



Spelthorne Borough Council

**Extraordinary Council Meeting
Thursday, 29 January 2026**



21 January 2026

Please reply to:

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To the Councillors of Spelthorne Borough Council

I hereby summon you to attend a meeting of the Council to be held at The Council's Offices, Knowle Green, Staines-upon-Thames on **Thursday, 29 January 2026** commencing at **7.00 pm** for the transaction of the following business.

Terry Collier

Interim Chief Executive

Councillors are encouraged to wear their badge of past office at the Council meeting.

Councillors are reminded to notify Committee Services of any Gifts and Hospitality offered to you since the last Council meeting so that these may be entered in the Gifts and Hospitality Declaration book.

AGENDA

Description	Page nos.
1. Apologies for absence To receive any apologies for non-attendance.	
2. Disclosures of Interest To receive any disclosures of interest from Councillors in accordance with the Council's Code of Conduct for Members.	
3. Determination of Council Tax Base for Council Tax Setting Council is asked to approve:	5 - 20
<ul style="list-style-type: none">a. The existing Council Tax Reduction Scheme is retained for 2026/27,b. In accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the Council Tax Base for 2026/27 calculated as Band D equivalents, is determined at 41,276.13, an increase of 1.62%; andc. The estimated Council Tax surplus for 2025/26 is £6.478m, of which £0.614m relates to Spelthorne Borough Council (£5.515m of the surplus is a one-off and is due to an adjustment to the 2024/25 bad debt provision)	
4. Social Value Strategy Council is asked to:	21 - 58
<ul style="list-style-type: none">1. Agree to adopt the Social Value Strategy for the Regeneration site disposals following the recommendation by the Corporate Policy and Resources Committee on 19 January 2026; and2. Note that by adopting the strategy the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers, which may reduce the highest financial value being achieved.	

Extraordinary Council Meeting – 29 January 2025

Confirmation of the Local Council Tax Support Scheme for 2026/27 and Determination of the 2026/27 Council Tax Base

This item was considered at the Corporate Policy & Resources Committee held on 19 January 2026 and the Committee **resolved** to recommend that Council approve:

- a. The existing Council Tax Reduction Scheme is retained for 2026/27,
- b. In accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the Council Tax Base for 2026/27 calculated as Band D equivalents, is determined at 41,276.13, an increase of 1.62%; and
- c. The estimated Council Tax surplus for 2025/26 is £6.478m, of which £0.614m relates to Spelthorne Borough Council (£5.515m of the surplus is a one-off and is due to an adjustment to the 2024/25 bad debt provision)

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Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.



Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing		
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	PR	
Relevant Group Head review		
MAT+ review (to have been circulated at least 5 working days before Stage 2)		
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Finance comments	OO	16/12/25
Risk comments		
Legal comments	LH	18/12/25
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	19/12/25
S151 Officer commentary – at least 5 working days before MAT	T. Collier	19/12/25
Confirm final report cleared by MAT		

Corporate Policy and Resources Committee

19 January 2026

Title	Confirmation of Local Council Tax Support Scheme for 2026-27 and determination of the 2026/27 Council Tax base
Purpose of the report	To make a decision and a recommendation to Council
Report Author	Terry Collier, Interim Chief Executive
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to recommend to Council that: <ol style="list-style-type: none">A. The existing Council Tax Reduction Scheme is retained for 2026/27.B. In accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the Council Tax Base for 2026/27 calculated as Band D equivalents, is determined at 41,278.13 an increase of 1.62%.C. The estimated Council Tax surplus for 2025/26 is £6.478m, of which £0.614m relates to Spelthorne Council (£5.515m of the surplus is one-off and is due to an adjustment to the 2024/25 bad debt provision)
Reason for Recommendation	To meet the legal requirements to set the Council tax base and publish it between 1 December 2025 and 31 January 2026 and to notify Surrey County Council and the Surrey Police and Crime Commissioner.

1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> This report sets out the calculations to determine the Council Tax Base for 2026/27 and the estimated surplus or deficit on the Collection Fund at the end of 2025/26, including the respective shares notifiable to the precepting bodies. 	<ul style="list-style-type: none"> The tax base is an estimate of the number of equivalent band D chargeable dwellings within Spelthorne for the year ahead. This will be used in each preceptor's budget-setting process to determine the total amount of Council Tax each will expect to receive in the following year.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> That the tax base (showing the estimated number of Band D equivalent dwellings within the Borough for the financial year 2026/27) be approved at 41,278.13. The estimated surplus on the collection fund for 2025/26 be declared at £6.478m to be split amongst precepting authorities as set out in the report, in accordance with the relevant statutory requirements. 	<ul style="list-style-type: none"> The Council is required to approve the Council Tax Base for its area and has a statutory obligation to notify the figure to the major precepting authorities (Surrey County Council and the Surrey Police and Crime Commissioner) with the Council tax base by no later than 31st January 2026

2. Key issues

- Section 67 of the Local Government Finance Act 1992 requires the Council to determine and approve its Council Tax Base for the following financial year before 31st January.
- The Council is required to calculate the Council Tax Base for its area and has a statutory obligation to notify the figure to the major precepting authorities (Surrey County Council and the Surrey Police and Crime Commissioner) with the Council tax base by no later than 31st January 2026.
- The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the Council Tax Base for 2026/27 calculated as Band D equivalents, is determined at 41,278.13 and increase of 1.62% compared to 2025/26 after an adjustment of 3% to allow for irrecoverable amounts, appeals and Council Tax base changes.
- The declared surplus/deficit on the Council Tax Collection Fund balance is paid out/recoverable by the Collection Fund in full in the following financial year. The estimated balance as at 31st March 2026 on the Council Tax Collection Fund is a projected net surplus of £6.478m. The Council's overall share of this surplus is £0.614m, (£5.515m of the surplus is one-off and is due

to an adjustment to the 2024/25 bad debt provision). The component parts are set out in Table 4 below.

- 2.5 The Welfare Reform Act 2012 and Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a locally determined Council Tax Reduction Scheme (also known as a local Council Tax Support Scheme), which is effectively a type of Council Tax discount. The legislation requires the Council to approve a Scheme, including amendments to an existing scheme, by the end of January preceding the start of the financial year. The recommended Scheme for 2026/27 is unchanged from the Scheme agreed by Council for 2025/26.
- 2.6 Each year, the Government amends the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 to ensure that pension-age Local Council Tax Support (LCTS) schemes are updated in line with changes in the wider benefits system. The annual update also provides an opportunity to ensure that the residency requirements for accessing both pension-age and working-age LCTS remain consistent with the UK's immigration policy. These updates will be incorporated into the Council's 2026/27 Scheme in accordance with the principles of the Council's original Local Scheme agreed following consultation in January 2026.
- 2.7 The Council is required to calculate a Council Tax Base for its area annually in accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base (England)) Regulations 2012.
- 2.8 The Council Tax Base 2026/2027 must be calculated and notified to Major Precepting Authorities (Surrey County Council and the Surrey Police and Crime and Commissioner) by 31st January 2026.
- 2.9 The Tax Base for 2026/27 is calculated for the above purposes as being 41,278.13 (band D equivalent) properties – an increase of 1.62% on the 2025/26 Tax Base of 40,619.62

3. Local Council Tax Reduction Scheme (LCTRS)

- 3.1 The Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a new locally determined Local Council Tax Reduction Scheme (also known as a Local Council Tax Support Scheme) from April 2013. This is effectively now a Council Tax discount that reduces the Council Tax Base.
- 3.2 Each local authority is required to annually set a Local Council Tax Reduction Scheme for working age claimants. The Government continues to operate a statutory national scheme for pensioners, which provides them with broadly the same level of Council Tax Support as they received under the previous Council Tax Benefit scheme but has been adjusted by the Government since its introduction to incorporate a number of welfare reform initiatives.
- 3.3 The Local Council Tax Reduction Scheme was initially funded through a specific central government grant set at 90% of each local authority's Council Tax Benefit expenditure. Government funding since 2014/15 has been rolled into the Council's overall finance settlement and is no longer specifically identifiable

- 3.4 Pension age customers continue to be protected by the Government's default scheme of 100% support based on a financial means test.
- 3.5 It is recommended that the Council retains the Council Tax Reduction Scheme in 2026/27 as applied in 2025/26 to provide stability and certainty for low-income households, particularly in light of ongoing cost-of-living pressures. The current scheme is well-understood, operates effectively, and continues to support the Council's objectives of protecting vulnerable residents and reducing the risk of council tax arrears. Retaining the existing arrangements also avoids the financial and administrative costs associated with consultation and implementation of changes, while minimising the risk of unintended impacts on collection rates and household affordability.

