

Social Return on Investment SROI Report

Dr Bob Bates and Richard Yentumi-Orofori

February 2013





Table of Contents

1.	Executive Summary	. 1
2.	Introduction	. 3
3. 3.1 3.2	Background and Context	5
4. 4.1 4.2 4.3	The VCP Study The Research Phase The Nuneaton Veterans Contact Point Resettlement and Social Disadvantage	8 9
5. 1 5.2 5.3	Methodology SROI Principles and Key Stages Team Approach and Learning Research Limitations	12 12
6. 6.1 6.2	Stakeholders Stakeholder Involvement Scoping and Identifying	15
7. 7.1 7.2 7.3 7.4 7.5 7.6	Outcomes and Evidence Inputs Outputs Outcomes Indicators and Data Sources Duration of Outcomes Financial Proxies	18 19 19 20 20
8. 8.1 8.2 8.3 8.4	Impact. Deadweight Attribution Displacement Drop-Off.	25 26 26
9.	Social Return on Investment	28
10.	Sensitivity Analysis and Verification	29
11. 11.1 11.2	Conclusion and Recommendations VCP Service: Specific Delivery Recommendations VCP Project Development Recommendations	30
	ndix 1 - Key Extracts taken from the Impact Map	
	ndix 2 - Audit Trail – Stakeholders	
	ndix 3 - Financial Proxies	
4.1 4.2	ndix 4 – Questionnaires Stakeholders Questionnaire Veterans Questionnaire Veterans' Employer Questionnaire	36 37
	ndix 5 - Glossary	

LIST OF TABLES

Table 1: Stakeholder Analysis	18
Table 2: Input Cost Analysis	20
Table 3: Sensitivity Analysis	30

Executive Summary

This report presents a study of the social return created by the Nuneaton Veterans Contact Point (VCP) activities from its launch in July 2011 to the present date. The study has three primary objectives:

- a) To review and evaluate the economic, social and environmental impact of the VCP during its first year of operation.
- b) To produce a report that can demonstrate the potential return on investment of establishing a VCP.
- c) To provide a framework that other SROI practitioners can use when assessing VCPs or other veteran related services.

The study has been conducted by Planning for Real (PfR) using staff trained as Social Return on Investment (SROI) practitioners and ex-forces personnel. It is focused on the findings from 18 in-depth interviews with veterans who are service users of the VCP and cross-referenced with other research reports and data gathered by the VCP.

The study has been sponsored by the AIM project, using funding available through the European Social Fund (ESF).

This research confirms the findings of the ForcesSelect Foundation's report that exservice personnel are at risk of "falling between the cracks of society." It further endorses the view that special care should be given to those most at risk of becoming unemployed, long-term ill, offenders or homeless. The role of the VCP is considered vital in this respect and the report provides an indication of potential impact should its role be further developed.

As with any SROI study, for assumptions to be accredited by the New Economic Foundation (NEF) as a valid SROI study, these assumptions have to be defensible. We have used NEF accredited reports as the source for deadweight, displacement and drop-off figures. We have used Department for Work and Pensions (DWP) and Ministry of Justice (MoJ) figures for costs relating to state benefits and criminal costs. We have also used information from the interviews for attribution rates and figures relating to confidence, health & well-being, employability, relationships and offending.

The research indicates the significant change that the VCP has made to the lives of veterans. This change can be measured not just in terms of improved financial and social standing but also in terms of self-esteem and self-confidence. In many respects the changes have been not only life changing but also life-saving, as many veterans struggle to cope with the pressures and challenges of civilian life.

Based on the number of users over a one year period of 216, the following has emerged:

- 68 Veterans have improved confidence by an average of 53% increase.
- 35 Veterans are less-likely to offend.
- 140 Veterans have improved employability.
- 113 Veterans have improved finance management skills, housing and family relationships.

The input (costs of running the centre - £33,400) and outputs (number of users-216) have been provided by the data collected by the VCP for year ending 31^{st} August 2012. The report will show that this produces a social return on investment of £15.70 for every £1 of investment.

Based on estimates of a 50% increase in usage for a larger centralised city-wide service costing \pounds 68,000, the SROI for this service would be \pounds 10.59 for each \pounds 1 invested. (\pounds 7.70 with nil increase in usage)

Based on estimates of a 100% increase in usage for a regional hub and spoke service costing \pounds 91,000, the SROI for this service would be \pounds 10.07 for each \pounds 1 invested. (\pounds 5.75 with nil increase in usage)

Whilst we have calculated a financial value it is important to consider that the true value of the services provided is the tangible benefits realised by the service users who have accessed the VCP. These include improvements in health, confidence, employability, housing situation and finances. Simply by opening its doors each weekday over the past eighteen months, the Veterans Contact Point has provided a truly remarkable initiative that not only engages and supports service users but also cares about the veterans and their families who have walked through its doors.

2. Introduction

This report provides a study of the work carried out by the Veterans Contact Point (VCP) in Nuneaton. The VCP aims to provide support for veterans and their families and dependents. A veteran in this respect is considered to be any person who has served one day or more in the Armed Forces as a Regular, Territorial Reserve or Merchant Navy (in support of military operations).

The study was funded through the AIM project. AIM is an ESF funded partnership approach to working with offenders and those considered to be at risk of offending. The AIM partners are made up of representatives from probation trusts, academic institutions, housing associations and private training providers across the West Midlands region. The study was undertaken by Dr. Bob Bates and Mr. Richard Ofori-Yentumi. Both researchers are associates of Planning for Real (PfR). PfR are a well-established community engagement agency that has an international reputation for developing pragmatic solutions to socially based issues.

Bob Bates has a doctorate in health sector management, a Masters Degree in Public Sector Management and 40 years of experience in dealing with issues related to employment, education and training. He has completed the SROI practitioner training from NEF (The New Economics Foundation). Richard Ofori-Yentumi is an army veteran who is currently completing an MBA in Global Banking and Finance and is a PRINCE 2 practitioner. This multi-disciplinary and sensitised approach has enabled the effective application of the SROI framework for understanding and managing the value of the social, economic and environmental outcomes created by the VCP.

According to the ForceSelect Foundation report *Joining Forces*, "With a stalling European economy, housing shortages and a difficult jobs market, the environment for service leavers is more challenging than ever before". The main challenges identified in this report facing veterans are: training and skills, employment, health & well-being, housing, family relationships, offending behaviour and financial inclusion. These challenges are in line with the National Offender Management service (NOMs) pathway issues that impact significantly on the reasons for offending. The study focuses on these challenges and the extent to which the VCP has supported service users to address them.

In this report we will:

- Provide some general background and context to SROI and its benefits in terms of measuring and evaluating the impact of services and projects.
- Explain why we selected SROI over other tools for measuring social impact and describe its practical application in terms of fulfilling the six prescribed processes.
- Provide a detailed evaluation of the experiences of a number of beneficiaries of the VCP including findings and recommendations to help inform its future

design and delivery so we are able to maximise the service's impact to achieve the highest level of return on investment.

• Share the findings from the report with representatives of the VCP, the sponsors (AIM) and other agencies with a stake in the effective resettlement of veterans, and make recommendations for its potential roll out.

This report presents a retrospective view of the social return created by the VCP's activities from its launch in July 2011 to August 2012.

3. Background and Context

The Public Services (Social Value) Act 2012 requires, for the first time, all public commissioning bodies in England and Wales to consider how the services they commission and procure might impact on the economic, social and environmental well-being. The Act has the potential to significantly impact on the wellbeing of communities for whose benefit services are procured.

Understanding and managing this broader measure of value is becoming increasingly important for public sector bodies. Although we use terminology such as *impact* and *benefit and value*, the question of what difference we are making to people's lives and the communities where they live and work still remains at the heart of much of what the public sector is about. How we measure what we do continues to be a major discussion point in determining the effectiveness of programme delivery.

There is little doubt that outputs and unit costs are factors that funding bodies use to measure success. It would be futile here to argue that these measures should be eradicated. The vast majority of funders will always consider a project costing £10,000 and producing 100 outputs to be better value than a project costing twice that amount and producing half the number of outputs. However, the rhetoric around the Social Value Act suggests is that there are additional factors such as the value of the output and the wider effect that the output has on social or environmental factors that need to be factored into the equation.

The implications are that it is important that we have some consistency and a shared language when we talk about value. SROI is the application of a set of principles that is designed to help bring about that consistency and to develop a common understanding of the meaning of terms such as outputs, outcomes, impact and journey travelled. It is important however, that when developing this common understanding we appreciate that what is value will vary for different people in different cultures and different contexts.

3.1 What is Social Return on Investment (SROI)?

SROI is a framework for measuring and accounting for a much broader concept of value that goes beyond output returns and unit costing. It was developed by a consortium of organisations (The New Economics Foundation (NEF), The Charities Evaluation Services, The National Council for Voluntary Organisations (NCVO) and New Philanthropy Capita (NPC) which was funded through the Office of the Third Sector using a number of the principles inherent in social accounting and cost-benefit analysis. These principles include:

- Stakeholder involvement
- Outcome measures
- Valuing what really matters
- Realistic claims
- Transparency
- Validity and reliability

SROI measures change brought about by interventions in ways that are relevant to the individuals or organisations that have experienced that intervention. It tells the story of how change is being created by measuring the social, environmental and economic impacts of that change. It uses monetary values to represent the extent of change. For example if the intervention has cost £10,000 but the monetary value in terms of the wider social, environmental and economic benefits total £50,000, the SROI is said to have a 5:1 ratio of benefits to cost.

