



SROI of Jobs at Home for Thrive Homes & Watford Community Housing Trust

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Executive Summary

This is a Social return on investment (SROI) Analysis of Jobs at Home – Thrive Homes and Watford Community Housing Trust initiative that was set up by the Housing Leadership Foundation (HLF). SROI is a performance measurement tool currently being promoted to capture the economic and social value of social enterprise activities. Its purpose in this instance is to determine the costs and benefits to all key stakeholders of JAH's work in the Watford and Three Rivers district, in particular to assess the impact of bringing previously unemployed tenants in the area back into employment. Variables considered in the analysis included the initial investment cost as well as tax, wellbeing and local spending benefits. The result is that in the 2012/2014 period since JAH started, for every £1 spent on JAH, there was a £2.58 SROI. If we extend the SROI calculation to include the forecasted benefits based upon growth predictions for the next 5 years, the cost: benefit ratio increased to £16.78., with a substantial 13.1m of added social value in addition to the maintenance and repair work carried out in Watford & Three Rivers.

Introduction

Company Background

The Housing Leadership Foundation (HLF) is a not for profit organisation that works with Housing Associations with the aim of improving the quality of life for social housing tenants. They have set up a new style of social enterprise, Jobs at Home, which is a set of large scale community training and employment initiatives that function in a number of regions across the UK. JAH helps social housing tenants into stable employment carrying out maintenance and repair works on homes within their own communities. There are currently three Jobs at Home initiatives running in the UK but this paper will focus on the social value derived from the 'Jobs at Home - Thrive & Watford Community Housing Trust' (WCHT) initiative that takes place in the Watford and Three Rivers district specifically.

Within this particular initiative, JAH works in association with WCHT and Thrive Homes recruit their residents who were previously either unemployed or in unstable employment into steady work as an operative for JAH. Operatives are supplied with both small and large scale maintenance and repair jobs by the HA to be carried out for resident of homes within the local Watford & Three Rivers district. These jobs would otherwise have been carried out by private contractors without wider social objectives. The Jobs at home model creates trained and skilled people in society who had previously

been unemployed and unskilled, with low confidence for finding work, providing unemployed (or in insecure employment) people with sustainable jobs and giving them the basis to develop professionally & personally and increase their spending power in the local community.

Social Return on Investment

SROI is a principles-based framework for measuring and accounting for the value of an investment, beyond just its monetary figure, and has emerged as a preferred technique for measuring impact and outcomes of initiatives. First tested in the UK by the New Economics Foundation (NEF), SROI is based upon the principles of accountancy and cost-benefit analysis that assign monetary values to social and environmental returns to demonstrate wider value creation. It measures the value of social benefits created by an organization in relation to the relative cost of achieving those benefits. The result is a monetised social cost-benefit ratio. For example, a ratio of 2:1 indicates that an investment of £1 delivers £2 of social value. SROI is about value, rather than money. In its current state (latest publication in 2012), the approach involves six main steps:

- Establishing scope and identifying key stakeholders,
- Mapping outcomes,
- Evidencing and valuing outcomes,
- Establishing impact,
- Calculating the SROI, and
- Reporting.

As a tool, SROI analysis can be used to facilitate strategic discussions, anticipate and manage unexpected outcomes, analyse stakeholders' expectations and prioritise activities. The results from an SROI analysis can be shown in a report, such as this one, which typically contains case studies, qualitative, quantitative and financial information.

Many significant assumptions go into determining SROI and as previously indicated, methodologies and tools are evolving. Changes in the assumptions applied or scope of testing, and stakeholders identified, could impact results

Approach

HLF is committed to ensuring that its initiatives are achieving their goal of improving the quality of life of social housing tenants and as such, was looking for a way to determine the expected economic returns on investments their member Housing Associations are making in local communities. There are a range of approaches to SROI but for the basis of this paper we use 'A guide to social return on investment'¹ published by the Cabinet Office, Office for the Third Sector. SROI is an ideal fit for measuring the impact of HLF as it is designed specifically for use in appraising activity in the third sector, and JAH initiatives are not-for-profit social enterprises.

There were three simplified steps used in the determination of JAH – Thrive Homes & Watford Community Housing Trusts' SROI:

- **Establishing the scope and identifying key stakeholders**

Through a dialogue with HLF directors, key stakeholders were identified who are both indirectly and directly impacted by the activities of JAH and clear aims for the project were set.

- **Assessing the 'theory of change'**

Based on engagement with key stakeholders, outcomes were described (qualitative) that resulted from JAH hiring local residents to work within their local community. This included the costs and benefits associated with the outputs as well as a description of the wider change experienced by a number of stakeholder groups, including those who were excluded from the final SROI impact calculations.

