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ESG

Putting a value on social value

UKGBC sets out working definition of social value, but how will it be measured, asks **Adam Branson**

While the term 'social value' has been gaining currency in the property industry for some time, it often seems as though people are talking about wildly different things.

For some, it is about developing schemes that have a positive environmental impact on the community; for others, it is about job creation or setting up an apprenticeship scheme; and for some, it is about more intangible qualities, like building community resilience.

So, how should we define social value? How can it be measured? And what does good social value look like?

Next week, *Property Week's* Climate Crisis Challenge collaborator UK Green Building Council (UKGBC) will launch its latest report on the subject, 'Framework for defining social value', which aims to set out a definition that everyone can agree on.

The definition, which is the product of months of consultation with its members, is deliberately broad.

"In the context of the built environment, social value is created when buildings, places and infrastructure support environmental, economic and social wellbeing, and in so doing improve the quality of life of



At face value: it is generally agreed that social value initiatives should consider specific community needs

LUCY BISHOP/SHUTTERSTOCK

people," the definition reads. "Exactly which environmental, economic and social outcomes create social value will depend on the best interests of the people most impacted by the project or built asset. Those outcomes must be defined for each built environment project."

Sophia Cox, sustainability adviser at UKGBC, says that while there was unanimous support for many of the measures included in the report, some were more controversial. For instance, some members objected to the inclusion of anything related to reducing carbon emissions on the basis

that emissions are not tied to specific places.

"However, we have included it in our definition because, first of all, it's just so important," says Cox. "But also, the whole system has already kind of gone that way. For instance, it's included in planning policy when it comes to social value."

Community needs

One thing most people can agree on is that social value initiatives should be designed according to the specific needs of the community that a project will affect.

Liam Ronan-Chlond, head of

engagement and social value at First Base, explains how his company approaches things. "In collaboration with communities, we develop a bespoke social value action plan for each of our projects," he says.

"In order to drive real change, each of these action plans include in-depth local needs analyses and delivery frameworks that are made public, measured and regularly reported upon, so that we can be transparent and held to account on the targets we set.

"Everyone has a stake in delivering social value whether developer, resident business

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« or council. We must promote collaboration and work together to ensure that long-term tangible benefits are realised.”

Ronan-Chlond cites First Base’s Edward Street Quarter scheme in Brighton. “Tangible examples include boosting local access to employment and skills in partnership with the local authority, local charities, probation services, education institutions, employment and training organisations, which through a targeted programme has already resulted in successful employment on site,” he says.

Anna Devlet, head of community at British Land, describes a similar approach at the company’s Canada Water scheme in south-east London. “We’ve worked with Southwark Council to create a social regeneration charter – a framework to ensure that the physical changes go hand in hand with social, health and economic benefits for those living, working and spending time in and around the area,” she says.

“As part of this approach, we undertook substantial research locally to define social indicators for the project based on community insights. It’s our intention that progress against these are measured at regular points throughout the project.”

Business support

Devlet points to British Land’s partnership with local charity Tree Shepherd. “We provide low-cost workspace with business support and advice to help local entrepreneurs get their businesses off the ground,” she says. “The project aims to become self-sustaining and create a network of local entrepreneurs to inform the ongoing programme and maximise outreach within their communities.”

Granular research is key, adds Savills, which worked with logistics developer GLP on its



Seeds of growth: Argent’s social value initiatives at King’s Cross include nature walks and urban gardening projects

Magnitude project at Magna Park in Milton Keynes and is a lead partner in our Climate Crisis Challenge.

“As part of the project, we studied the sociological research and we also carried out the local needs analysis, which looks at the policies of local authorities,” says Savills sustainability business manager Rebecca Smith.

“We also looked at the indices of multiple deprivation for local areas, which helped us identify solutions and initiatives that would target the right issues.”

Due to the Covid pandemic, not all the initiatives could be completed in full. Biodiversity education programmes with local schools, for instance, had to be abandoned.

However, Graeme Munro, head of construction, Europe, at GLP, says the company pivoted and started supplying laptops for disadvantaged kids

Instead, thereby still serving the needs of the same community. It also upped its relationship with local food banks by both donating directly and collecting and distributing food from its workforce.

Other elements of the programme could proceed as planned, “During the build, we made sure that local businesses were employed as part of the supply chain,” says Munro.

“You might say that’s what would happen anyway, but it doesn’t necessarily because

the general contractor has got its own supply chain. Social value is about employing local businesses and making sure that the local businesses and materials are being used in that project. We also employed people in disadvantaged situations, like the long-term unemployed.”

Employment also forms a key part of Argent’s wide-ranging social value programme at King’s Cross. Claudine Blamey, head of sustainability and digital strategy at the company, a fellow lead partner in the Climate Crisis Challenge, points to its King’s Cross Recruit initiative. “We’ve put 1,200 people into employment and 70% of those have been from the local community, which has been incredible,” she says.

Other initiatives at King’s Cross include nature walks and urban gardening projects, which again were difficult to do



Claudine Blamey
Argent

“It’s made it easier and cheaper to deliver these strategies [online]”



In the community: Argent Related is developing its 'Flourishing Index' at Brent Cross to measure social value

during the pandemic. However, Blamey says she was pleasantly surprised by how much could migrate to online.

"We learned that you can do work experience stuff online for people; you can do training online for people," she says. "We thought people have to physically come to places to do that, but it's actually made it easier and cheaper to deliver these strategies."

Financial value

Another key feature of Argent's work - or Argent Related when it comes to its Brent Cross project - is the use of consultant Social Value Portal to independently evaluate its work. Every year, the organisation puts together a report on Argent's social value programme and places a financial value on it. In 2019 - the latest year available - the total came in at more than £2m. However, Blamey is well aware

that putting a price on social value only tells part of the story. It is for this reason that Argent Related is developing what it calls its Flourishing Index at Brent Cross.

The partnership with Manchester University and consultancy Buro Happold aims to measure wellbeing among workers and visitors, something that is difficult to quantify financially but can still be seen as a measure of success.

Basil Demeroutis, managing partner at FORE Partnership,



Basil Demeroutis
FORE Partnership

“The outcome [of social value] is improving someone's life

agrees that measuring social value is about more than money - in fact he believes that measuring social value in such terms to an extent "misses the point". He says the simplest way a company can enhance social value is by providing space to charities and others for free. Buildings in his portfolio have hosted after-school reading clubs and a charity that fixes up secondhand bikes, for instance.

"We know how many people attend, how many days a year we've done it and how many lives it's touched," says Demeroutis. "So, I think that ends up being quantifiable to a degree but it still falls into the category of being more anecdotal because, of course, the people who come and attend an event disappear.

"We may never see them again, so we don't actually know how that's changed their lives."

Demeroutis adds that it would be possible to put a figure on

how much it would have cost had organisations been charged for use of the space, but that he does not particularly see the need to do so. "I think that's missing the point," he says.

"It's not the complete picture because the social value created is the impact on the person whose life we may have changed," he elaborates.

"So, what's the value of someone being able to get a job or learning about healthy eating and not having to go to hospital? The outcome isn't giving away space for free; the outcome is improving someone's life." ■

We now have a definition of social value, but there is still a debate to be had about how social value should be measured - and that debate will be had in the second year of our Climate Crisis Challenge. To take part in our sentiment survey, turn to page 25.