However, the use of monetary values as a means of calculating SROIs is not without its critics. Although the basic principle of needing to measure 'apples with apples' is obvious, there are many that argue that putting a monetary value (proxies) on some of the soft outcomes (increased confidence and self-esteem etc) involves an element of guesswork that could be open to misuse. Supporters of SROI would argue that adherence to the principles listed above will address this criticism.

3.2 The SROI Framework

There are a number of established, and some less known, approaches to understanding and measuring social impact. There are also a number of related methods or tools which can help an organisation get a better understanding of the outcomes it generates; or support commissioners or those engaged with service design or delivery to understand better how to achieve certain outcomes from a given service. We chose the SROI approach above tools such as the Social Impact Measure for Local Economies (SIMLE), the Social Accounting and Audit (SAA) and the Social Impact Measurement Index (SIMI) because:

- it was endorsed by both the Cabinet Office and Office for the Third Sector;
- it had wider national and international recognition and;
- NEF offered a much better practitioner training and support service than what was being offered elsewhere.

An SROI analysis can take different forms; it can encompass the social value generated by an entire organisation, or focus on just one specific aspect of the organisation's work. It can also be used for evaluation - when conducted retrospectively and based on actual outcomes that have already taken place, or as a *forecasting* tool - predicting how much social value will be created if the activities meet their intended outcomes.

Carrying out a SROI analysis involves the following six stages:

- 1. *Establishing scope and identifying key stakeholders*: It is important to have clear boundaries about what your SROI analysis will cover, who will be involved in the process and how.
- 2. *Mapping outcomes:* Through engaging with your stakeholders you will develop an impact map, or theory of change, which shows the relationship between inputs, outputs and outcomes.

- 3. *Evidencing outcomes and giving them a value:* This stage involves finding data to show whether outcomes have happened and then valuing them.
- 4. **Establishing impact:** Having collected evidence on outcomes and monetised them, those aspects of change that would have happened anyway or are a result of other factors are eliminated from consideration.
- 5. *Calculating the SROI:* This stage involves adding up all the benefits, subtracting any negatives and comparing the result to the investment. This is also where the sensitivity of results can be tested.
- 6. **Reporting, using and embedding:** Easily forgotten, this vital last step involves sharing findings with stakeholders and responding to them, embedding good outcomes processes and verification of the report.

Although the process is still in its early stages, a SROI Network of practitioners has been set up with over 20 participating countries and NEF has already been commissioned to undertake SROI studies globally. NEF were integral to the development of the SROI methodology, and have conducted more analyses than any other organisation, using the most sophisticated economic modelling techniques. Some work still needs to be done in terms of process design (although a standard framework has now been developed) and the use of monetary values relating to things that are difficult to value and have tended to be left out of traditional economic appraisal (e.g. increase in self-confidence, increase in quality of life). As more and more SROI studies are undertaken and a 'ready reckoner' for acceptable proxies becomes widely available, there is little doubt that SROI will become a major measure both as an evaluative and as a forecasting tool.

4. The VCP Study

4.1 The Research Phase

Prior to commencing the study, desk-based research was undertaken on recent studies relating to the resettlement of ex-service personnel. We acknowledge the valuable contribution to our study made by the ForcesSelect Foundation (FSF) in their report *Joining Forces: A holistic approach to the resettlement of ex-service personnel.* We wholeheartedly endorse their recommendations of a cradle-to-grave approach that supports service personnel as they enlist, serve and eventually leave the forces. The two cases studied in this report will provide any reader with an insightful view of the issues facing veterans on discharge.

We further acknowledge that our study is limited in terms of the scope and scale of the ForcesSelect Foundation research. It is however, as far as we are aware, the first study that attempts to calculate cost ratio in terms of the amount of social return against the cost of service delivery. We have collected data from primary sources including 18 veterans, 9 members of staff from the VCP and other agencies working with the VCP and 7 employers. Although it is difficult to attribute financial values to the impact of a VCP on the work of other agencies and employers, their comments make for interesting reading. We have also used existing data provided by the ForceSelect Foundation and the VCP to rationalise the findings in the primary research.

When identifying the service areas to review and evaluate, we considered both the external policy arena and internal work taking place to address priority government agendas. Important in this respect were the policies and statistics produced by the Ministry of Defence (MoD), the Department for Work & Pensions (DWP), the Ministry of Justice (MoJ) and the Department of Health (DoH). We've taken some statistics provided by the MoD and cross-referenced them with those provided by the MoJ. We are aware that not all veterans are offenders and direct comparison of the two may not be productive. The cross-referencing therefore should only be considered as a possible indicator of the extent of the problem.

From that point onwards we set out the study's three primary objectives:

- a. To review and evaluate the economic, social and environmental impact of the VCP during its first year of operation.
- b. To produce a report that can demonstrate the potential return on investment of establishing a VCP.
- c. To provide a framework that other SROI practitioners can use when assessing VCPs or other veteran related services

The study was focused on the results of interviews conducted with 18 VCP service users. There were two phases to the interviews. The first covered the characteristics and experiences of the interviewee. The second covered the level of support received

from the VCP. All interviews were conducted in situ at the VCP over a period of 2 weeks. Each interview lasted between 40-60 minutes.

Findings from the study were then triangulated with data from the VCP Initial Contact Forms (ICF) and findings from the ForceSelect Foundation report, *Joining Forces*. The data was then transferred onto the Impact Map and outcomes converted into financial values using accredited proxies obtained from verified sources. As we did not want the report to just reflect financial returns, we have highlighted a number of case studies that reflect the work of the VCP.

4.2 The Nuneaton Veterans Contact Point

In September 2010, Warwickshire Probation Trust (WPT) prompted by Warwickshire's Lord Lieutenant looked at what support Probation was providing to its cases who were ex-service personnel. During the following year, research began to investigate and explore existing provision if any and potential developments, the lead being Len Hardy – WPT Veterans' Champion.

Warwickshire & Coventry Branch of Sailors, Soldiers, Airmen and Families Association Forces Help (SSAFA) when approached, provided £10,000 grant funding in support of this initial research. ESF funding from NOMS CFO On-Trak and ESF AIM Projects later complemented research and development.

This work included the bringing together of a focus group which included Military Service Charities: The Royal British Legion, ABF The Soldiers Charity, Combat Stress, Warwickshire Police, Probation and a Governor from HMP Onley. The focus was initially to identify veterans in the criminal system and to ask the question of whether they were veterans at arrest, report writing and during the induction of criminal proceedings.

Initial statistics indicated about 250 (4%) of the people arrested by Warwickshire Police were veterans, and, within WPT a large number of veterans were identified within existing and new caseloads. Less than 5% of those who answered "yes" knew very little about the support available to them by the service charities.

The focus group, which was concerned about the number of veterans that were coming into contact with the MOJ, highlighted the need to have a more visible presence and an increase in awareness. This also included how best to achieve these objectives, and at the same time how to be able to integrate these veterans back into the Warwickshire community.

On the 4th July 2011 a Veterans Contact Point (VCP) situated in Nuneaton & Bedworth Town Hall was opened. The VCP was for veterans to access a free information service and to be signposted or supported to access other services.

The ESF AIM Partnership directly supported the recruitment and training of 12 peer support volunteers many of whom also undertook the Volunteer RBL Welfare Caseworker training. The AIM project also supported the approach by funding the role

of a part time skills and employment case manager. The peer support volunteers, many of whom have experienced difficulties in their own lives following resettlement from the armed forces, have played a pivotal and leading role in the development of the VCP and the face to face services and support it provides.

The Warwickshire Veterans Steering Group has grown to now include: Warwickshire County Council, Warwickshire Police & Probation, HM Prison Service, SSAFA Forces Help, The Royal British Legion, ABF/The Soldiers Charity, Help 4 Heroes, Combat Stress, CSWP/ The Careers Service, MOD/Service Pensions & Veterans Agency (SPVA), MOD Bramcote & Kineton, the British Ghurkha Veterans Association, Coventry & Warwickshire NHS/PCT, local Voluntary and Non Charitable Community organisations.

The vision for the Veterans Contact Point still remains to offer a free service, to act as a gateway to all veterans and current HM Forces community wherever they are; signposting and referring to the relevant support/agency best suited to assist and ensuring that they access services linked to their service eligibility. It is currently instrumental in leading on the Veterans agenda both in the wider Warwickshire Community.

4.3 Resettlement and Social Disadvantage

Our primary research consisted of 18 in-depth interviews with veterans. The findings from this were then cross-referenced with data from a 20% sample of the 216 Initial Contact Forms (ICF) completed on first appointment with the VCP.

