



Alice Jones
IMPACT CONSULTING

SOCIAL VALUE OF REGENERATION

Evidence review to forecast the
Social Return on Investment of regeneration

May 2022

Contents

Introduction.....	1
Social value and regeneration – what do we know?	2
Does estate regeneration address social issues?	2
Place-based actions and outcomes	4
People-based actions and outcomes.....	6
Conclusions from the evidence review	11
Example: Social Return on Investment of regeneration	12
Scope – Theory of Change	13
Stakeholders	17
Inputs	18
Outcome indicators and valuation	18
Impact.....	26
Social Return on Investment ratio.....	29
Conclusion: Using SROI to develop a social value-led approach to regeneration	30
References.....	33

Introduction

“First, the concentration of publicly subsidised housing in single tenure block-built estates created alienating and hard to manage environments. Second, the concentration in a single area of low-income tenants can lead to other social problems and high demand for additional services. Neither of these problems are easy to solve and they are costly to the social landlords which own the estates.”

Professor Anne Power, London School of Economics (LSE)

For decades, social landlords have faced the challenging problem of estates that are hard to manage and maintain, with significant community issues – a legacy of the post-war phase of building publicly subsidised housing estates on a mass scale, largely block building and high-rise constructions. Since the 1980s various UK governments have implemented large-scale estate renewal programmes to try and tackle these issues. Some of these programmes have been more successful than others, providing the opportunity for long-term evaluation and research that have created a wealth of evidence on what does and doesn't work, and the outcomes and impact of estate regeneration.

In recent years, the focus for local authorities and their social housing counterparts in addressing social issues has been framed in terms of social value. Consideration must be given on how proposed works or services might improve the economic, social and environmental well-being of the relevant area, and how, in conducting the process of procurement, local authorities might act with a view to securing that improvement.

This report brings these two fields together, by reviewing what has been learned about estate regeneration and renewal under the lens of social value. The aim is to make the learning from decades of research and evaluation on estate regeneration or neighbourhood renewal (produced largely by academics or government departments) accessible and meaningful to local authorities who are looking to consider and improve the social value of their own plans for estate renewal or regeneration.

The first part of the report is a summary of the evidence on the social impact of regeneration. This provides a general, evidence-based framework for a set of (social value) outcomes that can be anticipated from best-practice regeneration. The second part of the report is an applied example of how this can be translated into a (forecast) Social Return on Investment (SROI) approach. SROI is amongst the foremost methodologies for measuring social impact, supported by UK Government and identified as the social value method most applicable to the built environment.¹ The example case is taken from a project carried out by Alice Jones Impact Consulting for a local council, who wanted to understand what the social value of a proposed estate regeneration would look like, how it could be maximised, and to capture the value of these social outcomes in order to inform decision-making on the regeneration proposals. This provides a real-world example of how a social value approach such as SROI can be applied to deliver a social value-led approach to estate regeneration or renewal.

Social value and regeneration – what do we know?

Does estate regeneration address social issues?

The last few decades have provided a wealth of evidence on the implementation and outcomes of estate regeneration. At a national level, the post-war phase of building publicly subsidised housing estates on a mass scale, focusing on factory-based construction methods and largely block building and high-rise constructions, left the UK with a legacy of estates that are hard to manage and maintain with significant community issues. Long-term research of this issue has concluded that:

‘First, the concentration of publicly subsidised housing in single tenure block-built estates created alienating and hard to manage environments. Second, the concentration in a single area of low-income tenants can lead to other social problems and high demand for additional services. Neither of these problems are easy to solve and they are costly to the social landlords which own the estates.’²

Since the 1980s various UK governments have implemented large-scale estate renewal programmes to try and tackle these issues; from Estate Action in the mid-1980s, to City Challenge in the early 1990s and New Deal for Communities in the late 1990s and early 2000s. These large-scale programmes have provided the opportunity for research and learning into the wider social impact of estate regeneration.

A central question that this raises is the relationship between ‘place’ and ‘people’. On one hand, the evidence clearly shows that people living in poor neighbourhoods face multiple issues such as poor environment, antisocial behaviour, isolation and lack of transport and amenities. Negative area reputations can make it difficult to recruit and retain high quality professionals such as teachers and doctors. In contrast, areas with mixed levels of income (including mixed housing tenures) have been shown to be more popular, result in greater average resident satisfaction with homes and neighbourhoods, have better services or better service outcomes and lower crime rates. This evidence has driven past policies of neighbourhood renewal, that by improving the physical aspects of the neighbourhood and introducing a more mixed composition of residents and tenures, the gaps between neighbourhoods in terms of social outcomes can be reduced.³ As demonstrated in the opening quote, it often seems that it is the *concentration* of social housing and low-income residents that appears to be the cause of the issues faced by social landlords and other local agencies.

The effectiveness of this hypothesis about estate regeneration centres on the concept of ‘neighbourhood effects’ or ‘area effects’. In simple terms, this asks the question: does living in a poor neighbourhood cause people to be in worse poverty (in terms of income, health, employment etc)? And therefore, does improving the conditions in a neighbourhood improve the life outcomes for people living there?

The widespread consensus from the long-running and comprehensive research is that there is limited or mixed evidence of neighbourhood effects, i.e. improvements to the neighbourhood do not create enough changes in individuals’ lives to see an overall uplift in outcomes at the area level. The conclusion is that regeneration policy alone is insufficient to substantially reduce poverty or broader forms of exclusion.⁴ This is because *‘area level outcomes matter in explaining outcomes, but individual characteristics, resources and opportunities appear much more salient’*.⁵

Similarly, the evidence of the benefits of introducing mixed communities is also limited. A Government-commissioned review of the evidence showed that *‘introducing mixed tenure and mixed income communities alone are unlikely to increase life chances of existing disadvantaged residents, at least to any measurable extent or in the short-term’*.⁶ This reflects the evidence cited above, that *‘there is widespread*

*acceptance that effects of neighbourhood mix play at most a limited role in individual outcomes, relative to other factors behind individual disadvantage’.*⁷

Looking deeper into this issue, it appears that there are some flaws in the assumed theory of change behind the mixed communities effect. For example, one assumption is that by introducing newer, more wealthy residents this may improve the life-chances of existing residents through social interaction and greater exposure to people from other social groups. However, the evidence finds that mixed tenures does not necessarily lead to ‘bridging social capital’, i.e. greater observation or understanding, or to social mixing and cross-group friendships. This is because people may avoid mixing, or conduct most of their lives away from the home (particularly those with jobs or cars). As a result, *‘where interaction does occur it is fairly superficial, and there is little sign of unemployed residents getting jobs or other concrete change in aspirations or behaviour’.*⁸

Therefore creating mixed communities should not be an aim in itself, due to the lack of evidence of positive effects of this approach in isolation. This is particularly the case when a mixed communities approach could lead to negative effects, such as a net loss of social housing and involuntary movement of existing residents.

This raises the conundrum – should neighbourhood renewal or regeneration as a means of addressing social issues be abandoned? Despite the evidence that regeneration and community mixing in themselves do not deliver the hoped-for outcomes, there are other rationales for area improvements. This includes targeting the negative characteristics of areas such as poor housing, high crime, lack of employment and lack of facilities and services. Other rationales include for the purpose of improving the quality of housing and the local environment, to increase the supply of housing, allowing residents to change home type or tenure without leaving the area, and to improve the reputation of an area.

Furthermore, there is stronger evidence to suggest that a ‘housing plus’ approach, that includes a mixture of projects focusing on crime prevention, community development, social inclusion, environmental improvement and employment and training, can generate a broader range of more sustainable benefits. Anne Power (head of LSE Housing and Communities research unit) is a leading academic expert on communities and regeneration, and states that:

‘If estates are to work well and foster a lasting sense of community, ways must be found to “humanise” the local environment: creating a greater mix of uses and incomes and tenures; strengthening community capacity and resilience; making places attractive and well cared for. All successful programmes of estate rescue that we have documented address community issues and local environmental issues together. We call this “place-making”.’⁹

The following sections therefore focus on what positive outcomes regeneration has been shown to achieve, as a result of **‘place-based’** and **‘people-based’** actions. Place-based actions are those that have been shown to deliver some positive outcomes or social impact as a result of purely renewing or replacing the physical aspects of the housing or local area. People-based actions are those that link in local residents to the benefits of the regeneration. Together, they form the ‘housing-plus’ or ‘place-making’ approach described as the best practice approach in delivering social impact through regeneration.

In light of the aim of the report, to bring together the evidence in relation to the fields of regeneration and social value, this includes examples of where a social impact approach has been taken to directly measure the social value of regeneration projects. Two relevant examples are explored in greater detail. The first is a Social Return on Investment (SROI) assessment of the regeneration of the Vineburgh estate in Glasgow. This is an example of how the SROI methodology included a preliminary forecast SROI¹⁰ at the early stages of the regeneration project, but also a subsequent evaluative SROI¹¹ four years after completion. This

provides an example of the forecast SROI process, with additional evidence on how the subsequent actual outcomes compared to those forecast.

This example is relevant to many local authorities who face similar challenges in their problem estates. The Vineburgh estate had high levels of deprivation and low demand for properties in the area, manifesting in significant void levels and accumulation of social issues. The 'dilapidated' properties in the estate were replaced with a mixture of social rented housing and private ownership. The research for the follow-up SROI report include extensive interviews with tenants in the new development area, residents in the surrounding areas, and other stakeholders significantly affected. This provides strong evidence of the actual social impact of a completed regeneration programme within a similar context.

The second example drawn on for this research is an SROI assessment by the LSE Housing and Communities research unit, of Home Group's regeneration of the Rayners Lane estate in London.¹² This study drew on the HACT Wellbeing Valuation approach, which is increasingly being used to demonstrate the wellbeing impact of a range of outcomes relating to housing and community investment. The study measured the wide-ranging social impacts on the community. Subsequently, they have also produced a good practice guide to measuring the social value of regeneration, which provides a helpful step-by-step guide to maximising and measuring the social impact of a regeneration scheme.¹³

Place-based actions and outcomes

The following sections set out the evidence of how place-based interventions can have a positive impact. This draws on a Theory of Change approach – i.e. thinking about how what actions and change mechanisms occur in order to achieve positive changes (outcomes) and long-term impact.

Housing and physical environment

The built environment, including homes and surrounding public spaces, is recognised as a key determinant of health and wellbeing for individuals and communities. The quality of housing impacts on health and wellbeing in a number of ways. There are well-established associations between poor housing and poor health.¹⁴ As documented in the Marmot Review¹⁵, living in cold housing has significant effects on both physical health (such as cardiovascular and respiratory disease) and mental health (through the combined stressors of cold and fuel poverty). Improving the energy efficiency of a home can result in better health as well as cost savings as a result of savings in fuel bills. A BRE report also showed how poor housing conditions cost the NHS £1.4bn per year, due to hazards such as excess cold, damp, and health and safety hazards such as falls, trips, electrics, air quality and poor sanitation.¹⁶ Removing such hazards therefore improves the health of residents.

