



SOCIAL VALUE
STRATEGIC
FRAMEWORK
2023

FOREWORD

At Derwent London we take great pride in creating a positive socio-economic impact and building strong relationships with our stakeholders. We recognise that our activities should bring a range of benefits to the communities in which we operate. These include curating growth in local economies, employment and training opportunities, and supporting projects that benefit the surrounding neighbourhoods.

Our long-term approach remains to deliver attractive returns for our shareholders while creating value for our stakeholders and communities.

This Social Value Strategic Framework further develops our approach and goals. It should be read in conjunction with our overarching Responsibility Policy and Strategy, both of which can be found on our website.

Signed on behalf of the board by:



Paul Williams
Chief Executive



INTRODUCTION

We are intent on creating social value for the communities in which we operate. We recognise that the way we develop and manage our buildings and spaces can have significant impact on our neighbourhoods, occupiers, and the local economy.

This Social Value Strategic Framework outlines our themes and goals. It also details how we will measure our successes and report progress, with clear linkage to the governance principles that underpin it.

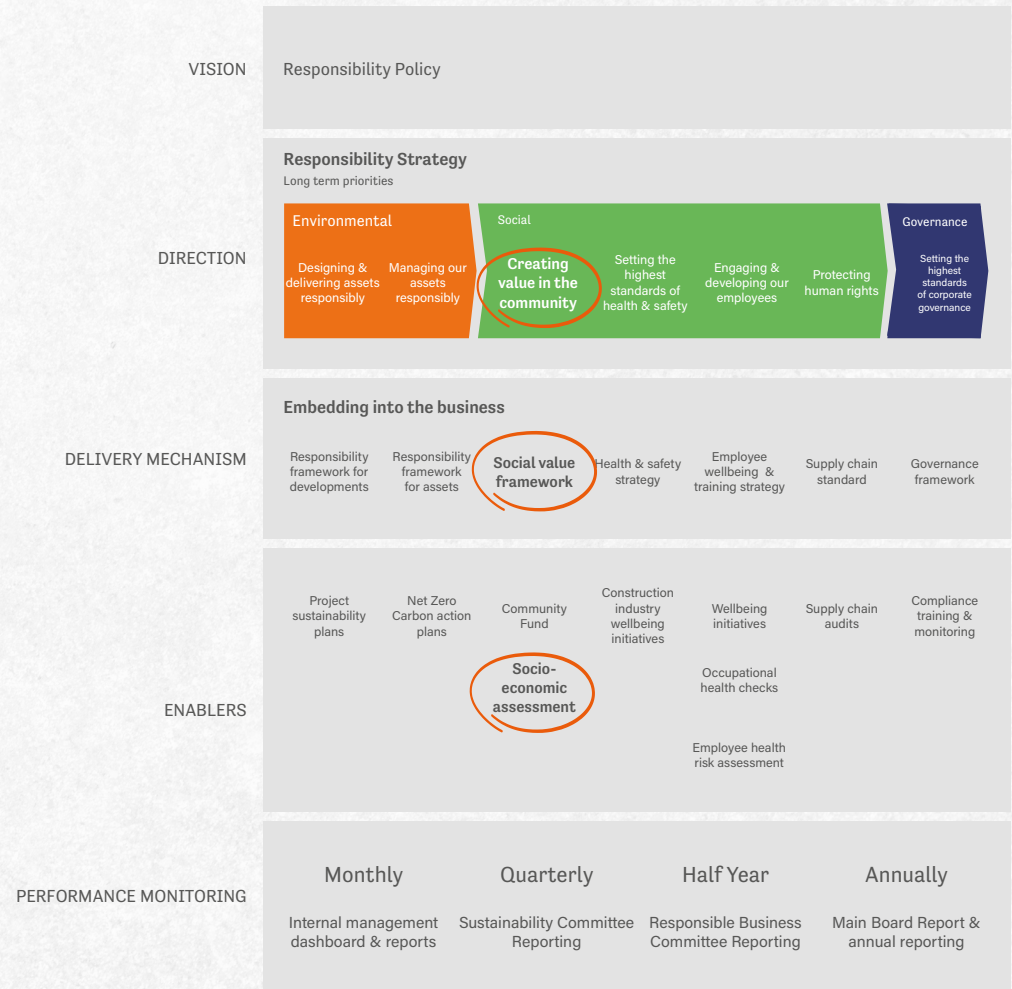
The framework is supported by our corporate values:

- We build long-term relationships
- We lead by design
- We act with integrity

“Creating value in the community” is one of the seven long term priorities within our Responsibility Delivery Framework which guides our broader business activities. We have set out opposite how this forms part of that framework.