- All of the personnel interviewed were male.
- Related to age at point of contact with the VCP: 22.5% were under the age of 25. 38.5% were in the 26-45 age range and 39% were over the age of 46.
- Related to Service: 83.5% were ex-army. 11% were ex-navy. 5.5% were ex-RAF.
- Related to age on enlistment: 50% joined under the age of 18. 50% were aged 19-30 on enlistment.
- The average length of service was 10 years. One person had served less than 1 year and two over 20 years.
- Half those interviewed had planned discharges.
- Related to offences on release: 44% had been arrested. Half of those arrested had been arrested on more than 4 occasions. Only one of those interviewed had been sentenced to prison with four placed on probation
- In terms of committing or being a victim of a violent act since release: 27.5% admitted to committing a violent act and 78% had been victims of violence.

This research confirms the findings of the ForcesSelect Foundation that ex-service personnel are at risk of "falling between the cracks of society". It further endorses the view that special care should be given to those most at risk of becoming unemployed, long-term ill, offenders or homeless. We will now explore the extent of this risk.

Statistics produced by the MoD show that approximately 90,000 personnel will leave military service during the course of the next 4 years. Around 40% will have undergone some form of vocational training during their time in the forces. Although this clearly has an impact on their employability prospects, the employers interviewed were less concerned with service-learned skills and more interested in the personal attributes of the individual. Interestingly, although some saw the positive aspects of this in terms of discipline and good character, at least half indicated that a reluctance to act on their own initiative and the possible "fear factor" with other staff were aspects that they also considered.

Our study showed that around 25% of VCP clients needed substantial support in finding suitable employment. Our study also revealed that employability prospects had raised by 43% as a result of support from the VCP. The NOMs statistics reveal that on release, an offender is 40% more likely to reoffend if they fail to find suitable employment.

According to the ForceSelect Foundation report, 55% of service leavers did not have their own accommodation to go to on discharge. In our study, an alarming 33% reported experiencing bouts of homelessness since leaving the service. Almost 50% of the VCP service users needed support in housing related issues, with 33% in rent arrears and 45% making applications for social housing provisions (of which only 20% were successful). NOMs statistics reveal that on release, an offender is 20% more likely to reoffend if they fail to find suitable accommodation.

Health and well-being includes issues such as physical and mental health (including anxiety, depression and post-traumatic stress disorder), alcohol or drug dependency and low confidence. Our study revealed that 50% of VCP service users reported having to deal with service related health issues. Of these 17% had alcohol or drug related issues of which 66% had been supported through referral to appropriate agencies by the VCP. When asked about stress-related issues 22% reported combat related stress and 61% had problems sleeping. Average confidence levels were calculated at 33% prior to engagement with the VCP, rising to 83% after engagement.

Although only a small percentage of the time spent by the VCP was on debt related advice, 55% reported being in arrears in council tax payments and 33% in rent arrears. An average of 25% of VCP clients sought help with one form of state benefit (Job Seekers Allowance, Income Support, Housing Benefit etc.). 72% had applied for financial support from one of the service charities, with just over half being successful.

5. Methodology

5.1 SROI Principles and Key Stages

This report examines the difference made and the social value created by the VCP. Our SROI evaluation has been produced following the SROI Network's guidance and it adheres to the following principles:

- Involvement of stakeholders (meetings with the VCP Management and service staff)
- A focus on understanding what changes (desk-based research into resettlement issues)
- valuing the things that matter (in-depth interviews with veterans)
- Including only things that are material (cross-referencing with existing studies and VCP data)
- Avoiding over-claiming (dismissing tenuous claims and calculating attribution rates)
- Transparency (sharing the report with all stakeholders)
- Verification of the result (using sensitivity analysis to rationalise findings)

5.2 Team Approach and Learning

This analysis has been undertaken by a small team from within the Planning for Real unit, part of the Accord Group. The two primary researchers have been supported by other NEF trained practitioners and the Planning for Real Management. Working as part of a small SROI team has made the process more robust as team members have discussed, challenged and as a group decided on the way forward for each step of the process.

Undertaking a SROI analysis has proven to be a time intensive exercise. Working through the six stages methodically was crucial and there has been a commitment to record each stage of the process. The Team's experience has underlined the following:

- It is important to record and evidence every decision and assumption made at each stage of the SROI analysis. Recording this at the time speeds up the final report writing stage and means that the team can look back and justify how the analysis has progressed.
- Clearly defining the purpose of the project from the outset is absolutely crucial.
- Setting realistic timescales for any analysis is vital. Conducting a robust, thorough and meaningful SROI analysis takes time. In order to be true to the process and involve stakeholders at all the key stages it is important to allow enough time. The amount of time will vary depending on each individual project and where there is already monitoring and data collection taking place the process is likely to be more straightforward. Once an understanding of the scope of the project has been gained, an estimate on the timescale can be given.

- The importance of asking the right questions when gathering stakeholder information. Although feedback has always been sought and stakeholders surveyed, the right questions have not always been asked. Conducting this SROI analysis has helped the Team to look critically at what answers are needed and how the response to the question can actually be useful in informing us. In future we will take much more care in how we put questions to stakeholders, and who we ask, so that the respondents have a better chance of offering quantifiable opinions. Many of these questions can be included into routine reviews and follow-ups, making collection of information easier.
- The process of carrying out an SROI analysis involves individuals developing a detailed understanding of monitoring systems. This in turn can lead to the formation of recommendations for improvements to existing systems. In respect of the VCP service, the monitoring system is robust and well managed. However the analysis will prompt a review of the systems to ensure that they are fit for purposes going forward.

5.3 Research Limitations

SROI is still a fairly new framework. It measures and accounts for a much broader concept of value, through measuring change in ways that are relevant to the people or organisations that experience or contribute to it. It is about value rather than money. There is however limitations with the methodology, many of which are being addressed by the SROI Network and will be overcome as SROI becomes more widely used with a more established evidence base.

The framework and guidance provided by the SROI Network aims for rigour but there remains a degree of space for personal judgement. Adopting a team approach has reduced this risk as every decision and assumption made has been challenged and agreed by a number of individuals all of whom have undertaken intensive SROI training.

One of the main perceived limitations of SROI, as with other types of evaluation is that it is difficult to compare results between organisations. This is in light of the space for personal judgement which could make it possible to inflate the value created. There are auditing tools and procedures which help to standardise the way SROI ratios are calculated but to a certain degree the process of producing an SROI ratio is specific to every organisation. Therefore it is vital that the overall SROI ratio should not be viewed in isolation. The analysis that accompanies the SROI ratio is crucial as it ensures transparency and makes it possible to see some of the choices that have been made, about what to measure and how to value an impact. SROI should not be viewed as being all about the final financial ratio. This attracts scepticism and criticism and could mean that many of its benefits are overlooked. SROI is a process of understanding and valuing impact and should be used by organisations to understand where their impact is greatest and how they could improve what they do. Attributing monetary values to outcomes has been perceived by some to be problematic. How, for example, do you accurately measure improvements in confidence, quality of life, or feelings? SROI seeks to value both the benefit to the wider economy and the individual. While we may be able to calculate, for example, the average value to the state of individuals moving into employment, valuing personal benefit in monetary terms may be more complex. The SROI Network is addressing these limitations through building up a database of acceptable and acknowledged values, outcomes and indicators which have been used in assured SROI analyses. Careful research, referring to existing and accepted evidence bases and adhering to the SROI principles is vital in order to conduct a robust, credible and true analysis.

6. Stakeholders

6.1 Stakeholder Involvement

Stakeholders are defined as people or organisations that experience change, whether positive or negative, as a result of the activity being analysed. In SROI analysis we are concerned primarily with finding out how much value has been created or destroyed and for whom.

As well as helping us to find out what really matters to our stakeholders, stakeholder involvement through the SROI process has allowed us to understand more about the strengths and weaknesses of the VCP and provided useful information which will help improve the service in the future.

It is crucial to involve stakeholders at a number of stages in the SROI process. It is however important to be sensitive to the amount of time and resources stakeholders can give to this process and to make the most efficient use of time by collecting data for several stages at once.

For this pilot SROI project we involved 18 VCP service users, 9 members of VCP and other veteran support agency staff and 7 employers. We used the medium of one-toone interviews with the veterans as opposed to other SROI client engagement methods such as questionnaires (too impersonal) and workshops (may inhibit responses). The interviews were done on a structured basis but opportunity for variance from the structured approach was built in.

Questionnaires were used for the staff and employer responses. All staff and 70% of the employer questionnaires were returned. We were not able to involve the state stakeholder directly in this pilot so we used existing research and secondary information already available to help inform our decisions on outcomes, indicators, proxies and impact calculations. The SROI VOIS (Values, Outcomes, Indicators, and Stakeholders) database was particularly useful. This is a relatively new body of evidence which aims to develop more commonality of values across SROI studies and is populated by SROI practitioners and members of the SROI network.

An important point when planning the involvement of stakeholders is that the collecting outcomes data stage should take place at a different time to the describing of outcomes and the development of outcome indicators. The reason for this is that the outcomes and indicators need to be worked through and agreed before the data collection can start, otherwise there is a risk that we are only measuring what is easy to measure as opposed to what actually indicates the change – which stakeholders have identified has taken place.