Good housing also contributes to good mental health and wellbeing. Design quality has been strongly linked to mental health. People living in better quality housing have fewer psychological issues, including decreased anxiety and depression.¹⁷ More broadly, wellbeing is improved by increased satisfaction with home and neighbourhood, and increased optimism for the future.¹⁸

There is also a wealth of evidence about the positive effects of having access to green space. Fundamentally, connection to nature has positive physical effects and leads to less stress, depression, and a lower likelihood of obesity. The positive effects extend to both adults and children. In addition, there are the potential positive effects from the use of open spaces, such as encouraging active lifestyles and physical activity and also social interaction and connectiveness.¹⁹

The wellbeing impact of improving housing and built environment standards has been measured by HACT using the Wellbeing Valuation approach. This approach uses large surveys to determine how much a

particular factor (such as removal of damp, or less litter and graffiti) improves average life satisfaction, and equates this to the equivalent amount of income that would provide the same level of uplift in life satisfaction. This provides a methodologically robust way of measuring and valuing wellbeing outcomes from housing improvements. The HACT approach shows that there are positive wellbeing effects from removal of serious defects such as damp and mould, improving the energy efficiency standard of homes, and improving the standard of the built environment such as the removal of litter, rubbish, graffiti, vandalism, neglected/scruffy landscaping, and neglected buildings.²⁰

The Vineburgh SROI report found evidence in regards to a number of outcomes within this theme. The research showed that following the regeneration, tenants in the new properties experienced improved health because of a warmer, drier, more appropriately sized house. Almost three quarters (73%) reported reduced stress levels because they felt they lived in a better area and in a more suitable home. Tenants also reported increased pride because of an improved perception of the area and/or their house (63%), and increased self-esteem because of the improved reputation of Vineburgh (78%). Amongst the wider residents' group, 71% reported an improved appearance of the neighbourhood.²¹

Crime and anti-social behaviour

The evidence across a range of indicators of crime and safety suggest that this is one of the areas where regeneration is most effective. Housing refurbishment programmes have been shown to have positive effects around crime via the installation of improved security measures and design-led approaches such as security-conscious design of remodelled estates (such as defensible space) and the introduction of CCTV.²² An evaluation of the British Crime Survey showed that those properties with just one additional basic security device (e.g. window locks, security lighting) experience reduced burglary by 60%.²³ As an applied example, in Nottingham the installation of secure doors and windows as part of the Decent Homes programme resulted in a 42% reduction in burglary, twice the reduction in the city as a whole.²⁴ A review of a number of regeneration projects using the Secured by Design (SBD) approach found a reduction in burglary of 75% compared to similar regeneration areas not using SBD, and a 55% reduction in criminal damage.²⁵ The College of Policing's Crime Reduction Toolkit²⁶ shows robust evidence that improved street lighting reduces violent and property crime by 21%, addressing problem spaces such as alley gating reduces burglary by 43%, and CCTV reduces all crime by 13%.

A range of programmes have seen improvements as a result of addressing low level crime, anti-social behaviour and environmental degradation. Interventions that addressed community safety and environmental issues generated positive change, particularly in terms of higher levels of satisfaction with the area and the local environment as well as reductions in fear of or experiences of crime.

Reviews of regeneration programmes have highlighted that such schemes have often worked closely with crime and community safety partnerships and with local Police forces, which is also a factor in the improved outcomes seen. Local Authority environmental teams and the Police have a clear spatial remit that often aligns with regeneration areas, and there are many examples of effective partnership working.²⁷

The Vineburgh SROI provided evidence of the direct and knock-on effects of reducing crime and ASB through regeneration. More than three quarters of tenants (77%) felt safer because of the design of the new homes and area, including CCTV, better locks and better-quality doors and because they experience less vandalism and other anti-social behaviour and the gang culture and drugs are now less prominent. Tenants reported that as a result of feeling safer, and reduced stress levels and improved confidence because of living in a better neighbourhood, there was an overall feeling of increased wellbeing. In the Rayners Lane SROI, half of residents felt that crime and ASB had gone down since the regeneration, and the vast majority of residents now felt safe walking alone in their local area.

People-based actions and outcomes

The following sections set out the evidence for how supporting people-based actions, alongside the core regeneration activities, can deliver a wider set of social outcomes and deeper social impact.

Community engagement and involvement

Any regeneration project will clearly have a big impact on the community, including existing tenants and those in surrounding streets of the neighbourhood. This is particularly the case when the regeneration includes the demolition and replacement of existing properties, due to the impact on current tenants. The evidence reflects that large-scale regeneration programmes are complex and sometimes controversial, and on occasion have unintended negative impacts on individuals and communities. But learning from previous experiences can help mitigate these negative effects, with the aim of ensuring that the benefits outweigh the inevitable costs.

The impact on various stakeholder groups within the community is significantly affected by the shape of the plans for the regenerated estate, in terms of the housing profile, tenure, and affordability of the new estate compared to the old.

Community engagement, involvement and sense of ownership are recognised as key factors in creating positive, long-lasting effects from regeneration. This is based on the dual assumption that communities have the right to be involved in issues affecting their area, and that better outcomes will be achieved as a result of their involvement. LSE Housing and Communities and Home Group have produced a best-practice guide to this approach, stating that *'Community relations and stability are severely disrupted by demolition and undermined by uncertainty over future housing options and facilities. Serious and continuous engagement of tenants in developing and delivering a strategy for the community is critical to addressing this. ... Intense consultation and support are necessary but they too carry a cost.'*²⁸

To inform this process, the first stage is to gather information from the existing community, on the most pressing housing management and resident engagement issues, including complaints about repairs, local services, the local environment and image, crime related problems, and desired improvements to improve quality of life in the area. Further detail is needed on the demographics of existing tenants, including household size, housing needs, preferences for long term housing, any specific special needs, and any aspirations for the regenerated estate if they wish to remain. This includes the opportunity to gather information and engage with tenants around issues such as unsuitable housing for their needs (e.g. overcrowding, underoccupancy or accessibility), issues around health or debt, jobs and skills, or financial inclusion.

The next phase would be to scope the wider social and neighbourhood objectives, with residents who wish to remain and those in the surrounding neighbourhood. This includes the development of a Community Plan. The aims of this would be specific to each neighbourhood – as a general example, the diagram below presents the themes included in the Berkley Group's approach to creating successful places.

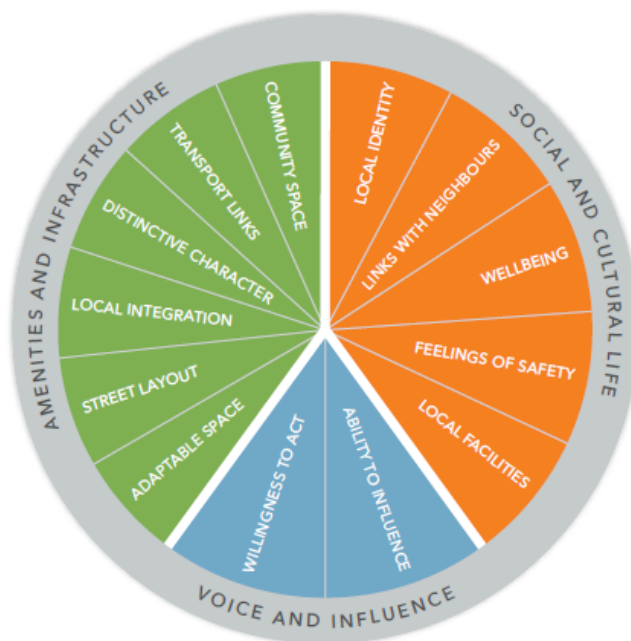


Figure 1: Berkley Group's approach to designing successful places²⁹

Where community engagement is successful, there is some evidence that this can result in building capacity, confidence and social capital amongst the community, for example by stimulating local activity, encouraging groups to get involved and building their capacity, confidence and skills. Other benefits include improved co-ordination and cohesion, for example by building links between residents and service partners. However, it should be noted that much of these benefits is only experienced by those residents who are directly involved in the participatory structures, and may not extend to the wider community.³⁰

Home Group's own experience in the Rayners Lane regeneration highlight some of the benefits but challenges of community engagement. They found that as a result of community engagement throughout the process, there was a largely positive view of the housing provider, 78% of residents were satisfied with their ability to influence decisions locally, and two-thirds use the new Community Centre. However, the research also found that only 1 in 10 attend the local residents' meetings, and there is no active association representing residents' voice. As a result, there are few, if any, links between the new owners and the social tenants, many of the ethnic groups are disconnected from each other, and there is a lack any local leadership or mechanism for engagement. Therefore, Home Group recognises the need to continue to invest in community engagement beyond the regeneration, such as delivering a thoughtful resident involvement campaign to identify the most active, interested and vocal residents, and encourage them to get involved; and supporting skills development amongst tenant and resident representatives.³¹

The impact of regeneration on existing residents also depends on whether the plans are for them to remain in the estate either throughout the process, or through temporary accommodation during the building works; or whether some (and what proportion) of residents will need to be permanently moved to other areas. Where tenants are required to move out (decanted) from existing homes, the effect on them can depend on where they are moved to, what their new housing and neighbourhoods are like, and the impact on their quality of life and life chances. It should be recognised that people in deprived neighbourhoods often have an attachment to place (even if ambivalent), have geographically proximate networks of family, friends and neighbours, and much of their life may be tied into or restricted to the immediate neighbourhood³² (for example due to lack of transport, or worklessness meaning much time is spent at home). Therefore, where they are moved to, and how this process is managed can have a significant impact on their lives.

A report by the LSE Communities and Housing research unit identifies some of the potential negative effects of regeneration of estates with residents in situ, but also provides examples of best practices that can help mitigate these negative effects (see Table 1 below).

Best practice in managing the decant process includes developing a pre-allocation policy^a, emphasis on partnership work, as well as consultation with residents and tenant involvement. Things to be avoided include multiple decants, lack of choice and wrong rehousing.

Potential negative effects of regeneration	Mitigating best practices
<ol style="list-style-type: none"> 1. Frequent changes to the phasing programme and the redevelopment timetable result in disruption to people's life plans and protracted poor housing for some. 2. The lack of a coherent and well thought out decant strategy results in multiple decants, and in some instances a lack of choice for tenants or unsuitable rehousing. 3. Demolition blight and lack of cleanliness and maintenance reduce residents' quality of life in their homes and their blocks, and undermine their sense of security. 4. Inadequate compensation for leaseholders as their properties are taken over by the council or the developer creates an affordability gap and displaces homeowners, while the planning blight makes it impossible for them to sell their properties on the open market or re-mortgage. 5. The lack of a well thought out retail strategy and proper consultation with local business result in businesses declining and closing, causing the depletion of the local economy. 6. Miscommunication and lack of transparency erode trust between stakeholders, which is a vital ingredient for enabling the programme to run smoothly. 	<ol style="list-style-type: none"> 1. Design an incremental, manageable and 'patchwork' phasing plan to make a rolling decant possible. Contingency plans should be devised from the outset, taking into account all variables likely to impact on the timely and smooth delivery of the phasing plan. 2. Implement pre-allocation policies with newly built blocks using up-to-date housing need surveys. 3. Set aside a sufficient budget for the maintenance and improvement of old blocks during the redevelopment process, to ensure that residents can enjoy a safe and decent home environment. 4. Ensure fair treatment of leaseholders in the buyback process and provide them with priority access to shared equity properties. 5. Organise the provision of independent advice for tenants and homeowners during the transition. 6. Build a knowledgeable and committed on-site regeneration team. 7. Ensure transparency and cultivate trust with tenants, local organisations and local authority staff. 8. Invest in outreach work to support the community and guarantee genuine resident involvement, with residents' elected organisations included in planning the scheme from the outset. 9. Build replacement community facilities which are open access and truly affordable for the community. 10. Devise a sound retail strategy involving local businesses and residents.

