



FURNISH
PART OF STAYING FIRST

**Delivering access
to value**

About Furnish

Furnish is a furniture and appliance re-use charity, that enables local residents and organisations to access re-used and recycled domestic and office furniture and white goods. We also offer a generous discount system to enable low-income and disadvantaged households to furnish their homes. Furnish collect unwanted furniture donated by local collections from commercial and public sector organisations. By re-using furniture we help reduce greenhouse gas emissions, and reduce the need for landfill.

Furnish also offer interesting and rewarding volunteering and employment opportunities, in addition to taking on those participating in community service or who are in the probation system. Furnish operates mainly in west London, within the charity Staying First who in turn are part of the Shepherds Bush Housing Group.

In addition from 1st April, 2013 Furnish are contracted by five London boroughs to deliver the Social Fund.

About Envoy Partnership

Envoy Partnership is an advisor in evidence-based research and strategic communications. We specialise in measuring and demonstrating the value of social, economic and environmental impacts. We are dedicated to providing organisations, stakeholders, investors and policy makers with the most holistic and robust evaluation tools with which to enhance their decision-making, performance management and operational practices.

About Social Return On Investment (SROI)

SROI is a form of evaluation that enables a better understanding of an organisation's impact on people, the economy, and the environment. It helps assess whether a project is good value for money and can help decision makers decide where to invest to maximise their impact. SROI's development in the UK has been funded by the Cabinet Office and the Scottish Government (through the SROI Project).

It is increasingly used to measure value-for-money and is part of the guidance produced by the National Audit Office.



Foreword	2
Theory of Change	3
1 Furnish: About our business	4
2 Social Return on Investment: Headline findings	6
3 Customers & Stakeholders	9
4 Economic Benefits	10
5 Well-being Benefits	12
6 Environmental Benefits	14
7 Furnish: The future	15
8 Methodological Note	16

Foreword



As the Director I am delighted to launch the first Socio-economic Impact Report from Staying First. We are a charity which operates across London providing housing related services for clients in need.

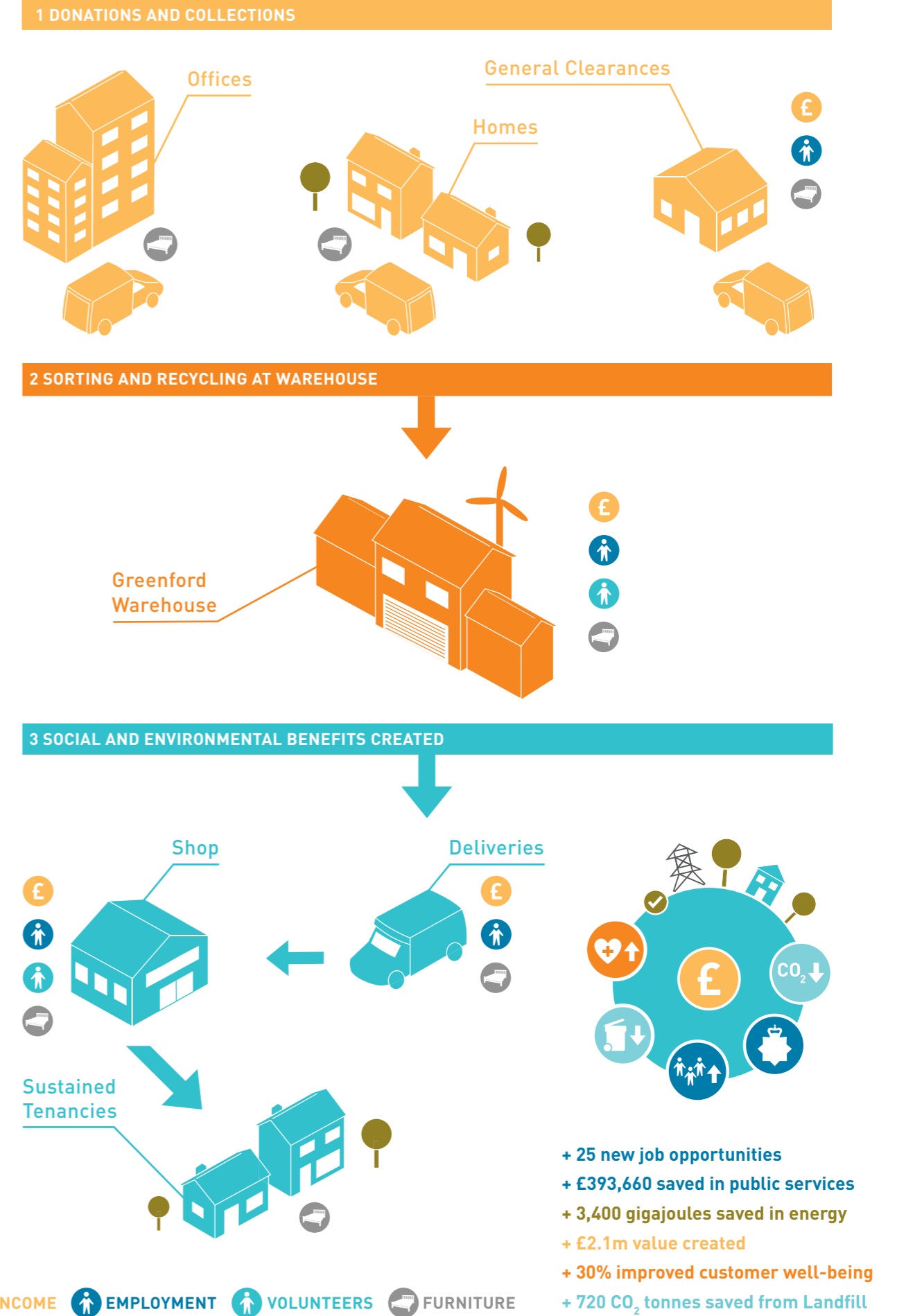
The report focuses on our Furnish project which has shown substantial growth over recent years and showcases the significant social, economic and environmental impact the project is having on a broad range of beneficiaries, from low income vulnerable households and the unemployed, to local authority services.