6.2 Scoping and Identifying

All stakeholders of the VCP and the reason for their inclusion and exclusion are outlined below:

Key Stakeholders	Reason for Inclusion				
Veterans: Clients of the service	Primary beneficiaries of the service. Likely to be experiencing significant outcomes if intervention is successful.				
Other veteran support agencies	Although no cost has been attributed to this, the agencies are a valuable source of referral and service to refer clients to				
The State	Potential for reduction in benefit payments and increased state income from taxes where people are successfully supported into paid work. In the case of reducing offending, potential for reducing the costs to the criminal justice system				
Key Stakeholders	Reasons for Non-Inclusion				
VCP Staff	The VCP staff would not otherwise be employed. This is a significant change to their life.				
	They have not been included in the SROI process as the identification as a stakeholder evolved during the process, so the decision was taken to exclude them at this stage. It must be noted that in future the employees would be a direct stakeholder and should be included.				
Family & friends of service user	Improvement in employment opportunities and decrease in offending is likely to have an impact on a participant's close family and friends.				
	Again, this stakeholder was identified as a direct stakeholder who would be impacted by this service, but the collation of data by the VCP advisers for this stakeholder is very limited therefore capturing data retrospectively could lead to bias and influence, which would not give a true reflection of the value.				
Voluntary Workers	Volunteer workers have been trained by the service to offer basic support to their clients.				
	Although Support Workers engage and refer with the clients, it was initially agreed by the Team that they were not a key stakeholder. However, as we progressed we identified that this service directly impacted on the support workers and their clients. But this was recognised late in the process and they would be included in future SROI exercises.				
Employers	Also beneficiaries of the service. Likely to be experiencing significant outcomes if support is successful.				

Stakeholders	Reason for Non-Inclusion
Job Centre Plus	Although a number of additional agencies and support groups had direct or indirect contact with our service clients, the team did not have sufficient capacity to consult with them all and the outcomes reported by our stakeholders did not identify these groups as experiencing the key changes.
Probation Service	
	We have excluded these stakeholders as we did not capture this information during the period in question but we would look to investigate the changes experienced by these groups more fully in future SROI analyses of this
Other agencies such as Marriage Guidance, Housing Associations and	service. The outcomes that clients using the service achieve could free up Job Centre Plus and Probation Service workloads, supporting them to hit their targets of moving people off out-of-work benefits and out of the CJS
Citizen Advice Bureaus	

Table 1: Stakeholder Analysis

For the purpose of this pilot the Team have taken a pragmatic view to only consider those stakeholders directly affected by the service:

- 1. Service users (those directly supported by the VCP),
- 2. Other Veteran Support Services
- 3. The State.

There was insufficient time and resources to retrospectively gather robust data and intelligence on other stakeholders and we were unable to directly engage and involve them in any meaningful way to scope out their outcomes.

7. Outcomes and Evidence

In the case studies included in this section all names have been changed.

7.1 Inputs

Building an Impact Map is central to the SROI analysis. It details how the activities being analysed use certain resources (inputs) to deliver activities (measured as outputs) which result in outcomes for stakeholders. The inputs refer to the contributions made by the stakeholders to make the activity (the VCP) possible and the financial value of the inputs. In this instance the total financial input is made by contributions from various veteran agencies and volunteers and the value is £33,343. This figure includes the salary and costs for the VCP, training costs, travel expenses, phone costs and office space and services.

We have used the input and output figures provided by the VCP. We recognise the good will of SAFFA in covering the cost of use of offices in the Town Hall and the volunteers who gave up their time to work with veterans. For the input measures we have therefore used 3 indicators: One based on actual costs and the second and third based on models of how much it would cost to set up a VCP service.

ACTIVITIES	AMOUNT (£)
Salaries	21,243
Office Space	7,500
Utilities	600
Travel & mileage	200
Training Costs	3,000
Marketing & Publicity	800
Total	33,343

1. Actual cost for 2011-12

2. Estimated set-up cost for a centralised citywide service

ACTIVITIES	AMOUNT (£)
Salaries	52,000
Office Space	7,500
Telephone	700
Travel & mileage	800
Training Costs	5,000
Marketing & Publicity	2,000
Total	68,000

ACTIVITIES	AMOUNT (£)
Salaries	67,000
Office Space	15,500
Utilities	700
Travel & mileage	800
Training Costs	5,000
Marketing & Publicity	2,000
Total	91,000

3. Estimated set-up cost for a regional hub and spoke service

Each of these inputs has been valued and comprises the investment against which the 3 social returns can be calculated.

7.2 Outputs

From our stakeholder engagement and existing data, the following outputs have been achieved:

- To date 216 clients have received direct one-to-one employment support from the VCP. This has included one-to-one support with issues related to employment & training, health & well-being, housing & relationships and financial inclusion.
- 130 clients have been referred for careers advice
- 153 clients have been referred for welfare advice
- 68 clients have been referred for health or well-being advice.
- 35 clients have been referred to offender support services

7.3 Outcomes

In order to establish the outcomes for the Impact Map, we had to understand the changes that occurred for each stakeholder. We gathered this evidence through interviews and existing data

Key themes which came out of the interviews included:

- A high number of service leavers commit acts of violence (one quarter) or have acts of violence committed against them (three quarters) in the first year of leaving the service.
- Over one third of service leavers experience bouts of homelessness within 3 years of leaving the service
- Nearly one third of service leavers receive treatment for ill-health (mostly stress related) during the first year of leaving the service.

- Just over two in every five service leavers experience some form of social upheaval (domestic relationships or financial problems) within the first year of leaving the service.
- Well over half of all service leavers need careers advice on leaving the service

We asked the veterans who have used the service what changes they had experienced as a result of the VCP service. They indicated:

- Increased self-confidence (by 53%)
- Improvements in progress towards employment (by 42%)
- Improvements in family relationships (by 42%)
- Reduction in offending (by 16%)

The changes for the state were in terms of:

- Reduction in payment of state benefits and increase in Inland Revenue and National Insurance payments through individuals moving into employment.
- Reduction in costs to the Criminal Justice System as a result of non-offending.
- Reduction in the costs to the courts of dealing with divorce hearings.

Case Study 1 Michael is aged 25. He spent 4 years in the Army after joining at the age of 16. Since leaving the forces with planned discharge 5 years ago, he admitted that he used to be involved in heavy drinking that came with its own problems like bad health, he had been arrested more than 8 times, been on probation on 3 occasions and was homeless and on the edge of losing his job. After being introduced to the VCP by the Local Council, he was signposted to the British legion for assistance in finding a house and was able to stop drinking through the motivation and support from the VCP. He stated that "I have now gained more confidence, focused on what I want to do, and have hope. The better life that I am now living is all down to the VCP and, as veterans, we need this kind of service all over Britain".

7.4 Indicators and Data Sources

Indicators tell us whether the outcome (change) has occurred and to what extent. In some instances such as the change in progress towards employment outcome, we have opted to use more than one indicator. We have also tried to balance subjective (or self-reported) indicators with objective indicators to make our analysis as robust as possible.

Demonstrating and valuing outcomes particularly where they are less tangible or have no easily identifiable market value relies on the identification of indicators which express how the outcome is experienced in a way that is measurable.

7.5 Duration of Outcomes

For each outcome we have added a duration figure to the Impact Map which relates to the length of time over which the outcome is expected to last or against which the outcome will be attributed to the VCP Service. The effect of some outcomes will last longer than others; some outcomes depend on the activity continuing and some do not. We have been fairly conservative in the duration for which we have claimed outcomes. Where we have claimed for in excess of a year's duration, we have opted for a generous drop-off rate. This means that throughout our study, we have used conservative estimates. Additional research is necessary to confirm whether or not these estimates are accurate reflections of the duration of outcomes

We have chosen the SROI report *Tomorrow's People* as the source for this. For the outcome for veterans which relates to a change in progress towards **employment**, we have opted for an 'up to two years' duration. The rationale in the report being that support around CV writing, training and work experience needs to be regular in order to sustain the benefits. We have only put one year duration on the state of the individual moving into employment outcome. We feel that there is insufficient data available either in existing reports or this study to justify claiming more than one year. We will however need to review these and monitor the length of time that clients who gain employment are staying in their jobs. These outcomes are likely to continue for the state and the individual after they have finished receiving support from the VCP Service and moved into employment (overtime the impact that the service has had will reduce).

For the outcome for veterans which relates to improvements in **health**, we have put two-year duration on the outcome. Most of the illnesses reported by veterans were stress-related. These were exacerbated by unemployment, debt and lack of suitable accommodation. If these were addressed early, an estimation of duration of outcome of 2 years appears reasonable.

For the outcome for **offending**, we have put three-year duration on the outcomes for MoJ savings. Statistics from the NOMs service indicates that if an offender does not re-offend within the first year after release, they are unlikely to re-offend for a further two years. We have therefore applied this rationale to veterans.