- **Calculating (quantitative) the SROI**

Indicators were identified to measure the outcomes and the subsequent value of the impact was calculated using financial 'proxies' that placed a monetary value upon non monetised outcomes. Outcomes were mapped using an 'impact map' – as set out by Nicholls et al's (2012) guidance. SROI ratio calculated to determine SROI from initial investment

Deadweight, displacement, drop-off and attribution

When calculating SROI, a consideration of 'deadweight', 'displacement', 'drop-off' and 'attribution' is taken into account to find the true value of each outcome within an SROI. They are defined in the following way:

¹ Nicholls et al, A guide to Social Return on Investment (2012)

- **Deadweight** is a measure of the amount of outcome that would have happened even if the activity had not taken place. It is calculated as a percentage. For example, if JAH had not happened, what percentage of previously unemployed residents would have gained employment anyway? This is then deducted from the overall value. Research is needed into much of the local economic impact was due to wider economic changes and how much to the specific initiative being analysed.
- **Displacement** is another component of impact and is an assessment of how much of an outcome displaced other outcomes (i.e. those that might have started up if JAH didn't exist).
- **Attribution** is an assessment of how much of the outcome was caused by the contribution of other organisations or people. Attribution is calculated as a percentage (i.e. the proportion of the outcome that is attributable to JAH).
- **Drop-off** is only calculated for outcomes that last more than one year where the amount of impact caused by an outcome is likely to be less or, if the same, will be more likely to be influenced by other factors, so attribution to an organisation is lower. Drop-off is usually calculated by deducting a fixed percentage from the remaining level of outcome at the end of each year. For example, if JAH employs 50 individuals in the first year but this drops off by 50% per annum the calculation would be 50 in the first year, 25 in the second (50 less 50%) and 13 in the third (25 less 50%) and so on.

All of the above have been considered for each outcome within the SROI based on prior research or guidance, and are detailed in the 'outcomes' section.

Wellbeing Valuation Approach

A common challenge with commissioning an SROI Analysis is gaining monetary values for 'soft' outcomes (I.e. wellbeing factors) for use within an overall SROI calculation. The **Wellbeing Valuation Approach** (WVA) was employed in order to achieve this, drawing upon Fujiwara and HACT's² guidance report: 'Measuring the Social Impact of Community Investment: A Guide to using the Wellbeing Valuation Approach'. The approach suits HLF (as an organisation carrying out contracted services on behalf of housing providers) as "existing approaches to measuring social value can be a poor fit for housing providers" and it was created to "better equip the housing sector to meet the challenge"(Fujiwara, 2013). Monetised 'Subjective wellbeing values' are detailed within the report and were applied in relation to the outcomes identified by key stakeholder groups.

² Fujiwara et al, Measuring the Social Impact of Community Investment: A Guide to using the Wellbeing Valuation Approach (2013)

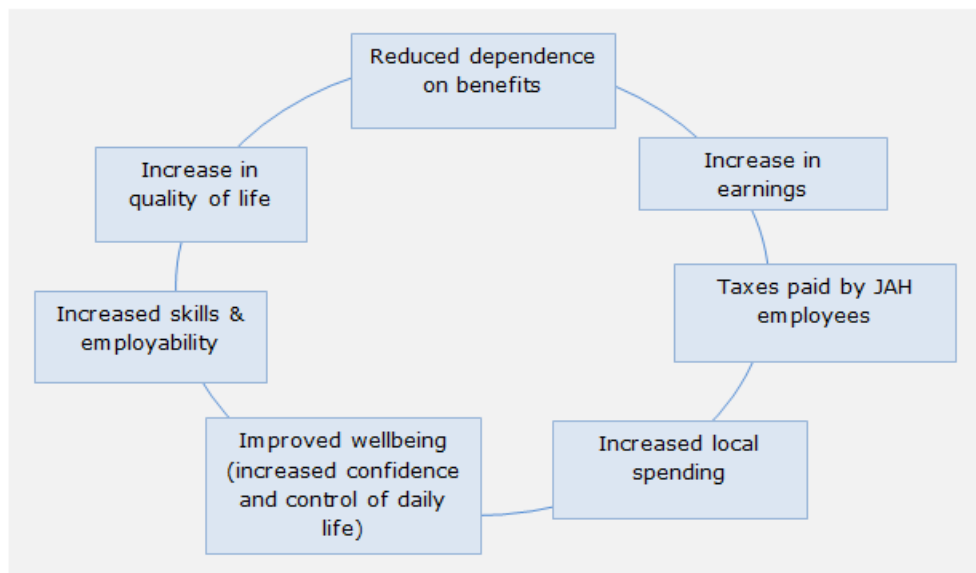
Establishing scope and identifying stakeholders

Aim & Scope

The aim of the SROI analysis was to understand the wider social impact of the substantial investment undertaken by Thrive Homes & Watford Community Housing Trust for their JAH initiative. Although the JAH initiative in Watford is only one aspect of HLF's work, it has been selected for SROI Analysis as it's the largest of the organisations' three initiatives and was the first to be set up, requiring considerable financial investment. HLF want to go beyond measuring just the outputs of the programme, to provide robust evidence of the social, economic and environmental outcomes it delivered and the resulting impact it had on stakeholders involved. Furthermore, Thrive Homes and Watford Community Housing Trust employed commercially focused contractors to carry out the maintenance and repair services prior to JAH involvement, so they were also keen to decipher the added social value of their investment in addition to the work that would already have been carried out by previous contractors.