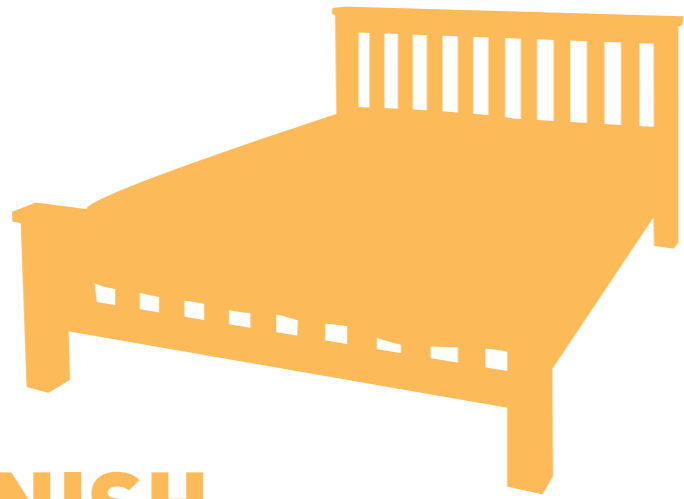
Reporting the impact of a charity and social enterprise is a positive step which can engage, inform and inspire external stakeholders. This in turn can attract new support towards creating further positive outcomes, demonstrate our value and potentially open doors into the social responsibility strategies of large organisations.

Over the course of the last few months we have worked very closely with the Envoy Partnership to compile this exciting and ground breaking report. We trust that the findings of the report will provide the platform on which we can journey into the future with increasing confidence and positivity.

Graham Raine
 Director, Staying First
Graham.Raine@sbhg.co.uk

Theory of Change





1 FURNISH: ABOUT OUR BUSINESS

Furnish is a leading social enterprise that sits within the Staying First charity and is a key partner for the London Waste and Recycling Board. We collect donations of unwanted office and domestic furniture which we then recycle and make available to local people and organisations.

