

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.

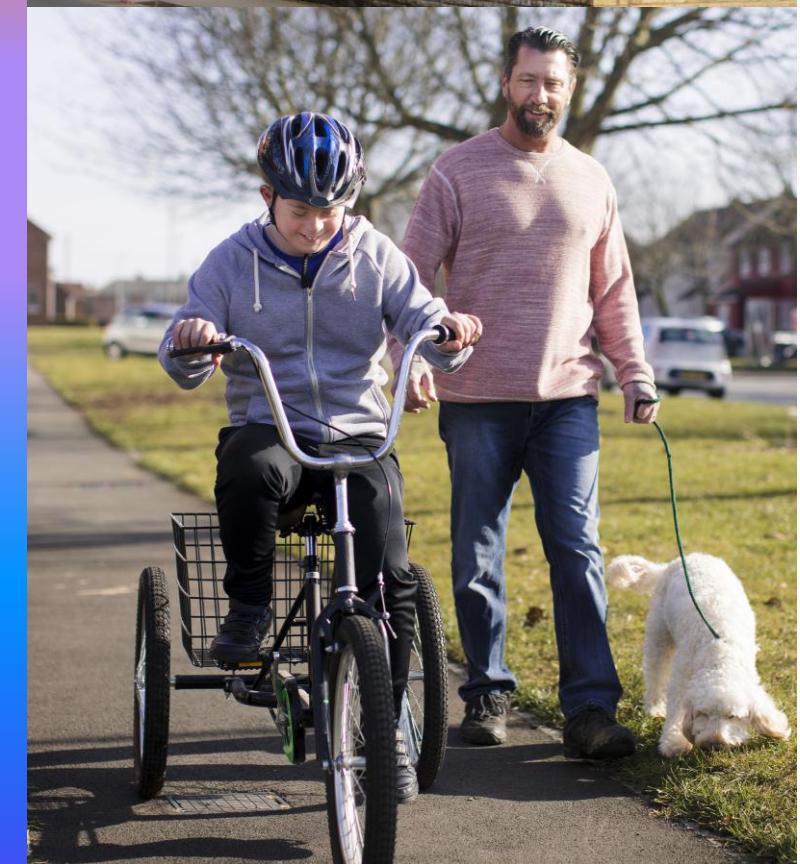
These outcomes are aimed to:



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.

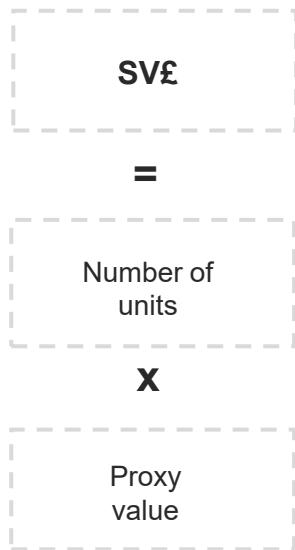
Four Key Themes:

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

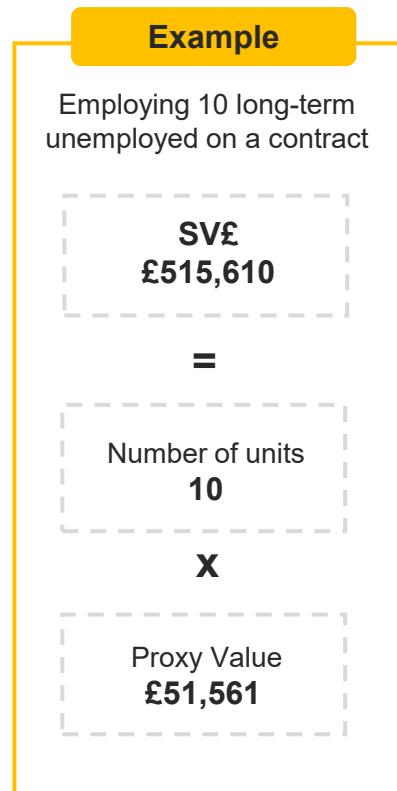
How proxy values will be applied

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£



Powered by robust data sources



- 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.

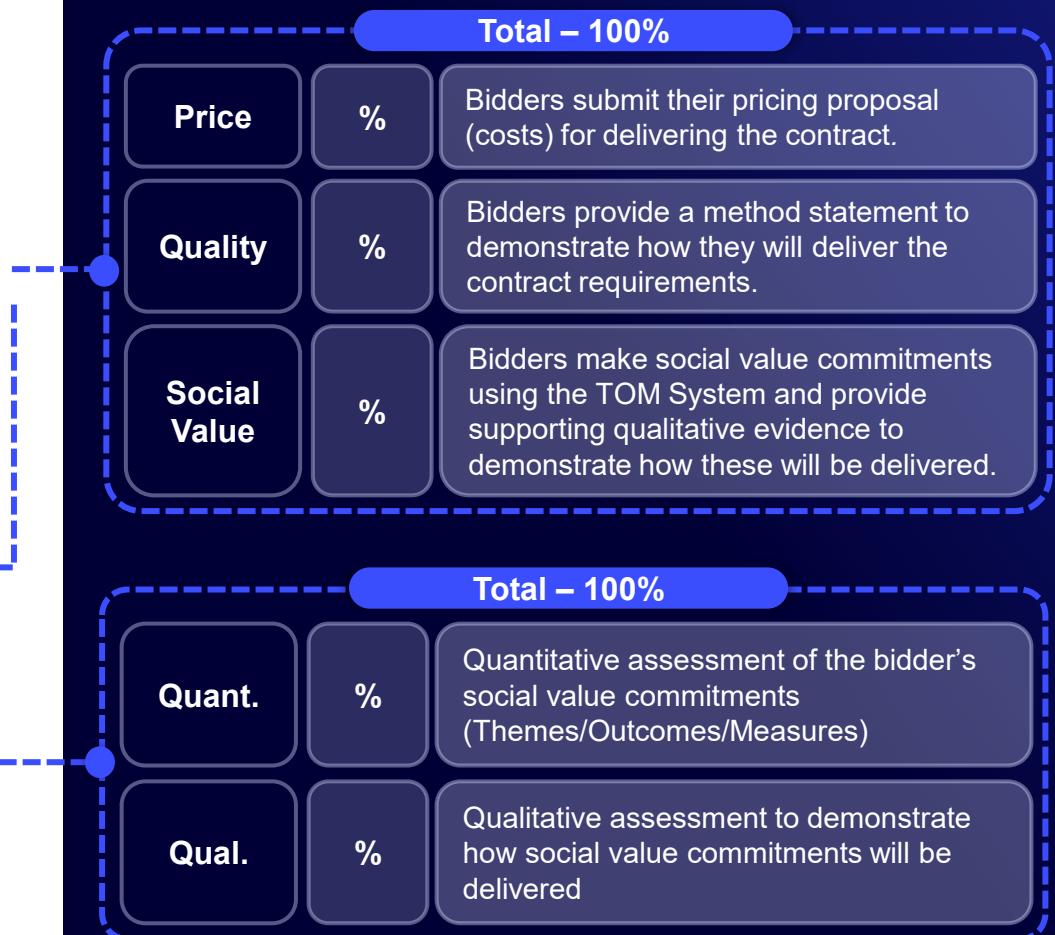
Thresholds & Weightings for Embedding Social Value in Asset Disposals

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:

- 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.

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.

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	