4. Council Tax Base Calculation

- 4.1 The Council Tax Base is an estimate of the number of band D equivalent properties within the Billing Authority's (Spelthorne Borough Council's) area and is used by the Council and Major Precepting Authorities (the County and Police and Crime Commissioner) to determine how much Council Tax income is anticipated to be received and budgeted for in the financial year.
- 4.2 The Tax Base is calculated by taking the list of properties by tax band as supplied by the Valuation Office, (an executive agency of HM Revenue & Customs (HMRC)) as at 6th October 2025 then adjusting it for various factors to calculate a chargeable number of properties per tax band.
- 4.3 The factors adjusted for include:
 - Properties which will be entirely exempt, so no tax is payable e.g. those occupied entirely by students;
 - Properties which will attract a 25% reduction e.g. those with a single adult occupier;
 - Properties which will attract a 50% reduction e.g. those where all the adult residents qualify for a reduction (certain Care Homes for example);
 - Properties which attract a 100% levy because they have been unoccupied and substantially unfurnished for more than 12 months and up to 5 years;
 - Properties which attract a 200% levy because they have been unoccupied and substantially unfurnished for more than 5 years and up to 10 years;
 - Properties which attract a 300% levy because they have been unoccupied and substantially unfurnished for 10 years or more;
 - Properties which attract a 100% levy because they are no one's sole or main residence and which are substantially unfurnished (from April 2025);
 - Properties which will be treated as being in a lower band because they have been adapted for a severely disabled person;
 - Properties which will be on the valuation list, but which attract discounts or disablement relief or are exempt, for only part of the year;
 - Properties which are in receipt of Local Council Tax Support;
 - Properties which are in receipt of a local discount.

4.4 The calculated chargeable number of properties per tax band is then converted into "band D equivalents" by applying the factors laid down by legislation. These are set out in Table 1 below:

Table 1. Council Tax Band Ratios

Band	AA	A	B	C	D	E	F	G	H
Ratio	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

4.5 For example, a band A property is multiplied by 6 and divided by 9 to arrive at the "band D equivalent" figure, whilst a band H property is multiplied by 18 and divided by 9 (equal to multiplying by 2). All of these are then added together to give a total of "band D equivalent" for the billing area.

4.6 Additions are then made to the tax base for estimates of newly built and occupied properties in 2026/27 and the final quarter of 2025/26. This estimate is based on past trends, properties that have not yet appeared on the valuation list, and planning estimates of housing growth. For 2025/26 a growth of 1.62% is estimated for the year.

4.7 The Council is then required to decide what its collection rate is likely to be and multiply its Tax Base by this percentage to give its Council Tax Base. A collection rate of 100% would assume 100% collection and thus a zero adjustment, whereas a collection rate of less than 100% allows for an element of non-collection and results in a reduction to the Council Tax Base.

4.8 The overall collection rate for 2026/27 is estimated at 97.00%. The Council will continue to seek to maximise the amount of council tax collected.

4.9 The total number of properties per council tax band as at 6th October 2025 are set out in Table 2 below.

Table 2. Properties per Council Tax Band

Band	% of Properties	Number of properties	Adjustments (Discounts, Premiums)	Net Properties	Ratio	Band D Equivalents (rounded to 1dp)
A(DR*)	0.0	1.00	0	1.00	5/9	0.6
A	0.9	358.75	(55)	303.29	6/9	202.2
B	3.7	1,504.50	(281)	1,223.15	7/9	951.3
C	21.8	8,842.00	(1,205)	7,637.13	8/9	6,788.6
D	34.5	14,012.25	(933)	13,079.66	9/9	13,079.7
E	23.0	9,352.25	(231)	9,121.34	11/9	11,148.3
F	10.8	4,402.75	(49)	4,402.75	13/9	6,288.5
G	5.1	2,066.50	(9)	2,057.02	15/9	3,428.4
H	0.3	109.50	0	109.50	18/9	219.0
O	0.0	-	0	-	-	27.0
Total	100.0	40,649.50	(2,764)	37,934.84		42,133.4

4.10 The Council Tax Base calculation is summarised in the following table:

Table 3 a) Council Tax Base 2026/27 calculation actual dwelling numbers

	Adjustments	Total
Total Number of Properties on the Valuation List as at 6 October 2025		44,875.00
Reductions for Discounts & Exemptions as at 6 October 2025	4,225.50	
Reductions for Council Tax Support Scheme* as at 6 October 2025	2,763.86	
Total Number of Net Chargeable Properties as at 6 October 2025		37,885.64

*The Council is required by Central Government to design a local council tax support scheme for pension age people and people of working age, albeit with certain limitations prescribed by Central Government through regulations, by 31 January 2025. The Council's local scheme is:

- a) Working age claimants will pay a minimum of 25% of their Council Tax
- b) People with disabilities will pay a minimum of 10% of their Council Tax
- c) Pensioners will continue to be protected

Table 3 b) Band D Equivalent Numbers

Band D Equivalent Properties as at 6 October 2025		42,133.44
Estimated New Build (band D equivalents) 2026/2027	421.33	
Reduction for non-collection of 3%	(1,276.64)	
2026/27 Council Tax Base (band D equivalents)		41,278.13

Table 3 c) Calculation of expected growth in Council Tax Base

Current 2025/26 Council Tax Base (Band D equivalents)	40,619.62
New 2026/27 Council Tax base (Band D equivalents)	41,278.13
An increase of	658.51 (1.62%)

Table 3 d) Impact on budgeted council tax income, of the changes to the Council tax Base

Council Tax Base (Band D Equivalents)	41,278.13		
Current 2526 Band D Charge	£228.86		
Expected 2627 Council Tax Income		£9,446,913	
Projected Council Tax Increase	2.90%		
Revised 2627 Band D Charge	£235.50		
Revised Expected 2627 Council Tax Income		£9,720,873	
Current 2526 Budget		£9,296,300	
Current Budget vs No Council Tax Increase			£150,613
Current Budget vs 2.9% Increase			£424,573

Council Tax Collection Fund Surplus/Deficit

4.11 Any difference between the level of Council Tax budgeted for (based on the estimated Council Tax Base) and the level of Council Tax income actually realised in year has no impact on the in-year General Fund revenue position but is retained within the Collection Fund.

4.12 An estimate of the surplus or deficit on the Council Tax Collection Fund must be made, by law, on or before 15th January 2026. Council Tax surplus or deficits must be credited or charged to Spelthorne Borough Council, Surrey County Council and the Surrey Police and Crime Commissioner, in proportion to their precepts and will be taken into account in setting the 2026/27 Revenue Budget and Council Tax levels.

4.13 The estimated balance on the Council Tax Collection Fund as at 31st March 2026, in January 2026, is a net surplus of £6.478m, comprising:

- A residual surplus balance brought forward from 2024/25 totalling £5.515m which is primarily due to the 2024/25 adjustment to the Allowance for Impairments for Doubtful Debts (Bad Debt Provision) that was required at the end of the financial year being lower than was forecast in January 2025 when the 2024/25 Council Tax Collection Fund Balance estimate was made;
- An in-year net surplus balance totalling £0.963m which primarily relates increased in year growth.

4.14 Any declared surplus/deficit is paid out/recoverable by the Collection Fund in full in the following financial year based on the January estimate. The shares of this balance are set out in the following table:

Table 4. Council Tax Collection Fund Estimated Balance as at 31st March 2026

	Share of Overall Estimated Net (Surplus)/Deficit (£m)
Spelthorne Borough Council	614
Surrey County Council	4,957
Surrey Police and Crime Commissioner	906
Total	6,478

5. Financial implications

5.1 The increase in the Council Tax Base of 658.51 average band D properties equates to an increase in Council Tax income of £0.425m based on the 2025/26 Council Tax charge of £228.86 for a band D property.

