

# Social Return on Investment of Citizens Advice Direct

Report for Citizens Advice Direct

 *Social Research*

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 *Service Design & Innovation*

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 *Strategy & Collaboration*

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 *Evaluation Support*

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 *Social Impact Measurement*

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*August 2014*



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This report has been prepared by Social Value Lab on behalf of Citizens Advice Direct (CAD).

The report presents the findings from the Social Return on Investment (SROI) evaluation of Citizens Advice Direct.

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# 1: Introduction

This report describes the social return of the Citizens Advice Direct services.

## Introduction

Citizens Advice Direct (CAD) believes it is important to measure and communicate the wider social impact of its services. In 2013 CAD commissioned a scoping study to identify the best way of achieving this and the Social Return on Investment (SROI) methodology was selected<sup>1</sup>.

This report provides the evidence of CAD's social impact using the SROI methodology.

## Citizens Advice Direct

Citizens Advice Direct is a national telephone and web based advice service that offers free, independent advice to the citizens of Scotland.

CAD operates within a well-developed infrastructure of information and advice services in Scotland. It is a member of Citizens Advice Scotland that delivers essential advice and information services, and sits alongside a network of other national and local specialist advice services and helplines so that it can provide high quality advice on a wide range of issues such as debt, employment, welfare and consumer advice.

CAD is a Company Limited by Guarantee and has been awarded Charitable Status.

CAD uses volunteers, supported by professional CAD staff, to provide the telephone advice from call centres in Glasgow and Stornoway. Currently CAD employs 93 staff members and uses around 340 volunteers per year. It also offers advice via interactive tools on their website, web forms and a chat service.

CAD provides advice to a wide range of citizens covering all ages, but is particularly useful for:

- 
- people who prefer to get advice over the phone or Internet
  - people who find it difficult to visit face to face services
  - people who work during the day
  - people living in rural areas
  - people who require advice outside office hours
- 

## Social Return on Investment (SROI)

Every day our actions and activities create and destroy value; they change the world around us. Although the value we create goes far beyond what can be captured in financial terms, this is, for the most part, the only type of value that is measured and accounted for. Social Return on Investment (SROI) is a framework for measuring and accounting for the full social, economic and environmental impact of activities, including the ones that have no direct monetary value.

The key principle of SROI is that it measures change in a way that is relevant to the people that are experiencing change. The main difference with other methods of social impact measurement is that SROI puts a monetary value on these impacts and calculates a ratio of return for those organisations that are contributing to create the change.

The international SROI Network has developed and published the 'Guide to Social Return on Investment' that is now widely accepted as the standard for SROI work<sup>2</sup>. In conducting this SROI analysis, we have followed the principles of this guide. These are:

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<sup>1</sup> Scoping the Potential of Social Return on Investment to measure social impact, Social Value Lab, October 2013

<sup>2</sup> A Guide to Social Return on Investment, The SROI Network, 2012. This is an updated version of the 2009 Guide to SROI that was published by the Cabinet Office. The guide can be downloaded at [http://www.thesroinetwork.org/publications/doc\\_details/241-a-guide-to-social-return-on-investment-2012](http://www.thesroinetwork.org/publications/doc_details/241-a-guide-to-social-return-on-investment-2012)

- involvement of stakeholders;
- a focus on understanding what changes;
- value the things that matter;
- only include things that are material;
- avoid over-claiming;
- transparency; and
- verification of the result.

## 2: Scope and Stakeholders

This Section defines the scope and boundaries of the study, describes the main stakeholders to the programme and determines the value of the resources used to provide the service.

### Scope of the Analysis

The purpose of this SROI evaluation is to understand the social, economic and environmental value created by CAD.

CAD intends to use this SROI evaluation to:

- better understand the way that CAD brings about change in the lives of customers, volunteers and other stakeholders;
- evidence the impact of the CAD services to the Scottish Government, existing and potential funders and partners;
- improve future service delivery.

This **SROI evaluation** covers the CAD’s telephone services for the cases where actual advice was given (not those where the customer was provided with some basic information or signposted to another service provider). This study covers the CAD services in the **financial year 2013/14**.

### Stakeholder Analysis

This SROI evaluation explores the changes to stakeholders as a result of CAD’s activities. Stakeholders are the people and organisations that experience changes as a result of their involvement with CAD. These can be positive or negative, and intended or unintended.

In the SROI Scoping Study three main stakeholder groups were identified: customers, volunteers and partner agencies.

**Customers** – the people who contacted CAD for advice. In 2013/14 CAD provided advice to 50,686 customers on a range of subjects and we have identified seven subgroups of customers, based on the type of advice received. Some of these customer sub-groups have achieved unique additional outcomes not emerging in the other customer sub-groups.

Table 2.1 provides an overview of the customer sub-groups.

**TABLE 2.1: CUSTOMER SUB-GROUPS**

Advice Type	No. of Customers
Debt	4,585
Education	409
Employment	10,347
Housing	8,387
Health	1,293
Travel, Transport and Holidays	1,471
Other <sup>3</sup>	24,464
<b>Total</b>	<b>50,956</b>

**Volunteers** – CAD uses a large team of trained volunteers to provide advice to the customers. In 2013/14 CAD used 340 volunteers.

CAD volunteers receive:

- A training programme covering the most common areas of advice
- IT and systems training
- A well-developed adviser induction process
- A supported transition to live telephone advice
- Continuing development and training
- On-going support and coaching
- Employment support
- Social events
- Travel expenses

<sup>3</sup> This includes: Benefits, Tax Credits & NI; Tax; Legal; Consumer Goods & Services; Financial Products and Services; Utilities & Communications; Immigration & Asylum; and Relationships.

In return, CAD expects a minimum six-month commitment of six hours per week from volunteers.

For the volunteers we have identified four sub-groups that achieve slightly different outcomes.

Some volunteers are unemployed and use CAD as a stepping stone to find employment. A second group of volunteers are people who are retired and use CAD to do something meaningful with their time. The third group contains students, some of whom receive credits from their university for volunteering with CAD. Finally, there are volunteers that do not fall in any of the previous categories. They are mainly people that are working or those that are not looking for a job (e.g. stay at home parents/carers).

Table 2.2 provides the details of these sub-groups.

**TABLE 2.2: VOLUNTEER SUB-GROUPS**

Volunteer Type	%	No. of Volunteers
Unemployed	36%	122
Retired	11.5%	39
Student	27%	92
Other	25.5%	87

**Partner agencies** – CAD refers customers that need specialised advice or support to a number of trusted partners. For this analysis the material partners are:

- **Citizens Advice Bureaus** – CAD is a member of Citizens Advice Scotland the umbrella organisation of Citizens Advice Bureaus (CAB). CABs provide the advice people need for the problems they face through a network of offices across the country. They provide free, independent, confidential and impartial advice to everyone on their rights and responsibilities. CAD refers customers that require assistance completing forms and for those who prefer their query dealt with in person to the relevant CAB.
- **StepChange Debt Charity** - the UK's leading debt advice organisation that helps people become debt free. CAD refers customers that require specialised debt advice to StepChange.

- **Turn2Us** –part of Elizabeth Finn Care, Turn2Us provides a free service that helps people in financial need to access welfare benefits, charitable grants and other financial help. CAD refers customers that require a benefits check to Turn2Us.
- **Shelter Scotland** – a housing and homelessness charity that helps people struggling with bad housing or homelessness. CAD refers customers that need specialist housing advice to Shelter Scotland.