Re-using furniture has a number of benefits for the environment. We reduce the amount of furniture going into landfill, and reduce the amount of new furniture that needs to be manufactured. This in turn means that we help reduce CO₂ emissions. In recent years, we have saved around 80 tonnes annually in furniture from landfill, which is equivalent to just under approximately 200 households' worth of furniture.

Our customers come from a broad range of backgrounds, and we offer a generous discount system to enable low-income and disadvantaged households to furnish their homes. Our customers have a range of needs; they might be a young isolated mother and baby, a young student or professional couple, a person coping with mental health issues, or an elderly person at risk of being homeless or needing social care, or they may be new organisations starting up a business who require office furniture.

Many of our domestic customers struggle to afford new furniture. Some will be signposted to the Furnish retail shop and some will be given assistance under the remit of the Social Fund. Often these households would not be able to afford to fully furnish their home without the support we provide. A significant number will have no bed to sleep on, drawers for storage, or chairs to sit on when they have visitors. For some, Furnish is a lifeline, a way of enabling them to remain in their home.

Furnish offers rewarding employment and volunteering opportunities. We offer skills training and personal development to our staff and volunteers. We create opportunities for those participating in community service or in the probation system, and help them get on the right track and make a positive contribution.

This report demonstrates the various ways in which Furnish has become an exemplar in commissioning for value from the charitable sector.

“Now I can keep my place properly and my baby and I are happier, healthier... much less stressed now. Without Furnish items, my baby’s clothes would become unclean and that would be unhealthy, and my clothes would be disorganised. Very happy and very friendly service.”

– Young mother with baby, purchased wardrobe and drawers

2 SOCIAL RETURN ON INVESTMENT: HEADLINE FINDINGS

The analysis demonstrates that Furnish created £2.1 million of social, economic, and environmental value in 2012. We expect this to reach between £3.7 million to £4.1 million by 2014–2015 as our expanding business reaches a further 1,500 to 2,000 new households.

- + £2.1m value created
- + £2.70 return on every £1 invested
- + 30% improved customer well-being
- + 720 CO₂ tonnes saved from Landfill
- + £313,500 savings for collection clients

A wide range of factors contribute to Furnish' success in generating this value:

- Furnish provides specialist understanding of the needs of a broad customer base, and especially the needs of lower income customers or those in vulnerable situations.
- A strong ethos of providing thoughtful and sensitive customer care throughout all teams, from collection, to delivery, to sales and warehouse operations.
- A holistic solution enabling public authorities and social landlords to reduce landfill and environmental costs, whilst reducing the burden on core resources across public services and housing support.
- A commercially minded approach that seeks to provide best value in clearance services.

- A strong culture of contribution, and providing opportunities to volunteers and staff to make a positive impact on society and the environment.

The value created by Furnish is summarised in Table 1.

Approximately £985,000 is invested in Furnish per year. Therefore, every £1 invested creates approximately £2.15 in social, economic and environmental value. If only the core funding is considered, then the return is £2.70 per £1 invested.

The distribution of value is represented below in Table 1.