In an initial engagement with HLF, they identified the following benefits which they look to achieve as a result of JAH:

Figure 1: JAH benefit identification



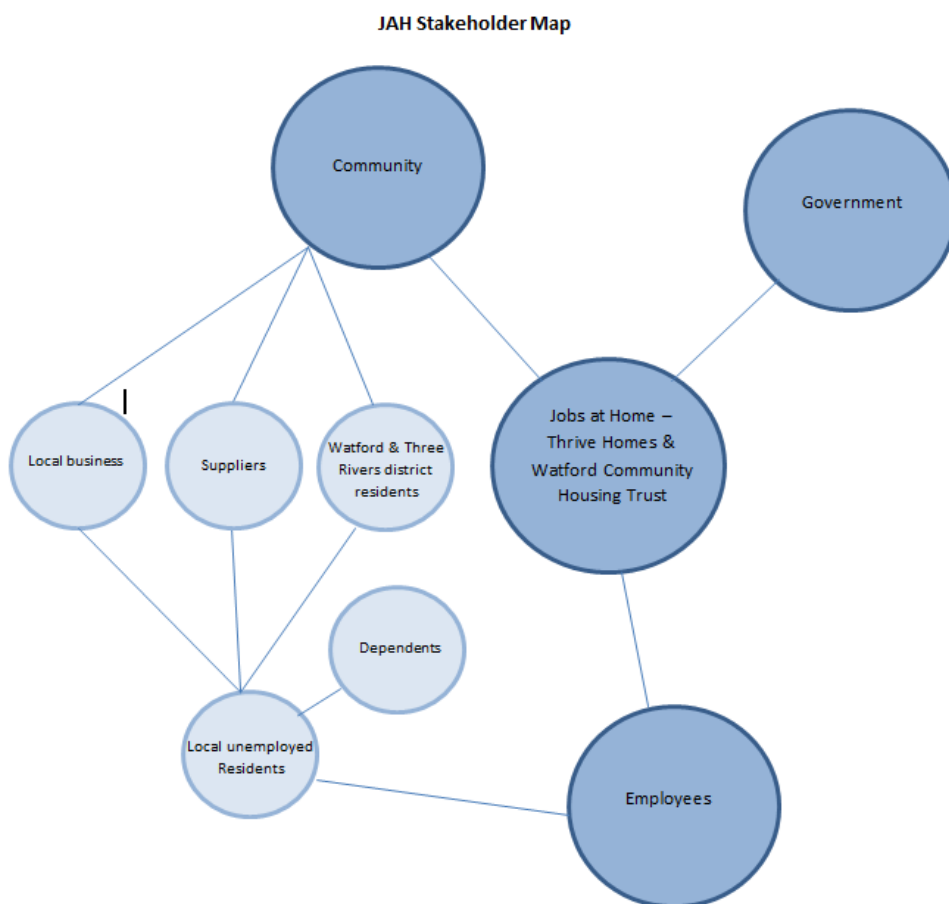
The investment in JAH was completed in stages since December 2012. Since it began, JAH have employed a total of 25 people in a variety of different roles including operatives, operations managers, contracts managers, resident liaison officers and one admin support worker. To date they have completed a total of 1,015 maintenance jobs in the local area.

This is an evaluative SROI analysis, which is conducted retrospectively and based on actual outcomes that have already taken place. It will measure changes that have occurred since the beginning of the initiative, from December 2012 to February 2014. This period of study was selected as it presents a current, true reflection of service delivery, good, up-to-date information is available for this period and it is the first 14 months of the current service delivery agreement with Thrive Homes and Watford Community Housing Trust. Due to time constraints and the nature of the research project it isn't possible to conduct a full SROI forecast for the future SROI of the initiative.

Identifying and involving stakeholders

A stakeholder analysis was carried out with HLF at the beginning of the project to identify the main stakeholders involved with the JAH initiative, both internally to the organisation and externally, shown overleaf:

Figure 2: Stakeholder analysis



It was made apparent that the quality of life of JAH's previously unemployed or insecurely employed employees and local residents receiving maintenance work were

placed at the heart of the initiative, therefore JAH employees and residents of Thrive Homes & Watford Community Housing Trust were identified as the most important stakeholders in this evaluation. The following 3 stakeholder groups were included in the outcomes included in the analysis:

- JAH - Thrive Homes and Watford Community Housing Trust employees
- Watford & Three Rivers district Community
- The State (national government)

A number of stakeholders initially identified were not included in the final analysis, after consideration of the materiality of the outcomes experienced by them to the scope of the project. For example, HLF itself was not included as a stakeholder as the aim of the project was to measure the impact on the community, rather than the business benefits. There was also a consideration of the inclusion of the NHS and Hertfordshire Police, as it was suggested that the initiative may have a positive impact on the reduction of crime and/or health as a result of unemployed tenants returning to work. However, after engagement with the JAH employees, and due to data protection legislation it was not possible to access CRB checks or gain enough evidence to suggest the initiative had a direct impact on these outcomes.

The local residents (JAH clients) who receive the maintenance and repair work from JAH operatives cannot be included in the final analysis either. This is due to the fact that the works are considered to be deadweight i.e. they would have been undertaken by contractors anyway if JAH did not exist. Ultimately, in spite of this exclusion which would have had a large social impact, the investment by Thrive Homes & WCHT was made to achieve social added value in addition to the service delivery so any added social value will be an improvement on the previous commercially focused operation.

The following table summarizes the stakeholder groups and their involvement in the SROI Analysis, including those who are not involved in the final Social Return calculation.