For the outcome for **social impact**, we have put two-year duration on the outcome. As with other proxies, there is little data to substantiate this. From reading through reports on the resettlement of veterans, many appear to struggle with family life after release. Putting a longer duration on this outcome may not therefore be justified. We will however need to review these and monitor the length of time that clients who are supported to deal with social issues do not encounter them within 2 years of receiving the support. **Case Study 2** Joseph is aged 22. He had to be medically discharged from the Army after 18 months of service. He felt that being in the service was a great experience and he really misses the challenge, way of life and friendship. After his discharge 2 years ago, he has not been able to find suitable employment. This landed him in £8,000 debt and subsequent family issues and worsening health. He was referred to the VCP about 6 months ago through the job centre. He stated that, "since my visit to the VCP, my life has improved, because meeting other veterans and working with my peer mentor makes you realise you can do it. This place is heaven for me and I will recommend it to any veteran".

7.6 Financial Proxies

When identifying financial proxies it is important to remember that we are not interested in whether money actually changes hands and it does not matter whether or not the stakeholders in question could afford to buy something – they can still place a value on it. The proxies demonstrate the value of the outcomes in monetary terms. For things that are traded in markets, the market price is used when suitable. An example of this (in the table below) is where we have opted to use the price of a confidence training course and the cost of commercial support to find a job as proxies for the changes in personal well-being and change in progress towards employment outcomes for unemployed clients. When a price is not available, other ways of approximating how much stakeholders value the outcome can be used. As the SROI process becomes more widely adopted the available SROI resources and proxies.

As with all of the outcome calculations, we have not attributed this outcome solely to the work of the VCP. We have made deadweight, attribution and displacement calculations informed by recent SROI reports and guidelines to rationalise the financial impact.

As a result of the project:

- 140 clients have had careers advice or training. This has resulted in a residual value of \pounds 55 per person per annum. We have attributed outcome duration of two years and a drop off rate of 50% to this item.
- 33 clients have secured employment. This has resulted in a residual value of $\pounds 2571$ per person per annum. We have attributed outcome duration of three years and a drop off rate of 75% to this item.
- 68 clients have improved health. This has resulted in a residual value of £367 per person per annum. We have attributed outcome duration of two years and a drop off rate of 50% to this item.

- 35 clients have not offended. This has resulted in a residual value of £1075 per person per annum. We have attributed outcome duration of three years and a drop rate of 75% to this item.
- 4 clients have not been imprisoned. This has resulted in a residual value of \pounds 912 per person per annum. We have attributed outcome duration of three years and a drop off rate of 75% to this item.
- 113 clients have improved social relationships. This has resulted in a residual value of ± 1529 per person per annum. We have attributed outcome duration of three years and a drop off rate of 33.3% to this item.

8. Impact

Impact measures provide a way of estimating how much of the outcome would have happened anyway and what proportion of the outcome can be isolated as being added by service activities. We are interested in the ultimate impact of the VCP and this has been determined with reference to the effects of attribution, displacement, deadweight and drop-off. We use these impact measures to assess whether, and to what extent, the outcomes we have analysed result directly from the VCP.

Establishing impact is important as it reduces the risk of over-claiming and means that the story will be more credible. It is only by measuring and accounting for all of these factors that a sense of the impact that the activity is having can be gained. Otherwise there is the risk of investing in initiatives that do not work, or do not work as well as intended.

There are four aspects of establishing impact:

- Deadweight how much of the activity would have happened anyway
- Attribution how much of the outcome was caused by the contribution of other organisations or people
- Displacement what activities or services are displaced
- Drop-off the decline in the outcome over time (only calculated for outcomes that last for more than one year)

Each of these aspects is normally expressed as a percentage and our Impact Map spreadsheet allows us to input these percentages and calculates the monetary values to be deducted. For every decision taken we have kept supporting information that explains the assumptions that we have made in the study.

Our stakeholder engagement activities provided the opportunity to ask service users directly about the impact the VCP has had on them, who else had provided support and how beneficial they felt the service was. This information was valuable in informing our impact calculations. Going forward we would refine the questions asked to gather even more information by asking specific questions, along the following lines:

- How long do you think this change will last? (Duration & drop off)
- What other ways might the change have come about? (Deadweight)
- Was anyone else involved in making these changes happen? If so, who were they and how much would you say is down to them? (Attribution)
- What would have happened if you hadn't been able to use this service? (Deadweight)

The data collated from these questions would then be linked to the responses from the agencies, such as support workers, to gain a full picture.

8.1 Deadweight

Deadweight is a measure to describe the amount of the outcome that would have happened anyway, even if the VCP had not been in operation.

It would be wrong in our analysis to attribute all jobs gained and personal wellbeing improved by veterans if some of those people would have got jobs or become more self-confident anyway. We ought to count only those jobs and changes that occurred over and above what would have happened in the absence of VCP.

In establishing deadweight, and through exploring deadweight during the interviews, it was considered that in most cases the veterans would have done very little without some form of intervention. There is little else available that can meet all the requirements of veterans seeking. The main service used by the client-group is the Royal British Legion but, due to restricted resources, the service is unable to offer the level of one-to-one support offered by the VCP. In most cases, if the VCP had not been an option it has been estimated that there would have been approximately 216 veterans who would not have experienced a positive change to their personal wellbeing in terms of employment, health or social well-being. The interviews identified that having the personal support provided by the VCP was also a key factor in helping to build motivation and personal well-being in terms of self-confidence.

For the outcomes around individuals moving into employment (for the veterans and the state) we opted for a deadweight figure of 12%. This percentage is based on information gathered from similar SROI studies (Tomorrow's People - Measuring the social impact of the Tomorrow's People welfare to work and youth programmes between 2006/07 to 2010/11). Deadweight figures range widely across similar SROI reports (from 10-60%) depending on the nature of the clients using the service in relation to whether they are likely to be disadvantaged and socially excluded, and the likelihood of them moving into employment without specific support. In NEF's 2003 report (The impact of Tomorrow's People's Working it Out pilot study: April to November 2003) they used a deadweight figure of 25%.

The basis for our 12% calculation is that veterans facing additional disadvantage tend to be some of the furthest removed from employment and are typically harder to reach than the general population. Amongst veterans, there are high rates of unemployment, entrenched worklessness and benefit dependency and factors such as poor health, especially stress-related illnesses creating multiple disadvantages for individuals and their wider households. Our interviews with employers picked up on a mistrust of institutions which impacts negatively on veterans' circumstances and removes them even further from the labour market. We have consciously used comparatively high drop-off percentages for these outcomes to reflect the challenges faced by veterans who have moved into employment in sustaining employment.

8.2 Attribution

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

Attribution was difficult to judge as details of the support offered to the client outside of the VCP were limited. A question was asked, which was used as the basis for our attribution calculations, around what approaches had been made to other veteran support agencies.

In terms of addressing health and well-being issues most veterans reported that the VCP was absolutely critical to them achieving the outcome. In terms of employment and training, most appreciated the work of the careers adviser working in the VCP. For this reason we opted for a 30% attribution rate for health and wellbeing and for individuals moving into employment. Reducing offending was more difficult. Although good health and well-being, a stable family life and having a job are major factors to not offending, and therefore meriting a low attribution percentage, we did not specifically ask the question of what contribution other agencies, such as the probation service, have made. We have therefore chosen a figure of 60% to represent this. In respect of improvements in financial management and family relationships, the VCP has mainly acted as a referral point. Although we have attributed 60% of the improvement to the agency the veteran was referred to, it is important to acknowledge the VCP's role in making the initial contact and the referral.

Going forward we would want to review the specific questions asked and the exercises used at the workshops to effectively draw out this information and to ensure a more robust method to calculating impact.

8.3 Displacement

Displacement is an assessment of how much of the outcome displaced other outcomes. It does not apply in every SROI analysis. However, as this project is about supporting veterans into employment, and we have counted the contribution of decreased benefit payments and increased taxes in the analysis, we have considered that for the state outcomes, displacement is relevant. From the point of view of the state, the reduction in benefits and increase in taxes would have a displacement rate as the jobs that people have moved into are most likely jobs that are now denied to someone else that could have made similar contributions. This is irrespective of any other economic benefits to the individual or community that this project might produce.

For the three outcomes for the state we have opted for a 40% displacement rate. NEF and others are currently working on specific guidance on displacement and deadweight in relation to employment support programmes and recommended displacement rates for similar projects range from 20 – 60%. The extract below (from NEF guidance) refers to three sources each recommending a different rate. We have opted for a median estimate of 40%.

8.4 Drop-Off

For outcomes that last longer than one year, it is likely that the effect of the outcome will diminish over time. The outcome will be influenced by other factors and it will be less attributable to that activity.

Drop-off is used to take account of this and the reduction is calculated by deducting a percentage from the outcome. These percentages are detailed on the Impact Map. We have been fairly conservative in the duration of outcomes and purposefully generous in the drop-off rates we have applied in order to avoid over-claiming.

For the 'moving into employment' outcome for veterans, and the corresponding reduction in reliance on the state benefits, reduction in JSA payments and increased National Insurance and tax taken for the state, we have opted for three year durations. We have assumed that veterans will sustain their employment for this period and that a proportion of the on-going impacts can still be attributed to the VCP. However as time goes on the amount of outcome will be more likely to be influenced by other factors, so the amount which can be attributed to the service is less – this is the drop-off.