## Materiality

SROI, like financial accounting, only considers outcomes that are material to the stakeholder and to the scope of the project. We have therefore focused on those impacts that are relevant to CAD and significant in size in order to give a true and fair picture of the impact of the service.

## Stakeholder Engagement

An SROI analysis explores the changes to stakeholders as a result of CAD. The SROI Scoping Study developed a Theory of Change. We have tested the Theory of Change through a process of consultation to determine the value created for each stakeholder group.

To determine the outcomes for CAD customers, 287 customers were interviewed by phone. The interviews were undertaken by four CAD volunteers: Nadia Benstead, Anna Kersmark, Marta Kulesza and Sonja Ruottunen, students of Glasgow University and trained and supported by Social Value Lab and Ruth Kelso, CAD Head of Learning and Development.

To establish the outcomes for the volunteers we undertook in depth face-to-face interviews with 15 CAD volunteers and administered an on-line survey that was completed by 82 volunteers.

A semi-structured interview was conducted with a representative of each of the four partner agencies.

Table 2.3 describes the scope of the consultation that was possible within the time and resources available.

**TABLE 2.3: STAKEHOLDER ENGAGEMENT**

Stakeholder	Total	Method
Customers	50,956	In depth interviews with 5 CAD staff and 15 CAD volunteers. Telephone interviews with 287 customers.
Volunteers	340	In depth interviews with 15 volunteers. Survey completed by 82 volunteers.
Partner Agencies	4	Telephone interviews with 3 partner agencies and face-to-face interview with 1 partner agency.

## Input

The cost of running the CAD telephone support service that is subject of this analysis is £843,255. This is funded by contracts with the Scottish Government, Glasgow City Council (GAIN - Glasgow Advice and Information Network) and the Scottish Legal Aid Board (SLAB), grant funding from the BIG Lottery Fund and a contribution from the profits of Social Enterprise Direct.

### Volunteers

In line with current SROI practice, we have not attached a monetary value for the time and effort of the volunteers.

### Total Input

The total input for CAD is therefore £843,255.

# 3: Outcomes and Evidence

This Section describes the identified outcomes of CAD, the indicators for achieving these outcomes, the quantity and duration of the outcomes, and the financial proxies identified to value them.

## Outcomes

From the stakeholder consultations a range of outcomes emerged, which are presented in Table 3.1.

TABLE 3.1: OUTCOMES

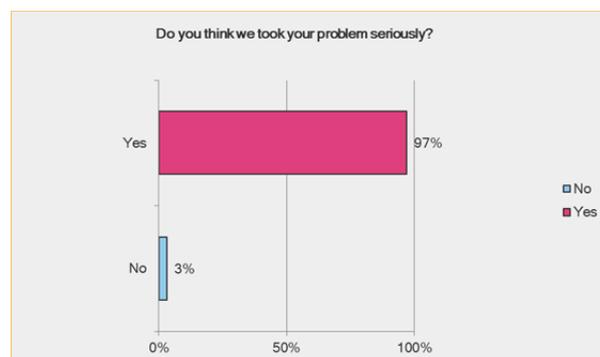
Stakeholder	Outcomes
Customers	Reduced anxiety
	More positive about the future
	Increased feeling of empowerment
	Increased disposable income
	Increased financial skills
	Increased access to education
	Increased employability
	Increased security of tenancy
	Improved health
	Increased mobility
Volunteers	Increased confidence
	Improved health
	Making a positive contribution to society
	Emotionally upset by the cases
	Increased skills
	Increased employability
	Improved family life
	Ability to spend free time usefully
	Feeling valued
Increased opportunity to interact with people from different backgrounds	
Partner Agencies	Increased number of customers that otherwise would not have accessed their service
	Freeing up time because referred customers are better prepared
	Increased ability to focus on core task

## Outcomes for Customers

The CAD customers achieved a number of outcomes as a result of the advice and support and shown in Table 3.1.

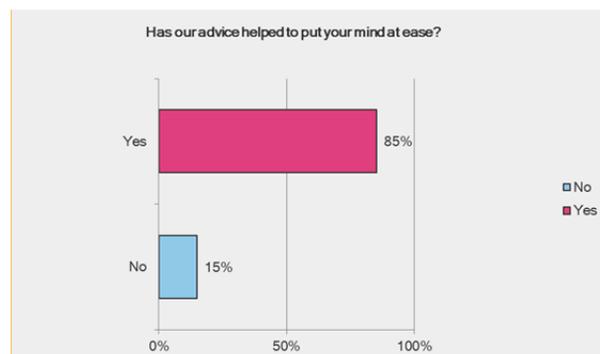
## Reduced anxiety

Customers usually call on CAD services when an urgent issue arises or as a last resort when other options fail. Customers are very relieved that they found someone to take their issue seriously and are going to help them solve the issue.



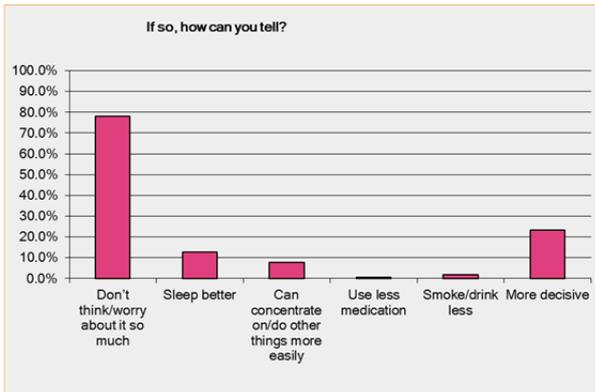
Customers tend to get stressed over the issues they are facing, especially if they go on over a longer period of time and do not seem to get solved. CAD advice has solved the issue or made a start with solving it, and has so reduced customer’s anxiety.

*“It was a cause of major distress but the stress was removed as the issue was solved due to the advice”*



Customers reported a range of results from that reduced anxiety, including not worrying so much anymore, being more decisive, sleeping better, increasing concentration and reduced use of medication, alcohol or tobacco.

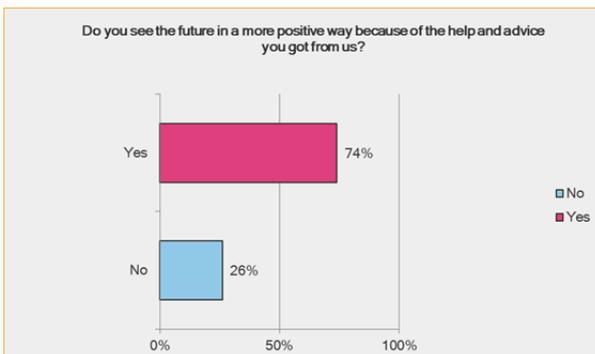
*"Felt better about the situation; relieved and supported"*



### More positive about the future

Because CAD is making a start at solving their issue and showing them there is a way out, customers see the future in a more positive light.