Table 1 – Stakeholder involvement summary

Stakeholder	Method of involvement	How many	When
JAH employees	Telephone based interviews (Appendix 2) LM3 spending survey(Appendix 3)	All 18 current JAH employees interviewed = 100% sample size 8 responses/ 18 employees for LM3 survey= 44% sample size	Feb – March 2014
JAH Clients (local	JAH conducted client	24 feedback questionnaires	Feb -

residents)	feedback questionnaires	provided by JAH	March 2014
JAH Suppliers	LM3 spending survey (Appendix 4)	8 responses/ 19 suppliers = 42% sample size	Feb – March 2014
HLF directors	Face-to-face interview Telephone based interviews	1, CEO and Founder of HLF interviewed on multiple occasions	Dec 2013 – Feb 2014
Thrive Homes and WCHT directors	Telephone based interview	2 directors (1 from each HA) interviewed	Dec 2013 – Feb 2014

The Theory of Change

Inputs

The input attributable to social added value generated by JAH is solely the actual money invested in JAH operations. The calculated inputs include the following:

Input	Value
Initial investment in the initiative by HLF	£72,000
The sum of all early losses due to initial productivity issues	£100,000
Estimated value of time invested by Watford Community Housing Trust and Thrive Homes directors	£42,160

Therefore the total investment during the time period of December 2012 to February 2014 is **£214,160**

This does not feature capital investment in contracted maintenance and repair services due to the fact that such an investment would have been made by JAH's member organisations on commercial contractors regardless of JAH's involvement. Input beyond the above is therefore not materially significant in the context of this analysis.

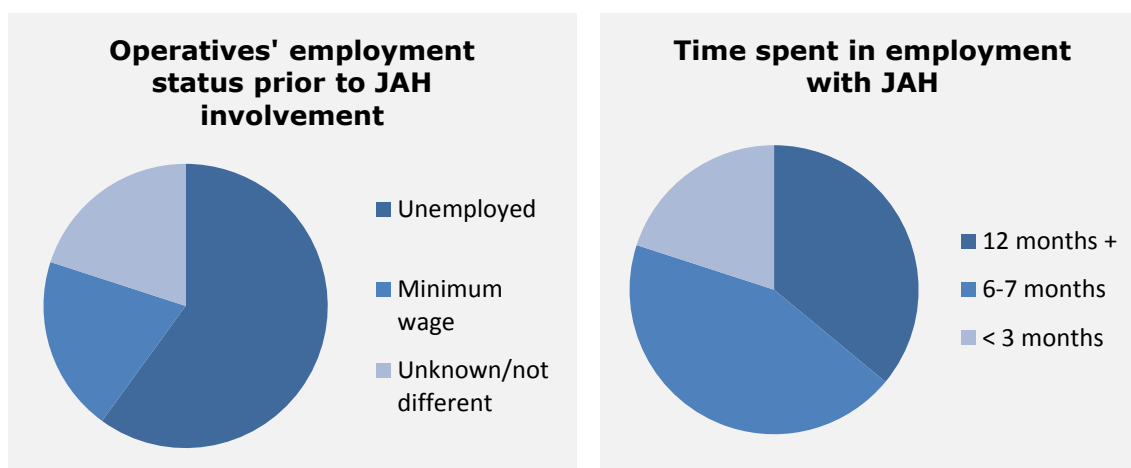
Outputs

The outputs for JAH between December 2012 and February 2014 are 1,015 maintenance jobs (332 for Watford Community Housing Trust, 683 for Thrive Homes). These outputs amounted to the following (divided by work stream for both HA's):

- 373 Handyman jobs (including a range of smaller adjustments and maintenance jobs including installing of key safe, mould removal, minor installations etc.)

- 68 Glazing jobs (repair work on double glazed window units)
- 346 Internal decorations (ranging from stairwells to bathrooms and all other areas)
- 14 major aids & adaptations (fitting of level access showers, hand rails and other adaptations for disabled tenants)
- 171 minor aids & adaptations (large scale jobs including installation of wet rooms for disabled tenants)
- 11 'Man in Van' days (4 JAH operatives working days full time for Watford Community Housing on all kinds of jobs ie. decorations, plastering, plumbing etc. WCHT pay JAH for the time less sick and holidays when understaffed)

Total of 25 individuals employed by JAH within 14 months since the beginning of the initiative. JAH currently employs 22 employees, including 15 previously unemployed and 5 in unstable employment or jobs they didn't want to be in. 11 employees have been in employment with JAH for over 6 months, a further 9 for over 12 months.



Outcomes

A primary stakeholder group experiencing significant outcomes as a result of JAH are its employees who were previously either unemployed or in unstable employment. According to consultations, the most important outcomes were as follows.

Outcomes for JAH Employees

Value of full-time employment to a previously unemployed individual

Outcome summary	
Stakeholder	JAH Operatives
Indicator	Wellbeing Valuation: value to individual of moving into full-time employment

Value	£103,722.10
Deadweight	15%
Displacement	0%
Attribution of others	0%
Drop-off	50%
Comments	Deadweight based upon guidance from WVA ³

During the course of the initiative, JAH has employed a total of 25 people, 15 of which were previously unemployed and 10 who were in either unstable or unhappy employment; the significance of this outcome should not be underestimated, both in terms of wage increases and wellbeing values. The first wellbeing valuation, based upon HACT and Fujiwara’s research (2013) is the **value of full-time employment**, it refers to how much a previously unemployed individual values returning to full-time employment.

“It feels great to be back out working, there’s nothing better”

The valuation is specifically focused at the impact made to housing association residents who live in the UK but outside of London. Engagement with JAH operatives the head of finance’s employment records presented that of the 15 previously unemployed residents gaining full-time employment with JAH, 9 have been working for JAH for over 12 months, 4 for 6-7 months and the remaining 2 for 2 months or less. They will feel significant benefits as a result of gaining full-time employment. The remaining 10 employees were previously in either unstable or low-paid employment, 7 have been with JAH between 6-7 months and 3 for 2 months or less and most heralded the difference JAH made to their feeling of job security.