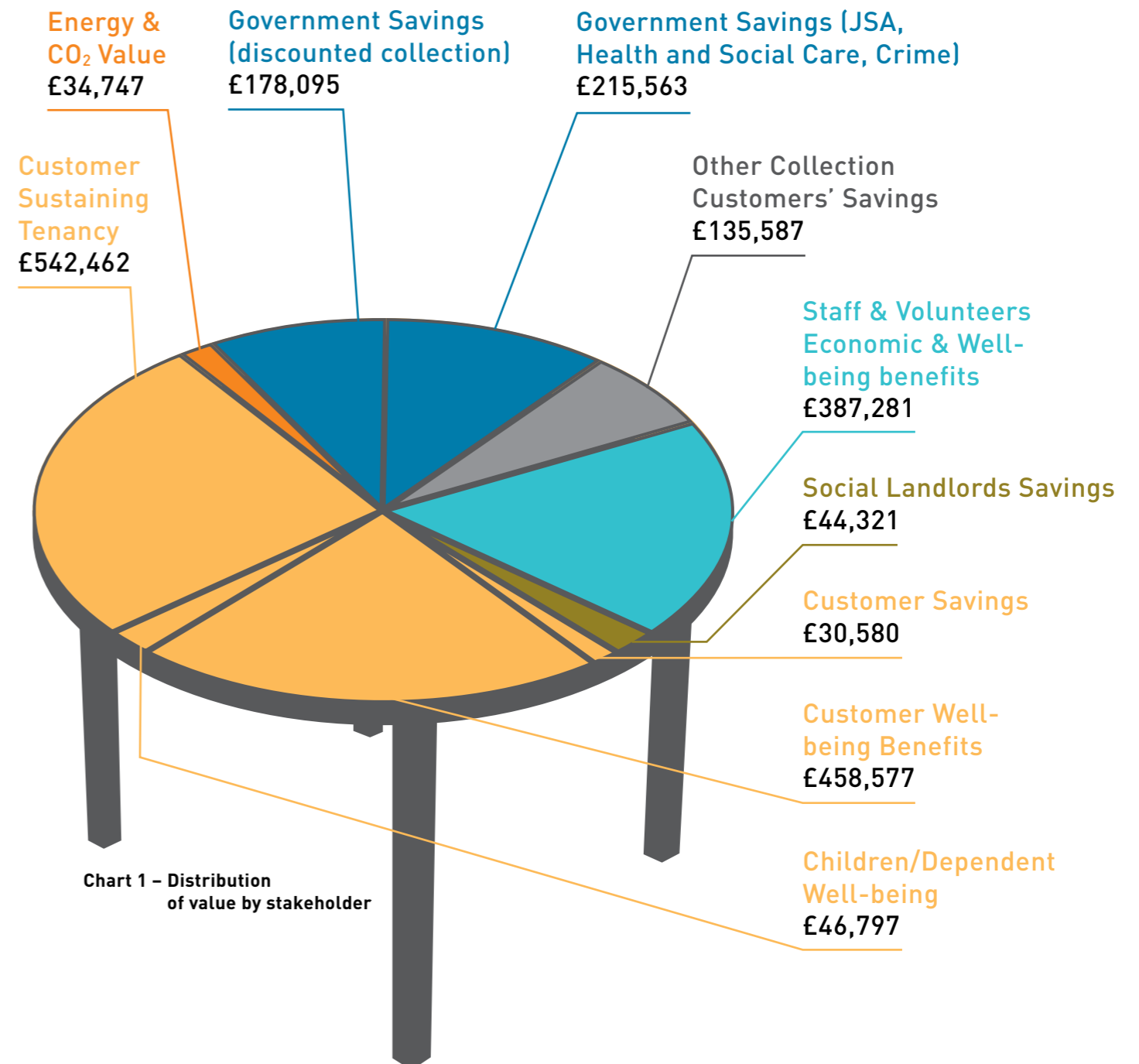
Furnish's contribution to the environment and reducing CO₂ emissions is important. But the analysis shows that Furnish's biggest impact is on the people who depend on its services, and on the government purse.

Table 1 – Social, economic and environmental value created by Furnish

Stakeholder Outcomes	Value to stakeholder (rounded)
Government Savings: Social care, health, reduced JSA, criminal justice system	£215,560
Government Savings: Furnish as cheaper supplier & landfill savings	£178,100
Social Landlords: Sustained tenancy & maintenance savings	£44,320
Other Collection Clients' Savings: Furnish as cheaper supplier (e.g. offices)	£135,590
Customer savings from shop	£30,580
Customers' wellbeing	£458,580
Childrens' wellbeing	£46,800
Customers' sustained tenure at home	£542,460
CO ₂ Value: Landfill & new manufacture	£27,475
Gigajoules Value: New manufacture	£7,270
Staff economic benefit	£342,000
Staff & volunteers wellbeing benefit	£45,280
Investment including core funding	£985,000

Total present social, economic & environmental value

Circa £2.1 million



“It’s been a big step. Without Furnish, I’d be sitting on floorboards, no place to put clothes... [It] would have been grim and depressing so this has been a lifeline. I feel I’ve got a better quality of life and better level of well-being for sure – it’s given me a new start. Otherwise I would’ve just relapsed with my condition.”