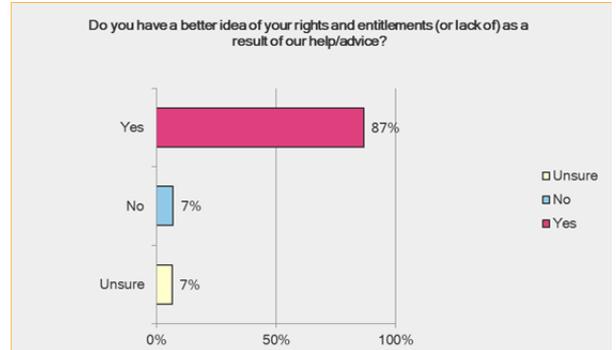
*"It felt like someone understood, I'm more optimistic now"*



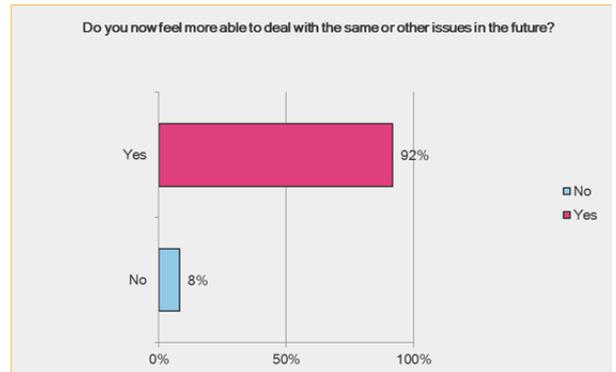
### Increased feeling of empowerment

Many customers approach CAD with a strong feeling of anxiety or injustice, whether justified or not. CAD advice helps them to get clarity on the issue and puts these negative feelings to rest, by either confirming they have a just case or informing them they have no case.

*"I feel really fired up to fight for my rights now"*

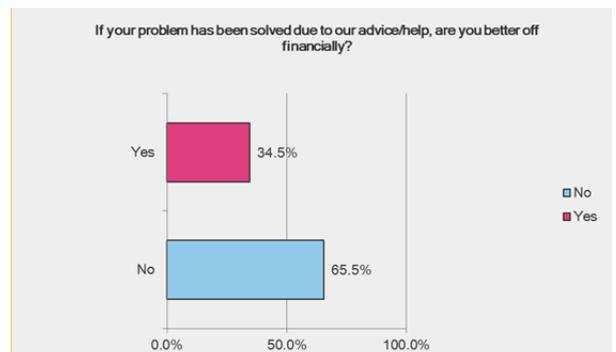


The CAD support then provides customers with the knowledge, skills, tools and confidence to deal with their issue, which empowers customers and enables them to deal with issues better in the future.



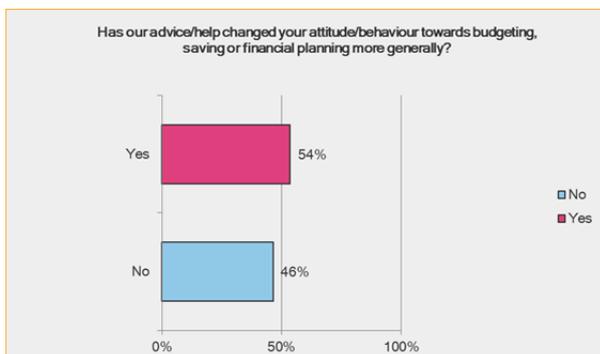
### Increased disposable income

In around a third of the cases the advice given by CAD has helped customers to gain a financial advantage. For example this can be a reduction in debt, a lower monthly utility bill, a one-off payment from a tribunal, etc.



### Increased financial skills

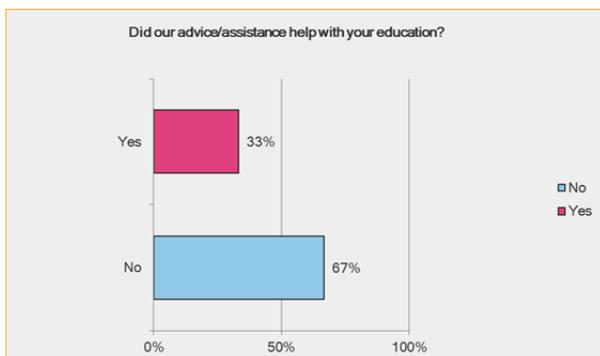
Customers receiving debt advice reported an increased ability to plan and budget, which helps them to avoid debt problems in the future.



### Increased access to education

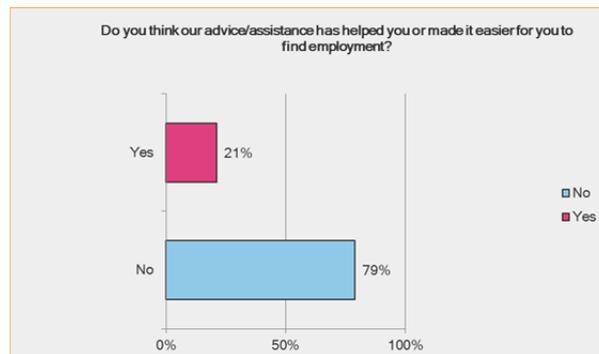
A third of customers that fell into the education advice category reported that the advice helped them with their education, including bursaries, support with travel, and student loans.

*"The advice helped me with a bursary for travel costs"*



### Increased employability

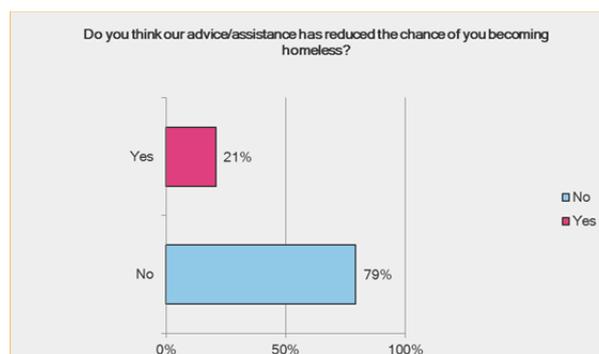
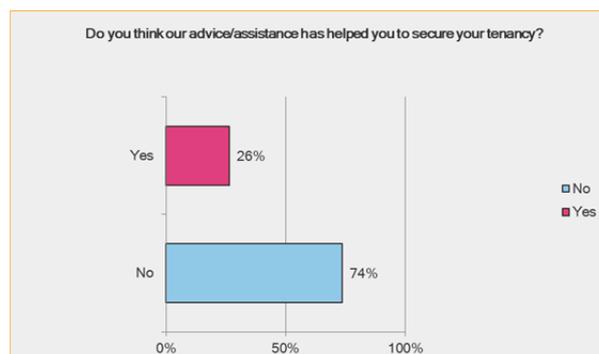
Approximately a fifth of customers supported with employment issues said that the CAD advice has increased their employability.



### Increased security of tenancy

A number of customers that received housing advice reported that the advice made their tenancy more secure and/or reduced their chances of becoming homeless.

*"I would have lost my home"*

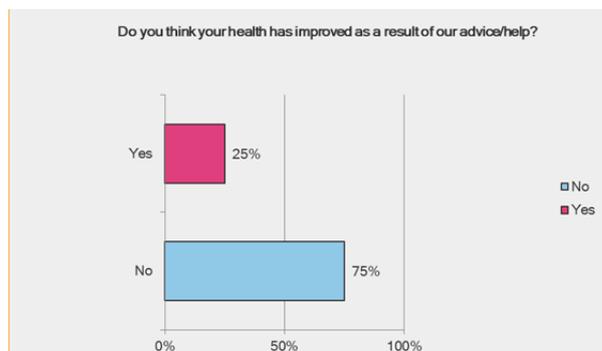


*"I feared I would have been made homeless had it not been for the advice"*

### Improved health

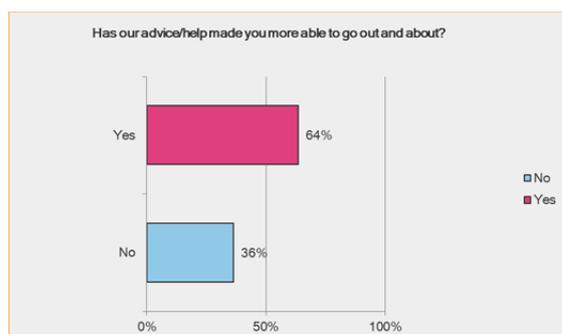
A quarter of the customers that received health related advice reported an improvement in their health, including feeling fitter, using less

medication, fewer visits to health services and less pain.



