-performing/our-priorities-the-great-eight/>

Policy F2 Social value and inclusion is critical in ensuring development takes all practical measures to maximise its social value through requiring:

- All major developments to submit a Social Value Strategy, identifying how it will contribute to:
 - Reducing inequalities
 - The ability of residents and vulnerable groups to participate
 - Inclusive places
 - Economic inclusion
 - Good mental and physical health

Policy F2 explains that a framework of measures will be established to assist developers in identifying how development can maximise its social value and that appropriate measures from the framework can be selected regarding the scale and location of the proposed development and identified local needs. The policy indicates that further guidance on delivering social value may be developed through a supplementary planning document (SPD).

Salford City Council published a Social Value Strategy background paper in February 2021 when the Publication SLP:DMP Addendum was published. Its purpose is to explain why securing social value from development is a priority in Salford and regarding the comments received to policy F2 through the Publication SLP:DMP consultation, to provide some further information about what should be included in a Social Value Strategy.

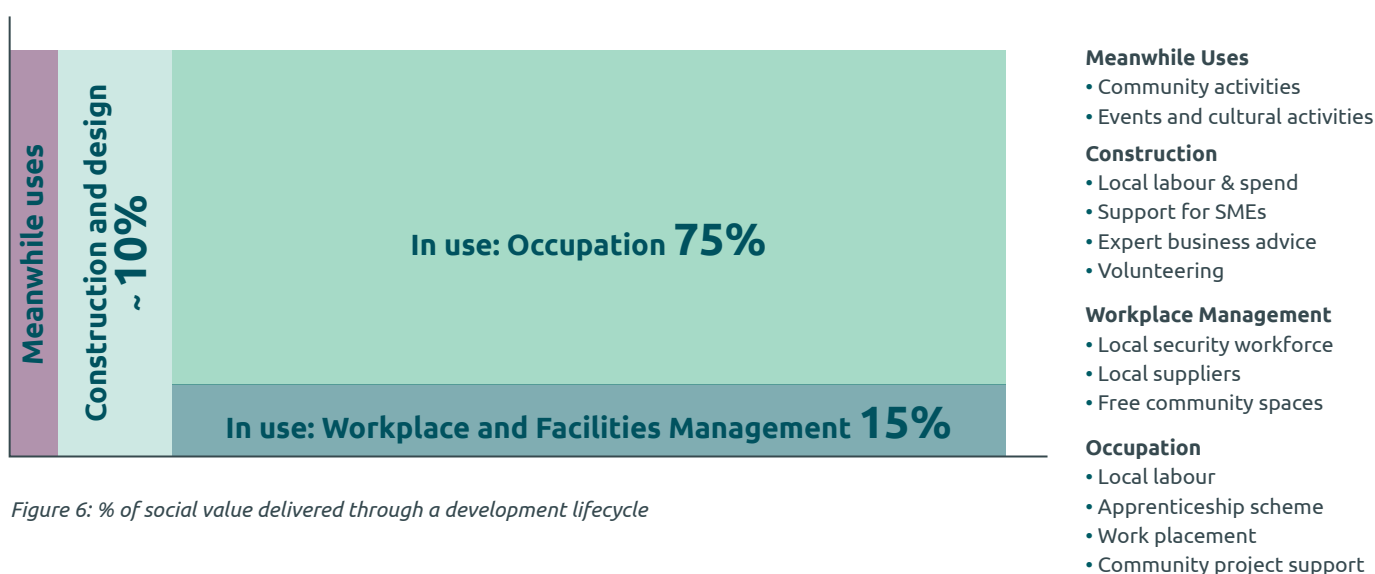


Figure 6: % of social value delivered through a development lifecycle

Salford City Council Publication Salford Local Plan: Development Management Policies Addendum (Proposed Modifications) (February 2021)

Policy F2 Social value and inclusion

All development shall be located, designed, constructed and operated so as to maximise its social value and contribution to making Salford a more socially inclusive city reflecting the city council's vision and 'Great Eight' priorities.

All major developments shall submit a Social Value Strategy at the planning application stage for the approval of the city council. A condition will be included on all relevant planning permissions to ensure the implementation of any approved Social Value Strategy, including requiring compliance with the relevant parts of the strategy to be confirmed prior to the commencement and the occupation of the development. The Social Value Strategy shall identify how the development will support social inclusion and deliver social value throughout its lifecycle. This shall include demonstrating how the development will maximise its positive contribution to:

- 1)** Reducing inequalities in Salford and their adverse impacts on residents;
- 2)** The ability of local residents and vulnerable groups to fully participate in society;
- 3)** Inclusive places, in accordance with Policy F3;
- 4)** Economic inclusion, with positive consideration given to:
 - a)** Ensuring that access arrangements cater for all needs, including maximising opportunities for walking and cycling;
 - b)** Promoting on-site employment opportunities to Salford residents;
 - c)** Providing training opportunities for Salford residents;
 - d)** Utilising local supply chains; and
 - e)** Signing up to the City Mayor's Employment Charter.
- 5)** Good mental and physical health, in accordance with Policy HH1.

A framework of measures will be established to assist developers in identifying how development can maximise its social value. Appropriate measures from the framework can be selected having regard to the scale and location of the proposed development and identified local needs. Further guidance on delivering social value may be developed through a supplementary planning document. For the purposes of this policy, social value is defined as the range of potential social, economic and environmental benefits to communities in Salford, including existing residents, businesses and other stakeholders in the local area.

5.2 Guidance for Embedding Social Value in the Local Plan

Based on the comments received by Salford City Council to Policy F2, some issues to consider when embedding social value in a Local Plan include:

- Guidance on what a Social Value Strategy should include
- Guidance on how the Social Value Statement would be assessed
- Guidance around measurable criteria
- Development viability considerations

6

Benefit Realisation – Contractualising Social Value Delivery

The public do not trust planning authorities to look after their interest and even less developers to deliver on their promises. Social Value offers an opportunity to rebuild trust underpinned transparency and constructive engagement.