Our commitment to delivering social value has long been embedded within our Community Strategy. This framework strengthens our commitment and places stakeholder engagement at the core. Through listening we can better understand what matters most in local neighbourhoods, which in turn will allow us to demonstrate more clearly the benefits we are delivering to local residents, businesses, our occupiers and the broader public.

Responsibility Delivery Framework



OUR SOCIAL VALUE THEMES

We believe we will make a meaningful and positive difference for the communities in which we operate through aligning our actions to three key themes.

THEME 1 - PART OF THE NEIGHBOURHOOD

We work with our neighbours to deliver lasting value in our communities, through the way we create and manage our assets.

Goals:

- Enhancing the neighbourhood
- Use of space: inside and outside
- Responsible construction practices

THEME 2 - GREAT PLACES TO WORK

We design and deliver high-quality buildings and spaces to enable our occupiers and their people to succeed and thrive.

Goals:

- Responsible design
- Creating connections
- Supporting occupier health and wellness

THEME 3 - A THRIVING LOCAL ECONOMY

We support the local economy by creating opportunities for a diverse range of businesses, and by working responsibly with our suppliers and staff.

Goals:

- Diverse local economy
- Improved sustainability practices and outcomes
- Employment opportunities through our supply chain during construction and operation

DELIVERING OUR SOCIAL VALUE THEMES

THEME 1. **PART OF THE NEIGHBOURHOOD**

We have an opportunity to use our developments and encourage our people to be a force for good – enhancing the neighbourhoods and the wellbeing of the people who live and work in them.

Dialogue with our neighbours is essential. We will continue to focus on positive engagement at the earliest opportunity, throughout construction and operation of our assets. It is why we commission research to understand what local residents, local businesses, and occupiers think about our sites, and how they impact their wellbeing.

During the design stage, we will explore opportunities for the creation of spaces that can be used by occupiers, community groups, and the public – both inside and outside. Different areas have different needs – such as spaces to support local businesses, spaces to boost local biodiversity, spaces that increase connectivity between different areas, and spaces for people to sit and relax.

Where possible we will work with other local partners to join up resources and deepen our impact. For example, we are part of The Paddington Partnership, a voluntary grouping of the main developers and companies in Paddington, working to regenerate, promote and connect across the area.

We will also use our Community Fund to support local organisations. The fund was launched in 2013 and is divided equally between Fitzrovia & West End and the Tech Belt areas. Its purpose is to support groups which are committed to bringing about positive change in their local community.

Our Fund acts as a springboard for further engagement with local neighbourhoods. The connections we make through the Fund are strengthened through initiatives including corporate volunteering, school engagement and work experience.



DELIVERING OUR SOCIAL VALUE THEMES

THEME 2. GREAT PLACES TO WORK

We will ensure that the design and delivery of our assets creates a high-quality experience for everyone who uses our buildings and they meet the highest standards for the health, safety and wellbeing of our occupiers.

Our buildings and outdoor spaces provide environments that foster collaboration, productivity and occupier wellness. We promote the highest quality of customer experience through a range of features such as our occupier App, our 'Furnished + Flexible' offer, elegant green spaces and abundant natural light.

DL/ Lounges give our tenants access to a curated environment to work, meet and socialise. The DL/ App provides a digital space for our occupier community to meet, while enabling a number of features and benefits. It also highlights fundraising appeals and provides updates about Community Fund recipients.

Our people are crucial for our social value creation. The dedicated DL/ Experience team runs a series of occupier events throughout the year. We support our front-of-house and site management teams in maximising benefits to occupiers and contributing to our buildings being great places to work.



DELIVERING OUR SOCIAL VALUE THEMES

THEME 3. **A THRIVING LOCAL ECONOMY**

We will ensure our own procurement practices are supportive of new businesses, SMEs, and social enterprises. In particular, we aim to encourage a diverse and innovative supply chain, promoting local spend.

We will partner with our supply chain, leveraging relationships with suppliers to maximise the social value that our work creates.