Table 1: Negative effects and mitigating practices for regeneration with demolition (Source, Belotti, 2016³³)

^a Pre-allocation involves the selection of specific homes within the new development for existing tenants that meet their needs, with the long-term goal that tenants will move into these assigned properties.

Employment and training

Regeneration programmes themselves can create a demand-side boost to employment, through the activities undertaken in the construction and development of housing, infrastructure and the physical environment.

Legislative and policy changes have amplified the opportunity to increase social value such as local employment through procurement. For example, the Public Services (Social Value) Act 2012 introduced the requirement for commissioners of public services to consider how they could secure wider social, economic and environmental benefits that would benefit the local area, through the procurement process.³⁴ More recently, the Government set out Procurement Policy Note (PPN) 06/20³⁵, which states that social value should be explicitly evaluated in all central government procurement. This states that all contracts include a minimum of 10% weighting to social value in the procurement evaluation, and include a number of social value themes to take into consideration during procurement of contracts, such as 'improved employability and skills'. With this they also launched the Social Value Model,³⁶ as a unified way of implementing and assessing social value in procurement.

However, there are a number of considerations in terms of the social value impact of this demand-side boost to employment. For example, the wider evidence suggests that such demand-side increases by themselves are not sufficient to improve area-wide effects on worklessness or employment. An evidence review of poverty and regeneration by the Joseph Rountree Foundation and Sheffield Hallam University found that:

'Take up of new opportunities by residents in target areas rarely exceeds fifty per cent although there is evidence that take-up increases if:

- programmes target sectors or groups less likely to create displacement effects.
- jobs created are commensurate with the skills and experience of residents - high-skilled jobs in growth sectors may largely bypass residents in deprived areas.
- training and employment support schemes are set up alongside job creation initiatives to maximise the prospects of residents accessing new opportunities.'³⁷

It is therefore clear that in order to have a positive effect on employment locally, regeneration schemes need to be supported by a supply-side programme to tackle worklessness and barriers to employment. Formal agreements with developers can support the recruitment of local labour, but developers may require additional or specialist support from an employment or training perspective to make this effective. For example, Intermediate Labour Market (ILM) schemes can provide a mechanism for connecting residents to regeneration jobs and have been shown to be effective in helping more marginalised groups into training and employment.

In order to have more of an impact on deprivation and poverty, consideration needs to be given not only to whether jobs go to local people, but also who takes up jobs in terms of socio-demographic characteristics, employment status or economic circumstances. There is a more fundamental impact on poverty if jobs are able to lift the household out of poverty i.e. are taken up by those who were previously unemployed, or in very low-paid employment. Also, consideration needs to be given to the quality of the job offer, such that it insulates participants from very low-paid, low-skilled work that is associated with in-work poverty.

It should be recognised that there are considerable difficulties in helping people with multiple barriers (such as a history of unemployment, few or no qualifications, poor basic skills, drug and alcohol problems and mental health issues) into work. The involvement of specialist agencies with experience in supporting people in these circumstances into work is likely to be an essential ingredient in the level of success. The JRF/Sheffield Hallam evidence review concludes:

‘Qualitative research shows importance is placed upon some combination of outreach work; intensive face-to-face work with clients; responsive, flexible and accessible staff; partnership working with other local agencies; a local presence; engagement with employers; support with the costs associated with work such as transport and childcare; knowledge and understanding of local areas; and a voluntary approach that contrasts with the mandatory nature of some mainstream employment provision.’³⁸

As an example of good practice, the housing association Home Group has worked extensively with the academic expert Anne Power from the Centre for Analysis of Social Exclusion (CASE) at the London School of Economics, to develop a social value approach to regeneration.³⁹ In their approach, each development scheme includes a Community Plan, including the ambitions for jobs and training, such as:

- Skills training, apprenticeships, and guaranteed placements with regeneration contractors undertaking the regeneration project
- Job clubs, skills training, and opportunities for employment and apprenticeships offered to Home Group customers or residents of the local neighbourhood in question

During the consultation phase, residents within the regeneration area are surveyed to ascertain their interest in participating in any of the training or employment opportunities on offer. Other good practice examples have gone further in then equipping local residents with appropriate skills and in some cases, directly matching them with employment opportunities. For example, the development of the Chalkhill estate in London directly trained and recruited residents to undertake the refurbishment of the estate. It offered eighteen months waged work as part of placements as well as construction training to NVQ Level 2.⁴⁰

A historic barrier to the success of such schemes has been the level of spend committed to addressing issues such as worklessness. In the past, this has only been a small proportion of the overall spend. It should therefore be recognised that in order for this to deliver the intended social benefits, an additional level of spend in this area is required.

The Vineburgh initiative included costs of intermediate employment, including 22 apprentices and housing trainees. The cost was just over £9,000 per trainee. Following up with a selection of these trainees, the research found that trainees experienced a range of positive outcomes, including: improved employability because of improved skills and increased work experience; increased confidence; increased independence; increased self-esteem because having gained qualification/job; better idea of what to do with their life and career; and improved family relations. The social value of these outcomes was valued at over £170,000, giving a SROI ratio for the Intermediate Employment programme of £3.78:£1 (i.e. every £1 invested in the employment programme created £3.78 in social value).

Other people-based interventions e.g. health, children and youth

A review of people-based interventions on health showed some improvement in service delivery in the local area, whilst not necessarily achieving significant changes in health outcomes across the area. An evaluation of the New Deal for Communities programmes tracked health outcomes, and showed that the most significant improvements were via improving mental health, correlated to improved perceptions of the area. In addition, there were some improvements in lifestyle health choices following regeneration programmes, such as some decrease in smoking and increase in consumption of fruit and vegetables.

The Rayners Lane SROI shows the potential for improving wider people-based outcomes as a result of the use of community spaces. In this case, a community centre was opened as part of the wider regeneration of the area. The community centre has been used to provide a number activities, supported by some specific

external funding and specialist support. The delivery of these activities has achieved the following outcomes:

- Health: Survey results showed that around 120 people regularly attended sport or exercise activities at the community centre, with a total wellbeing valuation of over £400,000.
- Early years: The centre was also used to provide early year provision (a pre-school providing 15 hours of free childcare a week)
- Youth: A youth club was delivered at the community centre, as well as a number of intergenerational activities such as boxing classes and football. 51 young people regularly attended a Thursday evening youth group, and 33 young people took part in intergenerational activities. The total wellbeing value of this was £95,000.

The Rayners Lane SROI found that there has been considerable additional investment in supporting youth clubs, sports for young people, and individual mentoring of adolescents, both boys and girls. This includes programmes run in conjunction with local youth workers, and other local clubs and schemes with funding to deliver programmes in the area. Many residents noted the effectiveness of the work done by these teams, who developed long term mentoring arrangements with local youth in difficulty, particularly those identified as highly disruptive and influential. Many others also noted the importance of continuing these programmes in the long term.

Conclusions from the evidence review

The evidence demonstrates that regeneration by itself is not enough to address the issues associated with single-tenure, block build housing estates. The lack of evidence for neighbourhood effects from simply replacing the housing stock or introducing mixed communities is a stark warning against such an approach. Whilst there are direct benefits to be gained from the physical regeneration of the housing and estate, such as reducing crime and ASB and improving healthy living environments, the evidence reinforces the need for a wider people-based approach in order to achieve wider and more long-term social changes.

Example: Social Return on Investment of regeneration

Under the Social Value Act (2012), contracting authorities are required to consider how proposed works or services might improve the economic, social and environmental well-being of the relevant area. There are well established methods for assessing the financial feasibility of regeneration or renewal schemes, such as Whole Life Cost feasibility assessments. Environmental considerations can be assessed through an Environmental Impact Assessment. However, the process of taking into account social outcomes is less well established in the built environment sector.

In assessing the full impact and therefore feasibility of a proposed or planned regeneration project, it is necessary to be able to articulate and compare economic, environmental and social outcomes. Doing so means that each of these different types of outcomes can be given due weight, and the potential tradeoffs between various outcomes can be considered.

Social Return on Investment (SROI) is amongst the foremost methodologies for measuring social impact, supported by UK Government and identified as the social value method most applicable to the built environment.⁴¹ It provides a framework within which to translate the outcomes emerging from the Theory of Change for regeneration, into a financial calculation the potential social value of the proposed regeneration.

Both Theory of Change and SROI sit within the broader principles of Social Value:

1. Involve stakeholders
2. Understand what changes
3. Value the things that matter
4. Only include what is material
5. Do no over-claim
6. Be transparent
7. Verify the result
8. Be responsive

Social Return on Investment

SROI is a framework for measuring and accounting for a broader concept of value – it incorporates social, environmental and economic costs and benefits in order to reduce inequality and environmental degradation and improve wellbeing.

SROI measures changes that are relevant to the organisations and individuals experiencing them, and uses monetary values to represent them – as well as telling the story of how change is created. A forecast SROI sets out the intended outcomes of an activity, and predicts how much social value will be created if these outcomes are achieved.

The SROI analysis can support local authorities in the decision-making process as a project moves from feasibility stages towards the business case for implementation. The SROI analysis is intended to:

- Provide a monetary valuation of the social benefits of the proposed regeneration
- Enable the comparison/consideration of social benefits alongside the financial implications as presented in the Whole-Life Cost assessment, and environmental impacts
- Show the variation in social return as a result of various options, from a basic 'regeneration only' approach, to a wider 'housing plus' or 'placemaking' approach

The following sections provide a worked example of a how a forecast SROI has been developed for a proposed estate regeneration project. A local council was considering the regeneration of a problem estate, and as a part of the feasibility study for this regeneration, commissioned a social impact assessment. The aim of this was to assess (a) what this social value would look like in real terms for the regeneration area and community (b) how this social impact can be maximised through the regeneration process, and (c) show the potential social value of this regeneration scheme. This was completed using the Theory of Change approach to map out what the vision for the regenerated area would be, and how this

would be achieved; and a forecast Social Return on Investment analysis to provide a financial valuation of the social impact of achieving this vision.

Scope – Theory of Change

The scope for the forecast SROI was developed by undertaking a consultative process with stakeholders to develop a Theory of Change for the proposed regeneration. The aim of this process is to define a clear long-term vision for the proposed regeneration, and maps backward from this to show what immediate and medium-term outcomes are expected, and how the activities of the regeneration process (pre-works activities, place-based actions and people-based actions) will create this process of change. The Theory of Change was developed via consultation with a small group of stakeholders who know the area well, representing local organisations that would be materially affected by the changes.

Stakeholders agreed that there are a range of challenging, complex and embedded issues within the neighbourhood around the regeneration area, and that the current council housing adds to these issues. The housing profile (consisting mainly of flats and maisonettes) means that there is a high proportion of younger, single person households, and fewer older people or families with children. Many of these people have complex issues, including low income and unemployment, poor physical and mental health, and issues with drugs and alcohol. Stakeholders identified that this means that the blocks house a high density of both vulnerable people, and perpetrators of crime and ASB (with some in both camps). The layout and visual appearance of the blocks is not aspirational and adds to crime and ASB issues e.g. open layout that allows free entrance/exit, concealed areas and coverage for illegal activities, low visual appeal and maintenance issues, and issues stemming from the proximity to the town centre and a nearby recreation ground. Stakeholders felt that this is reflected in local people's attitudes, with low aspirations for the future and low expectations of support.

