

Growing social capital

A social return on investment analysis of the impact of voluntary and community sector activities funded by grant aid

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Growing social capital: a social return on investment analysis of the impact of voluntary and community sector activities funded by grant aid, December 2011

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Client contact (name, title)

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Disclaimer

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Contents

Foreword	4
Executive Summary	5
1. SROI Methodology	13
The organisations in more depth: common characteristics and features	14
The context: Why focus on social capital?	18
2. Common characteristics of the organisations involved	22
3. Developing a theory of change	25
What is a theory of change and an impact map?	25
Identifying stakeholders	25
Storyboard Exercise	27
Identifying how the three organisation address the needs previously identified	31
Checking back with stakeholders	35
Thinking more about well-being	37
Additional stakeholder groups	38
4. Results	40
Data Analysis: Results	45
Establishing impact and calculating the SROI	49
5. SROI Calculations	54
6. Conclusions	58

Foreword

Kirklees was very pleased to lead this SROI exercise on behalf of the Yorkshire and Humber Joint Improvement Partnership.

It has helped us gain a very different perspective on how investment in organisations that deliver social capital activities really makes a difference in people's lives.

Social care transformation is not just about personal budgets and public services. It also focuses on how people help themselves and each other as individuals, in groups and communities.

We know public services are under increasing pressure. And there's a growing sense that communities need to make the best use of what is available to support all citizens in the local area.

Social care professionals, in Kirklees and across the country, are doing extensive work to support and promote local initiatives and encourage people to take a more active role in the community.

We know from this that people's sense of inclusion can improve their health and well-being and their independence. Drawing on their skills, knowledge or experience in designing and delivering local services and activities can also help to build additional capacity within the community.

So social capital plays an essential role in enhancing people's quality of life and is part of a jigsaw of resources that people can draw on to lead a fuller life. Its success can partly depend on the availability of community services and facilities.

It has highlighted the potential 'reach' of the funding – far beyond the direct beneficiaries – but deep into people's families and communities. And it has helped draw out a richer understanding of value – beyond simple financial costs and narrowly defined benefits.

The results of the work will be used by the council in Kirklees to inform our future support for enterprise in the voluntary and community sector. And the results will be welcomed by The Nerve Centre, The Denby Dale Centre and Meltham Sports and Community Group to guide their internal decision making and how their activities can be refined, developed or extended.

I hope the results also make for interesting reading outside of Kirklees as I believe the emphasis on growing social capital in health and social care services will continue to intensify over the coming years.

Merran McRae

Director of Wellbeing and Communities
Kirklees Council

Executive Summary

Social capital is a concept which refers to connections within and between social networks. It highlights the value of social relations and the role of cooperation and confidence to get collective (or economic) results.

Introduction

This study assesses the impact of activities that grow social capital delivered by small voluntary and community sector (VCS) organisations funded (in part) by grant aid. The assignment used primary research in Kirklees, West Yorkshire through three case studies of projects funded by Kirklees Council's Community Partnerships grants programme. It used social return on investment (SROI) methodology to understand the social value created for different stakeholders by the full range of services and activities delivered by: The Nerve Centre Kirklees, The Denby Dale Centre and Meltham Sports and Community Group. It used an overarching common well-being framework¹ within which specific outcomes produced by the three organisations (with their service-users, clients or members) were identified and valued.

These outcomes were clustered around three sets of stakeholders across all the three organisations (unless stated otherwise):

- Outcomes for volunteers
- Outcomes for clients, service users, members, i.e. direct beneficiaries of the three organisations
- For The Nerve Centre and The Denby Dale Centre outcomes for the third group were for participants' family members and carers
- For Meltham Sports and Community Group outcomes for the third group were for the local community:

What is social capital and why focus on it now?

Social capital is a concept which refers to connections within and between social networks. It highlights the value of social relations and the role of cooperation and confidence to get collective (or economic) results. So at its simplest it is about the connections between people and groups that help them to pursue a set of common goals. It is about the resources people develop and draw on to increase their confidence and self-esteem, their sense of connectedness, belonging and ability to bring about change in their lives and communities. The idea is that more "good" social capital can help people and groups become stronger and more self-reliant.

In 2007 the Department of Health launched its Putting People First programme to support service transformation of adult social care and the move to personalisation and personal budgets. To transform social care it is important to think beyond traditional care services. Promoting social capital is a vital part of the equation because the relationships, exchanges, groups, amenities, services and wider

¹ Michaelson, J., Abdallah, S., Steuer, N., Thompson, S. and Marks, N. (2009) National Accounts of Well-being: Bringing real wealth onto the balance sheet. nef: London.

The study set out to explore the extent to which fostering social capital activities contributes to positive improvements in well-being for individuals and communities.

communities that form part of everyday life are fundamental to health, well-being, and independence.

What is SROI?

SROI is a measurement framework that helps organisations to understand and manage the social, environmental, and economic value that they are creating. It takes into account the full range of social benefits to all stakeholders, rather than simply focusing on revenue or cost savings for one stakeholder. SROI enables a ratio of benefits to costs to be calculated. For example, a ratio of 3:1 indicates that an investment of £1 delivers £3 of social value. It values things that matter not just what can be counted and attempts to put on value on things that can't easily be traded, such as self-esteem, confidence, etc.