6.1 Introduction

A recent study (2019) by Grosvenor²⁴ found that only 2% of the public trust developers. This is a surprisingly low figure, but even more shocking is the fact that only 7% of the public trust local authorities concerning planning for large-scale developments. Additionally, 74% of the respondents wanted developers to be held accountable for their promises, as depicted in figure 7.

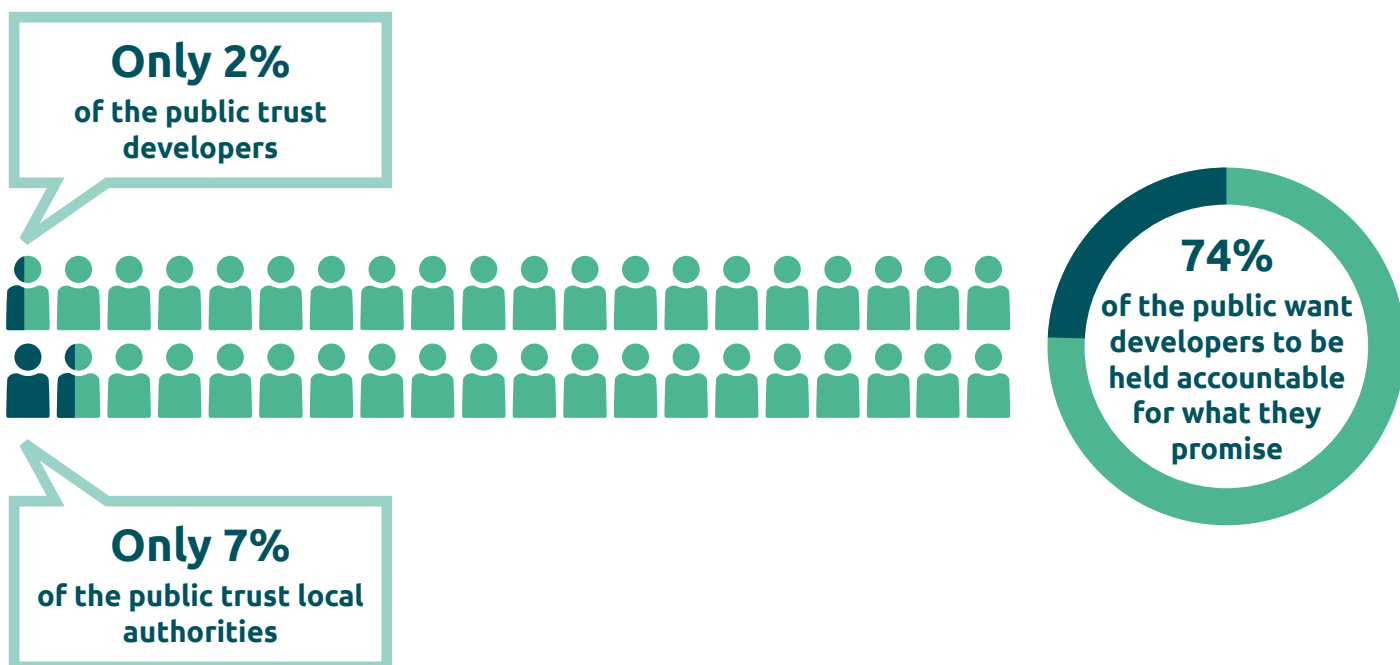


Figure 7 – The state of trust in the planning system

²⁴ Building trust (Grosvenor Britain & Ireland, 2019):
<https://www.grosvenor.com/our-businesses/grosvenor-britain-ireland/rebuilding-trust>

This is unacceptable, and if faith in our planning system is to be restored, then some major changes will need to be made.

Within the study, holding developers and councils to account was cited as the most popular method to increase trust, followed by more opportunities for local people to influence planning decisions and more transparency.

Embedding social value into the planning process represents an important step to achieving and promoting greater trust in the process.

- Social Value Statements can be used to hold developers and councils to account, as they are public documents that set out the baseline agreement from which an S106 agreement can be forged. S106 agreements are held publicly accessible to ensure transparency
- Social Value Statements improve transparency in the planning system for the public and between developers and councils through providing clear social value commitments, which can then be measured and managed across the development lifecycle
- The development of a Social Value Statement provides an important opportunity for local communities to influence planning applications, as community consultation is key to feeding into the creation of a place-based Social Value Strategy. This has been made more achievable in recent times, with digital engagement playing a central part in reaching groups traditionally out of reach to developers

The ability to introduce aspects to a development that go 'above and beyond' what is reasonably related to the development and needed to make it acceptable in planning terms is limited by law and policy. Therefore, to contractually embed social value in planning, planning authorities should ensure they either have a Local Plan policy in place against which the wider community and social aspects of a development can be considered or ensure that the steps laid out in [Section 3](#) have been considered to allow for a Social Value Statement to be included within the planning submission (e.g. Supplementary Planning Guidance review, a Validation Checklist and a Social Value Policy).

However, to ensure the council are not facilitating the 'buying' of planning permission, only those social value outcomes which meet the three tests can become a contractual agreement. Still, when a developer puts forward additional social value outcomes within a Social Value Statement, the council can work with the developer and other stakeholders to deliver these outcomes.

Once a council has determined the best way to address social value through their policy environment and can mandate a Social Value Statement from developers as a condition of planning permission, the council needs to consider how it will contractualise the delivery of social value.

"Planning and development can have a positive impact on areas through high quality masterplanning, design and construction. However, the benefits can be far wider and embedding social value in the planning process can bring significant benefits to local communities and change lives for the better."