### Increased mobility

The majority of customers that got advice on travel and transport said that the CAD advice helped them to be able to go out and about more.



## Outcomes for Volunteers

Volunteers achieved a range of outcomes from their work with CAD. Some of the outcomes occurred for all volunteers and some only for a specific sub-group of volunteers. Table 3.2 provides an overview.

TABLE 3.2: OUTCOMES VOLUNTEERS

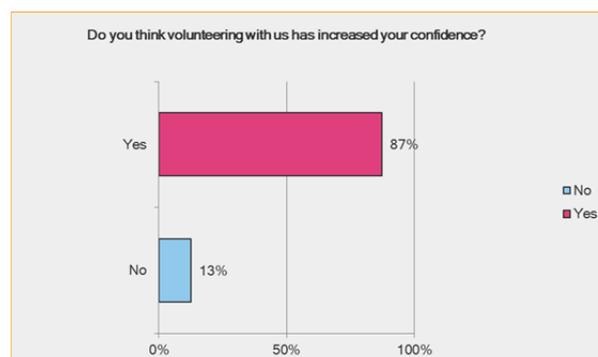
	Un-employed	Retired	Students	Other
Increased confidence	✓	✓	✓	✓
Improved health	✓	✓	✓	✓
Positive contribution to society	✓	✓	✓	✓
Emotionally upset by cases	✓	✓	✓	✓

	Un-employed	Retired	Students	Other
Increased skills	✓	✓	✓	✓
Increased employability	✓		✓	
Improved family life	✓			✓
Spend free time usefully		✓		
Feeling valued	✓			✓
Opportunity to interact with different backgrounds			✓	
Frustrated because not know outcome		✓		

### Increased confidence

Most volunteers reported an increase in confidence from their work at CAD. The retired volunteers, however, are mostly former professionals and their confidence is not usually low. But retirement can upset people’s routines and their sense of belonging, which may have an adverse effect on their confidence, which is maintained through volunteering.

*“More confidence gained from working in a positive environment”*



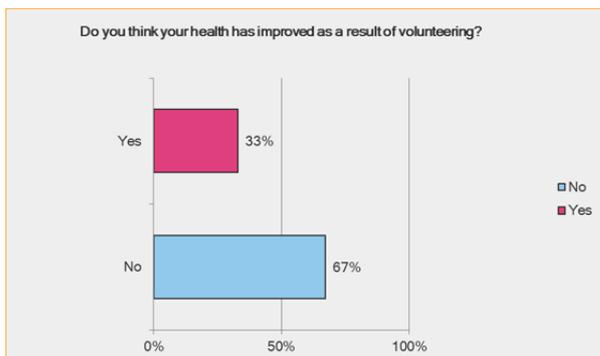
The increase in confidence led to a number of changes, including using their new skills, trying new things and talking to strangers.



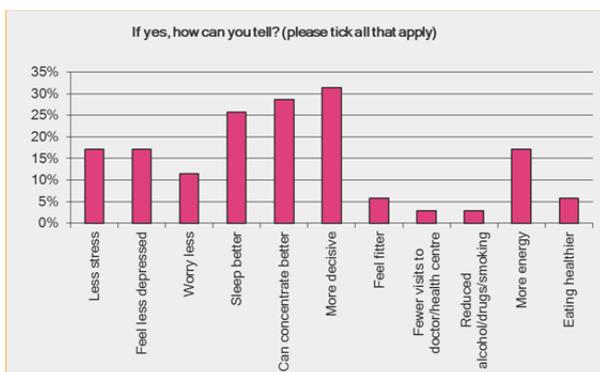
### Improved health

Some of the volunteers reported an improved health, mainly relating to stress, depression and energy levels.

*"More motivation due to a more consistent routine and a better state of mind"*



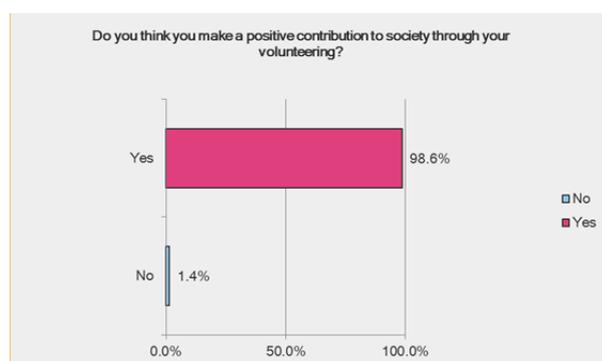
The volunteers reported a range of positive (mental) health effects from volunteering with CAD.



### Making a positive contribution to society

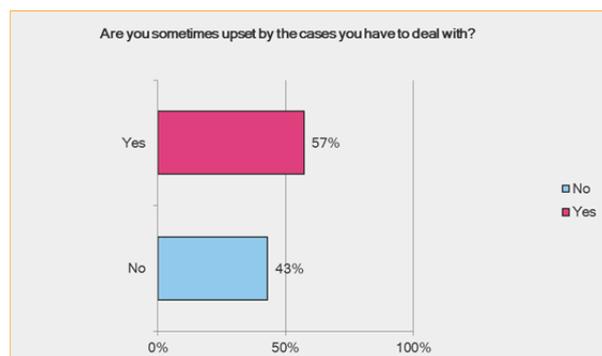
Almost all volunteers said that they got a great level of satisfaction from helping other people and making a positive contribution to society through their volunteering.

*"I feel I am doing something worthwhile, the personal satisfaction of knowing that sometimes we really do make a difference small or big"*



### Emotionally upset by the cases

Volunteers sometimes have to deal with very severe enquiries, varying from imminent house ejections to suicidal feelings on the part of customers. Some volunteers found this emotionally upsetting, which was experienced as a negative outcome.



Most volunteers were able to get it off their minds relatively quickly and found talking about it with their supervisor and/or family and friends helped to deal with this.

*"It is hard not to be upset by issues raised at times...sometimes certain calls stay with you and never really leave but you can't"*

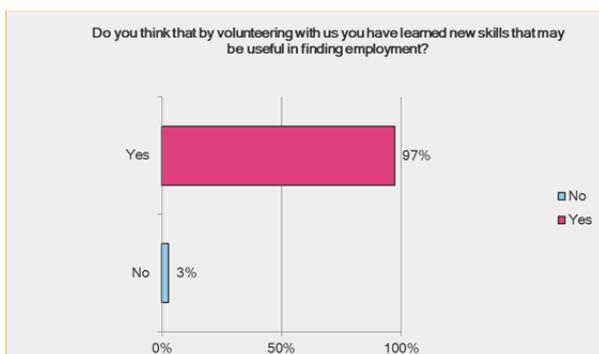
*think on them too much these are usually social policy issues, we just hope for change in the future"*

### Increased skills

Volunteers develop a range of personal and work-related/vocational skills that are useful in the rest of their lives.