Increase in confidence/ control over daily life as a result of employment

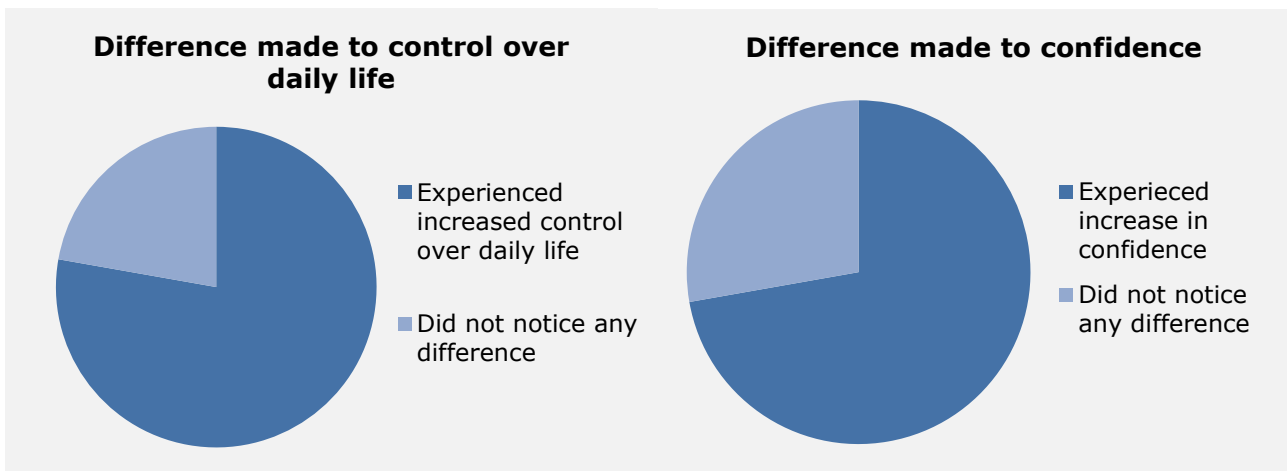
Outcome summary	
Stakeholder	JAH Operatives
Indicator	Wellbeing Valuation: increase in confidence as a result of employment
Value	£105,032.4 & £104,685.65
Deadweight	27%
Displacement	0%
Attribution of others	0%
Drop-off	50%

³ Trotter, L. et al Measuring the Social Impact of Community Investment: A Guide to using the Wellbeing Valuation Approach (2014)

Comments

Deadweight based upon guidance from WVA

Engagement with employees showed a marked increase in confidence and control over daily life of employees as a result of employment, referring to Quality of Life aspects of working. The wellbeing valuations for these outcomes are **increase in confidence as a result of employment** and **'increased feeling of control of life as a result of employment'** . Interviews with operatives confirmed that out of 18 current employees, 13 reported that their confidence and 14 stated they felt they had more control over their daily lives since returning to stable employment and directly as a result of their involvement with JAH. Some of the operatives went into more detail about the difference JAH has made to their confidence and daily control over their life ('control over life' refers the ability to do things when you want to do them):



"I've got 6 kids to look after, the money and stability allows me to do things I couldn't do with them before"

"I'm able to plan things now, I can look after my girlfriend and go holiday. That's something that I wasn't able to do before"

"I was on jobseekers on and off for a couple of years, the money allows me to do things I couldn't do before"

"I was out of work for almost 3 years so being back in work has done my confidence no end of good"

Obtaining a certificate or qualification as a result of adult learning (NVQ Level 2).

Outcome summary	
Stakeholder	JAH Operatives
Indicator	Obtaining a certificate or qualification as a result of adult learning (NVQ Level 2) -(Stated preference/ willingness to pay)
Value	£0 (year 1)
Deadweight	28%
Displacement	0%
Attribution of others	0%
Drop-off	50%
Comments	Deadweight based upon BIS research paper into assessing deadweight of public sector training ⁴

Another aspect of the JAH initiative is to provide training for their employees and accredited recognition in the form of NVQ Level 2 training across a number of trades. Interviews highlighted the fact that whilst a number of employees have begun NVQ course, none have yet completed it. This was put down to strict time schedules, productivity targets and understaffing/ a lack of co-ordination from management at the beginning of the initiative. Each employee stated their desire to partake in accredited training in the future and were of the opinion that training would benefit them in terms of their future employability and personal life. Accredited training is in the pipeline from year 2 onwards, so whilst it cannot be included in the first year impact valuation, it will be included in future years as **Obtaining a certificate or qualification as a result of adult learning (NVQ Level 2)**. At present, JAH plan to have 17 individuals qualified to NVQ Level 2 in a variety of trades.

"would be great to finally get a piece of paper to prove I can do what I say I can"

Value to individual of general training for a job

Outcome summary	
Stakeholder	JAH Operatives
Indicator	Wellbeing Valuation: Value to individual of receiving general training for job
Value	£20,423.21
Deadweight	15%

⁴ Department for Business, Innovation and Skills, Assessing the Deadweight Loss Associated with Public Investment in Further Education and Skills (2012)

Displacement	0%
Attribution of others	0%
Drop-off	50%
Comments	Deadweight based upon guidance from WVA

it was also recognised that there was a lot of on-the-job training taking place and a mutual sharing of ideas and skills amongst employees, each operative in particular claimed they had learned new things since joining the programme barring 2 who had joined the programme from “higher skilled jobs” for the stability that JAH offer. This highlights the presence of informal learning within JAH and the value placed on the employees’ expansive learning environment. The outcome to represent this value is: **‘General training for job’**.