– Andrew Taylor, Group Planning Director (Countryside Properties)

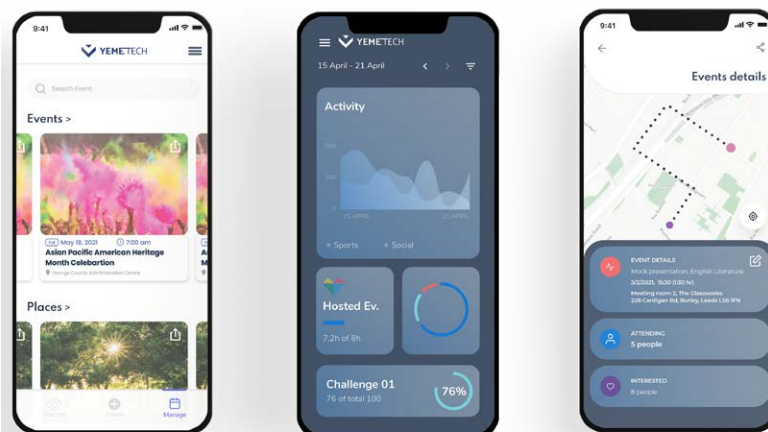
Case Study: YEME Architects, The Community App

Project overview: YEME Architects are a socially led award-winning architectural practice, keen to drive place-specific entrepreneurial solutions to challenging concerns of local communities and urban fabric.



The YEME Tech Community Data Platform is a comprehensive series of tools that uses community activities and assets as the basis for stimulating greater social interaction, targeting existing facilities and assets of the city to build communities around these.

At the heart of the platform is a dynamic and complex data-gathering, categorisation and enrichment process that digitally maps community assets, activities and events to provide a catalyst for change informing planning and city decisions. This data serves several different uses, from policy-making and urban design to social prescribing and community building. The platform is specifically designed to help local businesses and organisations improve social interaction for their user/resident groups.



Social Value Outcomes

- **Increased integration** – demonstrating the relevant activities are taking place around them will encourage users to integrate within their community
- **Reduced community siloes** – a social epidemic across certain groups, isolation damages physical and mental health and further burdens the taxpayer. Exposing vulnerable individuals to relevant groups can help tackle this crisis
- **Improved engagement** – user satisfaction levels are of increasing importance, particularly universities and employers. By showing users what's around them, the Community App aims to improve satisfaction levels by connecting users to their unfamiliar surroundings
- **Increased community data knowledge** – location and participation data can be mapped to identify gaps in services and recognise community trends and activity clusters
- **Enhanced community cohesion** – increasing activity awareness will increase participation levels creating a win-win situation for both the individual and the organisation
- **Improved health** – boredom, unemployment and a lack of purpose increase the likelihood of antisocial behaviour and crime. By increasing social integration and building community networks, the Community App aims to tackle this issue in a preventative manner

Implementation

The Community App will be first trialled with Bradford Council and dedicated local schools with around 100 users from each school. Each year group will be categorised to ensure the selected activities are appropriate for the targeted user. Following the initial pilot, The Community App will then be rolled out to other organisations across Bradford, including Childcare Works, Youth services and others involved in the Bradford Holiday Activities and Food programme.

6.2 Contractualising Social Value

This report identifies four principal means of contractualising social value after planning has been awarded

- Planning Obligations
- S106 Agreements
- Planning Conditions
- Planning Contributions

6.2.1 Planning Obligations

Local planning authorities must take [UK Government Guidance](#) into account in their decisions on planning applications and must have good reasons for departing from it, and planning obligations are legal obligations entered into to mitigate the impacts of a development proposal.

Planning obligations are used for three purposes:

- **Prescribe** the nature of development (for example, requiring a given portion of housing be affordable, requiring a new school to be built, or requiring a certain percentage of local spend be achieved through a development)
- **Compensate** for loss or damage created by a development (for example, where trees need to be cut down, the developer will need to plant new trees elsewhere)
- **Mitigate** a development's impact (for example, through road and access improvements to mitigate congestion caused through construction and occupation of the development or the protection of wildlife and a requirement for the developer to submit details of how this will be ensured)

Planning obligations assist in mitigating the impact of development to make it acceptable in planning terms and may only constitute a reason for granting planning permission if they meet the tests that are necessary to make the development acceptable in planning terms as follows:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

These tests are set out as statutory tests in [regulation 122](#) (as amended by the 2011 and 2019 Regulations) and as policy tests in the National Planning Policy Framework. The tests apply whether or not there is a Community Infrastructure Levy charging schedule for the area.

6.2.2 Section 106 (S106)

S106 Agreements are legal agreements between local authorities and developers and can be attached to a planning permission. These agreements secure planning obligations and financial contributions to mitigate the impacts of the development and to make development acceptable, which would otherwise be unacceptable in planning terms.

Other agreements can be linked to the S106 and, through this mechanism, may be contractualised. However, where contractualised elements are not part of mitigation, they should not be considered in the planning decision. As the land itself (rather than the person or organisation that develops the land) is bound by an S106, the elements included in the S106 is something any future owners will need to take into account and may include obligations on the eventual occupiers of the buildings.

6.2.3 Planning Conditions

The NPPF states the following: “Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition” and there may likely be circumstances where planning conditions are a more appropriate mechanism to secure Social Value Statement commitments (non-monetary) rather than an S106 agreement.

Planning conditions are requirements that are attached to planning consents. In effect, the planning consent is granted on the condition that the measures contained in the accompanying conditions are complied with. Planning conditions are used to enable developments to proceed in cases where it would otherwise have been necessary to refuse planning permission, as the conditions contain the required measures to make the development acceptable. It usually limits what a landowner can do; for example, it applies limits on design, use, construction methods and times of the day and what can be developed.

Planning conditions can be used to control aspects of the development at different phases in the development lifecycle. Common examples include:

1. Details that need to be confirmed before the permission can be implemented, known as ‘pre-commencement conditions’. For example, approval of the materials to be used;
2. Restrictions on the work needed to implement the permission, often known as ‘pre-construction conditions’. For example, the hours in which vehicles can access the construction site; and
3. Restrictions on the use or operation of the development once complete, often known as ‘post-occupation conditions’. For example, any subsequent change-of-use or the allowable trading hours.

The National Planning Policy Framework (NPPF) sets out six tests to which all planning conditions must comply. They must be:

1. Necessary
2. Relevant to planning
3. Relevant to the development to be permitted
4. Enforceable
5. Precise
6. Reasonable in all other respects.

Paragraph 54 of the NPPF states the following:

“Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition”.

Consequently, if a mitigating measure is required, then a planning condition should be used if it is possible to do so, and a planning obligation should only be used if it is not possible to use a planning condition. It is also important to note that duplication is not allowed (i.e. the same mitigation cannot be required via both a planning condition and a planning obligation).