5.2 Section 10 of the Local Government Finance Act 2012 imposes an obligation on Billing Authorities to set up a Council Tax Reduction Scheme to replace Council Tax Benefit from 1 April 2013. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 specify that the tax base must be adjusted to take account of the amount to be paid in accordance with the reduction scheme.

5.3 In arriving at a net base, allowance must be made for irrecoverable amounts, movements as a result of appeals and property base changes (new properties). For this purpose, an allowance of 3% is proposed.

5.4 The Council Tax Base for 2026/27 has been calculated in accordance with the prescribed guidelines.

6. Risk considerations

- 6.1 There are several key variables in setting the Council Tax Base which have the potential to change; these are set out below.
- 6.2 Eligibility for discounts and exemptions is factored into the calculated Tax Base. These include student discounts, single person discount and the Council Tax Reduction Scheme – the latter being particularly prone to change dependent upon employment status of working age benefit claimants. Although numbers have now returned near to pre pandemic levels, there remains much uncertainty as to the potential impact of the cost of living crisis on the economy. Therefore, future fluctuations in caseload/claimant levels cannot be ruled out.
- 6.3 The Tax Base includes forecast growth in the number of properties subject to a Council Tax liability. Whilst this is based on historic growth levels achieved and known planned development, it remains an estimate and is sensitive to changes in the economy and house building market. The growth factor is also subject to assumptions regarding the band of property completed and also the status of the occupier(s) and their eligibility for discounts (e.g. single person), exemptions, and Local Council Tax Support. Any significant variation regarding collection rates has the potential to impact on the level of bad debt provision required and would impact on overall collection levels and any projected surplus or deficit.
- 6.4 In setting the Council Tax Base for 2026/27, statutory regulations prevent the net amount credited to the Council's General Fund from being different in 2026/27 to that originally estimated (and applies to precepting bodies in the same way). Any variance would however impact on future years.
- 6.7 The Collection Fund balance as at 31st March 2026 is required to be estimated by 15th January 2026. The assumptions made within this calculation are therefore subject to change by 31st March 2026. This risk of non-collection remains high, due to the ongoing cost of living crisis. This impacts on Council Tax collection rates and therefore there is increased uncertainty on future projections.

7. Legal considerations

- 7.1 In preparing the Council Tax Base calculations for 2026/27 the Council must comply with the Local Authorities (Calculation of Council Tax Base) Regulations 2012. The Council is also required to comply with the requirement under the Local Government Finance Act 1992 (as amended).
- 7.2 The Council has a statutory duty to set a balanced budget each year, and setting the Council Tax Base is a critical step in the process.
- 7.3 Article 4, para 4.1(b) of the Council's Constitution confirms that approval of the Council Tax Base is a function of full Council.

Corporate implications

8. S151 Officer comments

- 8.1 The Section 151 Officer confirms that all relevant financial considerations and requirements have been taken into account in calculating the taxbase figure to feed into the 2026-27 Budget

9. Monitoring Officer comments

The Monitoring Officer confirms that the relevant legal implications have been considered.

10. Procurement comments

10.1 None

11. Other considerations

11.1 None.

12. Equality and Diversity

12.1 None.

13. Sustainability/Climate Change Implications

13.1 None.

14. Timetable for implementation

14.1 By 31 January 2026, Spelthorne Borough Council advise Surrey County Council and the Surrey Police Commissioner of the Council Tax Base for 2026/27.

15. Contact

15.1 Terry Collier T.Collier@spelthorne.gov.uk

Background papers: There are none.

Appendices: Appendix A – Council Tax Base for 2026/27

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Appendix A - Council Tax Base for 2026/27

Band	A(DR*)	A	B	C	D	E	F	G	H	O	2026/27 Total
Number of dwellings equivalents after applying discounts and premiums to calculate tax base.	1.00	358.75	1,504.50	8,842.00	14,012.25	9,352.25	4,402.75	2,066.50	109.50		40,649.50
Reduction in taxbase as a result of local council tax support	-	55.46	281.35	1,204.87	932.59	230.91	49.20	9.48	-		2,763.86
Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	1.00	303.29	1,223.15	7,637.13	13,079.66	9,121.34	4,353.55	2,057.02	109.50		37,885.64
30 Ratio to band D	0.56	0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00		
Total number of band D equivalents after allowance for council tax support (to 1 decimal place)	0.56	202.19	951.34	6,788.56	13,079.66	11,148.30	6,288.46	3,428.37	219.00		42,106.44
Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2025-26									27.00		27.00
Tax base after allowance for council tax support (to 1 decimal place) 2026/27	0.56	202.19	951.34	6,788.56	13,079.66	11,148.30	6,288.46	3,428.37	219.00	27.00	42,133.44
Add adjustment for increase in growth 1%											421.33
Less adjustment for losses in collection 3%											(1,276.64)
Net Tax Base - 2026/27											41,278.13
Net Tax Base - 2025/26											40,619.62

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Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	n/a	
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Yes – via BIG report	Dec 25
Relevant Group Head review	CH	
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Y	06/01
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Risk comments	LN	06/01
Legal comments	LH	23/12
HR comments (if applicable)	n/a	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	23/12/25
S151 Officer commentary – at least 5 working days before MAT	T Collier	9/1/26
Confirm final report cleared by MAT		

Social Value Strategy

Extraordinary Full Council - 29th January 2026

Title	Social Value Strategy for Site Disposals
Purpose of the report	To make a decision
Report Author	Bruce Strong, Investment Asset Manager
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	n/a
Corporate Priority	Community, Addressing Housing Need and Resilience
Recommendations	<p>Full Council is asked to:</p> <ol style="list-style-type: none">1. Agree to adopt the Social Value Strategy for the Regeneration site disposals following the recommendation by the Corporate Policy and Resources Committee on the 19 January 2026.2. Note that by adopting the Strategy the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers, which may reduce the highest financial value being achieved.
Reason for Recommendation	In formally adopting a Social Value Strategy it will ensure a common process in the marketing of sites being disposed of and the analysis of subsequent offers together with aiding in the delivery of affordable housing and other forms of social value.

1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none">• A Social Value Strategy has been produced for the Council by the Social Value Partnership, Appendix 1, to be used in the disposal of housing and regeneration sites.• This Strategy has been agreed and recommended for approval by the Business Infrastructure and Growth Committee on the 14th January 2026, and the Corporate Policy and	<ul style="list-style-type: none">• A Social Value Strategy will provide the decision-making Committee(s) with agreed criteria against which to appraise offers for future development on Council owned sites, which are not based only on financial consideration.• Without an agreed criterion, it is likely there will not be consistent decision making resulting in delays to the progression of sites for sale and

<p>Resources Committee on the 19 January.</p> <ul style="list-style-type: none"> By adopting the Strategy, the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers, which may reduce the highest financial value being achieved. 	<p>additional financial pressure from holding costs.</p> <ul style="list-style-type: none"> Ensure the outcomes from the sale of the sites achieves maximum benefits and aligns with the Corporate Plan 2024-2028 priorities and Best Value requirements.
<p>This is what we want to do about it</p> <ul style="list-style-type: none"> Apply the Social Value Strategy when bringing sites to the market for sale to be able to evaluate and compare offers which deliver social value initiatives above an agreed baseline. 	<p>These are the next steps</p> <ul style="list-style-type: none"> If the Council agrees the Social Value Strategy, it will be formally adopted and form part of the marketing criteria when bringing regeneration sites forward for disposal/partnership working.

2. Key issues

2.1 The report to the Business Infrastructure and Growth Committee on the 14th January, set out the background, reasoning and benefits of adopting a Social Value Strategy in the disposal of housing and regeneration sites. A follow-on report was taken to the Corporate Policy and Resources Committee on the 19th January who agreed to recommended to Full Council that the Social Value Strategy is adopted when bringing regeneration sites to the market.

2.2 Social Value refers to the positive social, economic and environmental outcomes that result from Council decisions and the additional benefit to society they generate.

2.3 In summary the benefits of adopting such a strategy are as follows:

- It provides a consistent approach to marketing sites, provides guidance to developers when making offers and thereafter standardises the evaluation of offers by officers and the Council.
- Helps in delivering objectives on the sites that support resident and community needs, enhancing economic prosperity whilst understanding the impact on the local environment.
- Provides opportunities to improve the lives and work environment for the Spelthorne community.
- Allows the Council to articulate to residents the broader contribution that an asset or new development will bring to the Borough/immediate area.
- It places an emphasis on delivering those activities that can help solve specific needs and be tracked and measured.

