



Delivering Social Value: Measurement

A guide to measuring the social value
of buildings and places

APRIL 2020

With thanks to our Social Value Programme Partners:





Foreword

Social value has rightly become one of the cornerstones of responsible business within the built environment industry, and over the past few years we have been delighted to see an increasing number of businesses measuring the benefits that they are bringing to their local communities.

Yet from this eruption of measurement activity, a natural scepticism can emerge. How are these figures being calculated? Is anyone checking their working? When using financial proxies, does it even make sense to put a pound sign to the public benefit of high quality, sustainable development?

Added to which, the practice of capturing the societal benefits of buildings and places is still relatively nascent, and as such, imperfect. No one has all the answers yet. I'm reminded of the early efforts to measure the full carbon impact of buildings – something that we're very much still grappling with! The result is a complex and sometimes baffling landscape for the industry to navigate.

This guide is designed to help you cut through the noise around social value measurement and find an approach which is right for your project or organisation.

John Alker
Director of Policy & Places, UKGBC

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1. Introduction



SOCIAL VALUE IN THE BUILT ENVIRONMENT

Social value is a term for the economic, environmental and social benefits that are experienced by people. To understand their worth, these benefits are often measured, and sometimes assigned a financial figure. Social value has become an increasingly prominent concept in the UK, primarily thanks to the introduction of the 2012 Public Services (Social Value) Act.

In the context of the built environment, UKGBC's approach considers social value as the benefits that built places provide to their local communities, where the local community could include existing and future residents, local businesses or anyone who interacts with that place, now or in the future.

Within this context, social value can look like many different things. Our guide to [Social value in new development](#) explores some social value outcomes, and demonstrates that the way that places are planned, maintained, built and operated can create jobs and bolster economic growth, improve local health and wellbeing, and strengthen the community.

MEASURING SOCIAL VALUE

Measuring social value has become a vital part of communicating and committing to the creation of social value across the development lifecycle, as explored on pages 6 and 7. In the past few years, government has sought to strengthen the use of the Social Value Act by encouraging better measurement of social value in public sector procurement.

While the Act itself only stipulates that social value should be "considered" when awarding public service contracts, in 2018 the [Civil Society Strategy](#) announced an intention for central government to "account for" social value in its procurement processes. This announcement was followed by a consultation on a measurement framework in June 2019.

There is no doubt that these efforts, along with a growing desire from investors to understand the social impact of their investment, will see the practice of measuring the social value of buildings and places become more widespread in the coming years.

THE CHALLENGE

[Social value in new development](#) identified that the difficulty in measuring social value is one of the key barriers to driving social value in new development:

"There is a lack of consistency and understanding in the definition and measurement of social value outcomes. There are a number of measurement tools being widely used across the public sector for measuring social value, however, there is not yet a common methodology for real estate, or an industry wide framework to provide consistency."

In this challenge, the built environment sector is not alone. [Lord Young's review of the Act](#), published in 2015, identified measurement as one of the key barriers that must be overcome for the Social Value Act to be used to its full potential.

PURPOSE OF THIS GUIDE

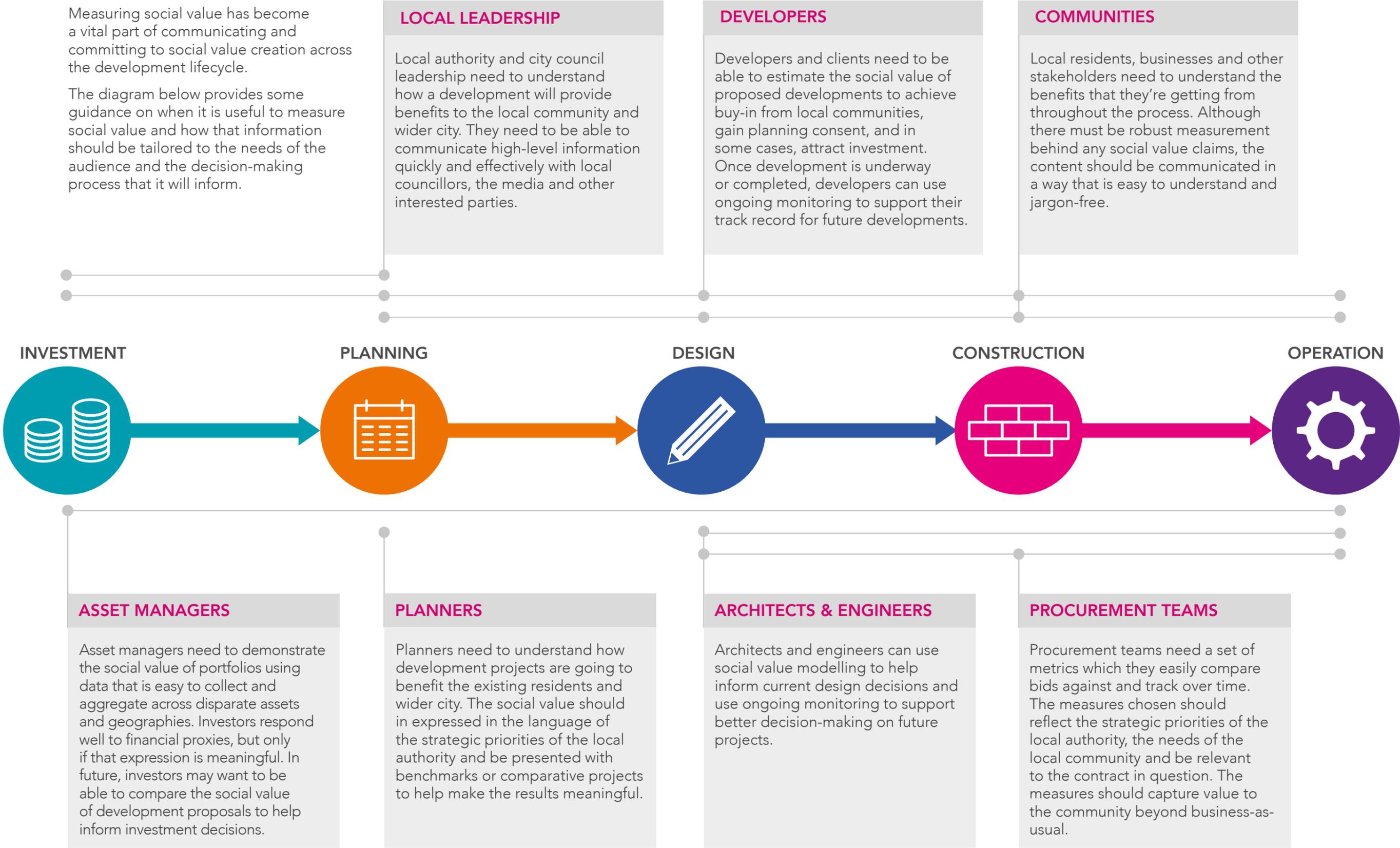
UKGBC is seeking to provide impartial support in this area, as better social value measurement can help support the decision-making which drives high quality, sustainable development. As such, this guide aims to demystify the practice of measuring the social value of buildings and places. We hope that this guide will encourage more organisations to measure social value, and understand which approach is most suitable for their circumstances.