We also need to account for the percentage of veterans who may move into employment but won't sustain it beyond one year. This could be through the employment ending or the individual's situation changing and they may return to claiming benefits. To identify the drop-off for these outcomes we have looked at similar employment support programmes and the percentage of participants who sustained employment beyond 12 months. Business in the Community conducted a recent SROI study and used a 50% drop off rate which reflected the fact that 64% of their clients who gained employment through their Ready to Work programme sustained it into a second year and 37% of clients on their 'all-time database' who gained employment sustained it for longer than 12 months. Because of the nature of the client group and associated social barriers, we opted to use a 75% drop off rate which is applied to the benefits for these outcomes over the three year benefit period.

For the change in well-being (self-confidence) outcome we have a three year benefit period and have opted for a 15% drop-off rate. The rationale for this is that without exception the veterans we spoke to who had used the VCP service felt in a considerably better position personally with increased confidence and motivation going forward. It will be important to revisit the duration and drop-off figures against this outcome in the future.

For the change in offending outcome, we have a two year benefit period and opted for a 15% drop-off rate as NOMs statistics show that not re-offending within the first year after release means the offender is 50% less likely to re-offend in the second year and 75% less like likely to re-offend subsequently.

9. Social Return on Investment

The Social Return on Investment (SROI) value is expressed as a ratio of return and is derived from dividing the value of the impact (referred to as the benefits on our Impact Map) by the value of the investment.

After attribution, displacement and deadweight deductions have been made, the costs and benefits paid or received over different time periods (according to the duration of the outcome and the drop-off rate) are added up. In order that these costs and benefits are comparable, a process called discounting is used. The value of benefits is adjusted to reflect the Present Value of the projected outcome values. Discounting is applied to those values that have been projected for longer than one year. The interest rate used to discount the value of future benefits in this case is 3.5% as recommended in HM Treasury's Green Book.

There is on-going research in this area of SROI both in terms of the interest rate used (most organisations opt to use either 3% or 3.5%) and in terms of the short-termism where discounting can be perceived as encouraging.

This gives a Social Return on Investment of £15.70: £1

This means that for every pound of investment in the Veteran Contact Point Service, \pounds 15.70 of social value is created.

Case Study 3 Thomas is aged 53. He felt that his 12 year experience in the Navy was positive, but had an unplanned discharged and less help in his transition into civilian life, which made adjusting to civilian life more difficult. He had experienced major problems dealing with illegal drugs and alcohol addiction since leaving the Forces which resulted in bad health and a feeling that he was losing the willingness to live. Since getting in touch with the VCP about a year ago, he has had training in CV writing, completing application forms and preparing for interviews through the National Career Service. In addition, he has been sign-posted for financial support. He stated that, "having a peer mentor from the VCP has been supportive in rebuilding my life. If not for the VCP, I will not have been here today and have got my life back on track. But what I would like to see at the VCP is a legal and benefit advice service in addition to all the great work being done by these guys".

10. Sensitivity Analysis and Verification

The results presented in this report are based on variables and assumptions according to available evidence, including qualitative data on the experience of stakeholders. It is therefore prudent to review where these decisions have had a significant effect on the overall SROI figure in order to ensure that the results are robust. A sensitivity analysis involves altering the figures in the Impact Map to assess the extent to which our results would change if we adjusted our assumptions.

Area of impact on final figure	Variable adjusted	Previous level	Adjusted level	Final SROI figure	% impact on SROI figure
Cost of delivery	Varying between actual cost of delivery to date and projected cost of	£33343	£68000 with nil increase in usage	£7.70	-51.0%
	setting up a new service has a massive effect on the final SROI		£68000 with 50% increase in usage	£10.59	-32.5%
Cost of delivery	Varying between actual cost of delivery to date and projected cost of	£33343	£91000 with nil increase in usage	£5.75	-63.5%
	setting up a new (Hub & Spoke) service has a massive effect on the final SROI		£91000 with 100% increase in usage	£10.07	-36.3%
Proxy for improved personal well being – cost of confidence course	Halving the cost of the confidence training course has a near negligible effect on the final SROI	£1195	£597.50	£15.17	-3.4%
Outcomes	Varying the number	33	20	£14.16	-9.8%
relating to individuals experiencing change in employment status	of individuals who move into work has a marked effect on the final SROI		50	£17.75	+13.0%
Outcomes	Varying the number	35	20	£14.60	-7.0%
relating to individuals experiencing no offending	of individuals who do not offend has a noticeable effect on the final SROI		50	£16.87	+7.5%
Outcomes	Varying the number	113	100	£14.85	-5.4%
relating to individuals experiencing improvements in family relationships	of individuals who have better social lives has an effect on the final SROI		125	£16.51	+5.2%

Table 3: Sensitivity Analysis

11. Conclusion and Recommendations

Our SROI analysis has demonstrated that this service has been highly effective and brought about substantial positive changes for the veterans who have used the service. Overall the VCP has created a substantial social value of £15.70 for every pound of investment. This figure is based on rigorous research and best assumptions.

The Impact Map which we have developed as part of this analysis should be used as a basis to inform the next strategic plan for the service and it also provides quantifiable information on the value for money of each aspect of the service. This information should be used to inform the potential for roll out nationally of VCPs.

VCPs operate in a very complex arena, where there is the interplay of many services and agencies. This SROI analysis demonstrates the difference VCPs can make, and there is the potential and opportunity for the MoD and MoJ to play a valuable role in this arena. With increased funding and guidelines for a more measured and integrated approach to the resettlement of veterans and the significant increase in service leavers over the next 4 years, the current fragmentation and isolation in the service could be avoided.

11.1 VCP Service: Specific Delivery Recommendations

It was clear from the interviews that a number of veterans do not like to be mentored by their peers during resettlement from the forces because they want a complete break from the ethos of service. Whilst we recommend using peer support in the VCP as a means of initial engagement, we suggest that longer-term peer mentoring should be offered only to those whose service ended some years previously or where it has been requested or indeed where there is a compelling need.

When asked what would, or has had the greatest impact, for the majority of veterans it was about securing a job offer. The employers' perceptions of employing a veteran varied from "they bring a disciplined approach to work" to "they are incapable of acting on their own initiative". Of course stereotyping in this manner is wrong and in many respects veterans should not be treated any differently from any other job applicant. It is important however to consider what one agency had to say that, "it takes 3 years to train forces personnel to kill and 3 weeks to resettle them into society". The VCP has a role to play in educating employers and supporting them if they have to deal with issues related to employed veterans.

We understand that in an effort to enhance the quality of service provision at the VCP, it is necessary to up-skill all frontline workers in basic information and guidance advice. This would also need to be underpinned by a commitment by any person carrying out this guidance role to monitor and track their clients to help record individuals' journeys and their direction of travel.

The VCP service has clearly made a difference to those individuals that have accessed advice and guidance. However, on the basis of this evaluation, we feel that there is an opportunity to further refine the service so that it can achieve maximum impact and a higher SROI. Whilst we would advocate that the actual design of the personalised oneto-one service remains, as it evidently works, we would suggest that a targeted approach is taken, prioritising the needs of longer serving veterans (e.g. those with one or more years of service) over individuals who satisfy the definition of being a veteran as a result of little more than one-day's service or serving in the Territorial Army.

11.2 VCP Project Development Recommendations

For the purpose of this pilot, the SROI methodology was applied in an evaluative context, however it can also be used to forecast a service's projected impact. It can therefore provide an excellent project management-cum-business development tool, which can be used when designing and planning for a new project or service. It achieves this by mapping the client journey travelled which the project is seeking to achieve and from that process generates well-formed outcomes and impact assessment.

Stakeholders input is central to the SROI methodology and could indicate a change in how as a VCP they develop and maintain customer relationships moving forward, and how we might want to consider services such as veteran engagement as a means to capturing customer journey intelligence.

Should other veteran support agencies decide to adopt this SROI methodology, we are confident that the framework will help to start growing a rich evidence base for veteran resettlement projects and services. It will enable better tracking and measures of social and environmental impact so this can be converted into financial data. In the context of the 'payment by results' culture, the benefits of this approach are considerable and will help veteran services to better position themselves for new commissions and tender opportunities in an ever growing competitive market; where new investment models such as social impact bonds are continuing to evolve.

By default this will also provide leverage for increased PR and marketing opportunities as the agencies can better profile their impact and reach. This is paramount for not only the VCP but also the wider veteran resettlement sector as we are able to put a financial value on the extensive social investment activities the VCP leads on and demonstrate value to all stakeholders including central government.

It is important to note that whilst the SROI framework can be applied to evaluate a service or project's impact, this can only be carried out if there is access to robust data and intelligence whether that applies to project outputs, budgets, or most importantly the beneficiaries. Data collation and analysis is paramount and is considered a key determinant in achieving a full evaluation. We appreciate that this might be more difficult in some areas where there may well be a dependency on certain systems, which may not give us accurate and timely data when required. Moving forward, customer journey profiling is going to be really important for the VCP and following on from this study, it is important to share our findings and recommendations with other agencies working to support veterans.