- Helps stakeholders understand the wider social, environmental and economic value a new development will bring to the area and local community.
- Provides an ability to empower Councillors in developing solutions that deliver better outcomes for residents and Best Value.

2.4 The proposed Social Value Strategy, Appendix 1, has been produced following a detailed local needs analysis and review of affordable housing requirements in the Borough by the consultant, The Social Value Portal (SVP). Following this analysis SVP used the recognised Themes, Outcomes, Measures system (TOMS) to review the outputs and which allows social value initiatives to be monetised. This will enable the Council to compare and evaluate offers between those offering the highest price/best financial value and those offers which may be at a lower price but offer additional benefits, whether through social value initiatives or enhanced affordable housing.

2.5 Council should note that in implementing the Strategy there will be a trade-off between the likelihood of receiving higher offers which provide less or no social value against offers which accord with the Strategy but are lower even when the benefits of the social value initiatives are included. The values in the 'Proxy' column in the Strategy are indicative only with the figures dependent on the 'Unit' factor used in the tender document per site.

2.6 Page 7 of the Strategy shows an example of how the weighting could work between price, quality of the bid and social value offered. The social value element can then also be weighted between their value and how they will be delivered. These weightings will be considered in more detail in the disposal strategy for the sites.

2.7 The Council proposes to monitor delivery of the social value initiatives post site disposal where the mechanism to undertake this will be set out either in the disposal process or at the point of sale.

3. Options appraisal and proposal

3.1 Option 1 – Agree to the proposed Social Value Strategy and its use in the disposal of housing and regeneration sites.

This is the recommended option as it gives the Council transparency in being able to set social value requirements per site, regularise the site sale tender process and help the evaluation of subsequent offers more effectively than on just land value (whilst that will remain an important criterion).

3.2 Option 2 – Do not adopt the Social Value Strategy in the marketing of Council sites and subsequent assessment of offers. **This is not the recommended option** as it will not give the Council the ability to assess interest in a site from the full range of developers and potentially lose out on the delivery of social value opportunities as their value cannot be quantified.

4. Risk implications

4.1 Having a Social Value Strategy for the disposal of sites will ensure there are an agreed set of parameters allowing the Council to evaluate offers and ensure

best value is being delivered in line with the best value inspection and the Implementation and Recovery Plan requirements.

- 4.2 Without the Council having agreed social value priorities there is no clarity for officers to ensure they are progressing those offers that provide the greatest all round benefits to the Spelthorne, its communities, businesses and residents.
- 4.3 A mechanism to monitor the delivery of the social value initiatives and confirm their benefit will be required but there are several potential options which will be clarified either in the disposal process or at the point of sale.
- 4.4 There is likely to be a trade-off between offers which are higher, but offer limited social value initiatives, thereby providing best financial value compared to those offers which provide more social value initiatives and address corporate priorities where these offers are likely to be lower even when the value of the initiatives is included.

5. Financial implications

- 5.1 The financial implications of adopting the Social Value Strategy for site disposals involve both direct and indirect costs. A key financial consideration is the potential additional cost of £12,000 per year for monitoring the delivery of social value initiatives post-disposal, although this cost may be partially shared with site purchasers. Alternatively, we understand that Runnymede Borough Council have a basic, free level portal that could be utilised. By incorporating social value criteria into the disposal process, the Council may prioritise offers that deliver broader community benefits, potentially foregoing higher financial returns from bidders offering the highest prices but no social value.
- 5.2 However, the strategy also aims to mitigate long-term holding costs of sites by ensuring consistent and efficient decision-making in the marketing and disposal process, which could reduce delays and financial pressure on the Council. Furthermore, the ability to quantify social value in monetary terms allows for a more balanced comparison of offers, ensuring that the Council not only maximises financial return but also aligns with its corporate priorities, such as addressing housing needs and improving community wellbeing.

6. Legal comments

- 6.1 Under section 3 of the Local Government Act 1999 local authorities are subject to the Best Value Duty which requires them to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.
- 6.2 The proposed Social Value Strategy directly supports this statutory requirement by prioritising community wellbeing and overall public benefit. It further supports the Council in enhancing community wellbeing and social impact.
- 6.3 It also strengthens accountability by introducing transparent evaluation of social outcomes alongside financial receipts.

Corporate implications

7. S151 Officer comments

The S151 Officer is supportive of having a clear Social Value Strategy and criteria for informing decisions on making disposals of housing and regeneration sites. As commented above this helps shorten the time taken to make decisions and this will help reduce the length of time holding costs on these sites are being incurred. An appropriate balance needs to be achieved between achieving social value and generating capital receipts which contribute towards the Council's debt reduction strategy.

8. Monitoring Officer comments

8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

9. Procurement comments

9.1 The paper relates to the adoption of a social value policy on site disposals and therefore is not related to procurement.

10. Equality and Diversity

10.1 Bringing social value initiatives into consideration in the sale of sites could help equality and diversity issues within the borough.

11. Sustainability/Climate Change Implications

11.1 Requirements relating to the sustainability and climate change of any development will be a developer responsibility, however the disposal of Council held sites will reduce the Council's carbon footprint by removing the Scope 3 emissions currently associated with holding a vacant site.

Scope 3 emissions are the indirect greenhouse gas emissions that occur because of the Council's activities but are generated from sources it does not directly own or control, such as those from purchased goods and services, waste management, and outsourced operations all of which add to the Council's footprint while the assets remain vacant or underutilised. By progressing with the disposals, the Council will no longer incur these holding-related Scope 3 emissions, thereby improving its sustainability position and aligning with its climate change objectives to minimise indirect carbon impacts across the property portfolio.

12. Other considerations

12.1 Should the Social Value Strategy be adopted by Council a recommendation will be brought to the relevant Committee to procure a consultant to advise on the best strategy/approach to market the housing and regeneration sites. This initial piece of work will provide guidance on the best route to market the sites and how the social value strategy criteria can be implemented. To ensure the selected consultant has accountability for their proposals it is considered prudent to include a second stage piece of work, which would see the same consultancy practice hold responsibility for identifying a partner or purchaser

for site delivery via marketing or procurement routes to ensure best value is achieved.

13. Timetable for implementation

13.1 Immediately if the recommendations are approved by Council.

14. Contact

14.1 Bruce Strong, Asset Manager, b.strong@spelthorne.gov.uk

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Appendices:

Appendix 1 – Social Value Strategy

Background Papers

Business Infrastructure & Growth Committee Report 14 January 2026

Corporate Policy & Resources Committee Report 19 January 2026

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Social Value Strategy to Support Asset Disposal

Spelthorne Borough Council



Executive Summary

This document sets out a strategy for considering social value initiatives when transacting or partnering on the disposal of an asset or assets to achieve better outcomes.

These outcomes are aimed to:



Maximise affordable housing numbers



Embed wider social value commitments in disposal agreements

A social value strategy is a mechanism for identifying how social, economic and environmental value can be generated and maximised throughout the lifecycle of a development, including during construction and in use, in order to create and sustain greater benefits for the local community. It allows local needs and priorities to be considered and met in a structured and efficient way.

What is Social Value?

Social value is a term used to describe the additional social, environmental and economic benefits that an organisation and its supply chain can make to society, by contributing to the well-being and resilience of individuals, communities and society in general.

It is defined in the Public Services (Social Value) Act 2012, which is described as an 'An Act to require public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes.'

Why Spelthorne Needs a Social Value Strategy

- It provides a consistent approach to marketing sites and the evaluation of offers.
- Helps in delivering objectives on the sites that support resident and community needs, enhancing economic prosperity whilst understanding the impact on the local environment.
- Provides opportunities to improve the life and work environment for the Spelthorne community.
- Allows the Council to articulate to residents the broader contribution that an asset or new development will bring to the Borough/immediate area.
- It places an emphasis on delivering those activities that can help solve specific needs and be tracked and measured.
- Helps stakeholders understand the wider social, environmental and economic value a new development will bring to the area and local community.
- Provides an ability to empower Councillors in developing solutions that deliver better outcomes

How the Council will measure Social Value

The Framework that sets the standard

The Council has adopted the Social Value TOM System™ to measure its social value. This has been provided by Social Value Portal and has been developed with the National Social Value Taskforce and is the result of extensive consultation across local authorities and public sector organisations. As the leading social value measurement solution, it is the most widely used across both public and private sectors.