At the heart of this guide are seven case studies, which showcase how different measurement approaches have been used across different development types, highlighting some of the key differences. These have been supplemented by some guiding principles for measuring the social value of buildings and places and insights on the different measurement needs of stakeholders across the development lifecycle. The resource also outlines some of the common measurement approaches, signposts some useful datasets and tools, and identifies areas where current practice can improve.

2. Measuring social value across the development lifecycle

Measuring social value has become a vital part of communicating and committing to social value creation across the development lifecycle.

The diagram below provides some guidance on when it is useful to measure social value and how that information should be tailored to the needs of the audience and the decision-making process that it will inform.



3. Key principles of measuring buildings and places



1. TAKE A BESPOKE APPROACH

The measurement approach should be determined by what is trying to be achieved. Who are the key audience for the results and what decisions will it inform? Then the outcomes that are focussed on should reflect the type of development, the needs of the community and what the delivery partners are able to deliver.

2. EMBED ACROSS THE LIFECYCLE

All stakeholders need to be committed to the measurement process. Measurement should begin as early as possible in the development process and continue until long after the project has been delivered. Joining up the instances where social value is measured across the development lifecycle can avoid duplication of effort and capitalise on opportunities for data sharing.

3. MAKE WELLBEING THE ULTIMATE GOAL

Measurement should focus on outcomes, and all outcomes should ultimately be understood in terms of the wellbeing of those impacted by the project. [The Green Book](#) guidelines on social value measurement state that it is only the outcomes of a project that matter when assessing the worth of an action, and that the outcome of ultimate importance is wellbeing or quality of life.

4. BE AS HOLISTIC AS POSSIBLE

Any social value assessment should consider economic, environmental and social factors. Too often social value assessments will exclude environmental interventions, as these are considered to be dealt with in separate reporting mechanisms. Yet better understanding the societal impact of key environmental interventions can support more sustainable decision making.

5. INVOLVE THE LOCAL COMMUNITY

Communities can provide valuable insights into which outcomes should be measured, as well as vital primary data. Involving beneficiaries in the measurement process is an important step in empowering them to be part of co-creating the desired outcomes. Partnering with local charities can provide a connection to these groups.

6. MAKE IT MEANINGFUL

To help the audience make sense of the numbers, provide baseline information about the current community and place in question. Where that's not possible, provide reference projects which the project can be benchmarked against. If social value is expressed in financial terms, there should never be just one aggregated financial figure given to express the social value of a project.

7. BE TRANSPARENT

Show your working. Provide key stakeholders with the measurement methodology undertaken, outlining all the evidence that has been used. Demonstrate the basis on which the analysis may be considered accurate and honest. When results are used publicly, as much of the methodology and source data as possible should be publicly accessible.

8. ENSURE IT IS ROBUST AND CREDIBLE

The measurement methodology should be robust and credible. Ensure that the approach accounts for additionality and optimism bias so that the assessment avoids overestimating social value. Consider what would have happened anyway and any assumptions that have been made in constructing that. Where possible, seek external assurance of the assessment.

9. TAKE NEGATIVE IMPACTS INTO ACCOUNT

Any social value assessment should ensure that the negative impacts of development are properly taken into account, as well as the positive ones. While successes should be celebrated, they are only credible when presented alongside honest reflections of negative impact. Fully understanding the negative impacts also helps inform better decision-making.

10. DRIVE BETTER DECISION-MAKING

The purpose of measurement should be to inform decision-making, rather than just measure for the sake of measuring social value. Currently there are not enough feedback loops in place for future decisions to be made on the basis of the information gathered. Likewise, assessing the relevant data could start sooner in the development process to better inform decision-making.



4. Common measurement approaches



What follows is an outline of the most common approaches to social value measurement and some of the key differences between them. Although these are important, established methodologies, measuring social value can be as simple as surveying community wellbeing before and after a project.

COST-BENEFIT ANALYSIS

Cost-Benefit Analysis (CBA) is a comprehensive estimation of the positive and negative impacts of a project, including the impacts of people's quality of life. Both financial and non-financial impacts are monetised so that they can be compared against each other and the net benefit of the project calculated. Impacts are monetised only using Green Book approved methods, one of which is Wellbeing Valuation, described on the right. Different options for projects can be compared using the net benefit or benefit-cost ratios.

Process of Analysis

1. Select measurement indicators
2. Predict or measure outcomes quantitatively
3. Monetise both financial and non-financial outcomes using [Green Book](#) approved methods
4. Calculate the net benefit value of the project

Net benefit calculation

Value of the total benefits – value of the total assets

Benefit-Cost Ratio or Value for Money

$$\frac{\text{Value of the total benefits}}{\text{Value of the total costs}}$$

CBA is the oldest method for the evaluation of social impact and has been endorsed by the OECD, the European Union, and the World Health Organisation and UK Government. It is also the most comprehensive of the measurement approaches as it strives to take into account all the impacts of a project.