However, stakeholders also identified a range of assets, or potential assets within the area and community. There are some strong communities within the area that provide support to each other, and offer some outreach or support externally. During the daytime, the recreation ground provides space for dog walkers and children to play. There are historic and heritage sites nearby, but are untapped by local people. There are a range of local shops and amenities in the immediate area that provide for the neighbourhood. The proximity to the town centre can also be a positive, in terms of amenities and access to transport links. The town centre is also currently undergoing significant renewal, with the aim of boosting the appeal and economic productivity of the town centre – this renewal will provide many opportunities and assets for local people in the future.

Stakeholders agreed that physical regeneration is needed, and the current social housing blocks need to be replaced with the aim of improving the design and standard of the housing, and creating a more mixed resident profile. They also strongly felt that the regeneration needed to be more than just the physical changes, and should be seen as an opportunity for wider community engagement and deeper social changes. Stakeholders' vision for change for the area is for **'a renewed community and neighbourhood'**, with reduced crime and antisocial behaviour, raised aspirations and pride in the area, an engaged and strong community, and reduced deprivation. The regeneration process needed to be implemented via **a process that delivers genuine change** i.e. that achieves positive changes in the lives of people within the community, rather than displacing issues to other areas, or merely delaying them so that the same issues start reoccurring shortly after the regeneration.

To achieve this change, a number of **place-based actions** were identified for the regeneration process. The first action is to replace the current social housing blocks with better quality housing that is aspirational and designs out crime. A change in the residential mix (i.e. not just single person accommodation, but a mixture

of individuals of different ages and families) is also an important aim of the regeneration design. However, the new development still needs to take into account the need to provide for the housing needs of the area, and high demand for social housing. This would also be an opportunity to address the problem parking issues in the area, and potentially reduce traffic to improve the air quality. It was strongly felt that the green spaces should be developed to be at the heart of the new neighbourhood, improving the standard of the recreation ground so that it retains the positive features such as trees and open green space, but improves opportunities for positive use such as picnic areas, play equipment etc. Stakeholders felt strongly that the development should include a central community hub/centre, for use by the community. The specific features of both the green space and community centre should be determined by the communities' own priorities, including young people. Finally, the place-based changes needed to be supported by a longer-term plan for estate maintenance.

A clear theme from the stakeholder consultation was the importance of supporting **people-based actions** throughout the regeneration process, which are necessary to achieve the long-term vision. For example, stakeholders were keen to maximise the additionality of the capital spend by specifying support for employment and training through the procurement and delivery of the regeneration. However, this would only be successful in impacting the local community if they were provided additional support to tackle barriers to work, such as skills levels, employability skills and, fundamentally, levels of aspiration amongst local people. A second, vital people-based activity is the development and resourcing of a long-term community engagement and support programme. This needs to be a truly community-led programme, but recognising that support is needed to build up the capacity of individuals and groups in the area. The final people-based activity is around housing management before, during and after the process. This includes how the movement of current tenants is approached, including meeting the wishes of tenants who want to stay in the area, sensitively supporting those who need to be moved to another area, and ongoing support for residents – both those who are moved to other areas, and those who move into the new housing development.

Stakeholders were clear that much preparation needs to be done in advance of the start of the actual regeneration works, in order to put in place effective change mechanisms that support the achievement of the long-term aims of the regeneration. These **pre-works activities** can begin now, as they deliver benefits in themselves, such as building relationships and trust with the community and delivering positive activities with the existing community facilities. Community engagement is key, starting from the outset of the regeneration project, providing residents with a real opportunity to shape the regeneration scheme and process. This should include young people, who are an important part of the community and shape future outcomes. It is important for the regeneration project to be underpinned by an effective partnership of local agencies and community groups, working together. To facilitate this, stakeholders suggested that there needs to be a clear strategic vision for the regeneration, whilst remaining open to the influence of community priorities to drive the prioritisation of outcomes within this. Early preparations are also needed to start to tackle the barriers to training and work amongst local people (such as working with local schools, colleges and employment support), to provide support to help get local people to the point where they would be ready to access training or employment opportunities arising through the regeneration.

Stakeholders identified that ongoing and longer-term **post-works change mechanisms** are necessary in the period following the regeneration, in order to achieve the long-term vision. Firstly, the allocations of the new properties will reshape the future community in the area. Learning from previous regeneration has shown that care needs to be taken in assessing potential new residents and the placement of households within the new development, so that the problems of the past do not resurface. This needs to be supported by an ongoing, proactive approach to housing management and tenancy enforcement, as well as positive resident engagement. Finally, there could be great potential for positive change if residents were

supported in the long-term to facilitate activities, social groups and engagement with local support agencies within the communal spaces such as the community centre and open space.

This would deliver the **outcomes** i.e. the meaningful changes that are at the heart of long-term vision. It is anticipated that if successful, the rebalancing of housing types and sensitive reallocation and lettings policies could help reduce the density of problem tenants. This frees up capacity amongst the housing team for more proactive engagement with tenants, for example to provide early intervention support to vulnerable tenants. The net increase in the number of properties (replacing the current 209 units with 241 new units) would increase the number of people who could access affordable housing. The renewed living environment would provide opportunities for residents to improve their health and wellbeing. The properties would be of a higher standard, for example with improved energy efficiency ratings which would mean tenants could benefit from being warmer in their homes at a lower cost. With less traffic and increased greenery, this could also improve the air quality, which is known to be poor around that area. There could be great potential for positive change if residents were supported in the long-term to facilitate activities, social groups and engagement with local support agencies within the communal spaces such as the community centre and open space. Stakeholders described how this could provide a safe space for residents to connect with (for example) housing support, debt advice, employment support – with the additional draw of providing low-cost social or leisure activities, including for young people. If successful, this would help neighbours get to know each other through social activities and shared use of open spaces. There would be a significant positive impact on those supported into work through the employment and training programmes.

The vision, outcomes and pathway of actions to achieve this were summarised in an impact map (overleaf) to represent the Theory of Change. The outcomes defined in the Theory of Change then provide the framework for the forecast SROI.

The scope of the forecast SROI is to value the annual benefits generated by the regeneration, compared to the annualised cost. The forecast focuses on the first year following the regeneration, with a further estimation of the cost/benefits over five years following the regeneration. This is a conservative estimation of the long-term value of the regeneration, as per SROI guidelines. Although the life expectancy of the capital investment much longer (60 years in this case), the duration of the benefits cannot be predicted in the same way. This is because future benefits depend on factors that are subject to change, such as supporting activities within those buildings and communities, and changing contextual circumstances such as the wider economy, local service provision, population change etc. Therefore the guidance recommends focusing on one year, with additional assessment of a maximum of five years into the future.

VISION: A renewed community and neighbourhood



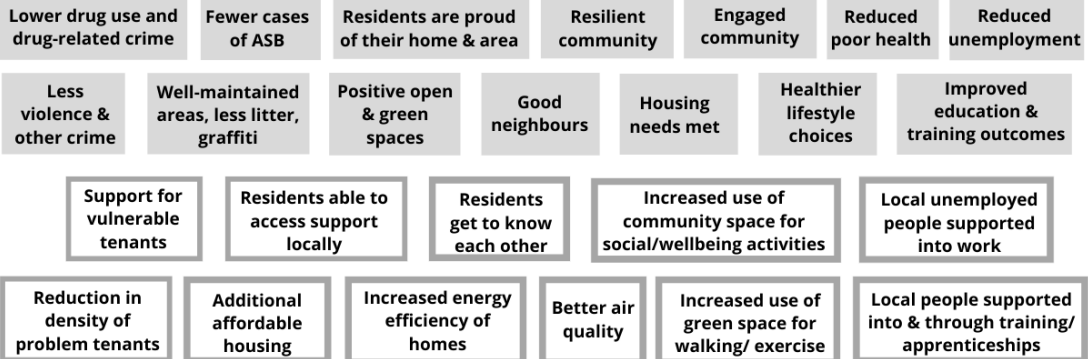
Reduced crime and ASB

Raised aspirations and pride in area

Engaged and strong community

Reduced factors of deprivation

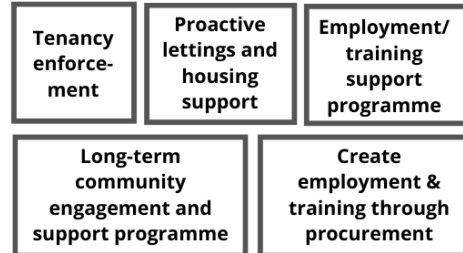
OUTCOMES



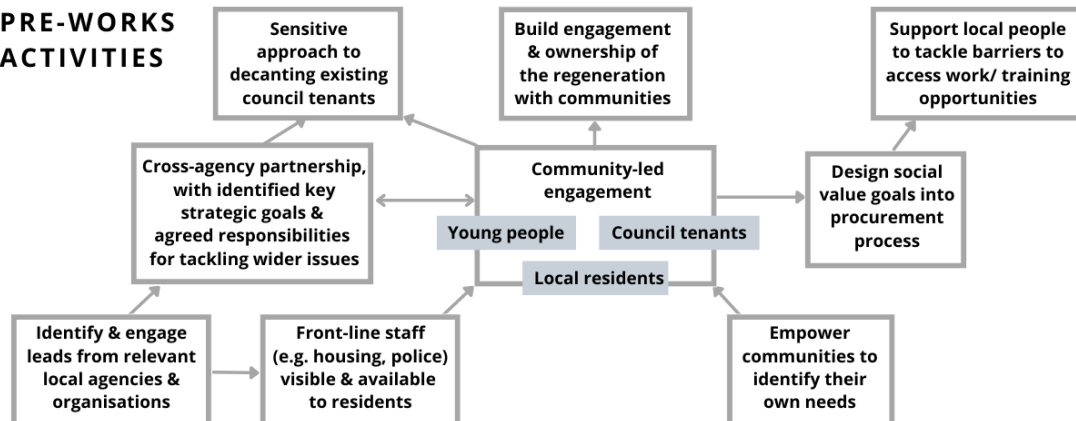
PLACE-BASED ACTIONS



PEOPLE-BASED ACTIONS



PRE-WORKS ACTIVITIES



Problems

- High density of single-person accommodation
- Resident profile dominated by single, low-income people, often with complex issues (including drugs) - both victims and perpetrators of crime and ASB
- The layout and visual appearance of the blocks is not aspirational and adds to crime and ASB issues

CONTEXT

- Green spaces have potential as positive space
- Community centre & other community hubs nearby
- Mix of diverse and strong communities in the area
- Variety of community/religious groups active in the area
- Close to transport links, town centre, local amenities and businesses
- Good primary schools nearby

Assets

Process that delivers genuine change

Stakeholders

SROI focuses on changes experienced by different stakeholder groups. Consultation process in each situation will identify various stakeholder groups, and inform decisions on which stakeholders experienced material changes to be included in the SROI calculation. The stakeholder groups considered within this SROI are listed below. Consideration needs to be given as to whether each stakeholder is materially affected or not, and therefore should be included in the SROI.