– Furnish customer recovering from mental health issues

3

CUSTOMERS & STAKEHOLDERS

The analysis sought to understand the impact of Furnish from the perspective of its stakeholders; those who experience change.

This helps build an understanding of the different ways in which people benefit. Our research team spent time talking to our customers and to other stakeholders to build a picture of what changes for them.

The Impact Map or Theory of Change summarises our findings. It outlines which outcomes are significant to stakeholders and which we therefore measured and valued in the SROI analysis. The Impact Map is shown below.

The outcomes identified in the Impact Map were then measured and valued. This allows us to demonstrate the extent to which Furnish has helped achieve these outcomes, and the value of these outcomes to our stakeholders.

These outcomes are organised into economic benefits, social benefits and environmental benefits.

Stakeholders (Impact Map)

Customers:

Group 1 = Customers not on lower income support and can afford to purchase elsewhere

Group 2 = Customers on lower income support who cannot afford to purchase elsewhere, but are not in vulnerable situations if they can save money or wait in the meantime

Group 3 = Customers on lower income support, from very disadvantaged or vulnerable backgrounds & their families/children

Long term Outcomes: Social, Economic, Environmental

- Financial cost savings (All groups)
- Improved overall sense of well-being (Group 2 and 3)
- Quality of service and interaction with Furnish (All groups)

- Group 3 customers only:
- Improved physical health
 - Improved resilience/coping
 - Reduced stress and depression (individual and relatives)
 - Reduced isolation
 - Sense of self worth/pride
 - Sustained independent tenure
 - Reduced need for social care

Government / Local Authority

- Savings to social care (customers from Group 3)
- Savings to health care (customers from Group 3)
- Savings to criminal justice system (reduced offending – probationary service referrals)
- Savings from landfill tonnage saved
- Environmental CO₂ & Gigajoule energy savings from landfill savings
- Environmental CO₂ & Gigajoule energy savings from reduced new manufacture
- Employment outcomes (reduced JSA, increased income tax & National Insurance)

Staff and Volunteers

- Long term outcomes: social, economic, environmental
- Professional skills/employability
- Well-being at work
- Self determination/confidence
- Improved relationships and relationship skills
- Reduced isolation
- Reduced risk of other negative social problems (e.g. unemployment, re-offending if on probation, health problems)
- Salary (Staff only)

Other Housing Associations

- Reduced vacancy and void rates
- Cost saving from more affordable service compared to alternative service provider

Collection / Donation Customers: organisations or persons who need collection service

- Savings for more affordable service compared to alternative service provider

Economic benefits

4

A number of economic benefits arise for our stakeholders:

- Customers purchasing furniture benefit from a cost saving if they would otherwise have bought the furniture elsewhere for a higher price. On average, customers reported that they typically spend around £114 and save a further £130.
- We provide paid employment for 25-30 people. As well as helping our staff in the short term, we also provide training and help our staff stay out of unemployment in the longer term. This is particularly important for those on probation or doing community service, who might struggle to find employment opportunities elsewhere.
- Furnish and our employees contribute around £60,000 per year to the government through income tax and national insurance contributions.
- We also help the Government cut the benefits bill; the Government saves around £23,500 in Job Seeker's Allowance, due to reduced unemployment now and in the future.
- In many cases we help our customers stay in their own home. While the biggest benefit in these cases will be to the customers, the Housing associations and Registered Providers (RP's) also benefit from the reduced cost of re-letting vacant homes.
- Furthermore, we help some of our customers to live independently rather than risk a relapse in their condition (e.g. mental health) or having to leave, potentially saving Local Authority social care resources.
- The local authority also saves a significant amount in landfill and landfill tax cost. They also gain further cost savings as Furnish is significantly cheaper than other furniture disposal service providers.