Real Estate and Social Value

Within Real Estate, the TOM System allows an organisation to measure the benefits of a specific development or asset that both reflect the needs of the immediate neighbourhood and will make a difference in improving its economic, social and environmental wellbeing.

Themes, Outcomes & Measures

The TOM System is built around four key Themes and supported by a number of Outcomes and specific Measures depending on the individual scenario.

To understand the level of benefit offered, a unit value is applied to each Measure and this unit value or spend is then translated into the additional value achieved by the Council. The value is then translated into a 'proxy' value, which is then monetised.

The Themes centre around promoting jobs & skills, supporting regional growth, empowering communities, and protecting the environment.

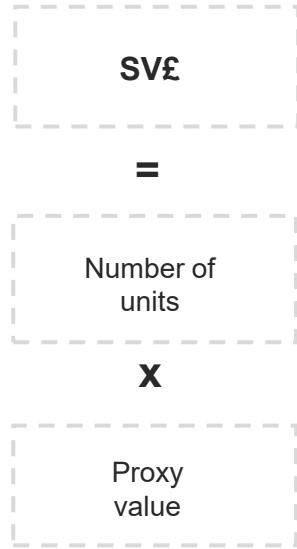
Four Key Themes:

-  **Work**
-  **Economy**
-  **Community**
-  **Planet**

How proxy values will be applied

A social value proxy is a generalised value expressed in monetary terms. It defines the magnitude of the social value per unit for the respective activities. The proxy value is a construct of multiple “value blocks”, capturing the expected value generation attributable to a specific intervention, and adjustment factors. It is important to stress that the proxy value does not aim to capture all possible elements of social value – only those that can be supported by data sources that are robust enough to support a general valuation and combined in the value blocks.

Calculating Social Value SV£



Example

Employing 10 long-term unemployed on a contract

SV£
£515,610

=

Number of units

10

=

Proxy Value
£51,561

- Prior to marketing a site or sites the expectations on the delivery of the relevant social value initiatives will be agreed with Councillors and the bid proforma issued to interested developers will reflect this, standardising the social value requirements and enabling their evaluation.
- In Appendix 1 there is a table per work Theme (Work, Community, Economy & Planet), which goes into more detail on the social value initiatives, their outcome and measure where the developers would provide the details of their bid and produce a proxy value.

Affordable Housing Social Proxy Value



Considering the evident need for additional affordable housing in Spelthorne, and in addition to social value initiatives, an affordable housing element has been included in the strategy. This is based off nine bespoke housing Measures created for the Council to capture the value of provision beyond policy requirements for the following tenures:

1. Affordable rent dwellings
2. Social rent dwellings
3. First Homes for purchase

These Measures were developed following the methodological principles of the Social Value TOM System to allow for comparability with other Measures, as set out to the right. In essence, they were designed to capture the added value derived from reducing barriers to accessing high-quality, tenure-blind dwellings of various sizes (1-bed, 2-bed, 3-bed, and 4-bed) for people in Spelthorne who are at risk of social exclusion.

Benefit to the Individual

Cost of Living Reductions

The primary value block is the difference of market and discounted rates, in consideration of Spelthorne's 3-month moving average ask rent by dwelling size as of October 2025¹ and the Spelthorne guidance on affordable and social rent setting² and First Homes pricing³.



Benefit to the Council

Temporary Accommodation Costs Foregone

This value block was estimated using the 2024 figure⁴ for gross spend from Spelthorne Local Authority on temporary accommodation per household, adjusted by the MHCLG's bedroom weights⁵ to account for the higher temporary accommodation cost of larger households.



Benefit to the NHS

Reduced Demand on Healthcare Services

For the social rent Measures, this value block was estimated using a 2024 CEBR study⁶ that estimated the per household annual cost saving to the NHS from reduction in health service demand attributable to vulnerable households overcoming the barriers to transitioning into safe and stable housing through social housing.

Thresholds & Weightings for Embedding Social Value in Asset Disposals

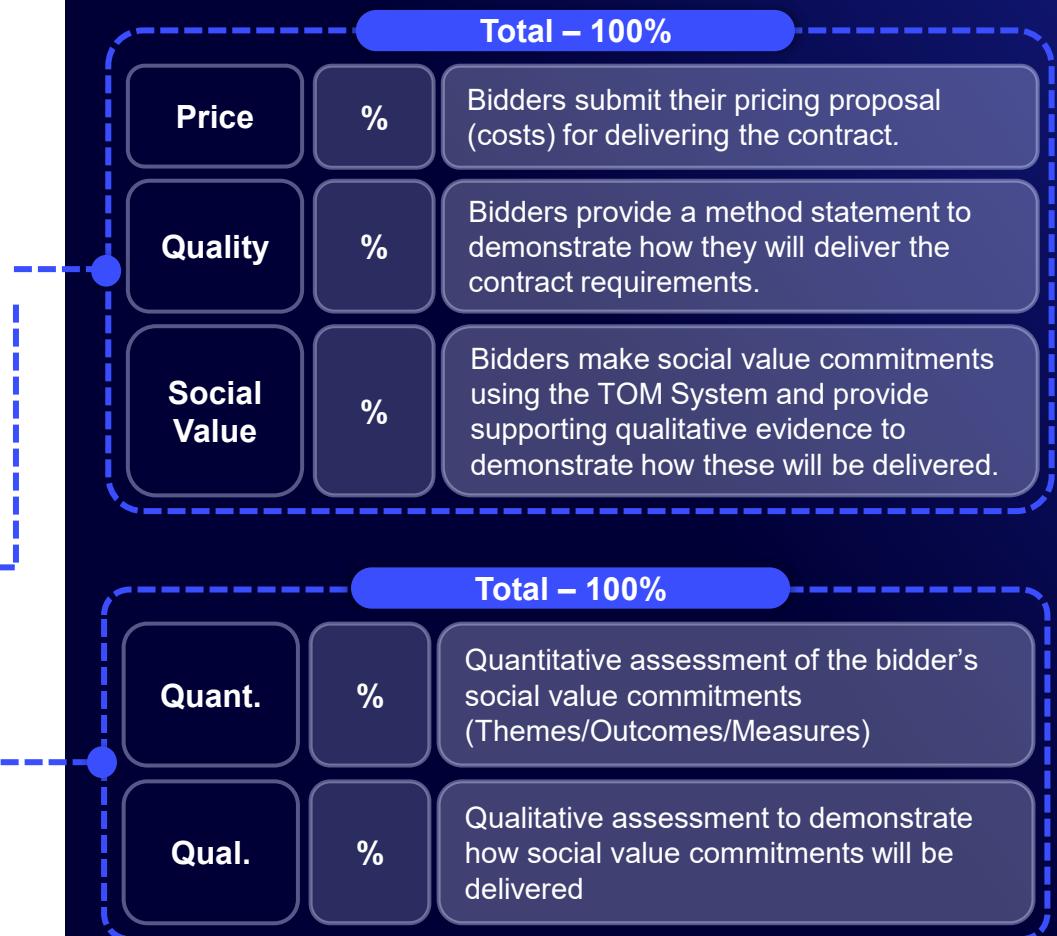
Prior to the disposal of a site(s) the Council will set out the social value thresholds and weightings to be applied.

This can be split into 3 key decisions:

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- 1** The minimum **threshold** (site value) for including social value in the tender e.g. contract value above £X
- 2** The minimum **social value weighting** to be applied across tenders.
- 3** The **quantitative and qualitative social value sub-weightings (%)** to be applied across tenders e.g. 60/40 qual/quant split.

Example Weightings for Public Works Procurement Approach





Appendix 1

Spelthorne Social Value Measure Set



Work Measure Alignment

The following **Work-related Measures** have been selected based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). The purpose of this list is to provide rationale for which Measures should be considered in the redevelopment of the assets. The measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

Outcome	NT	Measure	Unit	Proxy	Justification
Creating local employment opportunities	NT1	Local people employed or retained	no. people FTE	£46,270	<ul style="list-style-type: none"> High unemployment rate. High claimant count. Council objective: 'Building a skilled local workforce'.
	NT3	Long-term unemployed people recruited	no. people FTE	£51,561	
Providing skills and experience for good work	NT10	Employment of new apprentices	no. weeks	£309.73	<ul style="list-style-type: none"> Small construction apprenticeship pipeline. Lower RQF attainment. Council objective: 'Building a skilled local workforce'.
	NT11	Personalised support to help unemployed people into work	no. hrs (total session duration)*no. attendees	£110.99	
Developing skills and experience for future work	NT8	Support for students at local educational institutions	no. staff volunteering hours	£17.48	<ul style="list-style-type: none"> High unemployment rate. Lower RQF attainment. Council objective: 'Building a skilled local workforce'.