Stakeholder groups		Number	How affected
Residents and local people	Current tenants/residents	377	Important group that will be materially affected by proposed regeneration
	Future residents in new housing	482	Materially affected by physical and community changes as a result of the proposed regeneration
	Other residents proximate to regeneration area	655	Materially affected by physical and community changes as a result of the proposed regeneration
	Local people employed through the regeneration	40	Group that will benefit from the proposed regeneration
	Local people trained through the regeneration	33	Group that will benefit from the proposed regeneration
	People on the social housing waiting list	209	Affected by the net loss or gain in social housing units
Local/national agencies	Housing department/ social landlord	1	Significant changes expected due to change in housing and resident profile
	Police	1	Significant changes expected due to change in crime and ASB
	Other council departments e.g. local area teams, communities, education	-	Significant changes expected due to change in housing and resident profile
	Local education providers	-	Changing resident profile may affect demand for school/ education places
	Local health and care providers	-	Changing resident profile may affect demand for healthcare
	Local employment and welfare support providers	-	Local providers may be involved in the training/employment process
	The state/exchequer	1	Represents costs/savings to the public purse as a result of regeneration outcomes
Other local organisations	Local businesses	-	Local businesses may be affected by the regeneration process, and changed area profile
	Community organisations in the area	-	Local community organisations may be involved in the community engagement

Table 2: Stakeholder analysis

* Stakeholders with (-) in the number column were not considered material to this SROI analysis

Inputs

The inputs provide a valuation of the financial investment required to deliver outcomes as set out in the Impact Map. This includes the capital cost of the regeneration, and also the supporting activities that are anticipated to be delivered alongside the regeneration, to support a wider set of outcomes across the community. As the outcomes are valued per year following the regeneration, the input costs are also given an annualised valuation.

The total capital cost of the housing was provided from the architectural Masterplan and Whole-Life Cost assessment (including acquisition costs, constructions costs and associated fees and contingency). The lifespan of the capital investment is taken into consideration, and an annualised cost of input calculated (e.g. if 60 year life span of assets, divided the total capital cost by 60 for the annualised input costs).

Any further capital costs for the development of community facilities, green spaces etc that are required to achieve the specified outcomes were also included.

If the project aims to deliver employment and training outcomes through the regeneration, the evidence review demonstrates that this requires a supply-side programme of employment support in order to support local people to be able to access these opportunities. A government review of the benefits of regeneration used data from a wide range of projects to estimate the cost of schemes designed to support worklessness, and found that the average 'Public sector cost per net additional positive outcome into employment' (adjusted for inflation to today's prices) is £18,173.⁴² The total cost is therefore multiplied by the number of people estimated that will be supported into employment opportunities.

Similarly, there is a cost for the anticipated training/Apprenticeships programme. The Vineburgh SROI includes a cost calculation for trainees and apprentices (including training costs and on-costs for trainees) which totals £9,326 per trainee. Again, this should be multiplied by the total number of apprentices anticipated.

The employment and training programmes are delivered during the regeneration process, and the total programme cost is spent during this period in order to support those individuals into work or training. In order to account for the full cost of delivering these outcomes, the total cost of the employment and training elements are included in the input valuation (rather than an annualised cost).

Finally, the Theory of Change suggests the need for a long-term programme of support for resident engagement and delivery of community programmes. This should also be costed, and broken down by annual costs to include in the costs of inputs. A local good practice example of a long-term community engagement programme was shown to have a budget of £1m over 10 years.

The total cost of inputs in this example case therefore amounted to just over £50m, with an annualised cost per year of £1,950,000.

Outcome indicators and valuation

The outcomes for the proposed regeneration are set out in the Theory of Change in earlier sections. This section shows suggested indicators used to measure each of these outcomes, and a monetary valuation for each outcome.

Because of the forecast nature of the SROI, a combination of local data and evidence from existing studies can be used to help quantify the anticipated scale of change. For example, local data can be sourced to show the potential scale of change by comparing current figures for the proposed regeneration area, with other comparator areas within the area which could be seen as being similar to the new development once

completed. In the absence of local data, the results of other research can be applied. For example, previous evaluation or research reports from past projects that have already been completed may provide relevant data on the scale of change achieved from a similar regeneration. Other sources include national survey databases, for example using differences between the figures for the most deprived neighbourhoods with average figures to gain a sense of the potential scale of change.

Each outcome is assigned a financial proxy, providing a monetary valuation of each outcome. The financial proxy reflects the value of the outcome to the stakeholder it is assigned to. For example, the value of gaining employment to the person gaining that employment is different to the value to the Exchequer, and the financial proxy needs to reflect this. The calculation of financial values for things that do not usually have a market price has been developed and strengthened in recent years, particularly through the development of Wellbeing Valuation. The development of Wellbeing Valuation is particularly strong in the housing sector, thanks to the work of HACT. HACT have developed a Social Value Bank⁴³ of wellbeing values, which are used extensively in this analysis as a robust and consistent way of valuing social outcomes (see below).

Wellbeing Valuation and HACT Social Value Bank

Wellbeing Valuation is a method of measuring the success of a social intervention by how much it increases people's wellbeing. HACT have produced a set of Wellbeing Valuations relevant to the housing sector that is available in its Social Value Bank.

Wellbeing Valuation uses large surveys to determine how much a particular factor (such as moving into employment, or reduced fear of crime, or less litter and graffiti) improves average life satisfaction, and equates this to the equivalent amount of income that would provide the same level of uplift in life satisfaction.

It provides a methodologically robust way of measuring and valuing wellbeing outcomes from housing improvements. It also provides a consistent set of financial proxies for a range of outcomes, where the relative value of each outcome captures the relative impact of each outcome on overall wellbeing.

Reduced crime and antisocial behaviour

Reducing crime and antisocial-behaviour (ASB) is one of the clearest outcomes from regeneration. The anticipated reduction in crime and ASB results in **lower costs of crime to the police and others**.

Various means can be used to calculate the reduction in crime and ASB. Local level crime figures are available from the data.police.uk website. Potential changes could be assessed by comparing the regeneration area with other local, lower-crime areas or borough averages. Alternatively, anticipated reductions could be based on calculating the average reduction in crime from a range of existing studies showing the effectiveness of a number relevant physical regeneration changes (e.g. street lighting, CCTV, Secured by Design).

The Home Office provides estimations of the social and economic costs of crime, as a unit cost per crime type.⁴⁴ The estimations of these costs include the costs to the police, the criminal justice system, defensive or insurances costs, property damage or loss costs, and costs to the victim (including physical and emotional harm, health services and victim services). The costs for ASB can be found in the Home Office sponsored Unit Cost Database.⁴⁵

The current levels of ASB and other tenancy infringements in the existing social housing blocks has a significant effect on housing management or community ASB teams. **Reduced ASB will lower the case load** for these agencies. The extent of this change could be assessed by looking at the number of annual ASB

cases in the regeneration area compared to lower ASB areas or regional averages. The Unit Cost Database referenced previously provides average costs to housing teams from dealing with these issues, which range from £61 per ASB complaint, to £9,114 per eviction.

The reduction in crime and ASB will also have a significant effect on the community, included those housed in the new development and those in the immediate surrounding areas. Living in areas with high crime or ASB rates has a significant negative effect on residents' wellbeing, even when they are not directly victims. Reducing crime and ASB will therefore **reduce the fear of crime and ASB amongst residents**. The HACT Social Value Bank shows that the average uplift in wellbeing to an individual from moving from being worried about crime, to not being worried about crime is valued at £11,535 per person. Similarly, the wellbeing valuation from moving from a high perception of ASB to low perceived levels of ASB is £7,057 per person. Following the Vineburgh regeneration, over three-quarters (77%) of tenants and residents in the surrounding areas reported that they felt safer following the regeneration, due to the design of the new homes and area, security measures, and the reduction in drug and gang-related crime. In addition, 87% of residents felt that there was less ASB.

Raised aspirations and pride in the area

The regeneration will **improve the visual appeal of the area**, removing run-down buildings and potentially reducing issues such as litter, graffiti and vandalism. This will have a positive effect on the residents in the new development, compared to the counterfactual situation without the regeneration. For example, following the Vineburgh regeneration, 71% of residents felt that the area had an improved appearance. According to the HACT Social Value Bank, the combined wellbeing valuation from the removal of litter, rubbish, dumping and improved condition of buildings is £684 per person.

It is anticipated that this will **increase people's pride in living in the area**, for both the new residents and those in surrounding streets. This was the case for 61% of Vineburgh residents. The HACT wellbeing valuation for feeling that your area is a good place to live is £2,054 per person.

However, it should be noted that it is likely that there will be some **negative impact on the local community during the regeneration process**. The construction process is likely to cause some negative effects, such as noise, construction traffic. This negative impact also needs to be captured. For example, the negative wellbeing impact for 'noise' is valued at -£1,068 per person affected.⁴⁶

Engaged and strong community

The Theory of Change sets out how it is anticipated that by providing a sociable space to live (including the design of streets, green spaces and community areas) and support for community engagement and activities, residents will get to know each other and take part in activities within the community. The anticipated outcome is that local residents from within the new development and wider community will have **increased participation in social or wellbeing activities** being run in the community spaces (recreation ground and Community Centre).

An indicator of this is increased membership of social groups, such as clubs, groups and organisations within the local area. The national Community Life survey shows that on average, around 70% of people are involved in at least one group, club or organisation.⁴⁷ HACT show that the wellbeing value of being involved in a social group is £1,850 per person.

Another aspect of the Theory of Change is that local agencies (such as housing, police, financial inclusion etc) will proactively engage with residents and be more visible in the area, for example by holding surgeries or events in the Community Centre or nearby. As a result of this, the anticipated outcome is that **residents will be better able to access support services locally**. A large national survey⁴⁸ shows that on average, 45%

of people agree or strongly agree that if they needed advice about something they could go to someone in their neighbourhood. The wellbeing valuation of being able to access advice locally is £1,977 per person.

A further outcome is that residents will be actively engaged in the prioritisation and delivery of services and activities in the neighbourhood, and will build their capacity to do so and therefore become more resilient as a community. An indicator of this is **participation in resident meetings or groups such as Tenant and Resident Associations**. This engagement provides a wellbeing enhancement to those taking part, valued in the HACT wellbeing valuation as £7,957 per person active in a tenants group.

The regeneration programmes may include an ambition to provide specific activities for young people in the area, for example through local community facilities or groups. The intended outcome is to provide more activities for young people, that will encourage **positive social and wellbeing outcomes for young people in the area**. According to a survey for the Government's recent Youth Review, 21% of young people surveyed prioritised weekly clubs or activities as being important to them.⁴⁹ The HACT wellbeing valuation shows that participating in a youth group improves young peoples' wellbeing, with a valuation of £2,464 per young person.

As per the Theory of Change section, it is recognised that there will be some negative effects for existing tenants as a result of the regeneration process and change in housing profile. If the current housing is being demolished, some tenants will be required to move to other housing/areas. This may have a negative effect on these people, such as the **loss of their current home and the effects of moving to another area**, where they may not have as strong social ties. As this process may not be the choice of these residents, there is potential for a feeling of lack of control over this – this has a significant negative impact on individuals' wellbeing. The HACT wellbeing valuation for 'feeling in control of your life' is therefore applied as a negative value, of -£15,878 per person. The scale of this negative outcome will depend on how many existing tenants or residents would be required to move.