As well as our direct supply chain, we will support a thriving local economy through the design and management of our assets. For example, good design of building frontage and outdoor space can encourage people to 'dwell' in an area, supporting local businesses.

We will introduce a requirement for the production of a social value 'record log' for each of our assets. This will help to ensure that the relationships we have built and the initiatives developed across a building's lifecycle are sustained in the future.



MEASUREMENT

Our measurement and data collection is underpinned by a set of principles:

- Data on our impact and the social value created is collected in order to understand our effectiveness, improve our social value offering, hold ourselves accountable, and improve stakeholder communications.
- Our measurement methodology is designed to support our social value strategy. We carefully consider what is measured to ensure a balance between data, qualitative evidence and stakeholder feedback.
- A broad group of stakeholders is targeted in our measurement processes to ensure a diverse range of views are heard and that data is representative and meaningful. This may include asking local businesses, residents and occupiers to rate the impact our work has on them.
- We measure and report on our impact during both the construction and operational phases of our developments, as well as at a corporate level.
- We consider two different types of measurement:
 - **Performance indicators** help us to monitor our effectiveness and manage our performance. These will be assessed regularly, e.g. monthly or quarterly.
 - **Impact indicators** help us evaluate our long-term impact. These will typically be assessed annually.

Performance indicator examples

Construction phase	Number and share of employment, training and apprenticeship opportunities going to local people Number of members of local community engaged at each stage of the process
Operational phase	Number of local organisations making use of space Opportunities created for health and wellbeing activities
Corporate level	Number of organisations supported through Community Fund Amount of money distributed through Community Fund

Impact indicator examples

Construction phase	Impact of construction on local people and businesses Sustainable employment outcomes for local people
Operational phase	Level of connections created between occupiers Level of connection between occupiers and other local organisations
Corporate level	Impact of Community Fund on organisations (self reported by organisation supported) Increase in revenue for local businesses

MEASUREMENT

- Social Value UK and Social Value International:
[The principles of Social Value](#)
- UKGBC: [Framework for Defining Social Value](#)
- BSI Group: BS 8950 standard for Social Value
- RIBA: [Social Value Toolkit for Architecture](#)
- Trowers & Hamlin:
[Social Value roadmap for real estate](#)

Our measurement approach is guided by the ongoing development of social value best practice and informed through our membership of and participation in industry best practice groups.

SOCIAL VALUE
INTERNATIONAL



GOVERNANCE

Improving social and economic prosperity depends on the co-ordination of actions across a wide range of policies and organisations, removal of barriers and creation of opportunities.

Corporate level

Responsibility for social value at a corporate level sits within the Sustainability Team. It works to support the mobilisation, co-ordination and communication of social value best practices and impact across our portfolio. Consideration is given to performance tracking, cost-effectiveness, knowledge transfer, social value delivery risk and approaches to contract management. This requires accountable decision-making across the business to aid the achievement of our social value goals. This will be facilitated through our Responsible Business and Sustainability Committees.

As well as our own social value creation, the Committees will consider how we could work to influence the sector in terms of best practice, innovations, challenges and solutions, and the relationship of social value to our commercial strategy. Potential collaboration and opportunities to work more closely with industry peers to create deeper and longer-lasting impact will be explored.

Development and Asset level

At the asset or development level, partnerships are key to achieving enduring impact that extends beyond the lifetime and 'boundary' of a single building site. Social value delivery and reporting will be aided by our on-site/building teams.

The local knowledge of our building teams will help establish collaborative ways of working with local stakeholders so that together we can create social and economic benefits while sharing resources and know-how. Ways of working will be underpinned by a place-led approach, drawing on local intelligence and gathering insight from community partners, residents, supply chain and relevant agencies.

We make a long-term commitment to our assets and to our social value, which starts at the beginning of a building's lifecycle. During the development stage we know that we must engage early with the local community as our decisions cannot be made in isolation. Should we start to operate in new areas we will explore, seek to understand and forge strong links with local groups.

Our development contractors are aligned with our social value ambitions. Their approach is based on engagement with local stakeholders to develop relationships, undertaking community days and offering appropriate local employment and career pathway opportunities.

APPENDICES: CASE STUDIES

CASE STUDY THEME 1.

Part of the Neighbourhood: Brunel Building, 2 Canalside Walk W2

Brunel Building was completed in 2019 and is a landmark canalside building in the heart of Paddington Basin; an area which has seen extensive regeneration over the years. The Paddington Partnership has been integral to the repositioning. It has worked hard to breathe new life into the wider area and to create a sense of identity and belonging for businesses and local communities alike.