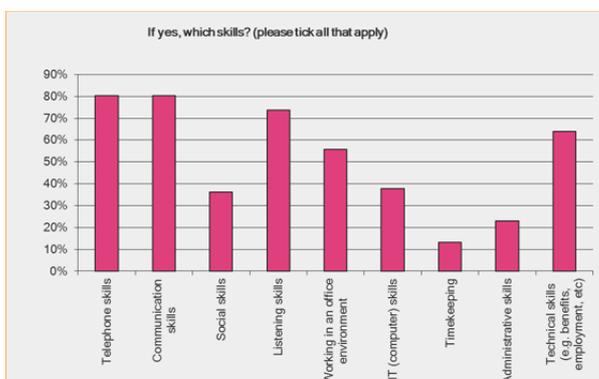
For retired volunteers the focus was not so much on acquiring new skills, but on keeping existing skills (built up over the course of their career) up to date.

*"Keeping my existing skills up in case I wish to apply for another job later"*



Telephone, communication and listening skills were the most mentioned useful skills.

*"It is difficult to put a limit on the skills gained since joining Citizens Advice Direct, also confidence level increase, knowledge base and interpersonal skills"*

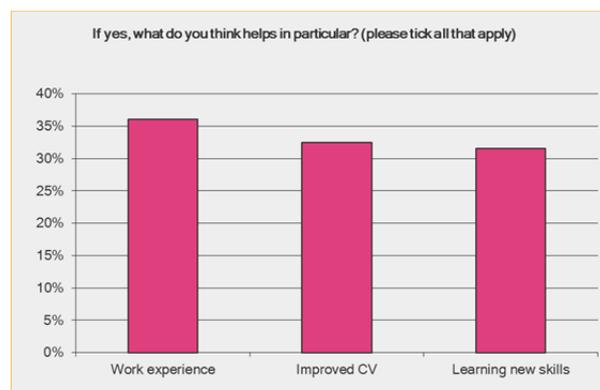
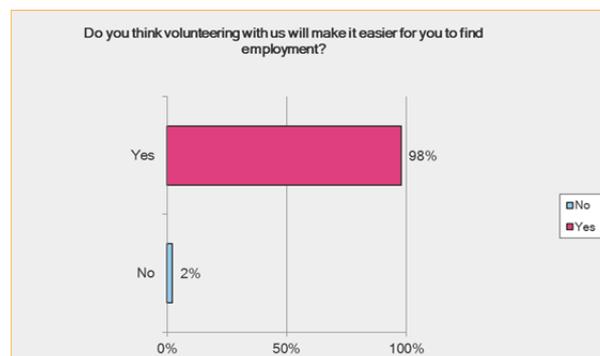


### Increased employability

For the unemployed volunteers one of the main reasons to work with CAD was to increase their chances of paid employment through enhancing their CV with relevant work-experience, transferable skills and a reference from a current employer.

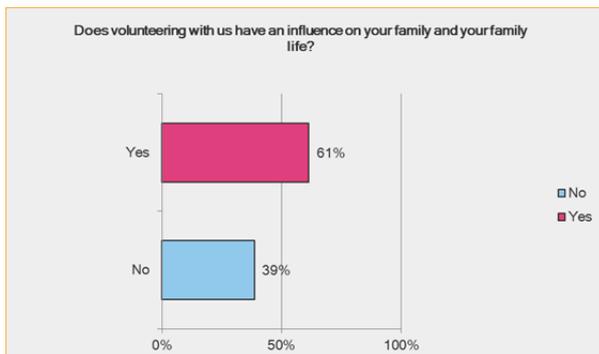
*"Extended networks of contacts and support"*

For most students the volunteering with CAD is part of their University Course and they are awarded with credits for it, but getting work experience in a real work-situation was reported to be highly beneficial to them.

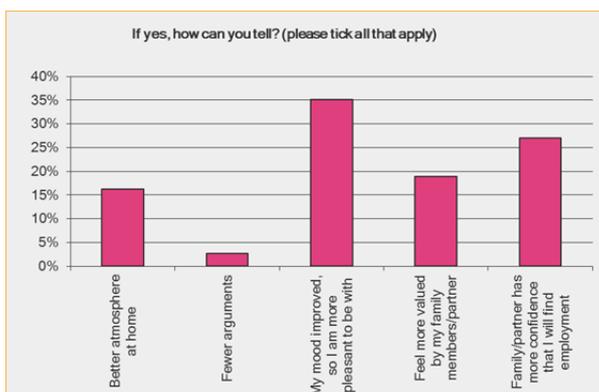


### Improved family life

For some of the unemployed volunteers the loss of their job has had an adverse effect on their family life. The majority of them saw a significant improvement in the atmosphere at home since they have started volunteering with CAD.



Among the improvements in the family life were an improved mood of the volunteer which make them more pleasant to be with; increased trust of the people around the volunteer that a new job is possible; a regained feeling of worthiness; a better atmosphere and fewer arguments.



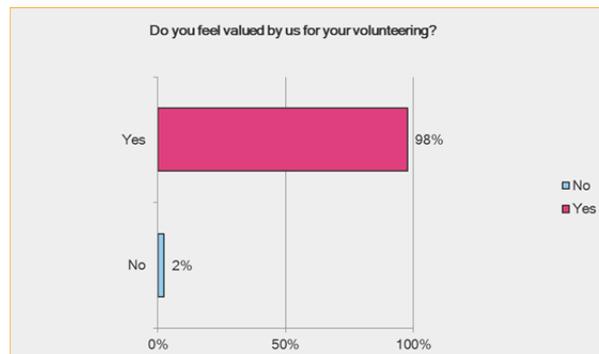
**Ability to spend free time usefully**

When people retire from work they lose one of their main purposes in life and may feel that their time is no longer usefully spent. This must be replaced with new and fulfilling ways to spend their time (e.g. hobbies, grandchildren, etc.). For some older people volunteering with CAD has played an important role in this process.

**Feeling valued**

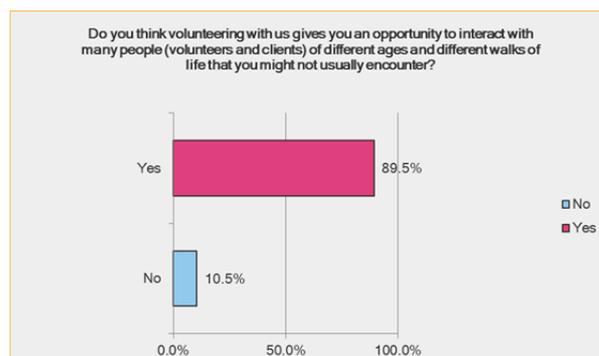
Most of the unemployed volunteers said that they felt wanted and valued in their volunteering, a feeling that had earlier diminished on becoming unemployed.

*"knowing that I can help people increases my self-worth as an individual, seeing other volunteers and staff working hard to improve things for others makes me want to do better and strive for more too"*



**Increased opportunity to interact with people from different backgrounds**

Volunteering with CAD provides student volunteers with a rare opportunity to interact with older people (volunteers and customers) and people from different walks of life (customers).



**Social Interaction**

From our preliminary face-to-face interviews with staff and volunteers increased social contacts seemed to be an important outcome. Most volunteers mentioned and valued the social contacts they have through CAD, but when asked about the nature of these contacts the vast majority of these contacts were limited to their working hours. Therefore we deem this outcome not material and have decided not to value it.

**Outcomes for Partner Agencies**

From our interviews with representatives of the main (material) partner agencies three outcomes emerged.

**Increased number of customers that otherwise would not have accessed their service**

For specialist requirements (debt, benefits checks and housing advice) or for those that need or

prefer face-to-face contact CAD refers customers to selected partner agencies. For the partners this means they are able to reach more and different customers that without CAD would not have accessed their service.