WELLBEING VALUATION

The wellbeing valuation methodology is one of three approaches to valuing non-financial outcomes that are set out in HM Treasury's Green Book and supplementary guidance. The approach uses large datasets to find the average impact on income from a specific change in a person's quality of life. The average impact on income can then be used as an equivalent financial value for that specific change.

SROI and CBA at a glance

| Approach | Cost-Benefit Analysis | Social Return on Investment |
|--------------|---|---|
| Organisation | HM Treasury | HM Cabinet Office / Social Value UK |
| Key features | <ul style="list-style-type: none"> Monetises non-financial impacts Uses Green Book approved methods for monetising non-financial impacts Considers all impacts Focus on quantitative information Resource intensive Government endorsed | <ul style="list-style-type: none"> Monetises non-financial impacts Allows for a wider range of methods of monetising non-financial impacts Considers a selection of stakeholder-informed impacts Some qualitative information Focus on collecting primary data |

SOCIAL RETURN ON INVESTMENT

Social Return on Investment (SROI) is a principles-based framework for measuring social value introduced by Social Value UK. The framework encourages non-financial outcomes to be monetised but is quite flexible on the calculation method used. SROI emphasis using the experiences of people as the primary source of data for the valuation of outcomes.

Process of Analysis

1. Select the measurement outcomes based on stakeholder input
2. Predict or measure the change in those outcomes
3. Monetise the change using the methods recommended in the [SROI guidance](#)
4. Calculate the Social Return on Investment of the project

$$SROI = \frac{\text{Total benefits in } \pounds}{\text{Total costs in } \pounds}$$

SROI is very similar to CBA, but there are significant differences in the philosophy and implementation of the two approaches. SROI requires that stakeholders inform the outcomes that are assessed and allows the practitioner wider range of methods of monetising non-financial outcomes.

Another key difference is that SROI allows the financial value of an economic outcome to be combined with the financial proxy of a wellbeing outcome, as long as double counting impacts is avoided. CBA only aggregates values that are proxies for quality of life. This means Cost-Benefit Ratios can be more comparable than SROI ratios.

5. Useful datasets and tools

Some of the key tools used in measuring social value, the underlying datasets and methods for data gathering.

DATASETS

| Organisation | Database | Provides | Scope |
|---|---|--|----------------------------------|
| New Manchester Economy | Unit Cost Database | Values | Fiscal savings, economic benefit |
| HACT | Social Value Bank | Values | Wellbeing |
| SVUK | Global Value Exchange | Values | Economic, social, environmental |
| Warwick Medical School | Warwick-Edinburgh Mental Well-being Scale | Engagement Method, Questions, Indicators, Benchmarks | Wellbeing |
| ONS | Well-being data | Questions, Benchmarks | Wellbeing |
| Cabinet Office | Community Life Survey | Questions, Benchmarks | Wellbeing |
| Department for Communities and Local Government | Place Survey | Questions, Benchmarks | Wellbeing |
| Sainsbury's Centre for Mental Health | Quality Adjusted Life Year values | Values | Health, wellbeing |

TOOLS

| Organisation | Tool | Type | Draws from |
|---------------------|--|-----------------------|--------------------|
| Social Value Portal | TOMs Framework | Cost Benefit Analysis | Unit Cost Database |
| HACT | Value Calculator | Cost Benefit Analysis | Social Value Bank |
| ONS | Input-output supply and use tables | GVA | ONS data |

NATIONAL SOCIAL VALUE MEASUREMENT (TOMS) FRAMEWORK

The National Social Value Measurement Framework is a set of 20 outcomes and 48 measures of social value, organised under five key themes. The framework was developed by the National Social Value Taskforce, a cross-sector group chaired by the Local Government Association. Each measure is allocated a financial value to make it possible to calculate the social value created in financial terms. The majority of the financial values have their roots in New Manchester Economy's Unit Cost Database. Where the Unit Cost Database does not provide a proxy value for a certain measure, one has been developed by Social Value Portal following Green Book guidance.

HACT SOCIAL VALUE BANK

The Social Value Bank is a collection of financial proxies for non-financial impacts, calculated in a methodologically consistent way. These values can provide a basic assessment of social impact, provide evidence of value for money or be used within a full Social Return on Investment or Cost-Benefit Analysis. HACT's Social Value Calculator draws data from the Social Value Bank.

ONS INPUT-OUTPUT SUPPLY AND USE TABLES

Total Economic Impact (GVA) is a standard approach for measuring how much economic spend is generated by a project and is calculated using ONS input-output supply and use tables. The approach quantifies and aggregates the direct expenditure from construction and operational phases, the indirect economic effect through the wider supply chain and increased household expenditure. This provides a single financial figure which can be included as a component of a social value study.



Case Study 1 – Artworks Elephant

| | |
|----------------------------|--|
| PROJECT NAME | Artworks Elephant |
| LOCATION | London |
| MEASUREMENT EXPERTS | Envoy Partnership |
| PROJECT PARTNERS | Lendlease Stow Projects Southwark Council |
| PROJECT TYPE | Mixed-use cargo containers: Commercial, food & beverage, library |
| PROJECT TIMELINE | 2013 – 2018 |
| ASSESSMENT DURATION | 2018 |



PROJECT

Artworks Elephant was an interim-use project, commissioned by Southwark Council and operated by Lendlease and Stow Projects. It offered affordable incubator space for the Elephant and Castle community, and also provided a colourful ‘festival’-type public space for shops, cafes and a bar.

Envoy Partnership were commissioned to undertake the study as the developer and delivery partners wanted to evidence the social value and transformational effect of an inclusive meanwhile space for SME incubation and socialising within a broader development programme. For such a high-profile development, it was important for Lendlease to demonstrate the value of projects like Artworks Elephant to the local community.