6.2.4 Planning Contributions

Planning contributions are requested additions to a development, usually to prescribe against, compensate for or mitigate the negative impact of a development. For example, where a new development puts greater pressure on transport networks, drainage, education, housing affordability, or the need for jobs, the local planning authority (LPA) can ask for contributions to mitigate these pressures. These might be financial contributions to the LPA to increase capacity or ask the landowner to increase capacity directly within the development.

6.3 What Happens if Social Value is NOT Delivered?

Where the development team or occupiers have not delivered the agreed social value outcomes, the council will need to decide what steps need to be taken to remediate the loss. These steps should be outlined clearly in the SPDs/SPGs so that any prospective planning applicants understand what is expected of them.

In some cases, best endeavours from a developer may still result in non-delivery. For example, a developer may fail to deliver the agreed number of apprenticeships due to a lack of requirement in the area or because more needs to be done by the council to ensure residents are ready for apprenticeships offered by developers and their supply chain. The council will need to assess whether or not this requirement is still material but assuming that remedial action still needs to be taken, this may include:

- If the social value commitments have been based on the National TOMs (or equivalent) to offer alternative social value measures that make up the difference or loss
- Make a payment to the council according to a pre-agreed Remediation Schedule
 - The payment size should consider the ground for non-delivery (i.e., there has been a failure with no reasonable endeavours or whether reasonable attempts have been taken and still resulted in failure)
 - The funding could be ringfenced to resource inward investment, economic development or regeneration department, services or posts

6.4 Summary - Building Trust

In the UK, the development process is not trusted by the public, with less than 7% of the public trusting local authorities and only 2% trusting the development community to deliver on the promises made during the planning process. This is unacceptable and radical change is needed.

A Social Value Statement offers a precise way of describing these impacts as well as describing the specific initiatives and targets that a developer is prepared to take if planning is awarded. These commitments need to be contractualised and made transparent to build trust again.

This is in the interest of all parties, and the planning authority should consider either using an S106 agreement or planning condition to hold developers to account. This must include remedies for non-delivery to ensure that if for whatever reason a commitment cannot be met, the community does not lose out.

In the interest of transparency, councils and developers should publish the Social Value Statement, and developers should consider how they publicly report their progress against the targets set at planning.

Key recommendations for councils and developers are as follows.

For councils:

- Ensure that social value commitments are contractualised either through an S106 agreement or through conditions
- Publish and make easily accessible all S106 Agreements and Conditions
- Be clear about what steps need to be taken to remediate the loss and what is considered 'best endeavours'. These steps should be outlined clearly in the SPDs/SPGs so that any prospective planning applicants understand what is expected of them
- At the end of the project delivery, publish a summary of what has been delivered and the reasons for non-delivery where this may have occurred

For developers:

- Ensure that the community is engaged and there are clear links to the submitted Social Value Statement
- Be clear that you will allow the Social Value Statement to be published
- Regular and transparent reporting of the delivery of social value and S106 Obligations
- Make payments to the council for non-delivery according to a pre-agreed Remediation Schedule
- Prepare an end of project case study that may be published to summarise what has been delivered and reasons for non-delivery where this may have occurred



7 Preparing a Social Value Statement

7.1 Overview

A Social Value Statement aims to outline the Social Value Strategy for the project and how this aligns with the key community needs and priorities of the local area. At its core, a Social Value Strategy ensures these needs are met in a structured and efficient way throughout the lifetime of a development.

A Social Value Statement can be submitted with the planning application to establish transparency between the local authority, the developer, the local community groups and other stakeholders. This strategy within a Social Value Statement should provide the following:

- Provide a vehicle for empowering communities and engaging them proactively in developing solutions and delivering better outcomes
- Help the local authority understand the wider social, environmental and economic value that the new development will bring to the area and local community
- Allow developers to articulate the broader contribution that a new development will bring to society and the immediate area. It places emphasis on delivering those activities (and measures) that can help solve specific needs and be tracked and measured

Key sections to be included as a minimum within a Social Value Statement are as follows:

- Local Needs (and Opportunities) Analysis (LNA), including a policy review and key data analysis such as Indices of Multiple Deprivation (IMD)
- Community Engagement and how this has informed the Social Value Strategy
- Place-based Social Value Measurement Framework that responds to the LNA and feedback from community engagement
- Social Value Commitments
- Social Value Action Plan
- Proposals for ongoing monitoring and reporting

7.2 Local Needs Analysis

The first step to prepare a Social Value Statement that will support the delivery of the greatest value for local people is to recognise the importance of local context. The purpose of a Local Needs Analysis is to provide an understanding of the key needs and opportunities when it comes to delivering social value in the local area. This will help to identify where the new development can make a real and long-lasting difference.

A Local Needs Analysis should include the following:

- **A Policy Review** – including a comprehensive review of relevant policy documents
- **A Deprivation Analysis** – including quantitative and qualitative deprivation analysis of economic, social and environmental research and data to understand the key needs and opportunities to inform the delivery of social value. This could include public data sets such as the Indices of Multiple Deprivation to get a more detailed understanding of the geography of deprivation in the local area
- **An Overview of the Support Ecosystem** - including the identification of potential Local Community Partners to collaborate with to achieve lasting change
- **A Social Value Action Plan** - including the identification of specific interventions to address local needs, with relevant community partners

7.3 Community Engagement

It is important that local people understand a developer's commitment to generating social, economic and environmental outcomes and that those people have the opportunity to inform the Social Value Strategy. To enhance findings from a desktop-based needs analysis and gain a real understanding of local priorities and where the opportunities lie to generate positive outcomes, engagement with local stakeholders is vital.

Early stakeholder engagement, including those required through a Statement of Community Interest, is an essential initial step in embedding social value into a planning submission.

Workshops, surveys and meetings with community leaders can help prioritise needs whilst also identifying specific organisations and initiatives that could be supported throughout the lifecycle of a development to generate positive outcomes.

Due to restrictions from Covid-19, interactive and dynamic digital methods of engaging with local communities can be an essential step to reach as widely as possible across the local area.