“Lovely lady in the store, very pleasant. Delivery team were great, half hour earlier, good communication, got a call and message well in advance. Perfect condition of items... no damage. My Dad was a carpenter, so having strong quality furniture made him happy... being able to purchase these items cheaper has given him a sense of pride, better well-being, and he is happier in his new home.”
– Daughter of Furnish customer

+ £946,000
Economic value

+ £130 average savings per customer visit

+ over 25 new jobs created

+ £393,660 saved in public services

5 Well-being benefits

Some of our customers would have purchased their furniture elsewhere if Furnish had not been an option for them. For our low-income and vulnerable customers however, Furnish is often the difference between furnishing their home or not.

The difference that this makes to their health and well-being can be hugely significant:

“Without being able to come to Furnish, I would be without a valuable resource for personal betterment.” – Furnish store customer.

“Am very happy...I would not have been able to afford to get things for my home if I could not come to Furnish.” – Low-income customer who purchased sofa, wardrobe and tables.

We measured this change in well-being through a customer survey, which highlighted the amount of change that Furnish creates, and where our impact was greatest. It also revealed that customers give nearly two-thirds of the credit for their improvement in well-being to Furnish.

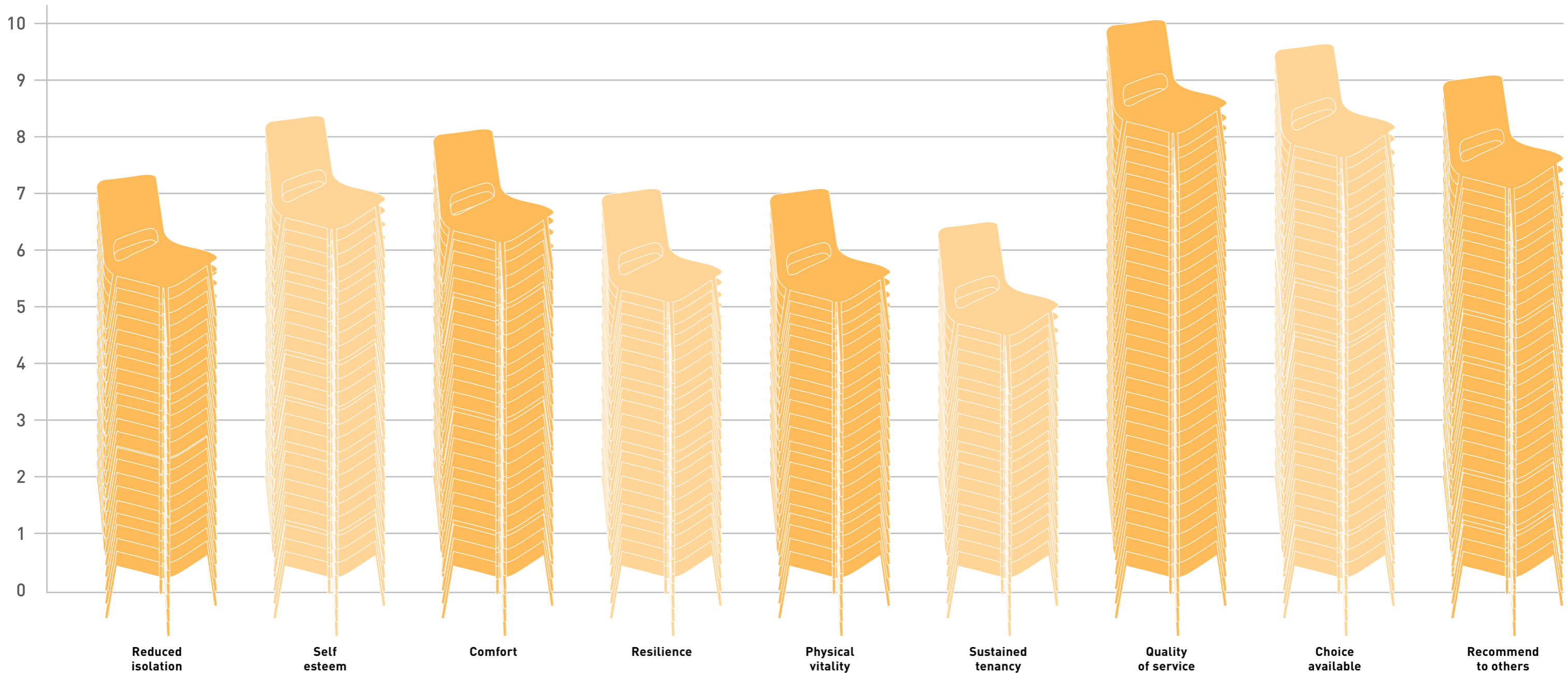
“Very happy with the service...(it’s) made a lot of difference, life is a bit easier, less stressful, otherwise it’s going to be a big mess – it would have been a struggle, with lower happiness affecting people’s moods.” – Low-income customer who purchased wardrobes and drawers for first new family tenancy.