The results are being used to inform other meanwhile and interim space projects and governance structures for future regeneration and development programmes.

MEASUREMENT APPROACH

A combination of Social Return on Investment and Total Economic Impact (GVA) analysis. Environmental outcomes were recorded outside of the research.

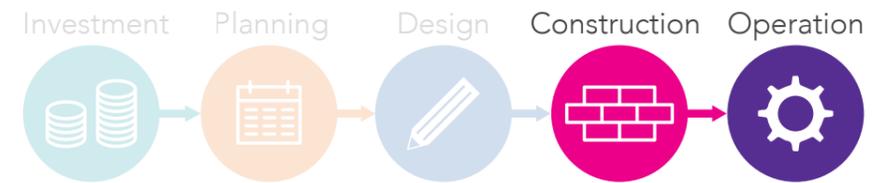
Primary data

- Tenant interviews and surveys
- Visitor and resident surveys
- Wider stakeholders and local authority interviews
- Local business surveys
- Annual accounts and expenditure budgets
- Process effectiveness analysis

Secondary data

- Neighbourhood health and economics
- NHS cost for specific conditions
- SME data
- Reference projects

MEASURED OUTCOMES



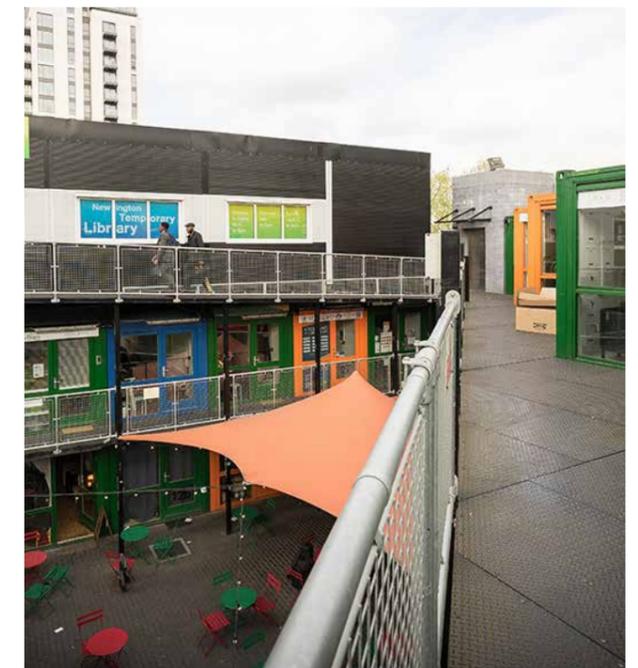
| | |
|----------------|---|
| Qualitative | ✓ |
| Quantitative | ✓ |
| Expressed in £ | ✓ |

| JOB & ECONOMIC GROWTH | HEALTH, WELLBEING AND THE ENVIRONMENT | STRENGTH OF COMMUNITY |
|---------------------------|---------------------------------------|-----------------------|
| SME growth | Visitor wellbeing | Inclusivity |
| Job creation / new income | | Local pride |
| Supply chain | | Safety |
| | | Isolation |
| | | Diversity of visitors |

Transparency: An internal report of the findings with full measurement methodology has been produced for project partners. A summary of the findings is due to be published on the [Elephant Park website](#).

Assurance: The work and research was overseen by an accredited Social Value UK practitioner.

Future considerations: More qualitative data from site visitors.



For more information please contact [Andy Warby](#), Partner at Envoy Partnership.

Case Study 2 – Goodison Legacy Project

| | |
|----------------------------|-------------------------------|
| PROJECT NAME | Goodison Legacy Project |
| LOCATION | Liverpool |
| MEASUREMENT EXPERTS | RealWorth |
| PROJECT PARTNERS | Everton Football Club |
| PROJECT TYPE | Mixed-use regeneration scheme |
| PROJECT TIMELINE | 2022 - 2026 |
| PROJECT COSTS | £100 million |
| ASSESSMENT DURATION | 2026 - 2033 |



PROJECT

Goodison Legacy Project is a new mixed-use regeneration scheme consisting of ten new development blocks on the land currently occupied by the existing Goodison Park Stadium in Liverpool. The scheme includes affordable and social housing, a community health and medical centre, residential care, an enterprise building, a new education centre, offices, community-focused retail, three residential towers and a park. Outline permission for the project was submitted in April 2020.

Everton Football Club commissioned RealWorth to predict the amount of social value that the Legacy Project would generate for stakeholders in the local area. The monetary valuation was particularly important, as the Club was determined to show that, far from abandoning the local community, the project was designed to introduce new resources into a deprived part of the city.

The results have been communicated to local stakeholders in a public consultation and used in the planning application. The total social value of the scheme has been used in presentations to local and national authority figures and was reported in the media.

MEASUREMENT APPROACH

Social Return on Investment.

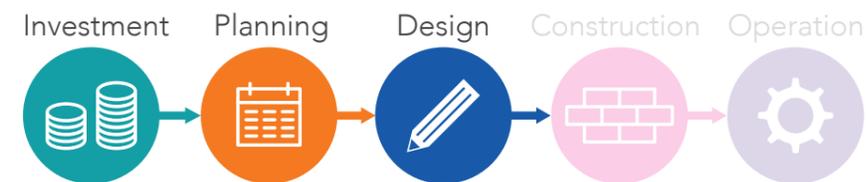
Primary data

- Project team “theory of change” workshop
- Interviews with project managers from the Club, development team advisors, and other key stakeholders

Secondary data

- Community consultation data
- Project delivery information
- ONS data
- Local ward profiles
- Crime data (Police Data Website)
- New Economy Unit Cost Database
- HACT Social Value Bank
- Academic research

OUTCOMES MEASURED



| | |
|----------------|---|
| Qualitative | ✓ |
| Quantitative | ✓ |
| Expressed in £ | ✓ |

JOB & ECONOMIC GROWTH

Educational attainment
Employment
Business productivity / income

HEALTH, WELLBEING AND THE ENVIRONMENT

Urban greenspace
Mental health
Wellbeing

STRENGTH OF COMMUNITY

Sense of belonging

Transparency: The full measurement methodology, with all data sources, assumptions and data limitations has been shared with the client. All the data is publicly available, with the exception of the HACT wellbeing values.