Economy Measure Alignment

The following **Economy-related Measures** have been selected based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). The purpose of this list is to provide rationale for which Measures should be considered in the redevelopment of the assets. The measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

Outcome	NT	Measure	Unit	Proxy	Justification
Building diverse and sustainable supply chains	NT18	Spend with local companies in the supply chain	£	£1.07	<ul style="list-style-type: none">High construction employees/low businesses.High number of micro-sized businesses.
	NT19	Spend with local SMEs in the supply chain	£	£1.07	
Promoting wellbeing and diversity in the workplace	NT20	Multidimensional wellbeing programme access for staff	no. employees provided access	£137.50	<ul style="list-style-type: none">High percentage with long-term health conditions in employment.Gap between employment rate and rate for those with long-term health conditions.
	NT39	Support for mental health awareness campaigns for staff	£ invested inc. time, materials, equipment etc	£1.00	
Promoting fair work	NT106	Contributions to programmes which promote gender equity	£ invested	£1.00	<ul style="list-style-type: none">Residents are earning lower than workers in the area.Disparity in average pay for full-time males vs females.
	NT107	Accredited Living Wage employer	Y/N	Non-financial	
	NT42	Contractors in the supply chain that are Real Living Wage employers	%	Non-financial	





Community Measure Alignment

The following **Community-related Measures** have been selected based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). The purpose of this list is to provide rationale for which Measures should be considered in the redevelopment of the assets. The measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

Outcome	NT	Measure	Unit	Proxy	Justification
Building resilient communities	NT24	Support for community initiatives to reduce crime	£ invested inc. time, materials, equipment etc	£1.00	<ul style="list-style-type: none">• High all-crime rate.• Violence, sexual offences & anti-social behaviour most common-occurring crimes.• Council seeking to develop more preventive offerings and extend partnerships.
	NT28	Support for local community projects through donations	£ invested	£1.00	
	NT29	Support for local community projects through volunteering	no. staff volunteering hours	£17.48	
Building community wellbeing	NT25	Support for initiatives to tackle homelessness	£ invested inc. time, materials, equipment etc	£1.00	<ul style="list-style-type: none">• High physically inactive adult population.• High alcohol-related admission episodes.• Rising number in temporary accommodation.• Council seeking to reduce health inequalities
	NT26	Support for community health or wellbeing interventions	£ invested inc. time, materials, equipment etc	£1.00	





Planet Measure Alignment

The following **Planet-related Measures** have been selected based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). The purpose of this list is to provide rationale for which Measures should be considered in the redevelopment of the assets. The measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

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Outcome	NT	Measure	Unit	Proxy	Justification
Restoring our climate and improving air quality through decarbonisation	NT83	Commitment to measure and disclose scope 1, 2 and selected scope 3 emissions	Y/N	Non-financial	<ul style="list-style-type: none"> High to severe Outdoor Living Environment deprivation. Council goal of Net Zero by 2030.
	NT44a	Commitment to achieve net zero emissions by 2030	Y/N	Non-financial	
	NT31	Reductions in scope 1 & 2 CO2e emissions through decarbonisation	tCO2e	£252.11	
	NT111	Reductions in upfront carbon emissions in construction (stages A1-5)	tCO2e	£252.11	
	NT112	Reductions in embodied CO2e	tCO2e	£252.11	
Restoring our climate and improving air quality through energy	NT82	Reductions in CO2e through energy efficiency measures on site	tCO2e	£252.11	<ul style="list-style-type: none"> Renewable generation mainly sourced through Photovoltaics. Council seeking to increase renewable energy use.
Restoring our climate and improving air quality through transport	NT32	Reductions in car miles from a green transport programme	miles saved	£0.07	<ul style="list-style-type: none"> Poor minimum journey times for sustainable travel methods. Council seeking to expand sustainable infrastructure.





Planet Measure Alignment

The following **Planet-related Measures** have been selected based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). The purpose of this list is to provide rationale for which Measures should be considered in the redevelopment of the assets. The measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

Outcome	NT	Measure	Unit	Proxy	Justification
Promoting environmentally sustainable procurement	NT35	Procurement contracts that include sustainable procurement commitments	%	Non-financial	<ul style="list-style-type: none">Sustainable development principles are fundamental in the Council's Corporate Plan.
Protecting and restoring biodiversity and ecosystems	NT119	Support for green spaces, biodiversity or ecosystems	£ invested inc. time, materials, equipment etc	£1.00	<ul style="list-style-type: none">Council seeking to enhance parks and greenspaces.Council goal for biodiversity net gain.Council developing wildflower meadows.
Transitioning to a regenerative economy	NT71	Spend within local circular economy partnerships	£	£1.00	<ul style="list-style-type: none">Rising household waste.Council seeking to expand circular economy initiatives.
Managing waste sustainably	NT72	Hard-to-recycle waste diverted from landfill/incineration	tonnes	£102.10	<ul style="list-style-type: none">Rising household waste.Council seeking to expand circular economy initiatives.





Affordable Housing Measure Alignment

The following **Affordable Housing-related Measures** have been created based on needs identified in the Local Needs Analysis Report, and Council objectives identified in the Spelthorne Council Corporate Plan (2024-28). These bespoke Measures are not included in the Social Value TOM System and thus do not have NT references. However, they have been developed using the same principles allowing for comparability with the other Measures in the Spelthorne Measure set. The Measure set should be used to establish social value commitments through the decided legal route for asset disposal and then reported and measured against in the long-term delivery of the sites.

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Outcome	NT	Measure	Unit	Proxy	Justification
Removing barriers to safe and quality rental housing	n/a	Provision of a new 1-bed affordable rent dwelling	No. of dwellings per year	£7,894	<ul style="list-style-type: none"> Housing affordability is under significant pressure, with median house prices at 12.66 times median workplace-based earnings in Spelthorne (ONS, 2022). The 2019 Strategic Housing Market Assessment update identifies a need for 459 affordable homes per year in Spelthorne. Affordable housing serves those unable to meet their needs through the private market and was a major issue raised in the 2018 Local Plan consultation.
	n/a	Provision of a new 2-bed affordable rent dwelling	No. of dwellings per year	£9,331	
	n/a	Provision of a new 3-bed affordable rent dwelling	No. of dwellings per year	£10,696	
	n/a	Provision of a new 4-bed+ affordable rent dwelling	No. of dwellings per year	£12,589	
	n/a	Provision of a new 1-bed social rent dwelling	No. of dwellings per year	£14,560	
	n/a	Provision of a new 2-bed social rent dwelling	No. of dwellings per year	£17,365	
	n/a	Provision of a new 3-bed social rent dwelling	No. of dwellings per year	£19,990	
	n/a	Provision of a new 4-bed+ social rent dwelling	No. of dwellings per year	£23,935	
Removing barriers to safe and quality home ownership	n/a	Provision of a new First Home ownership dwelling	No. of dwellings	£122,251	



Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Y	08/12/25
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Y	09/12/25
Relevant Group Head review	CH	11/12/25
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Y	12/12/25
This item is on the Forward Plan for the relevant committee	Y	14/1/25
	Reviewed by	
Risk comments	LN	06/01/26
Legal comments	LH	22/12/25
HR comments (if applicable)	n/a	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	22/12/25
S151 Officer commentary – at least 5 working days before MAT	T Collier	15/12/25
Confirm final report cleared by MAT		

Business Infrastructure and Growth Committee

14th January 2026

Title	Social Value Strategy for Site Disposals
Purpose of the report	To make a recommendation
Report Author	Bruce Strong, Investment Asset Manager
Ward(s) Affected	All Wards
Exempt	Report no Appendix 1 no
Exemption Reason	n/a
Corporate Priority	Community, Addressing Housing Need and Resilience
Recommendations	Committee is asked to: <ol style="list-style-type: none">1. Agree the Social Value Strategy relating to the Council's regeneration sites and recommend to the Corporate Policy & Resources Committee for approval by Council.2. Note that by adopting the Strategy the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers.
Reason for Recommendation	In formally adopting a social value strategy it will ensure a common process to market sites being disposed of and the analysis of subsequent offers together with aiding in the delivery of affordable housing and other forms of social value.