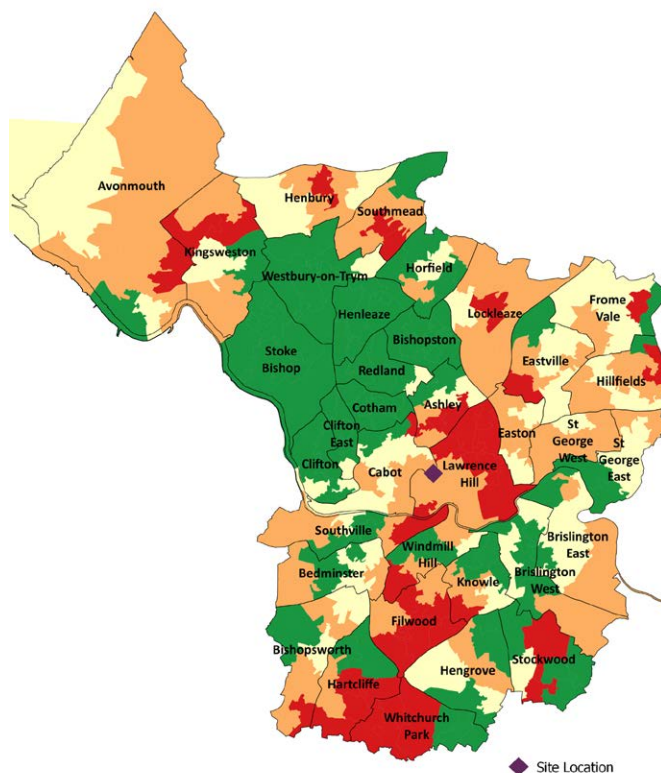


Figure 7 - 'Indices of Multiple Deprivation, Overall Deprivation Map Bristol'

Case Study: Hadley Property Group, Blackwall Yard

Asset Type: Mixed-use Regeneration Development

Location: Tower Hamlets



Project Overview: The Planning Application for Blackwall Yard was submitted in November 2020 and included plans for new connections through the site along the Thames Path, a two-form primary school for the borough, a reimagined and revitalised graving dock, as well as cafes, shops, community space and 898 new homes.



Social Value Commitment: Analysis showed the additional social value created by the new development could be as high as £264 million, covering a period of five years of construction, ten years of estate management and ten years of occupation.

Community Engagement: To effectively engage with the community and understand the local needs and opportunities relating to the redevelopment of Blackwall Yard, Hadley conducted its pre-submission public consultation programme across two phases.

Phase 1: This included face-to-face engagements (November 2019) as well as a dedicated engagement website (www.blackwallyard.co.uk) and online polls that offered input on areas of influence within the development. As the coronavirus pandemic took hold, Hadley sought to continue with the commitment to inclusivity by developing a bespoke virtual platform, which mirrored an in-person consultation and could be accessed through any device with internet access (www.explore.blackwallyard.co.uk). The user-friendly space allowed visitors to navigate a series of exhibition boards containing detailed information, visuals and explainer videos of the full development proposals. This platform was extensively updated throughout the consultation programme, with hard copies of the consultation material also made available for those without internet access. Online feedback polls were embedded into the exhibition space, which encouraged feedback on the proposals, requested details of further engagement activity and additional space for further comments.

Phase 2: Digital meetings, including Q&A sessions, were held as part of the second phase of consultation with representatives of the site's closest neighbours. As a result of this dialogue, Hadley has committed to delivering temporary allotment space for the residents which will activate the space whilst the site remains vacant, with further community space allocated for the same use upon the scheme's completion. Prayer space was also allocated at the community's request within the completed development.

Hadley gained a first-hand understanding of the community by engaging with groups and charities in the local area. This included staff volunteering with Neighbours in Poplar, a charity who have been preparing hot meals every week throughout the coronavirus pandemic for vulnerable residents of Tower Hamlets. As well as supporting local groups providing training and wellbeing support for disadvantaged residents of Tower Hamlets, Hadley also supported the Half Moon Theatre's Career in Theatres Programme, which provides theatre training for disadvantaged young people who traditionally would not have access to theatre and performing arts.

Summary: This form of engagement meant that they could reach a much wider and varied demographic, collate much larger amounts of feedback and develop proposals that genuinely responded to community need. Following the launch of this digital consultation, 971 people (as of 15 September 2020) visited the virtual exhibition room to see the proposals. A further 462 people (as of 15 September 2020) also visited the general project website (Blackwallyard.co.uk). Respondents generally expressed support for the provision of new local amenities on the site, alongside the extension of the Thames Path.

7.4 Social Value Measurement Framework

The Social Value Measurement Framework for a project should be place-based and reflect the priorities of an area or 'place' uncovered through the Local Needs Analysis and consultation. Whether it is the National TOMs²⁶ being used or a different framework, the measurement and management framework should reflect the activities and interventions that will be delivered through the project's lifecycle from construction through to management and occupation.

7.5 Social Value Action Plan

Using the bespoke Social Value Measurement Framework for the project, it is possible to set targets for each phase of the project's lifecycle. The commitments underpinning these targets should be outlined in the Social Value Statement to provide transparency about the strategy and how the targets will be delivered. This is an excellent opportunity to sign-post the place-based interventions that have been identified to support the delivery of the targets, which will ultimately ensure the delivery of social value locally for people who are in the greatest need. (For example, providing apprenticeships for local people who need them most by working with a local organisation).

7.6 Ongoing Measurement & Reporting

The targets outlined in the Social Value Statement need to be managed and measured throughout the delivery of the project once planning has been approved. This will help establish transparency and accountability between the local authority, the developer and the community and build trust between the various parties. It will also provide the opportunity to see how needs are being met and how they can be improved upon over time. The ongoing measurement costs could be incorporated into the s106 or considered as a planning condition to ensure delivery.

7.7 Additional Considerations

To get the most from delivery partners who are working to implement the targets outlined in the Social Value Statement, it is helpful to embed these commitments into procurement processes and supply chain and occupier commitments.