Reduced factors of deprivation

Increasing employment through the regeneration programme is one of the potential social outcomes of regeneration. As set out in the Theory of Change, this will only have an impact on deprivation levels in the neighbourhood if it is able to support local people (from the neighbourhood being regenerated, or nearby) into employment, who were previously unemployed. Therefore the focus for the outcome indicator is the **number of local, previously unemployed people that are supported into employment through the regeneration process**.

The construction process will generate a number of jobs. However, evidence from the review above shows that is rare for more than half of jobs to go to local people in the target area.⁵⁰ Furthermore, it is particularly challenging to support people who are unemployed into work, who may have complex issues that make it more difficult to access employment. For example, employment support programmes provided by the Government's Troubled Families programme found that 24% of those supported found work. Calculations of such factors need to be taken into consideration to arrive at the estimated total of local, previously unemployed people who would successfully be supported into employment through the regeneration.

Moving from unemployment to employment has a significant impact on an individual's economic and wider wellbeing. The **economic benefit** reflects the net financial gain from an increase in employment income, less the decrease in income from welfare payments. Public Health England has produced an interactive tool that estimates the benefits from moving an individual into employment, using local parameters to make the estimation more reliable.⁵¹ As well as the financial gain to the individual, being employment has a

deeper **wellbeing impact**. This is demonstrated in the HACT wellbeing valuation for moving from unemployment to full-time employment, which is valued at £14,433 per person^b.

As well as the value to the individual, **moving into employment has a number of financial implications for the public purse**, including local and national government. The Public Health England tool shows total savings to the Exchequer per person moved into employment, broken down as follows:

- National Government (increase in tax and NIC, reduction in benefits)
- Local Authority (reduction in Council Tax benefits, Free School Meals, health and social care costs)
- Health service (reduction in healthcare costs)

Finally, moving into employment has a multiplier effect on the local and national economy from increased Gross Value Added and the effect of spending increased income in the local economy. These wider multiplier effects amount to further financial benefits to wider society from moving someone into employment.

In addition to employment opportunities, many regeneration programmes aim to provide **training such as Apprenticeships to local people**. As a benchmark, several large-scale capital programmes have used the '1 in a million' approach i.e. setting procurement contracts so that suppliers agree to provide one Apprenticeship per million pounds of spend with them. The wellbeing value of such training is £2,195 per person.

In the Theory of Change, there are a number of ways in which the regeneration may support healthier lifestyle choices, and to some extent reduce poor health. Firstly, the new housing will be more energy efficient than the current housing, providing the new residents with **warmer, drier and cheaper to heat homes** compared to the counterfactual of retaining the current housing stock. This can be assessed by the change in the average energy efficiency rating category (EPC Band) before and after the regeneration. Living in a warmer home that is cheaper to heat has a positive effect on occupants' wellbeing. The HACT wellbeing valuation for improving the energy efficiency rating by three EPC bands is £651 per person.

Secondly, the improvement of green spaces and design for walking streets will encourage **more people to walk or exercise outdoors**. Data from Sport England's Active Lives survey tool⁵² 2020/21 shows the difference in the percentage of people that walk for leisure, for example between most and least deprived areas, or specific local areas. The HACT wellbeing value for walking is £5,416 per person.

In addition, it is hoped that the community spaces will be used for **low-cost exercise or fitness classes for the local community**. Again, data from the Sport England Active Lives Survey 2020/21 to show the difference in the percentage of people who take part in regular fitness activities, by different population groups. The HACT wellbeing value for frequent moderate exercise is £4,272 per person.

The final outcome in regards to health is that, through the engagement with existing residents prior to and during the regeneration process, local agency officers may be able to **identify vulnerable people and signpost them to further support**. The evidence review suggests that best practice is for housing teams to undertake an information gathering exercise with existing residents/tenants to establish their housing and other needs. As part of this, officers may identify people (for example) with untreated drug or alcohol issues, and signpost them to appropriate support. Office for National Statistics (ONS) data for drug use in 2020 shows that 10% of people in social rented accommodation have taken drugs in the last year.⁵³ Public Health England data shows the percentage of drug users not in treatment by area.⁵⁴ As the outcome measure is reduction in drug/alcohol misuse, the calculations also take into account that 50% of people

^b The wellbeing valuation reflects the value to the individual from improved wellbeing, and is separate to the financial value of increased income from employment.

complete drug treatments successfully.⁵⁵ Applying these statistics together provides an estimate of how many residents may be supported to successfully tackle their drug misuse. The value to these individuals from addressing this problem is very significant, reflected in the HACT wellbeing value for 'relief from drug/alcohol problems' of £24,120 per person.

The final outcome in this theme is that **local housing needs are met**. The calculations for this outcome should take into account the current proposals for housing type and tenure for the proposed regeneration, which have positive and negative effects on different stakeholder groups. There may be a net increase in the number of housing units and potential resident occupancy. The new properties may have a changed tenure profile, and may include models such as shared ownership and affordable rent, both of which offer lower than market access to home ownership or rented accommodation. This may therefore benefit additional new residents with access to affordable housing. The HACT wellbeing valuation for being able to pay for housing is £7,388 per person.

However, a negative outcome of regeneration plans may be that it could reduce the number of properties for social rent, the most affordable level of rent for those on the lowest incomes. If existing residents are rehoused to other social housing accommodation during the regeneration process, they will be given priority access to the social housing waiting list – thus displacing those currently already waiting to lower down the waiting list. In the valuation of this outcome, an assumption is made that some of the households on the waiting list who are displaced lower down are currently living in temporary accommodation whilst waiting for social housing. Therefore the wellbeing value for moving from temporary to secure accommodation (£8,019 per person) is applied as a negative value to the households potentially displaced down the housing waiting list.

All of the outcomes, indicators, and suggested financial proxies are summarised in Table 3 below.

Stakeholder	Outcome indicator	Financial proxy source	Value per unit
Reduced crime and Anti-Social Behaviour			
Police and others	Reduced costs of crime	Home Office Social and Economic Costs of Crime	£738 - £11,403
All local residents*	Less fear of crime	HACT WV Not worried about crime	£11,535
	Lower levels of ASB	HACT WV ASB not an issue	£7,057
Housing/ Community ASB agencies	Reduced number of ASB complaints, notices and Legal Interventions	UCD cost of ASB interventions and legal actions	£61 - £9,114
Raised aspirations and pride in the area			
New housing residents	Improved appearance of the neighbourhood (e.g. litter, rubbish, condition of buildings)	HACT WV Resolution with litter, rubbish or dumping and problems with conditions of dwellings	£684
All local residents	Residents feel it is a good place to live	HACT WV Good neighbourhood	£2,054
<i>Residents in surrounding streets</i>	<i>Disruption from building works</i>	<i>Fujiwara WV Noise</i>	<i>-£1068</i>
Engaged and strong communities			
All local residents	Increased participation in social or wellbeing activities, groups or clubs	HACT WV Member of a social group	£1,850
All local residents	Able to access support locally	HACT WV Able to attain advice locally	£1,977
New housing residents	Engagement in formal community groups that represent the community	HACT WV Active in tenants group	££7,957
Local young people	Increased participation in regular activities or groups for young people	HACT WV go to youth clubs	£2,464
<i>Current tenants/ residents</i>	<i>Potential negative effects from loss of current home and moving to another area</i>	<i>HACT WV Feel in control of life</i>	<i>-£15,878</i>

Reduced factors of deprivation			
Local people	Increase in income from supporting local unemployed people into employment	PHE ROI Employment tool	£3,800
	Increase in wellbeing from supporting local unemployed people into employment	HACT WV Full-time employment	£14,433
Local people	Increased number of training/Apprenticeships	HACT WV Apprenticeship	£2,195
Exchequer and wider society	Reduced financial burden on the Exchequer from moving people into employment	PHE ROI Employment tool	£11,800
	Wider multiplier effects on local and national economy from moving people into employment	PHE ROI Employment tool	£23,000
New housing residents	Increased energy efficiency of new homes, providing warm and cheap to heat homes	HACT WV Increase in EPC by 3 bands	£651
All local residents	Positive and well-designed open spaces encourage more residents to walk regularly	HACT WV Walking	£5,416
All local residents	Community facilities provide opportunity for more residents to take up fitness activities	HACT WV Frequent moderate exercise	£4,179
Current tenants/residents	Vulnerable people are identified and signposted to successfully treat drug/alcohol mistreatment	HACT WV Relief from drug/alcohol misuse	£24,120
New housing residents	Increase in the net number of properties available for affordable rent/shared ownership	HACT WV Able to pay for housing	£7,388
<i>People on the social housing waiting list</i>	<i>Net loss of properties for social rent means that other households are displaced from accessing social housing</i>	<i>HACT WV Temporary to secure accomodation</i>	<i>-£8,019</i>

Table 3: Outcome indicators, quantity of change and financial proxies

* 'All local residents' includes residents of the new housing and residents in surrounding streets proximate to the proposed new housing

Impact

The SROI principle of ‘do not overclaim’ means that several considerations need to be made to ensure the assessment is only taking into account the changes that are directly as a result of the intervention. The SROI calculation takes off a proportion of the total value, so as to exclude:

- **Deadweight:** The amount of activity that would have taken place anyway if the intervention had not taken place. This is assessed using reference to comparison groups or benchmarks
- **Displacement:** How much of the outcome displaced other outcomes e.g. moves rather than solves an issue, or displaces other individuals from achieving that outcome
- **Attribution:** How much of the outcome was caused by the contribution of other organisations or people
- **Drop-off:** If the outcome is assessed for more than one year, how much does the level of outcome drop off in future years e.g. due to decrease in outcome, or decrease in attribution to original intervention over time

‘Impact’ therefore refers only to the value that is created and directly attributable to the intervention. It is arrived at by calculating the total value (quantity of change x financial proxy value), less the proportions assigned to deadweight, displacement, attribution or drop-off.

Evidence from other relevant research and evaluations can be used to provide an estimation of these factors. A particularly relevant and robust source is the Additionality Guide⁵⁶ produced by English Partnerships (the National Regeneration Agency at the time) which provides good practice for assessing deadweight and displacement, including evidence from evaluations of previous regeneration programmes. The data drawn on for this research is largely from the evaluation of the Neighbourhood Renewal Fund.

Deadweight is estimated using a comparison group or other benchmarks. Where this was is not available, benchmarks can be taken from the evidence in the Additionality Guide:

Outcome	% deadweight
Crime	18%
Education	19%
Health	18%
Housing and environment	24%
Worklessness	20%
Other (including community)	23%

Table 4: Deadweight rates (Source: Additionality Guide)

Displacement may only be relevant in certain circumstances, when a proportion of outcome of an intervention replaces or moves outcomes elsewhere. Examples from regeneration evidence include decreasing demand for housing in other areas, displacement of low-income residents or affordable tenures, or crime prevention measures that cause criminal activities to happen elsewhere outside the target area. The displacement rates from the Additionality Guide were applied to all outcomes.