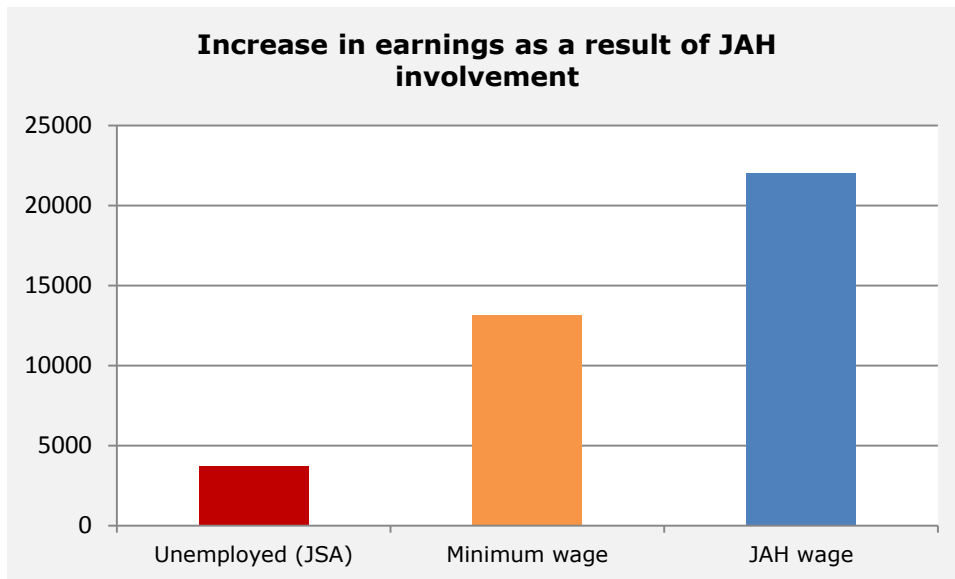
“Extremely happy so far, but still haven’t received NVQ as promised 14 months ago”

Increased earning as a result of full-time employment (with JAH)

Outcome summary	
Stakeholder	JAH Operatives
Indicator	Increased earnings as a result of full-time employment (above nat. minimum wage)
Vaue	£135,340.62
Deadweight	0%
Displacement	40%
Attribution of others	0%
Drop-off	50%
Comments	High displacement figure of 40% based on NEF recommendations around displacement for employment support programmes. ⁵

Aside from the wellbeing and training aspects, JAH employees also see a marked increase in their earnings as a result of employment with JAH. They earn £22k per annum as oppose to either minimum wage or Jobseekers allowance that most employees were on prior to their employment with JAH. The outcome is **Increased earnings as a result of full-time employment**. Of the 18 interviewed, 10 were receiving Jobseekers allowance benefits and 4 were working on the UK national minimum wage before they worked for JAH.

⁵ Nicholls, J and Mackenzie, S, Getting Out to Work Merseyside: A Social Return on Investment Analysis (2004)



Areas for improvement within the programme overall include carrying through with NVQ Level 2 training. Others suggested they sometimes *"go into jobs blind"* without prior knowledge of what is required of them due to a lack of communication (4/18). Other suggestion was to increase the size of vans to fit all of the required tools in one go (2/18). Despite these grievances, sentiment for the initiative was good overall as 16/18 said they would recommend JAH to others and other than training and *"teething problems"* with organisation said that JAH matched and often exceeded their expectations.

"Because we're short staffed, sickness can cause problems as people have to wait for their jobs to be done. Things are improving but cover needs to be better"

"We need better, more supervised training. We need people in place to do site visits and more 'high-end' staff to be in regular contact with management to improve communication"

"Extremely happy so far, but still haven't received NVQ as promised 14 months ago"

Furthermore, employees claimed they are more positive about things now than they were before they joined JAH, further evidencing the wellbeing benefits valued in the SROI. 14 also admitted they see a good career ahead as a result of their involvement with the project, presenting the potential for JAH to contribute to lasting economic impact. Time needs to be taken in order to see the full value of the work and the lasting

footprint JAH has on the community; it is therefore a recommendation that JAH gain regular feedback from their employees and keep track of their career paths after they leave the initiative to see whether the differences have made a lasting impact as desired.

"I'm 100% more positive now than I was this time last year"

"Even more positive since August, Ollie is brilliant and very understanding"

Outcomes for the State

Increased tax take (national insurance)

Outcome summary	
Stakeholder	The state
Indicator	Change in tax take and national insurance payments as individuals move into employment
Value	£33,205.80
Deadweight	0%
Displacement	40%
Attribution of others	0%
Drop-off	50%
Comments	High displacement figure of 40% based on NEF recommendations around displacement for employment support programmes.

Reduction in Jobseekers Allowance payments

Outcome summary	
Stakeholder	The state
Indicator	Job Seekers Allowance paid to unemployed
Value	£25,295.76
Deadweight	0%
Displacement	40%
Attribution of others	0%
Drop-off	50%
Comments	High displacement figure of 40% based on NEF recommendations around displacement for employment support programmes.

Reduced reliance on state benefits

Outcome summary	
Stakeholder	The state
Indicator	Welfare benefits paid to unemployed

Value	£24,696.00
Deadweight	0%
Displacement	40%
Attribution of others	0%
Drop-off	50%
Comments	Estimate developed by nef of housing & council tax assistance £70pw. High displacement figure of 40% based on NEF recommendations around displacement for employment support programmes.