External assurance: The work and research was overseen by an accredited Social Value UK practitioner and a qualified reviewer conducted a peer review.

Future considerations: Building stronger relationships with key local stakeholders and ongoing monitoring of the changes to people’s lives as the scheme progresses.



For more information please contact [Robyn Hargreaves](#), Consultant at RealWorth.

Case Study 3 – Hammersmith Road

| | |
|----------------------------|--|
| PROJECT NAME | 245 Hammersmith Road |
| LOCATION | London |
| MEASUREMENT EXPERTS | Social Value Portal |
| PROJECT PARTNERS | Legal & General Property London Borough of Hammersmith & Fulham Lendlease BNP Paribas |
| PROJECT TYPE | Offices, restaurants, retail, public realm |
| PROJECT TIMELINE | 2012 - 2019 |
| PROJECT COSTS | £100m |
| ASSESSMENT DURATION | 2017 - present |



PROJECT

245 Hammersmith Road is a 330,000 square foot office-led scheme in West London. The scheme also includes restaurants, retail, a new public plaza and secluded park which will be open to the public. The ambition is for the new public realm to be an important part of regenerating the centre of Hammersmith.

Legal & General commissioned Social Value Portal to quantify the social value of the development to help evidence their commitment to delivering social value, as set out in their corporate social value policy. Whereas most of their real estate portfolio consists of assets that are already built, 245 Hammersmith Road provides an opportunity to measure the social value delivered through construction.

The results have been shared across the supply chain, with the council and other community stakeholders. The results of the measurement during construction phase have been used by Legal & General and Social Value Portal to update targets and priorities for social value delivery in the next stages of development.

MEASUREMENT APPROACH

The National Social Value Measurement / TOMs Framework was used on this project. The framework was localised to be able to reflect the council priorities and the needs of the local community. The Social Value Portal then embedded the measures onto the online platform, "the Portal", to ensure that targets are met throughout the lifetime of a development.

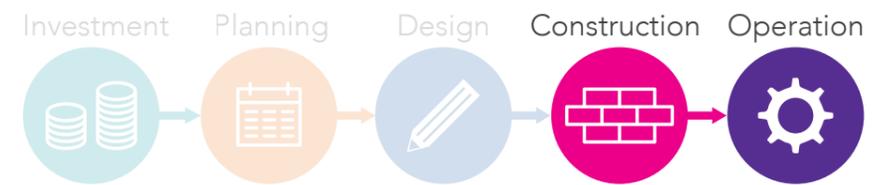
Primary data

- Project delivery data
- Occupier data

Secondary data

- Unit Cost Database
- ONS data

MEASURED OUTCOMES



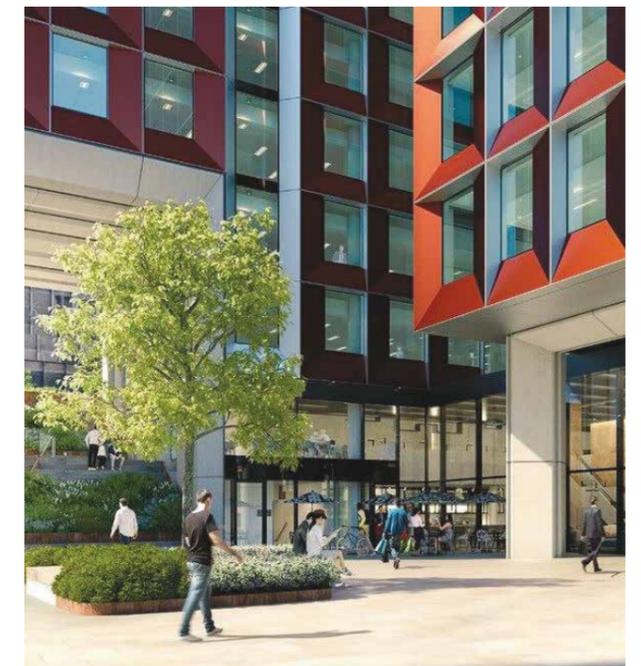
| | |
|----------------|---|
| Qualitative | ✓ |
| Quantitative | ✗ |
| Expressed in £ | ✓ |

| JOB & ECONOMIC GROWTH | HEALTH, WELLBEING AND THE ENVIRONMENT | STRENGTH OF COMMUNITY |
|-----------------------|---------------------------------------|-----------------------|
| Employment | Waste | Volunteering |
| Apprenticeships | Carbon emissions | Fundraising |
| Skills development | | Community engagement |
| Local spend | | |

Transparency: The National TOMs Framework and guidance includes [publicly available rationales](#) for all proxy values.

External assurance: The contractor and asset owners upload evidence to the Portal which is evaluated by Social Value Advisors to ensure that there is no overclaiming and the calculated value is accurate and robust. The National Social Value Measurement Framework was developed by the National Social Value Taskforce, which is a cross-sector organisation, chaired by the Local Government Association.

Future considerations: Greater input from the local community on the scope of the outcomes so that the "social value action plan" for the contractor can respond to those needs in the most effective way.



For more information please contact [Anna McChesney-Gordon](#) Head of Consultancy at the Social Value Portal.

Case Study 4 – NOMA

| | |
|----------------------------|---|
| PROJECT NAME | NOMA |
| LOCATION | Manchester |
| MEASUREMENT EXPERTS | Hatch |
| PROJECT PARTNERS | Federated Hermes |
| PROJECT TYPE | Offices, public realm, meanwhile uses, community spaces |
| PROJECT TIMELINE | 2010 - 2018 |
| PROJECT COSTS | Approximately £150m of investment |
| ASSESSMENT DURATION | 2018 - 2019 |



PROJECT

NOMA is an eight-hectare regeneration area to the north of Manchester City Centre, formerly occupied by the Manchester-based Cooperative Group. Since the mid-2000s the area has seen investment in new commercial buildings and a significant placemaking programme. This has included new public realm, events programme and community engagement initiatives. These activities have helped to reposition NOMA as a location for businesses known for technology, creativity and innovation.