Outcome theme	Displacement
Crime	18%
Education	19%
Health	18%
Housing and environment	24%
Worklessness	20%
Other (including community)	23%

Table 5: Displacement rates (Source: Additionality Guide)

The levels of attribution can be assigned by applying guidance from Social Value International⁵⁷, which provides an ‘attribution scale’ with defined criteria for each threshold (see Table 6 below). Outcomes relating to the change in housing and environment that would only arise as a result of the regeneration are

judged to be 'exclusive' i.e. no attribution to others. The regeneration is judged as 'critical' to outcomes relating to training and employment, as they would only arise as a result of the regeneration but some support is required from specialist employment/training providers. The regeneration intervention is judged to be the 'leading' cause of outcomes relating to crime and ASB, and community outcomes – recognising that without the regeneration changes in these outcomes would be limited, but also the significant role of others such as the police, voluntary organisations and the residents themselves in achieving these outcomes. Finally, the role in reducing drug and alcohol dependence is judged as 'supporting' as this is mainly a signposting role.

Role	Description of attribution	Attribution to others
Exclusive	[Regeneration] is the only factor involved in realising the outcome.	0%
Critical	No other factor or organisation could achieve the outcome with comparable effectiveness due to the direct work of the [regeneration].	25%
Leading	[Regeneration] is the lead directly required for an outcome to be achieved and has a high degree of control over its achievement.	50%
Partnering	[Regeneration] makes a distinctive contribution as one of the few key factors directly and indirectly influencing the outcome. However the [regeneration's] success is contingent upon alignment of other factors.	65%
Supporting	[Regeneration] plays an important role but is one contributor amongst several. Impacts are mainly indirect or general system support. The degree of control is low over the outcome, but pushes in the right direction.	80%
Participating	[Regeneration] does not play a distinctive role but is one among many other factors which influence a given outcome.	90%

Table 6: Attribution scale (Reproduced from Social Value International guidance)

Drop-off is not relevant for main SROI calculation of the value created in the one year following the regeneration. However in the sensitivity analysis, a calculation of the SROI over 5 years following the regeneration is also calculated. Where an outcome is considered to last more than one year after the completion of the regeneration, the drop-off rates from the Vineburgh regeneration SROI analysis are applied. These are 10% drop-off per year housing-related outcomes, and 33% drop-off per year for non-housing related outcomes.

All of the above indicators, financial proxies and assumptions were applied to the example regeneration case, using local figures and data to calculate the quantity of change in this particular case.

Stakeholder	Outcome indicator	Quantity of change	Financial proxy	Dead-weight	Displacement	Attribution	Drop-off	Impact
Police and others	Reduced costs of crime	183	£738-£11,400	18%	9%	0%	33%	£1,082,375
All local residents	Less fear of crime	875	£11,535	18%	9%	50%	33%	£3,765,745
	Lower levels of ASB	114	£7,057	18%	9%	50%	33%	£300,158
Housing landlord	Reduced number of ASB complaints, notices and Legal Interventions	20	£61 - £9,114	0%	15%	25%	33%	£8,943
New housing residents	Improved appearance of the neighbourhood (e.g. litter, rubbish, condition of buildings)	342	£684	24%	15%	0%	10%	£151,117
All local residents	Residents feel it is a good place to live	694	£2,054	23%	7%	50%	33%	£510,392
<i>Residents in surrounding streets</i>	<i>Disruption from building works</i>	301	-£1068	24%	15%	0%	0%	-£207,668
All local residents	Increased participation in social or wellbeing activities, groups or clubs	818	£1,850	23%	7%	50%	33%	£541,837
All local residents	Able to access support locally	512	£1,977	23%	7%	50%	33%	£358,527
New housing residents	Engagement in formal community groups that represent the community	60	££7,957	23%	7%	50%	33%	£170,940
Local young people	Increased participation in regular activities or groups for young people	70	£2,464	19%	13%	50%	33%	£60,773
<i>Current social tenants</i>	<i>Negative effects from loss of current home and moving to another area</i>	377	-£15,878	24%	15%	0%	0%	-£3,866,960
Local people	Increase in income from supporting local unemployed people into employment	40	£3,800	20%	13%	25%	33%	£79,344
	Increase in wellbeing from supporting local unemployed people into employment	40	£14,433	20%	13%	25%	33%	£301,361
Local people	Increased number of training/Apprenticeships	33	£2,195	19%	13%	25%	33%	£38,284
Exchequer and wider society	Reduced financial burden on the Exchequer from moving people into employment	40	£11,800	20%	13%	25%	33%	£246,384
	Wider multiplier effects on local and national economy from moving people into employment	40	£23,000	20%	13%	25%	33%	£480,240
New housing residents	Increased energy efficiency of new homes, providing warm and cheap to heat homes	377	£651	24%	15%	0%	10%	£158,546
All local residents	Positive and well-designed open spaces encourage more residents to walk regularly	609	£5,416	39%	11%	50%	33%	£895,335
All local residents	Community facilities provide opportunity for more residents to take up fitness activities	232	£4,179	17%	11%	50%	33%	£358,527
Current social tenants	Vulnerable people are identified and signposted to successfully treat drug/alcohol mistreatment	9	£24,120	18%	11%	80%	0%	£31,685
New housing residents	Increase in the net number of properties available for affordable rent/shared ownership	105	£7,388	24%	15%	0%	0%	£501,128
<i>People on the social housing waiting list</i>	<i>Net loss of properties for social rent means that other households are displaced from accessing social housing</i>	209	-£8,019	24%	15%	0%	0%	-£1,082,677

Table 7: Impact calculation for example regeneration case

Social Return on Investment ratio

The SROI ratio is the ratio of the Total Present Value³ to the value of the inputs, i.e.

$$\text{SROI ratio: } \frac{\text{Total Present Value}}{\text{Value of inputs}}$$

The forecast Total Present Value of the proposed regeneration is £4,321,856. This is the total value of the social benefits anticipated during and in the year following the regeneration.

The Net Present Value, the Total Present Value minus the value of all the investment inputs (£1,947,270), is £2,374,585.

The forecast Social Return of the regeneration and one year of subsequent benefits is £2.22 (£4,321,856/£1,947,270) i.e. every £1 invested generates £2.22 in social value.

Sensitivity analysis

Sensitivity analysis tests what effect particular assumptions have on the model and SROI ratio, and by varying the assumptions can show the impact of these assumptions.

SROI ratio over 5 years

A cautious estimation of the social return of the regeneration over a longer period of 5 years after completion was calculated. The value of inputs was increased to include 5 years of costs, where the inputs have annualised values. The value of the benefits were extended over 5 years where relevant (some outcomes only occur for one period immediately after the regeneration), and relevant drop-off and discount rates applied to the valuation of future benefits over this period.

The Total Present Value of the outcomes over 5 years is £16,030,984.

The Net Present Value, the Total Present Value minus the value of all the investment inputs over 5 years (£5,597,686) is £10,433,298.

The forecast Social Return of the regeneration and five years of subsequent benefits is £2.86 (i.e. every £1 invested generates £2.86 in social value).

SROI ratio of regeneration only approach

The main SROI calculation captures the value of the 'housing plus' approach to regeneration, as suggested by the Theory of Change i.e. including wider initiatives to support employment, training, community facilities and community engagement. An alternative SROI ratio for a 'regeneration only' approach is also calculated i.e. only including the costs and benefits of changes to housing and estate design and quality.

The SROI ratios are calculated for individual elements (by only including the relevant costs and outcomes for each element). The elements include:

- a) Return on employment/training outcomes only
- b) Return on community elements only
- c) Return on regeneration elements only (removing the community facilities/engagement AND employment/training)

³ Where the outcome is valued more than one year into the future, the HM Treasury discount rate of 3.5% is applied to future years.

Programme variation	SROI ratio
a) SROI for employment/training elements	£1.11
b) SROI for community elements	£12.29
c) SROI for regeneration only	£1.06

Table 8: SROI for programme variations

This demonstrates that the social return on a 'regeneration only' approach is only just positive, i.e. only just delivers slightly more in benefits compared to the costs. There are much higher social returns to the people-based elements of employment and training, and community engagement and activities. This is in line with the evidence of the value of a broader 'housing plus' or 'placemaking' approach.

Other sensitivity tests

During the Theory of Change consultation stakeholders discussed how the tenure and displacement of current tenants could be varied during future discussions/consultations. For example, more properties could be let at social rent, and with a phased approach more of the current tenants could be moved within the development, rather than displaced to social housing elsewhere. The alternative assumption of 50% of current tenants being able to remain is tested – this reduces the two significant negative outcomes of 'loss of current home and moving to another area' and 'net loss of social housing' by half. This increases the SROI ratio to £3.49 for every £1 invested.

The overall SROI ratio is particularly sensitive to the outcomes relating to crime and ASB. These represent significant changes in outcomes, and with fairly high valuations – resulting in a significant contribution to the overall Total Present Value. The sensitivity of the analysis to the crime and ASB outcomes are tested by:

- a) Reducing the percentage of local residents from 77% feeling safer, to 30% reporting a decrease in crime (an alternative figure reported in the Vineburgh study)
- b) Using an alternative valuation for ASB that can be included alongside the value for reduced fear of crime e.g. cost of moving house of £1,393
- c) Inputting the results from different models to show more conservative and more ambitious levels of reduction in crime and ASB

This results in a conservative estimate of the SROI of £1.08 in the case that crime reduction is less effective than anticipated; and a more expansive valuation that includes the value of both reduced crime and reduced ASB and higher reduction in overall crime, of £2.36.

Conclusion: Using SROI to develop a social value-led approach to regeneration

This Theory of Change exercise and forecast SROI shows how the evidence from the wider literature on the outcomes and social value of regeneration, can be applied to a specific context to develop a social-value led approach to regeneration. In this example, both the social and financial ROI assessments demonstrate higher returns to the regeneration option, compared to the 'do nothing' option. Furthermore, both the wider evidence and the worked example (based on a real example of local stakeholder led consultation and actual data), point towards a 'housing plus' or 'placemaking' approach, that implements people-based actions alongside the place-based regeneration activities. The forecast SROI shows the potential positive social return from successfully implementing such a placemaking approach to an example regeneration case, with a forecast social return of £2.22 for every £1 invested.

The SROI calculation provides a monetary valuation of the social impacts of the regeneration, that can be considered alongside the financial cost-benefit assessment and any future environmental impact assessment. This holistic view may have an impact on decision-making within the current proposals. For example, the social impact assessment highlights the potential negative impact of current social housing residents being moved from their homes, and not potentially being rehoused in the regenerated neighbourhood due to the changed housing type and rental profile. Based on financial returns only, it would be necessary to increase the rent levels to 'affordable rent' (i.e. 80-100% of the Local Housing Allowance rate) to create a positive financial return. However, the social impact could be taken into consideration here, with the social benefits of keeping the rent levels as 'social rent' potentially counteracting the negative financial implications of this. This is an example of how SROI can be used to inform and adjust decision making, based on a complete understanding of the potential costs and benefits.

Using the forecast SROI to inform regeneration approach

The forecast SROI is designed to support local councils in the planning and implementation of proposed regeneration, in order to maximise social value. The SROI valuation represents the outcome of a best-case scenario, where a successful regeneration programme that delivers both place-based and people-based outcomes. However the insight from the Theory of Change demonstrates that achieving these positive outcomes is not a foregone conclusion, and a number of key activities and change mechanisms were identified in order to support this pathway of change, in the context of a complex and challenging social environment. Some key insights from the process were developed, in order to take the SROI report from a theoretical statement, towards positive actions that will maximise social value through the process of implementation.