Although the state does not directly invest in JAH it does receive some important benefits as individuals move into employment. Notably, they will see an **increased tax take (National Insurance)**. This will be attributed to each of the 25 JAH employees past and present based on their time with the company and occupation prior to their involvement in the programme. The state will also save from a '**reduction in Jobseekers Allowance payments**', which is also the case for 15 of the previously unemployed JAH employees, based on the amount of time they spent with the organisation. There could also be a consideration of other benefit savings, although there are no records of benefits claimed by JAH employees. This is another research outcome from SROI in practice, highlighting the depth and detail of research required that is not always possible to obtain.

Not included - Outcomes for tenants (JAH clients)

Due to the consideration of 'Deadweight' (see 'Approach' section), outcomes experienced by residents as a result of JAH and maintenance work they receive are not included in the final SROI Analysis. This is because the outcomes would have happened without JAH, as the work would have been carried out by a private contractor. What is important to consider is the wider social value derived from the initiative in addition to the benefits Thrive Homes and Watford Community Housing Trust would have gained anyway. Regardless, some valuable customer stories can still be told based upon the work being done, even if it is not included in the SROI Ratio. Benefits include the following:

- The investment by Thrive Homes and Watford Community Housing Trust in the JAH programme is an outcome in itself, representing a significant investment in the local economy. Not only does the initial investment provide a **boost to the local economy**, but the way it is spent and re-spent by local suppliers and individuals involved means that there is a multiplied effect on the local economy, and would usually be calculated with an 'LM3 multiplier'. It cannot be included in the final SROI

calculation however, as the money would have been spent in the local economy through a commercial contractor anyway and the spend on repairs and maintenance work is not included in the inputs section of the SROI for the same reason.

- **Health benefits as a result of reduced falls and accidents.** JAH undertake major and minor aids and adaptations often for disabled or elderly tenants who are in need of the service to maintain the safety of their homes.
- A study from Decent Homes in Nottingham⁶ saw a 32% reduction in burglaries between 2007-12 as a result of double glazing installations. Tenants in properties where single glazed windows were replaced with double glazed models that meet the Secured by Design (SBD) standard set by the Association of Chief Police Officers anticipated that their homes would be more secure. Due to time restrictions an investigation to security outcomes in Watford was not possible, so based on Decent Homes' study, the glazing service provided by JAH brings about an **increase in security of properties**, and will therefore reduce the number of burglaries in the area.
- **Increase in confidence as a result of decorations.** Interviews with 3 separate tenants who received painting and decorations on their homes showed that there was an increase in confidence due to the improved condition of their homes. Mrs A stated: "My confidence in having guests stay is a lot better, my granddaughter can stay whenever she wants now"
- **Reduced social isolation and social cohesion benefits from community spirit.** Interviews showed tenants were happier knowing people from the local community were carrying out the work, and some knew the operatives personally.
- **97% overall satisfaction with the work being done.** Based on satisfaction surveys and information from JAH's resident liaison officer, residents are in general extremely happy with the work being carried out.

Case Study: Mrs Begum

Mrs B is an elderly disabled tenant whose home did not previously have a shower installed. Due to her disability, this made things extremely difficult and often interrupted her day-to-day life and had a detrimental impact on her confidence in general. When asked about the difference the installation has made to her confidence and control over her daily life, Mrs B said:

"My confidence has improved loads and I have the independence to shower now without the help of my son. It's meant that I can do more in the day now"

Her son contacted Watford Community Housing Trust for the installation of a wet room in her home to replace the bath unit she previously relied upon. Within a few days a JAH operative came to the property and installed the wet room that had a big impact on her quality of life. When asked what she thought of the service, Mrs B said:

"The new service is much better than it used to be, the man was friendly, we were able to have a laugh and everything was done on time and to schedule"

Calculating SROI for JAH (2012-2014)

The total impact is measured by multiplying the units of change per outcome (as measured by the selected indicators) by the financial proxy for each unit, and accounting for deadweight, attribution. The sum of impact for each outcome over the past year equals the 'Total Impact' achieved by JAH in year 1.

The total value of the impact of the JAH programme so far (taking into account the deadweight, attribution and drop-off highlighted for each outcome in the 'outcomes' section) is:

£552,401 in the first year following the JAH programme.

Given that the initial investment in JAH Thrive Homes & Watford Community Housing Trust was £1.08m the Impact ratio is equal to:

$$\text{SROI Ratio: } \frac{\text{Total benefit}}{\text{Total cost}} = \frac{£552,401}{£214,160} = \mathbf{£2.58}$$

So far, for every £1 invested in Jobs at Home, £2.58 is generated in added social value (in addition to the value of maintenance work)

This calculation is detailed in full on the impact map overleaf:

Impact mapping

Timing	Input (Cost)	Activity	Stakeholder	Output (Benefit)	Outcomes	Indicator	Value	Deadweight %	Displacement %	Attribution %	Impact
December 1 2012 - 28 February 2014)	£830,360	JAH - Thrive Homes & Watford Community Housing Trust	JAH employees	Total of 25 employees within 14 months, 18 employees currently including 12 previously unemployed, 6 in unstable employment or jobs they didn't want to be in. 11 employees in employment for over 6 months, further 8 for over 12 months. 18 receiving on-the-job training and promised official NVQ-Level qualifications in future.	Increased quality of life and wellbeing	Wellbeing Valuation: value to individual of moving into full-time employment	122,026.00	15%	0%	0%	£103,722.10
						Wellbeing Valuation: increase in confidence as a result of employment	143,880.00	27%	0%	0%	£105,032.40
						Wellbeing Valuation: increased feeling of control of life as a result of employment'	143,405.00	27%	0%	0%	£104,685.65
						Wellbeing Valuation: Value to individual of receiving general training for job'	24,027.30	15%	0%	0%	£20,423.21
						Obtaining a certificate or qualification as a result of adult learning (NVQ Level 2) - (Stated preference - contingent valuation - willingness to pay)	0.00	28%	0%	0%	£0.00
			The state (National Government)		Earnings increase	Increased earnings as a result of full-time employment (above nat. minimum wage)	225,567.70	0%	40%	0%	£135,340.62
						Increased tax take (National Insurance).	55,343.08	0%	40%	0%	£33,205.80
						Reduction in Jobseekers Allowance payments'	42,159.60	0%	40%	0%	£25,295.76
						Reduced reliance on state benefits	41,160.00	0%	40%	0%	£24,696.00
						Welfare benefits paid to unemployed	41,160.00	0%	40%	0%	£24,696.00
TOTAL COST:											£214,160
TOTAL BENEFIT:											£552,401.54
IMPACT RATIO:											1 : 2.58

Forecasting SROI for JAH (2012-2018)

The overall impact (forecast of the next 5 years) is measured in the same way as year 1, with the inclusion of drop-off over future years after year 1. Estimations have been made based upon predicted growth figures taken from the initial Jobs at Home, Watford & Three Rivers business plan to determine growth in impact over the next 5 years.

The following assumptions were made based upon the research with stakeholders to reach the final ratio.

Assumptions & rationale for calculations

- The calculation includes a drop off of 50% per year (based on current drop off rates in number of JAH employees),
- Assuming only 50% employees remain from previous year, outcome valuations are re-calculated (inc. deadweight, attribution and displacement) for predicted new intake of employees. For example, year 2 prediction is 50 employees. Assuming only 11 employees remain from year 1 – outcomes calculated for 39 new employees to reach target of 50.
- Number of new employees assumed to be previously unemployed is based on amount of previously unemployed from year 1 (67%) to work out WVA of moving into employment year-on-year.
- Of those unemployed, assumed new employees stay with JAH for the following amount of time, based upon year 1 retention rates, and impact will be valued accordingly:
 - 13% for minimum of 3 months
 - 27% for minimum of 6 months
 - 60% for minimum of 12 months
- Confidence and control amounts for new employees estimated in forecast based upon % of interviewed employees who saw benefit
 - 72% saw increased confidence, of which 70% stayed for 12+ months, 30% for 6+
 - 78% saw increased control over daily life, 64% stayed 12+, 36% for 6+
- Wage increases as a result of JAH involvement for new employees based on current earnings increases:
 - minimum wage (15%)
 - JSA (70%)
 - Unknown or earning no more (15%)

Forecasted inputs and outputs from the Jobs at Home business plan can be seen below, and have been used to estimate future impact of JAH (As detailed in forecast impact map below.)

The inputs projected over the next 5 years are made up of the following:

- £60k per year predicted to be re-invested from JAH profits
- £63.24k per year as an estimation of time investment from Watford Community Housing Trust, Thrive Homes and B3 Living (new member).

Direct Impact forecast (From initial business plan)

Jobs at home - Three Rivers & Watford

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Total number of residents employed	50	110	170	200
Number of residents trained to Level 2	17	66	102	118
Forecast RE turnover	£123,240	£123,240	£123,240	£123,240

Forecast Impact Map:

	yr1	yr2	yr3	yr4	yr5
	£103,722.10	£154,057.83	£469,037.45	£776,009.10	£920,342.98
	£105,032.40	£250,285.80	£553,643.70	£857,770.05	£1,009,833.23
	£104,685.65	£252,673.38	£550,566.09	£856,634.44	£1,009,668.62
	£20,423.21	£38,404.41	£76,254.00	£116,934.00	£137,274.00
	£0.00	£11,591.28	£44,660.52	£69,377.22	£79,690.05
	£135,340.62	£313,919.98	£646,953.07	£1,012,056.76	£1,194,608.60
	£33,205.80	£76,233.10	£160,183.12	£248,459.24	£292,597.30
	£25,295.76	£59,969.88	£125,575.38	£194,859.09	£229,500.95
	£24,696.00	£58,548.00	£122,598.00	£190,239.00	£224,059.50
Value:	£552,401.54	£1,215,683.65	£2,749,471.33	£4,322,338.90	£5,097,575.22
PV (after discounting):	£552,401.58	£1,215,683.69	£2,749,471.36	£4,322,338.94	£5,097,575.26
				Total PV	£13,937,470.81
				Net PV	£13,107,110.81
				SROI Ratio:	16.78
				Net SROI Ratio:	15.78

Social Return Forecast Calculation

SROI ratio

The total forecasted value of the JAH initiative is therefore:

£13.94m for the next five years of the JAH initiative

Given that the initial investment in JAH in Watford was £16.3m the SROI ratio is equal to:

$$\text{SROI Ratio: } \frac{\text{Total Present Value}}{\text{Total inputs}} = \frac{£13.94\text{m}}{£830,360} = \mathbf{£16.78}$$

Every £1 invested in Jobs at Home generates £16.78 in social value.

Jobs at Home Thrive Homes and Watford Community Housing Trust will therefore generate an additional **£13.1m** of social value in addition to the maintenance and repair work carried out in Watford & Three Rivers.