1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none">• Adopting a Social Value Strategy as part of site disposals, whether the sites are held in the regeneration portfolio or wider municipal portfolio for example, is likely to provide wider benefits to the Council and local community.• Whilst the Council will no longer be directly developing any of its sites, there is a desire to see development	<ul style="list-style-type: none">• A Social Value Strategy will provide the decision-making Committee(s) with agreed criteria against which to appraise offers for future development on Council owned sites, which are not based only on financial consideration.• Without an agreed criterion, it is likely there will not be consistent decision making resulting in delays to the progression of sites for sale and

<p>progress on these sites via partnership arrangements or disposals.</p> <ul style="list-style-type: none"> The social value strategy has been developed together with Members of the Business Infrastructure and Growth Committee, Corporate Policy and Resource Committee, the Environment & Sustainability Committee, the Community Wellbeing & Housing Committee and the Commercial Assets Sub Committee. 	<p>additional financial pressure from holding costs.</p> <ul style="list-style-type: none"> Ensure the outcomes from the sale of the sites achieves maximum benefits and aligns with the Corporate Plan 2024-2028 priorities and Best Value requirements.
<p>This is what we want to do about it</p> <ul style="list-style-type: none"> Implement the Social Value Strategy when bringing sites to the market for sale to be able to evaluate and compare offers which deliver social value initiatives above an agreed baseline. 	<p>These are the next steps</p> <ul style="list-style-type: none"> If the Committee agree to the draft strategy, a recommendation will be made to the Corporate Policy and Resources Committee to agree the Social Value Strategy and thereafter full Council for final sign off. If the strategy achieves full Council sign off it will form part of the marketing criteria when bringing sites forward for disposal/partnership working.

2. Key issues

2.1 Adopting a Social Value Strategy in disposing of Council regeneration sites will enable these sites to be marketed with clear guidance to developers on the Councils' expectations on the inclusion of social value initiatives in their offers. This will regularise the tender process and thereafter help in the evaluation of offers for the delivery of regeneration benefits for both land disposals and partnership working.

2.2 Social Value refers to the positive social, economic and environmental outcomes that result from Council decisions and the additional benefit to society they generate.

2.3 Adopting a social value strategy using the recognised Themes, Outcomes Measures system (TOMS) allows social value initiatives to be monetised, enabling the Council to compare and evaluate offers between those offering the highest price/best financial value and those offers which may be at a lower price but offer additional benefits, whether through social value initiatives or enhanced affordable housing. This will assist in providing clear recommendations through to Committee.

2.4 The delivery of the social value initiatives are deliberately areas that are not governed by planning and S106 requirements and would be in addition to these legal mechanisms. Similarly, they are not related to other wider development

considerations such as flooding, which again would be dealt with through the planning process.

2.5 Having a social value strategy when bringing a site or sites to the market provides the following benefits:

- It provides a consistent approach to marketing sites and the evaluation of offers.
- Helps in delivering objectives on the sites that support resident and community needs, enhancing economic prosperity whilst understanding the impact on the local environment.
- Provides opportunities to improve the life and work environment for the Spelthorne community.
- Allows the Council to articulate to residents the broader contribution that an asset or new development will bring to the Borough/immediate area.
- It places an emphasis on delivering those activities that can help solve specific needs and be tracked and measured.
- Helps stakeholders understand the wider social, environmental and economic value a new development will bring to the area and local community.
- Provides an ability to empower Councillors in developing solutions that deliver better outcomes and Best Value.

2.6 The proposed Social Value Strategy, Appendix 1, has been produced following a more detailed review of social value and affordable housing requirements in the Borough undertaken by a consultant, The Social Value Portal (SVP).
In developing the basis of the strategy and the resultant 'Toolkit' that will be used to analyse offers, SVP undertook an assessment of the government's local needs data for each ward that the disposal sites are located in and compared these needs to the Council's corporate plan objectives. This will ensure the social value initiatives are relevant to specific local requirements.

2.7 Social initiatives are the additional benefits or measures that could be derived from redevelopment, for example creating employment opportunities or ring-fencing construction spend with local companies.
SVP bring these measures together in their TOM system (Themes Outcomes Measures) under four themes: Work, Economy, Community and Planet. For example, within a community *Theme*, the desired *Outcome* is building community wellbeing. The *Measure* is initiatives to support or tackle homelessness. To understand the level of benefit offered, a unit value is applied to each initiative. This unit value or spend is then translated into the additional value achieved by the council by removing a person from being homeless. The value could be considered in terms of social, medical and positive wellbeing effects on this person. The value is then translated into a 'proxy' value, which is then monetised.

2.8 The relevant Outcomes and Measures will be applied and tailored to the disposal of each of the sites and will be brought forward for recommendation within the disposal strategy to the relevant Committee(s) for approval.

- 2.9 The Chairs and Vice Chairs of all Council committees were invited to attend a workshop by Social Value Partnership to contribute/input to the social value criteria and strategy development.
- 2.10 The Council proposes to monitor delivery of the social value initiatives post site disposal where the mechanism to undertake this will be set out either in the disposal process or at the point of sale.

3. Options appraisal and proposal

- 3.1 Option 1 – Agree the proposed Social Value Strategy and recommend to Corporate Policy and Resources for approval by Council.

This is the recommended option as it gives the Council transparency in being able to set social value requirements per site, regularise the site sale tender process and help the evaluation of subsequent offers more effectively than on just land value (whilst that will remain an important criterion).

- 3.2 Option 2 – Do not adopt the Social Value Strategy in the marketing of Council sites and subsequent assessment of offers. **This is not the recommended option** as it will not give the Council the ability to assess interest in a site from the full range of developers and potentially lose out on the delivery of social value opportunities as their value cannot be quantified.

4. Risk implications

- 4.1 Having a Social Value Strategy for the disposal of sites will ensure there are an agreed set of parameters allowing the Council to evaluate offers and ensure best value is being delivered in line with the best value inspection and the Implementation and Recovery Plan requirements.
- 4.2 Without the Council having agreed social value priorities there is no clarity for officers to ensure they are progressing those offers that provide the greatest all round benefits to the Spelthorne, its communities, businesses and residents.
- 4.3 A mechanism to monitor the delivery of the social value initiatives and confirm their benefit will be required but there are several potential options which will be clarified either in the disposal process or at the point of sale.
- 4.4 There is likely to be a trade-off between offers which are higher, in offering limited social value initiatives, thereby providing best financial value compared to those offers which provide more social value initiatives and address corporate priorities where the offers are likely to be lower even when the value of the initiatives are included.

5. Financial implications

- 5.1 The financial implications of adopting the Social Value Strategy for site disposals involve both direct and indirect costs. A key financial consideration is the potential additional cost of £12,000 per year for monitoring the delivery of social value initiatives post-disposal, although this cost may be partially shared with site purchasers. Alternatively, we understand that Runnymede Borough Council have a basic, free level portal that could be utilised. By incorporating

social value criteria into the disposal process, the Council may prioritise offers that deliver broader community benefits, potentially foregoing higher financial returns from bidders offering the highest prices but no social value.

5.2 However, the strategy also aims to mitigate long-term holding costs of sites by ensuring consistent and efficient decision-making in the marketing and disposal process, which could reduce delays and financial pressure on the Council. Furthermore, the ability to quantify social value in monetary terms allows for a more balanced comparison of offers, ensuring that the Council not only maximises financial return but also aligns with its corporate priorities, such as addressing housing needs and improving community wellbeing.

6. Legal comments

6.1 Under section 3 of the Local Government Act 1999 local authorities are subject to the Best Value Duty which requires them to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.

6.2 The proposed social value strategy directly supports this statutory requirement by prioritising community wellbeing and overall public benefit. It also to the extent that it supports the Council in enhancing community wellbeing and social impact.

6.3 It also strengthens accountability by introducing transparent evaluation of social outcomes alongside financial receipts.