The strategy within the Social Value Statement needs to be communicated to all stakeholders involved in a project. That the Statement itself must be easy to understand, with clear targets that can be communicated to the local authority and local community groups. Where possible, the Statement should include infographics and engaging summaries as a helpful way to communicate with the wider stakeholders and community members and bring them on board.

²⁶ [National TOMs - Social Value Portal](#)

Case Study: English Cities Fund, The Crescent, Salford

Asset Type: Mixed-use Masterplan (250-acre)

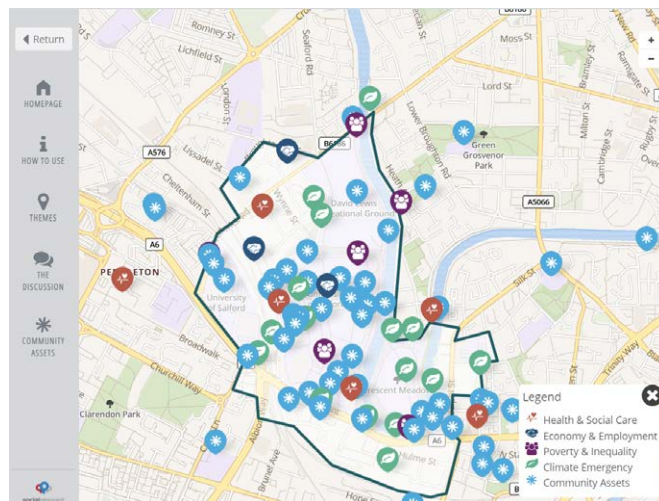
Public/private: Joint venture between public and private

Location: The Crescent, Salford



Project Overview: Social Value Portal (SVP) worked with the English Cities Fund, the University of Salford and Salford City Council to prepare a Social Value Development Framework and Social Value Delivery Strategy that set out an ambitious long-term vision for the area which will guide future regeneration over the next twenty years. This Development Framework was supplemented by the findings from the Social Value Consultation undertaken by SVP and supported by PLACED.

Before carrying out the consultation, a detailed Local Needs Analysis was conducted by SVP to understand the key policy objectives from the council, indicators of deprivation in the wards around the site, and community partners that could be engaged to address these needs.



The next step was to begin the Social Value Consultation, which faced the additional challenge of occurring during the Covid-19 pandemic. As a result, traditional face-to-face engagement was not possible, and innovative methods were used to reach local people. Multiple methods were used, including the following:

- A Social Pinpoint site with a Social Value Map and Ideas Wall with 177 comments in total
- Seven different workshops lasting between 90-120 minutes with focused sessions for young people and university students
- A skills session
- A young people's survey

Unlike traditional statutory consultation that might solely centre on the design aspects of the scheme, the Social Value Consultation was designed around the themes of the Social Value Development Framework including Economy & Employment, Poverty & Inequality, Health & Social Care and Climate Emergency.

The Social Pinpoint platform also allowed for SVP to add themes and focused survey questions as more knowledge was gained throughout the consultation process. A Social Value Map allowed for the collection of a database of 'community assets' identified by respondents as places, infrastructure, organisations and community groups in the area around that either generate social value or need improvement. The Ideas Wall was also a useful mechanism to gather more examples of organisations who were driving social value locally and could be engaged throughout the scheme's delivery. All of this was fed into the Social Value Development Framework and Delivery Strategy.

Outcomes

- Gain a more detailed understanding of the needs and opportunities that exist for people in the local area
- Identify more stakeholders and community groups that should be engaged throughout the delivery of the project
- Feed findings into a targeted Social Value Measurement Framework that meets local needs
- Build trust with local people

Learnings and Project Legacy

- It is vital to have multiple methods of engagement to engage different types of stakeholders as well as to address issues of digital poverty
- It is important to ask questions specific to social value and the proposed Measurement Framework to fully understand how needs can be met locally
- Conducting a Local Needs Analysis is a useful first step before any consultation to get a baseline understanding of community need and to understand who the key stakeholders are before beginning social value consultation; however, insight from local people should not be overlooked

8

Delivering Social Value

Social value is delivered across the full lifecycle of a development, from design and construction to in-use, including property management and occupation. The earlier social value is embedded within a development lifecycle, the more benefits can be delivered.

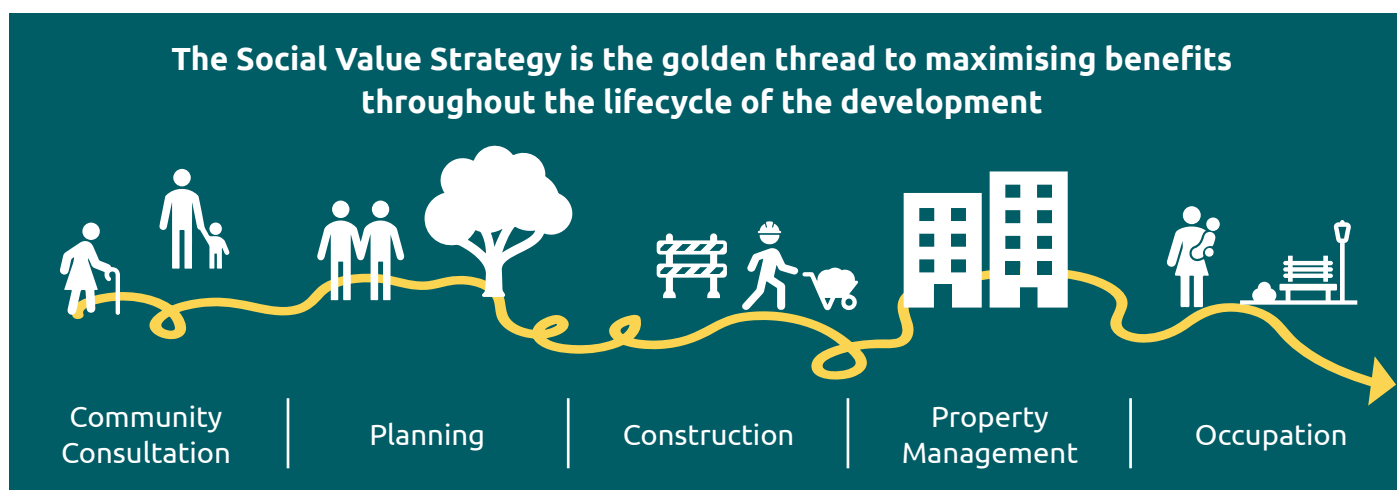


Figure 8: Social value as the golden thread to maximise benefits through a development lifecycle

8.1 Social Value During Design

Design teams are ultimately responsible for developing the plans that unlock the potential for community activities and value creation. The design teams can also add social value through their own corporate social responsibility activities, such as creating local jobs and apprenticeships and getting involved in community outreach programmes.