Hatch was commissioned to help Federated Hermes evidence their programme of Responsible Property Investment and to demonstrate the economic and social benefits NOMA has secured to date for Manchester City Centre and the wider Manchester area.

Hermes launched the findings of the assessment to an audience of key stakeholders in autumn 2019, and are now available on the [NOMA website](#).

MEASUREMENT APPROACH

The Hatch report tells the story of how NOMA has evolved by collating and synthesizing the economic, social and environmental benefits of the development achieved to date. As well as assessing progress, the report also looks to the scheme's future and how these benefits could develop as further stages of the masterplan are implemented.

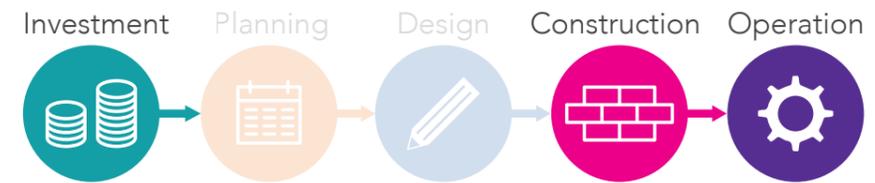
Primary data

- Consultations with project teams at construction and operation

Secondary data

- Estate and building information
- Occupier information
- Manchester City Council meeting minutes and reports
- Construction costs
- Events and activities data
- Volunteering and apprenticeships data
- ONS data
- VOA data on business rates

MEASURED OUTCOMES



| | |
|----------------|------|
| Qualitative | ✓ |
| Quantitative | ✓ |
| Expressed in £ | Some |

JOB & ECONOMIC GROWTH

Job creation
Apprenticeships
Training
Business rates

HEALTH, WELLBEING AND THE ENVIRONMENT

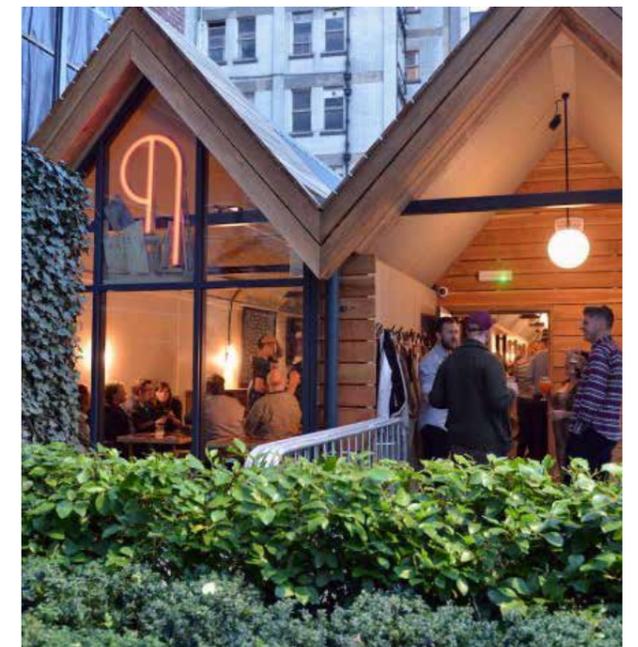
Public realm
Wellbeing
Carbon savings

STRENGTH OF COMMUNITY

Volunteering
Community engagement
Crime

Transparency: The published report outlines some of the key aspects of the measurement methodology and makes use of footnotes and explanatory text to identify information sources. The report also highlights some of the limitations and key assumptions of the methodology.

Further work: Undertaking an occupier survey to provide human experience of NOMA, better baseline data collection and a framework to monitor key metrics in the long term.



For more information please contact [David Watson](#), Associate Director at Hatch.

Case Study 5 – Marklake Court

| | |
|----------------------------|---|
| PROJECT NAME | Marklake Court |
| LOCATION | London |
| MEASUREMENT EXPERTS | HACT |
| PROJECT PARTNERS | Leathermarket Community Benefit Society igloo Community Builders |
| PROJECT TYPE | Social housing |
| PROJECT TIMELINE | 2017 - 2019 |
| ASSESSMENT DURATION | 2019 |



PROJECT

Marklake Court is a community-led development of socially rented homes in South London. Leathermarket Community Benefit Society (CBS), an organisation set up by elected estate residents to bring forward affordable homes for the community, identified a potential disused site that was owned by Southwark Council. The Council handed over the land to the CBS for free and funded the construction costs as part of their council home building programme.

The CBS commissioned HACT to measure the social value of the Marklake Court development in order to justify the decision taken by the Council to provide cheap land for the development, and to strengthen their proof of concept as an organisation.

So far, the results have been used internally by the Community Benefit Society, but there are plans in place to communicate them to the Council and other stakeholders.

MEASUREMENT APPROACH

A combination of wellbeing valuation from HACT Social Value Bank and local tenant satisfaction questions

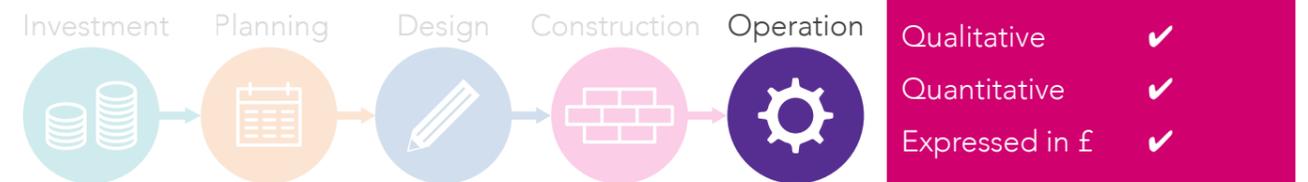
Primary data

- Questionnaires before and after moving in, based on standard questions from the UK Social Value Bank