Corporate implications

7. S151 Officer comments

7.1 The S151 Officer confirms that the financial implications will be taken into account in the 2026-27 Budget. As commented above whilst social value needs to be weighed up alongside optimising capital receipt values and the impact on reducing the Council’s debt and financing costs, a methodology which enables decisions to be made more effectively may positively contribute towards shortening the time period we are incurring holding costs on sites.

8. Monitoring Officer comments

8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

9. Procurement comments

9.1 The paper relates to the adoption of a social value policy on site disposals and therefore is not related to procurement.

10. Equality and Diversity

10.1 Bringing social value initiatives into consideration in the sale of sites could help equality and diversity issues within the borough.

11. Sustainability/Climate Change Implications

11.1 Requirements relating to the sustainability and climate change of any development will be a developer responsibility, however the disposal of Council held sites will reduce the Council's carbon footprint by removing the Scope 3 emissions currently associated with holding a vacant site.

Scope 3 emissions are the indirect greenhouse gas emissions that occur because of the Council's activities but are generated from sources it does not directly own or control, such as those from purchased goods and services, waste management, and outsourced operations all of which add to the Council's footprint while the assets remain vacant or underutilised. By progressing with the disposals, the Council will no longer incur these holding-related Scope 3 emissions, thereby improving its sustainability position and aligning with its climate change objectives to minimise indirect carbon impacts across the property portfolio.

12. Other considerations

12.1 Should the Social Value Strategy be adopted by Council a recommendation will be brought to the relevant Committee to procure a consultant to advise on the best strategy/approach to market the housing and regeneration sites. This initial piece of work will provide guidance on the best route to market the sites and how the social value strategy criteria can be implemented. To ensure the selected consultant has accountability for their proposals it is considered prudent to include a second stage piece of work, which would see the same consultancy practice hold responsibility for identifying a partner or purchaser for site delivery via marketing or procurement routes to ensure best value is achieved.

13. Timetable for implementation

13.1 Immediately if the recommendations are approved by Council.

14. Contact

14.1 Bruce Strong, Asset Manager, b.strong@spelthorne.gov.uk

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Appendices:

Appendix 1 – Social Value Strategy

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Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing		
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Yes – via BIG report	Dec 25
Relevant Group Head review	CH	22/12
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Y	22/12
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Risk comments	BS	22/12
Legal comments	LH	23/12
HR comments (if applicable)	n/a	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	23/12/25
S151 Officer commentary – at least 5 working days before MAT		
Confirm final report cleared by MAT		

Corporate Policy & Resources Committee

19th January 2026

Title	Social Value Strategy for Site Disposals
Purpose of the report	To make a recommendation
Report Author	Bruce Strong, Investment Asset Manager
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	n/a
Corporate Priority	Community, Addressing Housing Need and Resilience
Recommendations	Committee is asked to: <ol style="list-style-type: none">1. Agree the Social Value Strategy for the Regeneration site disposals and recommend to Full Council for approval.2. Note that by adopting the Strategy the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers, which may reduce the highest financial value being achieved.
Reason for Recommendation	In formally adopting a Social Value Strategy it will ensure a common process in the marketing of sites being disposed of and the analysis of subsequent offers together with aiding in the delivery of affordable housing and other forms of social value.

1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none">• A Social Value Strategy has been produced for the Council by the Social Value Partnership, Appendix 1, to be used in the disposal of housing and regeneration sites.• This Strategy has been agreed and recommended for approval by the Business Infrastructure and Growth Committee on the 14th January 2026. See Committee report in Appendix 2.	<ul style="list-style-type: none">• A Social Value Strategy will provide the decision-making Committee(s) with agreed criteria against which to appraise offers for future development on Council owned sites, which are not based only on financial consideration.• Without an agreed criterion, it is likely there will not be consistent decision making resulting in delays to the progression of sites for sale and

<ul style="list-style-type: none"> By adopting the Strategy, the relevant housing and regeneration sites will be marketed to include a requirement for third parties to provide social value provision within their offers, which may reduce the highest financial value being achieved. 	<ul style="list-style-type: none"> additional financial pressure from holding costs. Ensure the outcomes from the sale of the sites achieves maximum benefits and aligns with the Corporate Plan 2024-2028 priorities and Best Value requirements.
This is what we want to do about it	These are the next steps

2. Key issues

2.1 The report to the Business Infrastructure and Growth Committee on the 14th January, Appendix 2, sets out the background, reasoning and benefits of adopting a Social Value Strategy in the disposal of housing and regeneration sites.

2.2 Social Value refers to the positive social, economic and environmental outcomes that result from Council decisions and the additional benefit to society they generate.

2.3 In summary the benefits of adopting such a strategy are as follows:

- It provides a consistent approach to marketing sites, provides guidance to developers when making offers and thereafter standardises the evaluation of offers by officers and the Council.
- Helps in delivering objectives on the sites that support resident and community needs, enhancing economic prosperity whilst understanding the impact on the local environment.
- Provides opportunities to improve the lives and work environment for the Spelthorne community.
- Allows the Council to articulate to residents the broader contribution that an asset or new development will bring to the Borough/immediate area.
- It places an emphasis on delivering those activities that can help solve specific needs and be tracked and measured.
- Helps stakeholders understand the wider social, environmental and economic value a new development will bring to the area and local community.

- Provides an ability to empower Councillors in developing solutions that deliver better outcomes for residents and Best Value.

2.4 The proposed Social Value Strategy, Appendix 1, has been produced following a detailed local needs analysis and review of affordable housing requirements in the Borough by the consultant, The Social Value Portal (SVP). Following this analysis SVP used the recognised Themes, Outcomes, Measures system (TOMS) to review the outputs and which allows social value initiatives to be monetised. This will enable the Council to compare and evaluate offers between those offering the highest price/best financial value and those offers which may be at a lower price but offer additional benefits, whether through social value initiatives or enhanced affordable housing.

2.5 The Committee should note that in implementing the Strategy there will be a trade-off between the likelihood of receiving higher offers which provide less or no social value against offers which accord with the Strategy but are lower even when the benefits of the social value initiatives are included.

2.6 Page 7 of the Strategy shows an example of how the weighting could work between price, quality of the bid and social value offered. The social value element can then also be weighted between their value and how they will be delivered. These weightings will be considered in more detail in the disposal strategy for the sites.

2.7 The Council proposes to monitor delivery of the social value initiatives post site disposal where the mechanism to undertake this will be set out either in the disposal process or at the point of sale.

3. Options appraisal and proposal

3.1 Option 1 – Agree to the proposed Social Value Strategy and recommend to full Council for its use in the disposal of housing and regeneration sites.

This is the recommended option as it gives the Council transparency in being able to set social value requirements per site, regularise the site sale tender process and help the evaluation of subsequent offers more effectively than on just land value (whilst that will remain an important criterion).

3.2 Option 2 – Do not recommend to Council the adoption of the Social Value Strategy in the marketing of Council sites and subsequent assessment of offers. **This is not the recommended option** as it will not give the Council the ability to assess interest in a site from the full range of developers and potentially lose out on the delivery of social value opportunities as their value cannot be quantified.

4. Risk implications

4.1 Having a Social Value Strategy for the disposal of sites will ensure there are an agreed set of parameters allowing the Council to evaluate offers and ensure best value is being delivered in line with the best value inspection and the Implementation and Recovery Plan requirements.

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- 6.2 The proposed Social Value Strategy directly supports this statutory requirement by prioritising community wellbeing and overall public benefit. It further supports the Council in enhancing community wellbeing and social impact.
- 6.3 It also strengthens accountability by introducing transparent evaluation of social outcomes alongside financial receipts.

Corporate implications

7. S151 Officer comments

The S151 Officer is supportive of having a clear Social Value Strategy and criteria for informing decisions on making disposals of housing and regeneration sites. As commented above this helps shorten the time taken to make decisions and this will help reduce the length of time holding costs on these sites are being incurred. An appropriate balance needs to be achieved

between achieving social value and generating capital receipts which contribute towards the Council's debt reduction strategy.

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14. Contact

14.1 Bruce Strong, Asset Manager, b.strong@spelthorne.gov.uk

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Appendices:

Appendix 1 – Social Value Strategy BIG Report

Appendix 2 – Business Infrastructure & Growth Committee Report 14 January 2026

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