8.2 Social Value During Meanwhile-use

Often led by the development team, meanwhile uses can bring an empty site alive and create social value at the same time. This is especially the case for large masterplans whilst the site is being developed.



Case Study: Allia, Moveable Modular Housing for Cambridge Homeless Community

Asset Type: Modular housing units (6 units)

Location: Barnwell, East Cambridge

Project Overview: Cambridge suffers from high house/land prices and high levels of homelessness and, as a result, there is insufficient housing stock available to provide pathways out of homelessness. Recognising this local need, Allia (a charity working with entrepreneurs and businesses) commissioned a cost-effective single person modular housing unit of 25m² from a local social enterprise. Young, formerly homeless people were trained in modern construction methods to deliver the units and Allia identified unused land awaiting development to house six units.

Meanwhile-use: To deliver the pilot project, a 3-year peppercorn lease and 3-year temporary planning permission were obtained, as well as pro bono assistance on planning, site preparation and some aspects of the utility's supplies. The approach is rapid once planning has been granted – approximately three months for site preparation and installation.

Residents are very positive about the experience of living in the units, and whilst they are supposed to be transitional housing (18-24 months), residents often express a desire to stay due to the security of having their own front door, a small, supportive community and intensive professional support from a specialist charity.

The units can be reused on future sites, and Allia hopes that as the idea becomes accepted, the offer of longer lease terms will make the economics better, more than covering the cost of the relocation.

Social Value Outcomes

- People accessing high-quality transitional housing
- Lower cost than acquiring or building new stock
- A supportive environment creates cost savings and better outcomes
- Unused land brought into socially beneficial use
- A cost-effective way of providing housing solutions
- Reduced homelessness



8.3 Social Value During Construction

Some social value conditions are captured within an S106 agreement, such as requirements for local labour, local spend and apprenticeships. Innovative contractors will do much more than this, including working with partners to provide job opportunities and training for those furthest from the job market, increasing local supply chain spend, digital mentoring and embodied carbon reductions.

Case Study: Multiplex, 22 Bishopsgate

MULTIPLEX

Asset Type: Mixed-use (commercial with vertical village, bar and viewing gallery)

Location: City of London

Project Overview: Multiplex was employed to deliver the shell, core and full CAT A fit-out works of 22 Bishopsgate which, at 278 metres, stands as the tallest tower in the City of London.

Social Value Strategy: A core part of Multiplex successful delivery of 22 Bishopsgate was creating positive impacts and delivering real social value within the community. They achieved this by implementing a robust Social Value Framework with key performance indicators focused on four core pillars:

- Investing in people
- Respecting our neighbours
- Supporting business
- Inspiring communities

By following their Social Value Strategy, Multiplex delivered social value over and above their targeted outcomes.

Social Value Outcomes

- 22.9% local labour (target 20%)
- 97 apprenticeships (target 36)
- 384 new entrants (target 120)
- 27 work placements (target 20)
- 13 graduates (target 12)
- 29 educational engagements (target 16)
- 1494 students engaged (target 400)
- 38 community engagement events (target 16)
- £65.7m spend with local SMEs (target £59m)
- 5584 volunteer hours (target 2,000)
- £285.7K charitable fundraising (target £40k)
- 7 diversity and inclusion events

“Embedding social value into the planning process is essential and it’s important we all get it right. This process allows you to identify areas where you can maximise your impact before you’ve even started and it removes the potential for missed opportunities. Everybody has a part to play.” – Amy Dawson, Senior Social Value and Community Manager (Multiplex)



8.4 Social Value In Use

The property management team plays an essential role in unlocking social value when procuring its facilities management services, such as security staff, maintenance and repairs, and cleaning services. The team also has a vital role in bridging the gap between the occupier, the community and the local council to unlock opportunities for the occupiers to employ local people, reach local schools and volunteer in the community.

The occupier can create the most social value through how it engages with the local community, provides jobs and training opportunities for local people, engages with the local supply chain and strives to protect the environment.

Case Study: Here East

Asset Type: Innovation campus (1.2 million sq ft)

Public/Private: Private

Location: Queen Elizabeth Olympic Park, Hackney, East London

Project overview: Here East aim to create a campus and community to foster innovation and collaboration between businesses at all scales and academic institutions. Here East won best in the Commercial category at the Grand Final of the RICS Social Impact National Awards 2020 to recognise the built environment's positive and transformational contribution to society. Judges praised Here East for its social and environmental impact, as well as the collaboration and innovation themes which are firmly rooted in the campus' core vision:

"The project from its inception had all the judging criteria embedded into its DNA. The project in a deprived part of London embraces its local community by investing heavily in social, economic and physical regeneration of the local area. A sustainable approach to environmental matters enhances this project with many features providing a benefit to the local community." Richard Moxon, Commercial Judge

Here East connects diverse partners to create a more inclusive future for everyone.