Derwent London has been a member of the partnership since 2004, sharing its vision for the wider Paddington community. Following the opening of the building, it became clear that our occupiers also wanted to be a part of the neighbourhood. Therefore, in 2022 we subscribed to the partnership's Community Programme, enabling tenants to volunteer in the Paddington community and access the associated wellbeing benefits.

Occupiers have taken part in a range of activities such as transforming a care home's garden, hosting floating tea parties on the canal for local older people and welcoming students to their workplaces as part of a career's week. The programme is continually evolving in order to meet the needs of local groups and goes from strength to strength due to the enthusiasm and commitment of occupiers.

Local impact

- The Brunel Building site introduced step-free canalside access, thus providing people in the neighbourhood with a continuous accessible towpath around the head of Paddington Basin.
- Occupiers benefit from the increased biodiversity: soft landscaping, planters with wildflowers, trees, and nesting boxes all contribute toward re-establishing the local ecology in what was previously a light-industrial area.
- Occupiers make use of a wide range of local volunteering opportunities through the Brunel Building. The annual report from The Paddington Partnership showed that in the first year of the community engagement programme:
 - All Brunel Building occupiers have participated in at least one volunteering activity
 - Nine volunteering events have been held; employees have given 250 hours of their time to the local community
 - In total, nine schools, colleges and community partners have been supported, reaching over 750 beneficiaries and enhancing the physical environment



APPENDICES: CASE STUDIES

CASE STUDY THEME 2.

Great places to work: 80 Charlotte Street W1

80 Charlotte Street is our largest project to date, encompassing office space, hospitality, retail and housing (private and affordable), as well as a pocket park, and we are determined to foster a sense of community for occupiers.

Building on occupier consultation and feedback, the DL/ Experience team worked to provide a series of events and activities to suit a range of demographics and supporting local communities.

80 Charlotte Street has hosted a seniors' lunch club for afternoon tea as part of Mental Health Awareness Week; helped maintain a community centre's courtyard garden; and contributed to a clothing drive for a local soup kitchen, which resulted in over 300 items being donated.

As well as being able to come together and take advantage of a range of offers and activities at their respective buildings, tenants can also use our occupier lounge, DL/78, which is adjacent to 80 Charlotte Street.

80 Charlotte Street and the building team has welcomed in work experience groups looking to explore the world of work and DL/78 has hosted a local group which supports young people develop practical life skills.

The building has the following sustainability certification:

- BREEAM Excellent
- LEED Gold
- EPC B

Local impact

During the construction phase, the local impact was as follows:

- The 80 Charlotte Street project team's education strategy enabled them to reach 1,384 students through hosting 55 activities/workshops and site visits
- The team dedicated over 500 hours to education engagements
- Working with the London Borough of Camden, the project team organised an employment and training event at 80 Charlotte Street and invited local candidates to the project. Candidates were interviewed for potential roles both at 80 Charlotte Street and other London projects.

Over £60,000 was raised for local charities.



APPENDICES: CASE STUDIES

CASE STUDY THEME 3.

A Thriving Local Economy: White Collar Factory EC1

The White Collar Factory ‘campus’ including Old Street Yard is situated on the busy Old Street roundabout and tube station, to the north of the City of London. In 2019 Derwent London commissioned JLL to evaluate the socio-economic impact of the development to understand the impacts (positive or negative) it has had on the local area and community.

This was a multi-stage process which involved a desktop research stage and site visit, stakeholder mapping and interviews, a period of on-site research which included surveys on the streets, with local business and with occupiers, and an analysis of data and production of the report.

“Derwent London engage the local community and understand the needs better than any other developer we work with. Hopefully they can affect positive change.”

Stakeholder quote from 2019 socio-economic impact assessment.

Local Impact

On-street survey participants were asked to rate their perceptions of the building. The main topics that were remarked upon positively were the green space and open areas, feelings of safety, cleanliness and architectural appreciation.

- Results showed that the development was having a positive impact on local footfall and revenue
- Local businesses estimated that on average 7% of their customers worked at White Collar Factory
- Occupiers spent a total of £6,636,800 per annum with local businesses
- 65% of local businesses believed the area had changed positively since the development opened





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