### **Freeing up time because referred customers are better prepared**

Like any other telephone advice service, the partners receive a number of phone calls that are not appropriate, because they do not match with their specialist skills and knowledge or are too broad or too complex for them to deal with efficiently. Customers coming through CAD are screened by the volunteer advisers and only appropriate enquiries are referred on.

### **Increased ability to focus on core task**

When referring customers on to a service of a partner agency, the CAD volunteer will have undertaken an initial assessment of the customer's issue and pass that information on to the partner. Thus the partner agency requires less time to collect basic information and assess the problem.

## **Negative Outcomes**

Interventions seldom only have positive changes and as a result, most of the time negative outcomes also occur. To paint a true picture of the impact of CAD and to avoid over-claiming, we have specifically probed for negative outcomes in our consultations.

The volunteers identified only one negative outcome:

- 
- Emotionally upset by the cases
- 

## **Outcome Indicators**

For each outcome we have identified appropriate outcome indicators. An outcome indicator allows performance, impact and change to be measured. In other words, an outcome indicator shows how we would know if an outcome has been achieved.

The Impact Map (Appendix A) shows the outcome indicators for the identified outcomes.

## **Quantity**

For the customers and students we have analysed the consultation responses and calculated the number of times a certain outcome was reported by the stakeholder. This gave us overall percentages of occurrence of the outcome, which we then multiplied by the total number of stakeholders and rounded the result to the nearest one digit. For the partner agencies we have taken the number of consultees that mentioned the achievement of an outcome. The quantities are shown in the Impact Map (Appendix A).

## **Duration**

Although some outcomes have the potential to last for a longer period of time, we have no firm evidence that this is actually happening. Therefore we have calculated the outcomes for one year only. In the sensitivity analysis (Section 5) we have calculated the effect where some outcomes last for a maximum of three years.

## **Financial Proxies**

SROI analysis uses financial proxies to establish the value of the identified outcomes. Usually price is used as a proxy for the value of products and services when there is an associated market price.

There are several techniques to find proxies (see textbox). Most of the outcomes reported by the stakeholders cannot be traded at an open market or are intangible. For these we have identified the closest comparable value of a product/service with a market price (revealed preference method of value determination). In some cases we have used a potential cost saving or resource re-allocation (the outcome does not lead to a quantifiable cost saving, but allows the stakeholder to use its budget to spend on other target groups or different activities).

**Financial Proxies:**

- **Cost Saving** - a direct cost-saving for the stakeholder.
- **Increased Income** - an increase of income for the stakeholder.
- **Contingent Valuation** - a survey-based stated preference technique for the valuation of non-market resources (willingness to pay/accept).
- **Revealed Preference** - a price-based technique that looks at people's behaviour in related markets and takes the value from the price of related market-traded goods.
- **Travel Cost method** - a form of revealed preference that takes the value of the time and travel cost people are willing to spend to access the good or service.
- **Wellbeing Valuation** - a relative new technique that looks at determinants of people's wellbeing (e.g. life satisfaction or quality of life), whereby income is one of the determinants.

When looking at financial proxies to value intangible outcomes it is important to keep in mind that it is irrelevant whether stakeholders can afford to buy something, they are simply ways of putting a monetary value on an outcome without a market price.

Table 3.3 shows the description of the financial proxy for each identified outcome. Details and the source of the proxy can be found in the Impact Map (Appendix A).

**TABLE 3.3: FINANCIAL PROXIES**

Stakeholder	Outcome	Proxy Value	Type of Proxy
Customers	Reduced anxiety	£35.00	Revealed Preference
	More positive about the future	£8.99	
	Increased empowerment	£50.00	
	Increased income	£546.96	Increased Income
	Increased financial skills	£75.00	Revealed Preference
	Increased access to education	£233.27	Increased Income
	Increased employability	£346.80	Revealed Preference
	Increased security of tenancy	£202.80	Contingent Valuation
	Improved health	£332.80	
	Increased mobility	£244.40	
Volunteers	Increased confidence	£540.00	Revealed Preference
	Improved health	£332.80	Contingent Valuation
	Contribution to society	£140.40	Revealed Preference
	Emotionally upset	-£200.00	
	Increased skills	£960.00	
	Increased employability	£960.00	
	Improved family life	£255.00	Contingent Valuation
	Spend free time usefully	£279.79	
	Feeling valued	£374.40	
	Interact with different backgrounds	£57.20	
Partners	Increased number of customers	£2,021.76	Revealed Preference
	Freeing up time	£3,636.00	Resource reallocation
	Focus on core task	£3,636.00	

# 4: Impact

This Section examines the impact of the CAD services with reference to the other factors that influence it.

It is important to establish the impact of the service in order to ensure credibility and to avoid over-claiming. The impact of the service will be determined by considering attribution and deadweight.

## Attribution

In many cases change is not caused by one single activity or intervention, but comes as a result of more than one service and/or persons working together. SROI analysis uses attribution (a term stemming from economic cost-benefit analysis) to assess how much others have attributed to the identified outcome. In SROI analysis attribution is taken as a straight percentage and deducted from the total impact.

For customers (except for the outcome 'increased income') and volunteers the attribution is calculated on the basis of the answers of respondents on the relevant questions in the interviews and surveys.

For the outcome 'increased income' we noticed that for the higher amounts of money, many respondents also mentioned the help of specialists, such as solicitors and ACAS, who obviously played a large role in actually getting the money. Therefore we have estimated that 75% of this outcome should be attributed to others who helped to solve the problem.

For the partner agencies we have made an estimation of the attribution, based on the interviews.

## Deadweight

Deadweight is a measure to describe the amount of outcome that would have happened anyway, even if the activity had not taken place. For this report we have defined the deadweight as what would have happened if CAD would not have occurred.

For customers and volunteers the deadweight is calculated on the basis of the answers of respondents on the relevant questions in the interviews and surveys.

For the partner agencies we have made an estimation of the deadweight, based on the interviews.

TABLE 4.1: ATTRIBUTION AND DEADWEIGHT

Stakeholder	Attribution	Deadweight
Customers - Increased Income	75%	23%
Customers - Other Outcomes	33%	23%
Volunteers	13%	33%
Partner Agencies	10%	10%

## Materiality of Impact

In our analysis of attribution and deadweight we have found no outcomes where attribution and deadweight or a combination of these two has led to an impact that is not relevant or significant and therefore not material.

## Impact

The impact of the service is calculated by the quantity of the outcomes multiplied by the value of the financial proxy, minus attribution and deadweight (see Table 4.2 overleaf).

TABLE 4.2 IMPACT

Stake-holder	Outcome	Quantity	Proxy Value	Attribution	Deadweight	Impact
Customers	Reduced anxiety	47,995	£35.00	33%	23%	£781,738.11
	More positive about the future	37,607	£8.99	33%	23%	£174,419.05
	Increased empowerment	46,676	£50.00	33%	23%	£1,204,007.42
	Increased income	17,555	£546.96	75%	23%	£1,848,362.44
	Increased financial skills	2,456	£75.00	33%	23%	£95,028.78
	Increased access to education	136	£233.27	33%	23%	£16,366.78
	Increased employability	2,178	£346.80	33%	23%	£389,674.95
	Increased security of tenancy	2,216	£202.80	33%	23%	£231,847.94
	Improved health	323	£332.80	33%	23%	£55,456.36
	Increased mobility	936	£244.40	33%	23%	£118,016.46
Volunteers	Increased confidence	297	£540.00	13%	33%	£93,485.50
	Improved health	108	£332.80	13%	33%	£20,950.82
	Contribution to society	320	£140.40	13%	33%	£26,188.53
	Emotionally upset	193	-£200.00	13%	33%	-£22,499.94
	Increased skills	330	£960.00	13%	33%	£184,662.72
	Increased employability	209	£960.00	13%	33%	£116,953.06
	Improved family life	127	£255.00	13%	33%	£18,877.22
	Spend free time usefully	39	£279.79	13%	33%	£6,360.49
	Feeling valued	190	£374.40	13%	33%	£41,465.17
	Interact with different backgrounds	64	£57.20	13%	33%	£2,133.88
Partners	Increased number of customers	4	£2,021.76	10%	10%	£6,550.50
	Freeing up time	4	£3,636.00	10%	10%	£11,780.64
	Focus on core task	4	£3,636.00	10%	10%	£11,780.64

# 5: Social Return on Investment

In this Section we calculate the overall Social Return on Investment produced by CAD.