Secondary data

- Social Value Bank

MEASURED OUTCOMES

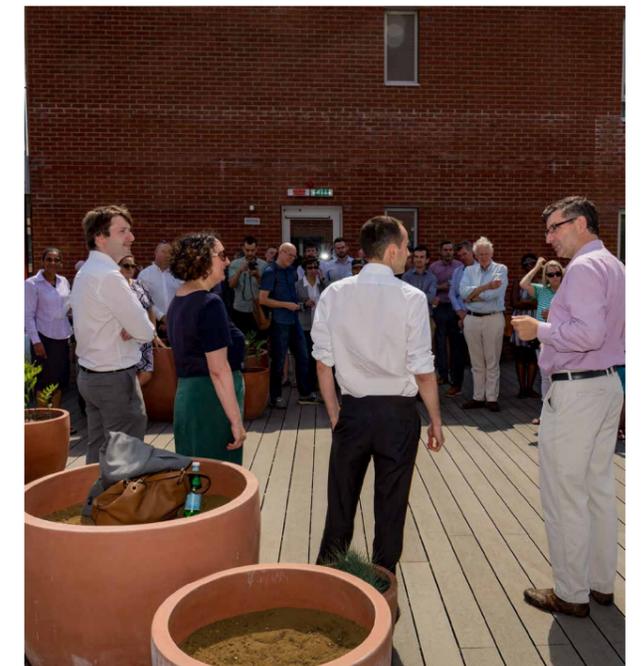


| JOB & ECONOMIC GROWTH | HEALTH, WELLBEING AND THE ENVIRONMENT | STRENGTH OF COMMUNITY |
|-----------------------|---------------------------------------|---|
| | Confidence levels Health | Perceptions of crime Feelings about neighbourhood Connection to neighbourhood |

Transparency: All findings will be reported with full references and information about limitations and assumptions made.

Assurance: HACT uses a certification process which assesses whether the evidence provided demonstrates a change for the individuals surveyed, that the questionnaires used are appropriate and that deadweight has been applied.

Future considerations: Conduct resident surveys earlier in the process.



For more information please contact [James Williams](#), Head of Social Impact at HACT.

Case Study 6 – Edinburgh City Centre

| | |
|----------------------------|---|
| PROJECT NAME | Edinburgh City Centre Transformation Strategy |
| LOCATION | Edinburgh |
| MEASUREMENT EXPERTS | Simetrica |
| PROJECT PARTNERS | Edinburgh City Council |
| PROJECT TYPE | City Centre Regeneration Strategy |
| OWNERSHIP | Public |
| PROJECT TIMELINE | 2020 – 2030 |
| ASSESSMENT DURATION | Baselines from September 2019 |



PROJECT

The Transforming Edinburgh Strategy is a ten-year council-led strategy to transform the city centre of Edinburgh by improving its public spaces.

Edinburgh City Council commissioned Simetrica to provide baseline data of the city centre to illustrate the potential gains from the transformation strategy and effectively communicate them to the public. As part of the ongoing regeneration, a framework has been put in place to monitor the key variables identified by Simetrica at baseline.

The results were published online as part of the [final strategy document](#).

MEASUREMENT APPROACH

A baseline assessment of a range of indicators was undertaken in the Edinburgh area. This analysis was combined with data from reference cities and other comparable areas to assess the potential changes in outcomes resulting from the programme. These changes were then valued using a range of methodologies, in particular wellbeing valuation. The wellbeing valuation methodology used is one of three approaches to valuing non-market outcomes that are set out in HM Treasury's Green Book and supplementary guidance.

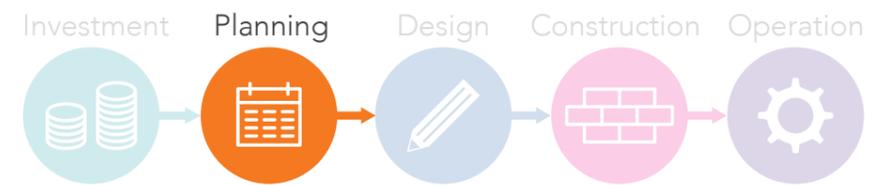
Primary data

- None

Secondary data

- Scottish Household Survey
- Edinburgh People Survey
- Labour Force Survey
- Understanding Society

OUTCOMES MEASURED



| | |
|----------------|---|
| Qualitative | ✓ |
| Quantitative | ✓ |
| Expressed in £ | ✓ |

JOB & ECONOMIC GROWTH

Employment rate
Population growth

HEALTH, WELLBEING AND THE ENVIRONMENT

Reliance on cars
Air pollution
Access to greenspace

STRENGTH OF COMMUNITY

Community belonging
Safety

Transparency: A technical session was used to explain the measurement methodology with key stakeholders at the Council before the strategy document was approved.

Assurance: The approach is based upon best-practice methodologies set out in HM Treasury's Green Book, which provides the government's overall guidance on appraisal and evaluation of policies and projects. Aspects of their approach are published in a range of academic journals.



For more information please contact: [Edward Dallas](#), Senior Economist, Simetrica.

Case Study 7 – Blackpool Victoria Hospital

| | |
|----------------------------|---|
| PROJECT NAME | Blackpool Victoria Hospital |
| LOCATION | Blackpool |
| MEASUREMENT EXPERTS | Social Profit Calculator |
| PROJECT PARTNERS | Blackpool Teaching Hospitals NHS Foundation Trust |
| PROJECT TYPE | Hospital, public realm |
| ASSESSMENT DURATION | 30 years |



PROJECT

Blackpool Teaching Hospitals NHS Trust provides a range of acute services and community health services to residents and visitors to Blackpool and the surrounding area. The proposed development is an extension to the Emergency Department which would provide 14 critical care beds and hospital staff accommodation, and would require the demolition of an old theatre block.