+ 30% improvement in customer well-being

+ Over 60% reported sustained tenancy (vulnerable customers)

+ 25%-30% reduced isolation

Chart 2



6 Environmental benefits

By re-using furniture we helped to save around 80 tonnes of furniture from landfill, saved 720 tonnes of CO₂ emissions, and created additional savings in CO₂ emissions from reducing the need for new furniture manufacture.

As our business model changes going forward from 2013, we will continue to monitor our environmental performance within the context of the changing needs of our stakeholders.



+ 80 tonnes landfill saved
+ 720 tonnes CO₂ saved
+ 3,400 gigajoules saved in energy

7 Furnish: the future

Furnish is a leading social enterprise generating important environmental benefits, and the value of our social and economic contributions in the communities we operate is substantial too, estimated at **£2.1 million in total net worth**. This accrues to customer households, our staff and volunteers, local authorities' resources, central government resources and social housing services.

In these hard economic times, the demand for cheaper re-useable alternatives for lower income household and those entering vulnerable situations is, in our experience, set to increase two or three fold over the coming three years. Furnish continues to grow and to respond to this changing market, and the government's Social Fund programme is enabling local authorities to invest in our services to meet part of this growing need.

This reflects Furnish' collaborative partnership-working culture with public service commissioners, and increasingly with commercial organisations, whereby we also collect and recycle office and commercial furniture. Our new Greenford warehouse has allowed us to increase our capacity for storage and processing of our stock. We work in partnership with London Re-use Ltd to run the West London Re-use Centre at Greenford, with substantial funding input from the London Waste and Recycling Board (LWRB). The large Greenford site is half the size of a football pitch!

Going forward, Furnish seeks to enable other organisations in commercial and public sectors to access the value it generates, through contracting their collections through Furnish and reducing their own landfill impacts, and through providing their donations to those most in need.

By working together with Furnish, there is a better chance of helping to grow the social, economic and environmental value our services and activities can bring by meeting the growing need of local communities and helping ease the resource burden on public authorities. This could almost double the value that we create over the next 1 to 2 years.

8

Methodological note

The methodology followed in this report draws on the *UK Cabinet Office's Guide to Social Return on Investment*¹. A full list of proxy values and indicators are provided in the full report available electronically from Envoy Partnership or Staying First, titled "The Social Return On Investment (SROI) of FURNISH, part of Staying First".

Social Return on Investment (SROI) is a form of adjusted cost-benefit analysis that can quantify the value of social, environmental and economic outcomes that result from an organisation's activities. It aims to move beyond simple metrics and measures the "full-life" impact and value-for-money of an investment.

An SROI analysis proceeds via:

- Establishing scope
- Identifying material stakeholders
- Stakeholder engagement to understand the "theory of change" and mapping of outcomes (Impact Value Map)
- Outcomes data collection and providing values
- Establishing impact
- SROI model development and financial calculations finally
- Reporting

Findings are based on extensive research into outcomes and scale of change as informed by customers and stakeholder surveys and interviews; and alongside tried and tested valuation methods drawing on unit cost savings at government level, and healthcare economics for valuing well-being outcomes (in particular using assigned proportions of a Quality Adjusted Life Year, or QALY, as defined by the National Institute of Clinical Excellence and the Centre for Mental Health, and well-being domains within National Account of Well-being by nef, 2009). More information on valuation methods can be found in the full report available electronically from Envoy Partnership or Staying First, titled "The Social Return On Investment (SROI) of FURNISH, part of Staying First".