Social Value Outcomes

- Employment – to date, c.4,500 people work and study at Here East, and there are more than 95,000 annual visitors (2019)
- Here East People – this theme has been established to encourage young people to pursue their passions and develop a range of skillsets. Here East runs insights programmes and supports apprenticeships to connect young people with businesses in emerging clusters. Programmes such as Engineer Here have engaged over 3,000 young East Londoners
- Plexal – Here East’s innovation centre brings together over 140 companies and more than 800 members. Within Plexal, the Social Inclusion Unit helps businesses scale solutions that enable inclusivity through assistive technology and promoting diversity
- Community Forum – Here East leads this forum with senior representatives from the London Legacy Development Corporation (LLDC), Hackney Council and tenants to encourage collaboration and lead social impact. Here East works with tenants and partners to promote opportunities, shape education and promote skills training that will generate and grow jobs
- Here East Scholarship Programme – this gives full undergraduate tuition scholarships and supporting loan supplement to prospective students in surrounding boroughs looking to study at Staffordshire University London and LMA. The Inspiring Success scholarship programme with Loughborough University and LLDC has seen scholarships awards to local people, with 70% of recipients going on to secure graduate-level employment
- National Careers Week – Here East partnered with LLDC and Staffordshire University to deliver a series for local young people
- The Gantry – The Tramperry on the Gantry provides 10,000 sq ft of bespoke affordable studio space for Hackney Wick’s creative community, where over 70% of tenants are local
- School engagement – over 3,000 local school children have attended educational events on campus annually (2019), including insight collaborations with tenants to raise career awareness and inspire young people
- Health and Wellbeing – this is embedded in Here East’s annual events programme, with events including yoga, puppy therapy, massages and workshops. Cycling facilities are provided, as are free HIIT classes and inter-company football
- Badu Sports – Here East has partnered with Badu Sports to celebrate East London’s diversity and to support and deliver mentoring programmes for young and hard to reach communities, with a positive effect on thousands of vulnerable teenagers
- Supporting local businesses – 11 small independent businesses are supported within the retail units

Case Study: Keystone London/This Project Ltd, Thameside West

Asset Type: Mixed-use: residential, school, nursery, DLR station, retail, workspaces (5,000 new homes).

Public/private: Private

Location: The Silver Building, Thameside West Newham

Project Overview: Projekt has utilised the previously derelict building and turned it into a thriving cultural hub, providing genuinely affordable space to creative local businesses and SMEs in the area. The Silver Building has provided six jobs for local Newham residents and created five additional jobs at the café.

At 100% occupancy, with 250 tenants, 40 studios and workspaces and offering spaces for charities, The Silver Building is an exemplar of a meanwhile-use facility that has created substantial economic benefits and wellbeing outcomes for several stakeholders.

Targeted Outcomes (quantitative)

- Creating a total of 2,525 jobs broken down into
- 830 full-time construction jobs
- 710 indirect construction jobs
- 985 potential full-time operational jobs
- Total social value = £13,289,917.01

Targeted Outcomes (qualitative)

- Increased confidence
- Increased motivation
- Higher aspirations
- Feeling part of a community
- Improved skills
- Improved written and verbal communication
- Accessible environment
- Increase in community activities

Learnings and Project Legacy

The project has created a new cultural space, which will be implemented into the Thameside West scheme, with the provision of industrial space for studios, workshops, retail, light industrial and workspace.

The next phase will allow Projekt and The Silver Building to move into a permanent home on Thameside West, enabling local companies to succeed through long-term affordable spaces and embedding the cultural and community hub which has evolved on the current industrial site.





9 Conclusion

The findings within this report indicate that the existing national planning policy already permits social value to be included within the planning process. Whilst this is not a fail-safe mechanism it is most likely that socially responsible developers will choose to engage. This will not be the case with all new development, so councils must consider how they can construct the right policy environment to ensure that social value is properly addressed by all parties.

The work by the Social Value Planning Taskforce has shown that there are reasons for including social value in the planning process:

- It helps planning authorities to understand the wider social value a new development may bring to a community
- It supports the negotiation of social value outcomes by local authorities and encourages the developer to respond according to local needs, including the Joint Strategic Needs Assessment
- It builds trust within the community by encouraging engagement, target setting and transparency of delivery

In the first instance, a Local Plan that lays out social value requirements and the rationale behind these requirements offers the most effective means of addressing the issue, as demonstrated by Islington and Salford City Council, who are pioneering this approach. Once their Local Plans have been approved, both councils will require developers to submit some form of Social Value Statement including specific targets and proposals for reporting and monitoring once their emerging Local Plans are adopted.

However, Local Plans can take many years to develop, and a 'stop gap' solution is required to ensure that communities do not miss out in the meantime.

Councils that are not able to develop a Local Plan to include social value can specifically request developers to submit some form of Social Value Statement within their planning processes through taking several simple steps:

- Bring together local policies that relate to social value and the council Social Value Policy which should include the Joint Strategic Needs Assessment. Make these available to developers and request that all major developments respond to these policies in the form of a Social Value Statement
- Ensure that any major developments requiring an Environmental Impact Assessment are required to submit a Social Value Statement
- Ensure that a Social Value Statement or Statement of Community Involvement requirement is included within the Validation Checklist for all major developments

For all but the most unscrupulous developers, this should be a compromise that will provide them with a more effective way of describing the social, environmental and economic contribution that their new development will make to the local community.

It is essential that a way is found to contractualise the commitments to ensure that planners can take social value into account when deciding on a planning application. In the first instance, this should be through some form of planning condition. However, where this is not possible, the most effective will be through planning obligations and an S106 agreement that confirms the targets, commitment to monitor and report and a schedule of remedies in case of non-delivery.

Most developers are naturally inclined to want their new developments 'liked' by local people as it will reduce any challenge and ensure that the new development will be accepted after completion. As a result, they will be happy to provide a Social Value Statement to help the planners understand the wider benefits of the new development to the local area and community. The planners must be as transparent as possible on their expectations and make it clear how social value will be considered a part of the planning award process.

If all of these measures can be put in place and social value is successfully integrated into the planning process, this will significantly benefit communities. More jobs, more local wealth creation, improved skills, greater community cohesion and a cleaner, greener environment, could be worth up to £30bn per year in additional social value.

A prize worth fighting for.

“Embedding social value into the planning process is vital. It sets out your stall at the beginning of a project and enables you to deliver tangible impact throughout. The more weight it can be given with Local Authorities, the better – as an industry we need to be held to account on the promises that everyone is now starting to make. Great to be a part of the contributing team.”

– Matt Griffiths-Rimmer, Director of Communications and Partnerships (Hadley Property Group)