Blackpool Teaching Hospitals NHS Foundation Trust were working on an outline business case and wished to present the social and economic impact of potential options. Social Profit Calculator were contracted to calculate the impact of these options in the construction phase and the value created through the asset post construction.

The results have been used for an options appraisal as part of an outline business case and were communicated to Blackpool Teaching Hospitals NHS Foundation Trust.

MEASUREMENT APPROACH

Social and Economic Impact Analysis.

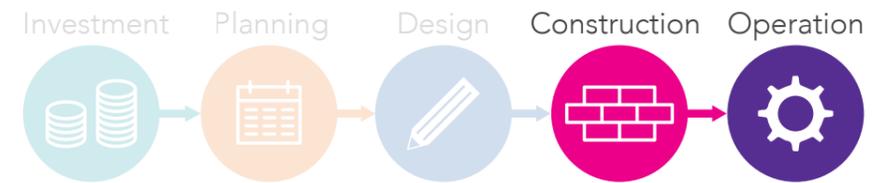
Primary data

- None

Secondary data

- ONS data
- Global Value Exchange

MEASURED OUTCOMES

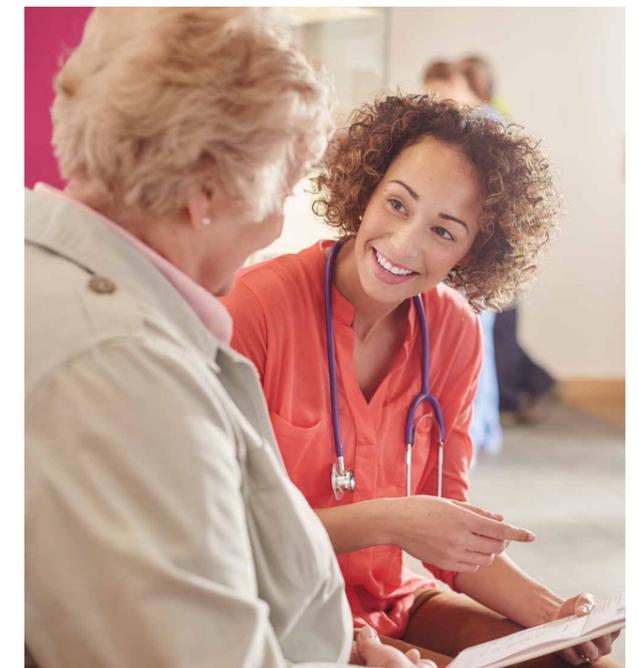


| | |
|----------------|---|
| Qualitative | ✗ |
| Quantitative | ✓ |
| Expressed in £ | ✓ |

| JOB & ECONOMIC GROWTH | HEALTH, WELLBEING AND THE ENVIRONMENT | STRENGTH OF COMMUNITY |
|---|---|-------------------------------|
| Job creation Apprenticeships Training | Health infrastructure Mental wellbeing Health | Community engagement Crime |

Transparency: Social Profit Calculator use wide range of sources to conduct Social and Economic Impact Analysis, most of which are publicly available. A full methodology statement was provided to the client, however as this includes commercially sensitive information, this was not made publicly available.

Assurance: The work and research was overseen by an accredited Social Value UK practitioner.



For more information please contact [Sarah Coughlan](#), Head of Development at Social Profit Calculator.

6. What's next?



The practice of measuring the social value of buildings and places is constantly improving. Below are some of the key areas which could support greater clarity for decision-makers.

1. SOCIAL VALUE OF DESIGN

There needs to be better understanding of the link between specific design interventions and wellbeing outcomes. RIBA's upcoming Social Value Toolkit for Architects will help support this.

2. OCCUPIER WELLBEING DATA

There needs to be better collection of data on occupier wellbeing to help understand the effectiveness of various interventions. Managing agents and property managers can play a key role in collecting tenant data. More data could help improve understanding of the full diversity of different needs from our living and workplaces, especially the needs of marginalised groups.

3. INDUSTRY BENCHMARKS

There is currently not enough available data to develop industry benchmarks for social value. This is made harder by the fact that social value will mean different things for different developments and geographies. As the social value measurement of buildings and places becomes more commonplace there will be a growing number of reference projects to compare to.

4. SCOPES OF IMPACT

In future, it might be helpful to understand social value impacts in terms of various "scopes", mirroring the work undertaken in carbon accounting. This might help us to be clearer about who the beneficiary of the value is, something that can be confusing in current measurement approaches.

5. STANDARDISATION

There is a demand from the built environment sector for a standardised method of measuring social value. However, as no two developments are the same, prescribing metrics would create a high probability of underestimating or overestimating value.

SOCIAL VALUE FRAMEWORK DEFINITION

UKGBC's upcoming framework definition for social value could provide an answer to a number of these requirements. For example, the framework could standardise certain principles and scopes of impact, while allowing the outcomes to be defined by the development partners and the local community.

7. Glossary

Additionality – An impact arising from an intervention that would not have occurred had the intervention not taken place.

Attribution – An assessment of how much of the outcome was caused by the contribution of other organisations or people.

Deadweight – A measure of the amount of outcome that would have happened even if the activity had not taken place.

Displacement – An assessment of how much of the outcome has displaced other outcomes.

Counterfactual – Understanding or estimating what would have happened without a particular project or intervention.

Optimism bias – There is tendency for project appraisers to be overly optimistic. To redress this tendency adjustments should be made to the estimates of a project's costs, benefits and duration.

Double counting – Where an impact is attributed to two different interventions and the total impact is measured as twice what it should be.

Financial proxy – An approximation of financial value where an exact measure is impossible to obtain.

8. Contributors

This guidance document is an output from the UKGBC Social Value programme. The guidance has been produced through a combination of desktop research, meetings, interviews, a peer review group and individual feedback. We are grateful to the UKGBC membership and wider industry for assisting in the development of the guidance and its supporting content.

UKGBC TEAM

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| Emily-Rose Garnett | Sophia Cox |

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