With regards to establishing impact

A number of factors were taken into consideration to avoid over-claiming of impact.

- The deadweight (also "counter-factual"), or how much of the outcome is expected to have happened anyway.
- Any displacement, i.e. whether some of the jobs taken by participants after the scheme would have gone to others who are instead out of work.
- Drop-off, the extent to which outcomes decrease over time or the credit due to Furnish decreases over time.
- The 'benefit period' (i.e. the length of time over which outcomes are expected to endure) was limited to 6 years for customers.

For the purposes of the analysis, our customers were grouped into three categories:

Group 1 = Customers not on lower income support and can afford to purchase elsewhere.

Group 2 = Customers on lower income support who cannot afford to purchase elsewhere, but are not in vulnerable situations if they can save money or wait in the meantime.

Group 3 = Customers on lower income support, from very disadvantaged or vulnerable backgrounds and their families/children.

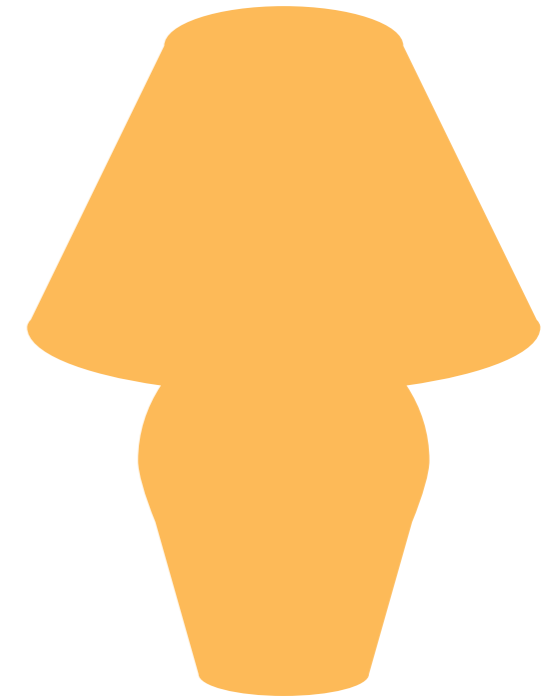
Group 3 customers would not have been able to buy or afford to buy any furniture without Furnish, so there is no cost saving to them in the case where they have received financial support. In this case, we have also factored in the sunk costs of travelling to the shop or warehouse.

¹ *A guide to Social Return on Investment, (2009), nef/Cabinet Office*

The logic of the model further argues that of all the customers who bought furniture from Furnish, the majority of customers would have bought furniture elsewhere if they hadn't come to Furnish.

- Group 1 could have bought furniture elsewhere, there is a cost saving for them (as Furnish is cheaper) and an environmental saving (CO₂, landfill costs etc) as they would have bought new furniture elsewhere.
- Group 2 would be on lower income support but can afford to wait or save up more before buying furniture. Essentially they get a short-term well-being outcome, and then a cost saving.
- For those in Group 3 who could not have bought furniture elsewhere, there is a well-being gain for them as they now have furniture instead of having nothing at all. However, there is no environmental value as we are not reducing the production of new furniture (although there is of course landfill savings and CO₂ savings from reduced landfill). There is no cost saving as they would have not been able to purchase any items at all anyway.

Further refinement is recommended in some of our environmental estimates to identify the average percentage proportion of recycled materials in the new manufactured furniture sector.



For further information about this report, contact us at:

e: info@envoypartnership.com
w: www.envoypartnership.com
t: 02075588062 (UK)

design by **wearebwa.co.uk**

FURNISH

PART OF STAYING FIRST

Furnish@West12
Ground floor
West 12 Shopping Centre
Shepherds Bush Green
London
W12 8PP
t: 0208 7494031

Furnish Head Office & Warehouse
22 Fairway Drive
Greenford
UB6 8PW
t: 0208 9968920

Staying First
Mulliner House
Flanders Road
London
W4 1NN

Charity Number: 292110
Company Number: 1910838

Staying First is part of Shepherds Bush Housing Group