## SROI Ratio

The Social Return value is expressed as a ratio of return and is derived from dividing the value of the impact by the value of the Investment. However, before the calculation is made, the Impact Value is adjusted to reflect the Present Value (PV) of the projected outcome values. This is to reflect the present day value of benefits projected into the future.

$$\text{SROI} = \frac{\text{Total Present Value}}{\text{Total Input}}$$

Discounting is applied to those values that have been projected for longer than 1 year. The interest rate used to discount the value of future benefits in this case is 3.5%<sup>4</sup>.

In our calculations<sup>5</sup> of the impacts we have established the total of all impacts of the project at £5,440,511. This represents the total value created by CAD.

The Total Present Value for the project, at a discount rate of 3.5%, is

£5,256,533. This represents the total value created by CAD whereby the earning capacity of the amounts in the future is discounted.

The Net Present Value, the Total Present Value minus the total of all investments (£843,255) is £4,413,278. This amount represents the total extra value created by CAD.

This gives an SROI ratio of £5,256,533/£843,155= **£6.23: £1**. This means for every pound of investment in CAD £6.23 social value is created.

## Sensitivity Analysis

The results presented in this SROI evaluation are based on assumptions and variables according to available evidence including qualitative data on the experience of stakeholders.

We have undertaken a sensitivity analysis to test these assumptions and variables given that there are areas of the base case that could be derived from imperfect evidence. Table 5.1 shows which areas we selected as those with the most potential to affect the results

<sup>4</sup> This is based on the UK Government Green Book recommended discount rate for public funds.

<sup>5</sup> All amounts are rounded to Pounds

**TABLE 5.1: SENSITIVITY ANALYSIS**

Item	Base Case	New Case	SROI
Attribution	10-33%	50% attribution for all outcomes	£5.09:£1
Dead-weight	10-33%	50% deadweight for all outcomes	£4.10:£1
Outcomes Customers	Impact Map	Only 50% of customer outcomes achieved	£3.41:£1
Duration	1 year	3 year for all applicable outcomes with drop-off of 33%	£8.55:£1

The sensitivity analysis shows that if the already conservative values used in the analysis are reduced even further, the SROI index does not fall below £3.41:£1. This value would be achieved if only half the customer outcomes would have been achieved. Even in this worst case scenario CAD is unlikely to return less than £3.41 for every £1 invested.

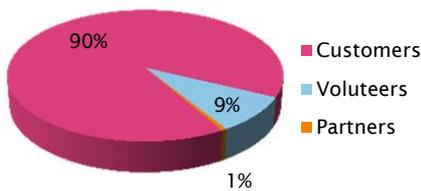
# 6: Analysis and Conclusion

This Section presents an analysis of the social value created by the CAD services and outlines our conclusions from the study

## Social Value Created

Figure 6.1 shows the value created by each of the stakeholder groups. The vast majority of the value (90%) is created for the customers, while 9% is for the volunteers and 1% for the partners.

Figure 6.1 Value per stakeholder group



The large amount of total value is caused by the volume of customers. However, if you consider the value per individual stakeholder the value per volunteer is almost 15 times higher than the value per customer.

Figure 6.2 Average value per stakeholder



## Conclusions

The SROI evaluation shows that the CAD services are creating a considerable social value of £6.23 for every pound of investment (with a sensitivity range between £3.41 and £8.53).

90% of the total value, approximately £4.9million, is created for the customers, which is around 10 times larger than the almost £0.5 million for the volunteers. However, the CAD services create on average £97 of value per customer, but £1,437 per individual volunteer.

CAD now has a framework to measure its social impact for the coming years. We would recommend undertaking an annual survey of customers and volunteers (using the same survey questionnaires developed for this SROI evaluation) and entering the results into the Impact Map spreadsheet (Appendix A) to calculate the social value and the SROI ratio.

We would recommend reviewing the financial proxy values every year and the framework every three years.