Appendix 1 – Key Extracts taken from the Impact Map

Outcomes	Number of Veterans reporting this	How much change	Proxy	Annual social value for all stakeholders after deducting attribution and adding drop-off
Change in personal well-being Reduction in GP visits Reduction in substance dependency Reduced mental health treatment	68	53%	Cost of confidence training. Taken from Emagister.co.uk (NEF used for Cov LEGI)	£35552 (2 year drop- off)
Less likely to offend	35	16%	Taken from Home Office statistics for direct and non-direct costs of offending	£96237 (3 year drop- off)
Change in progress to employment: • Skills development • Work experience • More job ready • Gain employment • Confident in interviews • More able to complete CV	140	43%	Taken from Tomorrows People report on starting weekly wage and DWP costs of benefit payments	£130506 (2 year drop- off)
More positive home environment: • Better financial management • More stable housing • Better family relationships	113	42%	Costs of divorce and therapy source - <u>http://www.sfla.co.u</u> <u>k/whopayslegalfees</u>	£250321 (3 year drop- off)
Appendix 2 - Audit Trail – Stakeholders

Stakeholder and how they are affected by the activity	What we think happens to them, positive and negative	Include d/exclu ded?	Method of involvement ?	How many?	When?
Veterans (users of the service)	Increased confidence, more job ready, secure work experience and paid employment, skills development, (financial wellbeing?)	Included	Service evaluation interviews	18 interviews	
Veteran Support Agencies	Improvements in the level of referrals to and from the VCP	Included	Questionnaire s	9 responses	
The state	Potential for reduction in benefit payments and increased state income from taxes where people are successfully supported into paid work. Potential for reductions in costs to the CJS in terms of probation and prison services	Included	Secondary data and intelligence		
Family & friends	Increased wellbeing and peer influence as a result of their family member/friend's increased confidence or experiencing an improvement in their own financial status.	Excluded	Considerable scope for further research on this		
Employers	Increased skills and knowledge in dealing with veterans in their employ	Included	Questionnaire	7 responses	

Appendix 3 - Financial Proxies

Stakeholder	Outcome	Indicator	Financial Proxy	Source
Beneficiaries	Change in personal well-being (self- confidenc e)	Number of people reporting a change in self- confidence	Cost of confidence training £1195	www.emagister.co.uk Also used as a financial proxy in nef's SROI conducted for Coventry's Local Enterprise and Growth Initiative (LEGI) (unpublished) This represents a market- traded good to help people achieve increased self- confidence, which is a measure of wellbeing.
	Change in progress towards employme nt	<pre># of people offered CV Support # of people completing relevant training # of people attended work experience opportunities # of people attending interviews # of distance travelled measure of job specific skills</pre>	Cost of commercial support to find a job £220.90	Found at www.CVconsultants.co.uk. This covers the costs of preparing a CV and giving guidance on job seeking This represents a market- traded good to help people move towards finding employment.
	Change in employme nt status	# of people move into employment	Average weekly starting wage of £225 and a 22% IR rate = £11,065.60 per annum	Tomorrow's People estimate of an average weekly wage. http://www.tomorrows- people.org.uk/ This represents the value of an average weekly wage scaled up to an annual figure.

State DWP	Reduced reliance on state benefits	Welfare benefits paid to unemployed	£3540 pa	Estimate developed by nef of housing & council tax assistance £70pw
	Reduction in Employment Support Allowance	JSA paid to unemployed	£2280pa	Tomorrows People estimates of £44pw http://www.tomorrows- people.org.uk/
				This represents an estimate of JSA benefits paid to the unemployed (which varies according to age – under 25 - and whether claiming as a couple etc).
	Increased tax take (Nat. Insurance)	Change in tax take as individuals move into employment	£5359pa	Loss of NI (Client & Employer) & Inland Revenue. Calculated based on statutory rates on minimum wage
State CJS	Reduced costs to the system in having to deal with offenders	Non-Criminal Justice System costs associated with offending	£6200 per offence	Home Office estimates: Victim costs (e.g. medical bills & property damage) = $\pounds 6200$ per offence. HO estimate an average of 2 offences per year for each offender
		Police costs in dealing with crime	£1985 per offence	Based on costs of police response to crime (Police Service of Northern Ireland)
		Costs of staff time in dealing with people in the Criminal	£3544 per offender	of £205 per offence added to Home Office estimates of £1780 of the cost of an arrest
		Justice System		Based on costs of dealing with individuals from the Cost of Crime statistics from the Department of Justice. Includes direct and indirect probation service costs

Appendix 4 – Questionnaires

4.1 Stakeholders Questionnaire

The purpose of this questionnaire is to evaluate and research on the work done by the Veteran Contact Point (VCP) in the past two years. This information will help us develop the services that best meet the need of Veterans. Please answer as accurately as possible.

How long have you been working with this Organisation	
Role/Duty	
In what capacity?	Full-time Part-Time Volunteer
Did you serve in the Forces?	Yes No. How long?
Contact Address	
Phone Number	
What do you think are the purpose and objectives of the VCP?	
What services do you think the VCP provides?	
Who do you think are the key partners involved in the VCP?	
Which three organisations, provides the highest levels of support to the VCP?	
What value does the VCP add to the established service charities?	
What value does the VCP add to statutory service delivery?	
What makes VCP service more innovative (attractive) then others?	
What do you think are the outputs and outcomes of the VCP?	

Final Questions

Your comments are important to us - this interview is being undertaken for the VCP in order to better understand the opinion of its stakeholders.

Do you have anything to add or is there anything I should have asked?

0	YES
---	-----

° _{NO}

Thank you and could please return this questionnaire to Richard (<u>richard@ubiquepartnerships.com</u>, 07951385428) by the 30th July 2012.

4.2 Veterans Questionnaire

The purpose of this questionnaire is to look at the publicly funded / voluntary services you have accessed in the past two years. This information will help us develop services that best meet the needs of Veteran. Please answer as accurately as possible. We will not ask any information that identifies you personally.

About You	
Age	Gender Male Female
Rank at discharge	Date of Discharge
Did you serve in	Army Navy RAF
Number of months / years served	
Are you currently in contact with friends/family members who support you?	YES NO
Are you	Single Married Cohabiting
Did you have a partner upon leaving the military?	YES NO
Do you feel that being ex-military affects the way that people perceive and relate to you?	Positive Negative
Early life	
How would you describe your ethnicity?	
Can you tell us a little about your early life?	
At what age did you leave school?	
Did you gain any qualifications?	YES NO
What did you do when you left school? If work, how long?	
Did you have any issues with the police before joining the Forces?	YES NO
The Military	
Please tell me about why you joined the Forces?	
How old were you on joining?	
Did you see active service in a combat zone?	YES NO

Why did you leave the military?				
Would you say that your experience				
in the military was positive/negative?		Positive		Negative
Did you undertake a planned		YES		NO
discharge?		IES		NO
After Military Service				
Did the military help you prepare for				
the transition to civilian life?		YES		NO
If they did, was this useful?		YES		NO
Did you adjust to civilian life? Was				
the transition a smooth one?		YES		NO
Did you find housing on leaving the		VEC		NO
military?		YES		NO
Did you have a job within the first 12 months of your discharge?		YES		NO
If yes, did this meet your		TL5		NO
expectations and financial needs?		YES		NO
Have you undertaken any training				
since your discharge?		YES		NO
What do you miss if anything about				
the Forces?				
Are you in debt (other than		VEC		NO
mortgage), If yes how much?		YES		NO
Local Authority				
Have you been in arrears of rent?				
		YES		NO
Have you been in arrears of council		VEC		NO
tax?		YES		NO
Have you made an application to local authority / social housing?		YES		NO
If yes was this successful?		125		
		YES		NO
Have you experienced periods of				
homelessness?		YES	\Box	NO
Have you been evicted from a local	J			
authority / social housing property?		YES		NO
Have you received an Anti-Social		VEC		NO
Behaviour order?		YES		NO
Have you received support from		YES		NO
social services departments?		I ES		NU

Health			
How many times have you visited a doctor in the past two years?	U YES		NO
Have you accessed treatment for addiction problems (drugs or alcohol)?	YES		NO
Have you been admitted to hospital for addiction problems?	YES		NO
Have you accessed outpatient services for mental health treatment?	YES		NO
Have you been admitted to hospital for mental health treatment?	YES		NO
Have you received treatment for injuries sustained through alcohol misuse and or associated violence?	YES		NO
Do you have problems with sleeping?	YES		NO
Are you diagnosed with any related Combat Stress	YES		NO
On average how many units of alcohol, do you drink each week?	0-24		25-50 50 +
Have you received on-going prescription medicines for mental health or addiction problems?	YES		NO
Criminal Justice - In the past two	o years		
Have you been arrested?	YES		NO
If yes how many times?			
Have you been taken to court?	U YES		NO
If yes how many times?			
Have you received a Probation Order?	YES		NO
If yes, please provide details			
Have you served time in Prison?	YES		NO
If yes, how long have you spent in prison in the last two years?			
Have you committed a violent act against another person?	U YES		NO
Have you had a violent act committed against you?	U YES		NO
Have you used illegal drugs?			
	U YES	${\color{black}{\sqcup}}$	NO

Voluntary and Charity Sector				
Have you applied for any welfare /	J			
financial support from the service		YES	NO	
charities in the past two years?				
If yes did you receive the help you				
applied for?		YES	NO	
Have you applied for any help and				
support from other voluntary sector		YES	NO	
organisations or charities in the past				
two years?				
If yes please provide details of the type of help you accessed and the	1.			
name of the organisation	2.			
	3.			