The recommended next steps in order to translate the SROI into meaningful action are:

During the feasibility/decision-making phase:

Recommendation 1: Use the findings of the forecast SROI in the decision-making process

The SROI can be used in a number of ways during feasibility discussions and initial decision-making stages. Firstly, it can be used to effectively present the case for the social value of the regeneration, providing an additional perspective on the benefits of the proposed regeneration. Consideration alongside the financial (and potential environmental) cost-benefits means that this can provide a holistic perspective on decisions regarding the proposed regeneration, including how potential trade-offs between these three elements can be assessed. Finally, it should be used to inform funding/resource decisions, highlighting the full cost to successfully deliver both people and place-based outcomes.

As the project moves from feasibility towards implementation:

Recommendation 2: Develop a Community Plan for to inform the regeneration plan and process

The Community Plan builds capacity for community engagement, to gather information from residents, scope their wider social and neighbourhood objectives, and shape the final regeneration proposal. It informs best practice in housing management, including decant and allocations. Examples of best practice/templates for the Community Plan can be drawn on from the evidence review to inform this process.

Recommendation 3: Establish a cross-agency, place-based partnership to oversee the regeneration

Identify and engage leads from relevant local agencies and organisations, to identify key strategic goals, agreed responsibilities, and communication and engagement plans for the regeneration.

Recommendation 4: Develop a social value approach for procurement

The social objectives developed through the Community Plan should be interpreted into social value objectives for the procurement of the regeneration, including proposed social value clauses, scoring, and contractual targets. Investigate relevant tools and approaches to support best practice in procurement and contract management, such as the Government's Social Value Model, Social Value Portal's National TOMs⁵⁸ or Construction Innovation Hub's Value Toolkit.⁵⁹

Recommendation 5: Develop an employment and training support programme

Plans and programmes of support for local people need to be implemented at an early stage, attempting to match the skills and employment needs for the regeneration, and the education and training gaps within the local population to enable them to access these opportunities.

Recommendation 6: Develop and fund a long-term community engagement and support programme

Ensure funding and support is in place to help communities continue to develop and implement activities to support positive outcomes over the long term.

Recommendation 7: Track and measure the actual Social Return on Investment of the regeneration

Having measurable indicators for social value allows commissioning authorities to ensure that social value goals or contractual conditions are met, to ensure the social value vision is translated into reality, and capture the actual social value of the regeneration.

References

-
- ¹ <https://www.tandfonline.com/doi/full/10.1080/09613218.2016.1223486?scroll=top&needAccess=true>
- ² Proven, B. and Power, A. (2019) *Estate Regeneration and Social Value*, LSE Housing and Communities <https://sticerd.lse.ac.uk/dps/case/cr/casereport124.pdf>
- ³ Tunstall, R. and Lupton, R. (2010) *Mixed Communities: Evidence Review*. Department for Communities and Local Government. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7606/1775206.pdf
- ⁴ Crisp, R., Gore, T., Pearson, S. and Tyler, P. (2014) *Regeneration and poverty: evidence and policy review*. Sheffield Hallam University and JRF <https://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/jrf-regeneration-poverty-final-report.pdf>
- ⁵ O'Brian, D. and Matthews, P. (eds) (2016) *After Urban Regeneration: Communities, People and Place*. Policy Press.
- ⁶ See Tunstall, R. and Lupton, R. (2010)
- ⁷ See Tunstall and Lupton (2009)
- ⁸ See Tunstall and Lupton (2009)
- ⁹ See Proven and Power (2019)
- ¹⁰ Social Value Lab (2011) *SROI-Forecast of Phase 1 of the Vineburgh Development*. <https://socialvalueuk.org/wp-content/uploads/2016/03/SROI%20Cunninghame%20Final.pdf>
- ¹¹ Social Value Lab (2014) *Social Return on Investment for the Vineburgh Regeneration Initiative* <https://socialvalueuk.org/wp-content/uploads/2016/03/Vineburgh%20SROI%20Report%20Final%20Assured.pdf>
- ¹² Provan, B., Belotti, A. and Power, A. (2016) *Moving on without moving out: the impacts of regeneration on the Rayners Lane Estate*. LSE Centre for Analysis of Social Exclusion (CASE) report 100. <https://eprints.lse.ac.uk/67851/1/casereport100.pdf>
- ¹³ See Proven and Power (2019)
- ¹⁴ Thomson, H., Thomas, S., Sellstrom, E. & Petticrew, M. (2009) 'The Health Impacts of Housing Improvement: A Systematic Review of Intervention Studies From 1887 to 2007'. *American Journal of Public Health*, 99, S681-S692
- ¹⁵ Marmot Review Team (2011) *The Health Impacts of Cold Homes and Fuel Poverty* <https://www.instituteofhealthequity.org/resources-reports/the-health-impacts-of-cold-homes-and-fuel-poverty/the-health-impacts-of-cold-homes-and-fuel-poverty.pdf>
- ¹⁶ Nicol, S., Roys, M. and Garrett, H. (2015) *The cost of poor housing to the NHS*. <https://www.bre.co.uk/filelibrary/pdf/87741-Cost-of-Poor-Housing-Briefing-Paper-v3.pdf>
- ¹⁷ UK Green Building Council (2016) *Health and Wellbeing in Homes* <https://www.ukgbc.org/ukgbc-work/health-wellbeing-homes/>
- ¹⁸ See: Crisp et al (2014)
- ¹⁹ See: UK Green Building Council (2016)
- ²⁰ HACT (2017) *Valuing Housing and Local Environment Improvements using the Wellbeing Valuation Method and the English Housing Survey*. <https://hact.org.uk/publications/valuing-housing-and-local-environment-improvements-using-the-wellbeing-valuation-method-and-the-english-housing-survey-results-and-guidance-manual/>
- ²¹ See Social Value Lab (2014)
- ²² See: Crisp et al (2014)
- ²³ Pease, K. and Gill, M (2011) *Home Security and Place Design: Some Evidence and it's Policy Implications* <https://www.securedbydesign.com/guidance/research-case-studies-guidance/home-security-and-place-design/viewdocument/35>
- ²⁴ Jones, A., Valero-Silva, N. and Lucas, D. (2016) *The Effects of Secure, Warm, Modern Homes in Nottingham: Decent Homes Impact Study* <https://irep.ntu.ac.uk/28087/>
- ²⁵ Secured by Design, Research, Case Studies and Guidance <https://www.securedbydesign.com/guidance/research-case-studies-guidance>
- ²⁶ College of Policing (2022) *Crime Reduction Toolkit* <https://www.college.police.uk/research/crime-reduction-toolkit>
- ²⁷ See: Crisp et al (2014)
- ²⁸ See Proven and Power (2019), p.24
- ²⁹ Supply Chain Sustainability School (2017) *Social Value and the Built Environment*. <https://www.supplychainschool.co.uk/topics/sustainability/social-value/>
- ³⁰ See Crisp et al. (2014), p.54
- ³¹ See Provan, Belotti and Power (2016) p.24

-
- ³² See Crisp et al (2014)
- ³³ Belotti, A. (2016) *Estate Regeneration and Community impacts*. LSE Housing and Communities.
<https://sticerd.lse.ac.uk/dps/case/cr/casereport99.pdf>
- ³⁴ Public Services (Social Value) Act 2012 <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>
- ³⁵ Cabinet Office (2021) Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/921437/PPN-06_20-Taking-Account-of-Social-Value-in-the-Award-of-Central-Government-Contracts.pdf
- ³⁶ Cabinet Office (2022) Social Value Model
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940826/Social-Value-Model-Edn-1.1-3-Dec-20.pdf
- ³⁷ See Crisp et al (2014), p.19
- ³⁸ See Crisp et al (2014), p.39
- ³⁹ See Proven and Power (2019), p.49
- ⁴⁰ Rhodes, J., Tyler, P. and Brennan, A. (2009) *The Single Regeneration Budget: Final Evaluation*. London: DCLG.
<https://www.tandfonline.com/doi/full/10.1080/09613218.2016.1223486?scroll=top&needAccess=true>
- ⁴¹ See: Crisp et al. (2014), p.71
- ⁴² HACT and Fujiwara, D. (2014) *Community Investment Values from the Social Value Bank* <https://hact.org.uk/tools-and-services/uk-social-value-bank/>
- ⁴³ Home Office (2018) *The Economic and Social Costs of Crime* (Second edition).
<https://www.gov.uk/government/publications/the-economic-and-social-costs-of-crime>
- ⁴⁴ Government Outcomes Lab (2015) Unit Cost Database <https://golab.bsg.ox.ac.uk/knowledge-bank/resources/unit-cost-database/>
- ⁴⁵ Fujiwara and HACT (2010) *The Social Impact of Housing Providers*
- ⁴⁶ Office for National Statistics (2018) *Disability and Social Participation, England*
<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/bulletins/disabilityandsocialparticipationengland/2018#participation-in-groups-clubs-and-organisations>
- ⁴⁷ Economic and Social Research Council and University of Essex (2018) *Understanding Society (Wave 9)*
<https://www.understandingsociety.ac.uk/documentation/mainstage/dataset-documentation/variable/scopngbhc>
- ⁴⁸ Department of Digital, Culture, Media and Sport (2022) Youth Review: Summary Findings and Government Response <https://www.gov.uk/government/publications/youth-review-summary-findings-and-government-response/youth-review-summary-findings-and-government-response>
- ⁴⁹ See: Crisp et al. (2014), p.25
- ⁵⁰ Public Health England (2017) *Movement into Employment: Return on Investment Tool*
<https://www.gov.uk/government/publications/movement-into-employment-return-on-investment-tool>
- ⁵¹ Sport England (2021) *Active Lives Online query* <https://activelives.sportengland.org/Result?queryId=66235>
- ⁵² Office for National Statistics (2020) *Drug Misuse in England and Wales: Year ending March 2020*
<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/drugmisuseinenglandandwales/yearendingmarch2020#household-and-area-characteristics>
- ⁵³ Public Health England (2021) *Public Health Dashboard* <https://fingertips.phe.org.uk/topic/public-health-dashboard/area-details#par/nn-7-E10000031/ati/202/iid//sexId//gid/1938133144/pat/202/are/E10000031/sim/nn-7-E10000031>
- ⁵⁴ Office for Health Improvement and Disparities (2021) *Adult Substance Misuse Treatment Statistics 2020 to 2021*
<https://www.gov.uk/government/statistics/substance-misuse-treatment-for-adults-statistics-2020-to-2021/adult-substance-misuse-treatment-statistics-2020-to-2021-report#treatment-outcomes>
- ⁵⁵ English Partnerships (2008) *Additionality Guide*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191511/Additionality_Guide_0.pdf
- ⁵⁶ Social Value International (2021) *Principle 5: Do Not Overclaim: SVI Standard & Short Guidance (draft)*
https://socialvalueuk.org/wp-content/uploads/2021/11/Principle_5_Do_Not_Overclaim_For_Consultation.pdf
- ⁵⁷ Social Value Portal, National TOMs (Themes, Outcomes, Measures)
<https://socialvalueportal.com/solutions/national-toms/>
- ⁵⁸ Construction Innovation Hub, Value Toolkit <https://constructioninnovationhub.org.uk/value-toolkit/>