Appendix A: Impact Map

Social Return on Investment CAD																				
Stage 1		Stage 2		Stage 3							Stage 4			Stage 5						
Stakeholder	Sub-Group	Inputs	Outputs	The Outcomes							Attribution %	Deadweight %	Drop off %	Impact	Calculating Social Return					
				Description	Indicator	Quantity	Duration	Financial Proxy Description	Value	Source					Discount rate (%)	3.5%				
Customers	General	Time and phone call	£0.00	Advice given to 50,868 customers	Reduced anxiety	Number of customers reporting the advice has put their mind at ease, number of customers reporting less worry, better sleep, increased decisiveness or better concentration	43,369	1	Cost of De-Stress and Sleep Well course	£35.00	<a href="http://www.sunflower-health.com/workshops.htm#Stress">http://www.sunflower-health.com/workshops.htm#Stress</a>	33%	23%		£783,092.35	£783,092.35	£0.00	£0.00	£0.00	£0.00
					More positive about the future	Number of customers reporting to be more positive about the future	37,672	1	Cost of Positive Psychology self-help book	£8.99	<a href="http://www.positivepsychologytraining.co.uk/wp-content/uploads/2011/08/Positive-Psychology-For-Overcoming-Depression-Press-Release4.pdf">http://www.positivepsychologytraining.co.uk/wp-content/uploads/2011/08/Positive-Psychology-For-Overcoming-Depression-Press-Release4.pdf</a>	33%	23%		£174,720.51	£174,720.51	£0.00	£0.00	£0.00	£0.00
					Increased feeling of empowerment	Number of customers reporting to be more able to deal with issues in the future	46,757	1	Cost of seminar of Legal Service Agency	£50.00	<a href="http://www.lsa.org.uk/sa.php?id=67&amp;n=1">http://www.lsa.org.uk/sa.php?id=67&amp;n=1</a>	33%	23%		£1,206,096.82	£1,206,096.82	£0.00	£0.00	£0.00	£0.00
					Increased disposable income	Number of customers reporting to have more disposable income	17,585	1	Average increase in income	£546.96	Survey of customers	75%	23%		£1,851,521.13	£1,851,521.13	£0.00	£0.00	£0.00	£0.00
					Increased financial skills	Number of customers reporting increased financial planning and budgeting skills	2,456	1	Cost of a Customer Budgeting Course	£75.00	<a href="http://www.communitymoneyadvice.com/budgeting">http://www.communitymoneyadvice.com/budgeting</a>	33%	23%		£95,028.78	£95,028.78	£0.00	£0.00	£0.00	£0.00
					Increased access to education	Number of customers reporting the advice has helped with their education	136	1	The average wage differential earned by people with a qualification at NVQ level 3 as opposed to level 1.	£233.27	<a href="http://www2.warwick.ac.uk/fac/soc/ies/research/completed/sie04/sianesi_summ.pdf">http://www2.warwick.ac.uk/fac/soc/ies/research/completed/sie04/sianesi_summ.pdf</a>	33%	23%		£16,366.78	£16,366.78	£0.00	£0.00	£0.00	£0.00
					Increased employability	Number of customers reporting the advice to have helped their employability	2,178	1	Cost of commercial support to find a job	£346.80	Mid-Career CV + Interview preparation <a href="http://www.cvconsultants.co.uk/cvDiscounts.asp?id=3">http://www.cvconsultants.co.uk/cvDiscounts.asp?id=3</a>	33%	23%		£389,674.95	£389,674.95	£0.00	£0.00	£0.00	£0.00
					Increased security of tenancy	Number of customers reporting a more secure tenancy or reduced chance of homelessness	2,216	1	Average spending on house maintenance	£202.80	Family Spending , 2013 Edition, ONS, Table A1	33%	23%		£231,847.94	£231,847.94	£0.00	£0.00	£0.00	£0.00
					Improved health	Number of customers reporting improved health, number of customers reporting less pain, less GP visits, less medication or improved fitness	323	1	Average spending on health	£332.80	Family Spending , 2013 Edition, ONS, Table A1	33%	23%		£55,456.36	£55,456.36	£0.00	£0.00	£0.00	£0.00
	Travel, Transport & Holidays				Increased mobility	Number of customers reporting to be more able to go out and about	936	1	Average spending on public transport	£244.40	Family Spending , 2013 Edition, ONS, Table A1	33%	23%		£118,016.46	£118,016.46	£0.00	£0.00	£0.00	£0.00
Volunteers	General	Time and effort	£0.00	Advice given to 50,868 customers	Increased confidence	Number of volunteers reporting increased confidence	297	1	Cost of Assertiveness & Building Personal Confidence	£540.00	<a href="http://www.pip.co.uk/training/courses/personal-development-training/assertiveness-building-personal-confidence/">http://www.pip.co.uk/training/courses/personal-development-training/assertiveness-building-personal-confidence/</a>	13%	33%		£93,485.50	£93,485.50	£0.00	£0.00	£0.00	£0.00
					Improved health	Number of volunteers reporting improved health	108	1	Average spending on health	£332.80	Family Spending , 2013 Edition, ONS, Table A1	13%	33%		£20,950.82	£20,950.82	£0.00	£0.00	£0.00	£0.00
					Making a positive contribution to society	Number of volunteers reporting they make a positive contribution to society and find that important	320	1	Average spending on charitable donations	£140.40	Family Spending , 2013 Edition, ONS, Table A1	13%	33%		£26,188.53	£26,188.53	£0.00	£0.00	£0.00	£0.00
					Emotionally upset by the cases	Number of volunteers reporting being sometimes emotionally upset by cases	193	1	Cost of 1 hour counselling five times per year	£200.00	<a href="http://www.nhs.uk/conditions/counselling/Pages/Introduction.aspx">http://www.nhs.uk/conditions/counselling/Pages/Introduction.aspx</a>	13%	33%		£22,499.94	£22,499.94	£0.00	£0.00	£0.00	£0.00
					Increased skills	Number of volunteers reporting increased skills	330	1	Cost of SVQ level 3	£960.00	<a href="https://bdu.bordercollege.ac.uk/portfolio.php?c=15">https://bdu.bordercollege.ac.uk/portfolio.php?c=15</a>	13%	33%		£184,662.72	£184,662.72	£0.00	£0.00	£0.00	£0.00
					Increased employability	Number of volunteers reporting increased employability	209	1	Average wage of an apprentice for 4 weeks	£960.00	Apprenticeship Pay, 2007 Survey of Earnings by Sector Fong, B. Phelps, A. BMRB Social Research. Average wage apprentice over 21 years, £199, revalued 2013 = 240. <a href="http://webarchive.nationalarchives.gov.uk/20121212135622/http://www.bis.gov.uk/assets/biscore/corporate/migrated/publications/DIDUS_RR_08_05">http://webarchive.nationalarchives.gov.uk/20121212135622/http://www.bis.gov.uk/assets/biscore/corporate/migrated/publications/DIDUS_RR_08_05</a>	13%	33%		£116,953.06	£116,953.06	£0.00	£0.00	£0.00	£0.00
					Improved family life	Number of volunteers reporting improved family life	127	1	Cost of relationship counselling (6 sessions)	£255.00	<a href="http://www.relationships-scotland.org.uk/relationship-counselling/what-happens-at-counselling">http://www.relationships-scotland.org.uk/relationship-counselling/what-happens-at-counselling</a>	13%	33%		£18,877.22	£18,877.22	£0.00	£0.00	£0.00	£0.00
					Ability to spend free time usefully	Number of volunteers reporting they spend their time usefully and find that important	39	1	Average cost of a hobby	£279.79	<a href="http://www.yonline.co.uk/media/news-releases/2008/are-brits-burning-a-hobby-hole-in-their-pockets">http://www.yonline.co.uk/media/news-releases/2008/are-brits-burning-a-hobby-hole-in-their-pockets</a>	13%	33%		£6,360.49	£6,360.49	£0.00	£0.00	£0.00	£0.00
					Feeling valued	Number of volunteers reporting feeling valued and find that important	190	1	Average spending on personal care	£374.40	Family Spending , 2013 Edition, ONS, Table A1 (12.11 and 12.15)	13%	33%		£41,465.17	£41,465.17	£0.00	£0.00	£0.00	£0.00
	Students				Increased opportunity to interact with people from different backgrounds	Number of volunteers reporting interacting with people from other backgrounds and find that important	64	1	Average spending on social interaction	£57.20	Family Spending , 2013 Edition, ONS, Table A1 (9.4)	13%	33%		£2,133.88	£2,133.88	£0.00	£0.00	£0.00	£0.00
Partner Agencies	None	Staff Time	£0.00	customers referred to partners	Increased number of customers that otherwise would not have accessed their service	Number of partners reporting increased number of customers	4	1	Cost of advert in Glasgow Herald and Evening Times once a month	£2,021.76	<a href="http://www.fsbds-scotland.co.uk/adportal/static/pricing.html?sessionId=588215583ABBEDCD312526B7AE9F43">http://www.fsbds-scotland.co.uk/adportal/static/pricing.html?sessionId=588215583ABBEDCD312526B7AE9F43</a>	10%	10%		£6,550.50	£6,550.50	£0.00	£0.00	£0.00	£0.00
					Freeing up time because referred customers are better prepared	Number of partners reporting better prepared customers	4	1	Value of 1 hour increased efficiency per week for 5 staff	£3,636.00	Annual Survey of Hours and Earnings, 2013 Provisional Results, Table 1.5a (All employees UK, Mean hourly rate)	10%	10%		£11,780.64	£11,780.64	£0.00	£0.00	£0.00	£0.00
					Increased ability to focus on core task	Number of partners reporting increased ability to focus on core task	4	1	Value of 1 hour increased efficiency per week for 5 staff	£3,636.00	Annual Survey of Hours and Earnings, 2013 Provisional Results, Table 1.5a (All employees UK, Mean hourly rate)	10%	10%		£11,780.64	£11,780.64	£0.00	£0.00	£0.00	£0.00
Fundors (SG, GCC, SLAB, BIG, CAD)			£843,255.00											£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	
Total			£843,255.00											£5,440,511.32	£5,440,511.32	£0.00	£0.00	£0.00	£0.00	
														Total Present Value (PV)		£5,256,532.68				
														Net Present Value		£4,413,277.68				
														Social Return £ per £		6.23				

Find out more  
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