Benefits

Are you currently claiming any of the following benefits and if so for how long have you been claiming them?

Job Seekers Allowance	YES	NO	How long
Employment Support Allowance	YES	NO	How long
Income Support	YES	NO	How long
Housing benefit	YES	NO	How long
Council Tax benefit	YES	NO	How long
State Pension	YES	NO	How long
Carers Allowance	YES	NO	How long
Disability Living allowance	YES	NO	How long
Personal Independence payment	YES	NO	How long
Attendance Allowance	YES	NO	How long
Child Maintenance	YES	NO	How long
War widow or widower's pension	YES	NO	How long

1. How did you hear about the Veterans Contact Point (VCP)?

- \odot
- From a friend
- Referred by employment/careers service
- Saw it advertised in press
- From the British Legion

Other (please specify)

2. When did you first visit or contact the Veterans Contact Point service?

3. How satisfied are you with the VCP?

- Extremely satisfied
- Very satisfied
- Moderately satisfied
- Slightly satisfied
- Not at all satisfied

Add any comments

4. What kind of help did you receive/receiving from the VCP?

- How to fill in an application form
- How to write a CV
- How to prepare for interview
- Confidence Building
- Job training

Other (please specify)

5. What has been you experience of dealing with housing association/agent since leaving the forces?

- No problems whatsoever
- Minor problems but resolved easily without help
- Some problems but resolved with help
- Major on-going problems
- Insurmountable problems

Please explain if you have ticked on

ne	
June -	r

6. What has been your experience of dealing with drugs or alcohol addiction since leaving the forces?

- No problems whatsoever
- Minor problems but resolved easily without help
- Some problems but resolved easily with
- Major on-going problems
- Insurmountable problems

Please explain if you have ticked one of the last two boxes

7. What has been your experience of dealing with family issues since leaving the forces?

- No problems whatsoever
- Minor problems but resolved easily without help
- Some problems but resolved with help
- Major on-going problems

Insurmountable problems

Please explain if you have ticked one of the last two boxes

8. What has been your experience of dealing with health issues since leaving the forces?

- No problems whatsoever
- Minor problems but resolved easily without help
- Some problems but resolved with help
- Major on-going problems
- Insurmountable problems

Please explain if you have ticked one of the last two boxes

9. How did you rate your confidence BEFORE contacting the VCP?

- 0
- 🎽 Very High
- High
- So-So
- 🖞 Low
- Verv Low

Any additional comments

10. How do you rate your confidence AFTER contacting the VCP?

- Very High
- High
- So-So
- C Low
- O Very Low

Any Additional Comments	

11. How did you rate your employment prospects BEFORE contacting the VCP?

- Excellent
- Good
- So-So
- Poor
- None Existent

Any Additional Comments

12. How do you rate your employment prospects AFTER contacting the VCP?

<u> </u>	Excellent	
Õ.	Good	
<u> </u>	So-So	
0	Poor	
0	None Existent	
Any	Additional Comments	

13. How much contribution has the experience gained from the VCP made to improving your job prospects?

\sim	
¥.,	It's all down to the VCP

- It's mostly down to the VCP
- About half-and-half
- It's partly down to the VCP
- None of it's down to the VCP

Other things that have contributed include	

14. In your experience are there any similar services that exist like the VCP?

C Yes		
No		
Please give details of these organ	nisations	

15. Are they services any different from the VCP?

Yes	
💟 No	
How different?	

16. Please also provide information about any gaps in services you feel needs to be considered at the VCP?

17. Would you be interested in attending a half-day workshop in Nuneaton on XXXX 10am-2pm to discuss your experiences further?

We will offer you a £15 ASDA Voucher if you attend

- YES
- - I would like to attend but can't make this date

If you are able to attend - please contact Dr. Bob Bates (<u>saddlers9899@aol.com</u>, 0121 568 7070) or Richard (<u>richard@ubiquepartnerships.com</u>, 07951385428).

18. Final Questions

Your comments are important to us - this interview is being undertaken for the VCP in order to better understand the experiences of veterans.

Do you have anything to add or is there anything I should have asked?

O YES

° _{NO}

Thank you and are you still happy for us to use the information you have provided?

4.3 Veterans' Employer Questionnaire

The purpose of this questionnaire is to evaluate and research on the work done by the Veteran Contact Point (VCP) in the past two years. This information will help us develop the services that best meet the need of Veterans and their employers. Please answer as accurately as possible.

Name			
Organisation Name			
How long have you been working with this Organisation			
Role/Duty			
Did you serve in the Forces?	Yes	No.	How long?
Contact Address			
Phone Number			

1. If you have employed Veterans what has been your general opinion of their work?

- Extremely satisfied
- Very satisfied
- Moderately satisfied
- Slightly satisfied
- Not at all satisfied
- Add any comments

2. If you were approached by a Veteran seeking work, would your first thoughts be

- Extremely Positive
- Positive
- No feelings either way
- Negative
- Extremely negative

Other (please specify)

3. List three positive aspects that you feel Veterans display that might be an asset to your business

4. List three negative aspects that Veterans might display that might be damaging to your organisation

5. If you were facing a difficult problem with a veteran, where would you turn to for help?

6. If the veteran had also been a convicted offender for a minor offence, would this change your opinion of them?

- Not at all
- A little bit
- Unable to comment
- Quite a lot
- ^O Significantly

Please explain if you have ticked one of the last two boxes

7. If the veteran had also been a convicted offender for a major offence, would this change your opinion of them?

- Not at all
- A little bit
- Unable to comment
- Ouite a lot
- Significantly

Please explain if you have ticked one of the last two boxes

8. Would you be interested in finding out more about specialist veteran support services?

° YES ° NO

9. Do you think these specialist veteran support services could be of help in dealing with employer – employee issues in a much better way?

° _{YES} ° _{NO}

10. Final Questions

Your comments are important to us - this interview is being undertaken for the Veteran Contact Point in order to better understand the opinion of Veterans' employers. Do you have anything to add or is there anything I should have asked?

° YES ° NO

Thank you and are you still happy for us to use this information you have provided for this research?

0 YES O NO

Please return this questionnaire to Richard Ofori-Yentumi (<u>richard@ubiquepartnerships.com</u>, 07951385428) or Dr. Bob Bates (<u>saddlers9899@aol.com</u>, 0121 568 7070).

Appendix 5 – Glossary

(Adapted from 'A guide to SROI' – The SROI Network p85)

Attribution	An assessment of how much of the outcome was caused by the contribution of other organisations or people.
Cost allocation	The allocation of costs or expenditure to activities related to a given
	programme, product or business.
Deadweight	A measure of the amount of outcome that would have happened even if the
	activity had not taken place.
Discounting	The process by which future financial costs and benefits are recalculated to present-day values.
Discount Data	
Discount Rate	The interest rate used to discount future costs and benefits to a present value.
Displacement	An assessment of how much of the outcome has displaced other outcomes.
Distance Travelled	The progress that a beneficiary makes towards an outcome (also called 'intermediate outcomes').
Drop-off	The deterioration of an outcome over time.
Duration	How long (usually in years) an outcome lasts after the intervention, such as
	length of time a participant remains in a new job.
Financial Value	The financial surplus generated by an organisation in the course of its
	activities.
Financial	A set of relationships between financial variables that allow the effect of
Model	changes to variables to be tested.
Impact	The difference between the outcomes for participants, taking into account what
	would have happened anyway, the contribution of others and the length of
	time the outcomes last.
Impact Map	A table that captures how an activity makes a difference: that is, how it uses
	its resources to provide activities that then lead to particular outcomes for
	different stakeholders.
Income	An organisation's financial income from sales, donations contracts or grants.
Inputs	The contributions made by each stakeholder that are necessary for the activity
-	to happen.
Materiality	Information is material if its omission has the potential to affect the readers' or
-	stakeholders' decisions.
Monetise	To assign a financial value to something.
Net Present	The value in today's currency of money that is expected in the future minus
Value	the investment required to generate the activity.
Net Social	Net present value of the impact divided by total investment.
Return Ratio	······································
Outcome	The changes resulting from an activity. The main types of change from the
	perspective of stakeholders are unintended (unexpected) and intended
	(expected), positive and negative change.
Outputs	A way of describing the activity in relation to each stakeholder's inputs in
	quantitative terms.
Outcome	Well-defined measure of an outcome.
Indicator	
Payback	Time in months or years for the value of the impact to exceed the investment.
Period	
Proxy	An approximation of value where an exact measure is impossible to obtain.
Scope	The activities, timescale, boundaries and type of SROI analysis.
Sensitivity	Process by which the sensitivity of an SROI model to changes in different
Analysis	variables is assessed.
Social Return	Total present value of the impact divided by total investment.
Ratio	
Stakeholders	People, organisations or entities that experience change, whether positive or
	negative, as a result of the activity that is being analysed.