So the research developed a separate 'theory of change' for the three organisations involved in the study.

There is a common theme running through the piece which will be widely recognised by an external audience and a number of the lessons learned are transferable to any other local authority setting across the country. This describes the process through which change comes about for the different stakeholders who affect and are affected by various services and activities that grow social capital. It explains the resources people develop and draw on to increase their confidence and self-esteem. It portrays their sense of connectedness, belonging and ability to bring about positive change in their lives or communities. It suggests that the factors that play a role in building social capital can help people and groups become stronger, more self-reliant or resilient. And a focus on increasing an individual's social capital can improve their well-being, quality of life and increased independence in their community.

The study set out to explore the extent to which fostering social capital activities contributes to positive improvements in well-being for individuals and communities. It was also designed so that the SROI methodology would place a financial value on the wider improvements arising from the investment in these activities. To do this it used financial proxies to understand the values of the changes that the three groups of stakeholders experienced.

The study does not attempt to present a unifying theory or financial value (SROI) on the outcome of investment in this type of work. The assignment conducted three separate SROI calculations for the three organisations involved. What it does, however, is present the conclusions as part of the body of evidence furthering our understanding of how services or activities that grow social capital

By helping develop greater insight into the impact of these type of social capital activities, the report should serve as a catalyst in the shift to more preventative social care services.

can improve people's well-being – and that there is a reasoned economic case for investing in these type of activities.

The findings

	The Nerve Centre	The Denby Dale Centre	Meltham Sports and Community Group
SROI Ratio: Upper estimate	2.42	2.32	4.22
SROI Ratio: Core assumptions	1.99	1.94	2.75
SROI Ratio: Lower estimate	1.07	1.18	1.08

Audience

It is hoped that the conclusions of this report will have a wide audience. It will be of equal interest to those funding and investing in activities that grow social capital – as to those involved ‘at the sharp end’ i.e. organisations delivering this type of work. It is also hoped that the study will contribute to the Department of Health’s Think Local, Act Personal programme which has taken a strong interest in evidencing the impact of social capital and community capacity building interventions.²

Benefits for commissioners / funders

By helping develop greater insight into the impact of these type of social capital activities, the report can serve as a catalyst in the shift to more preventative social care services. This is a central issue for the public sector in the context of significant budget pressures. It could steer future investment decisions in a different direction. This could be by reducing people’s use of or dependency on high cost, high value health and social care services by encouraging a commitment to additional expenditure on lower cost interventions. These could be activities which help people to grow stronger and more meaningful social networks by getting involved in local groups. This could help people become more independent and inter-dependent within their communities and less dependent on ‘the state’.

By helping commissioners to appreciate the financial value of the wider outcomes being generated by this type of work – from the perspective of other stakeholders (i.e. not just direct beneficiaries) it

² www.thinklocalactpersonal.org.uk

If more small VCS organisations can be encouraged to ‘tell their story’ and articulate or evidence their own theory of change, even without entering into a challenging exercise as a full SROI, it will also put them in a stronger position.

will help them attach more importance to the value for money from this sort of investment.

One of the outcomes from building a ‘theory of change’ with the three organisations was the emergence of the importance of ‘co-production’³ and an ‘asset approach’ to developing health and well-being services⁴ within each setting. Both these approaches show how professionals and local people can work together in a genuine partnership to design and deliver services and support with each other. This assignment serves to show how these approaches can be found in small organisations delivering services and activities that grow social capital.

Benefits for voluntary and community sector organisations and groups

By developing more insight into the wider value of what are archetypal VCS activities and the consequent impacts on stakeholders, this will hopefully help build a business case for the sector to secure and maintain external investment in this type of work.

Whilst the final SROI ratios produced are specific to the three organisations in question, their way of working, which emerged across the study, possesses many common features to the way similar organisations will be going about their business across the country. So if this model helps them reflect on what they do in their own situation and how, in their own way, they might be successfully mobilising their resources, harnessing people’s assets and connecting people – it may help them reach a deeper appreciation of the influence and effect they have, at an organisational level, on people’s lives.

Finally, if more small VCS organisations can be encouraged to ‘tell their story’ and articulate or evidence their own theory of change, even without entering into a challenging exercise as a full SROI, it will also put them in a stronger position to:

- Think about developing new services or activities (that grow social capital)
- Build an outcomes based business model to sustain themselves into the future (in the fast changing landscape with personal budgets and reduced grants or funding)
- Put in place more systematic ways to gather this evidence with their stakeholders on a regular basis
- Recognise the full value of what they do

³ Cahn, E. (2000) ‘No more throw away people’, Essential: London

⁴ I&DeA ‘Glass Half Full’
<http://www.idea.gov.uk/idk/aio/18410498>

The outcomes were measured as indicator composites, drawing together results for multiple indicators. Results were interpreted against an appropriate national benchmark for the stakeholder population concerned in each case.

The approach taken to the task – acknowledgement and collaborations

The overall study was initiated, designed, co-ordinated and delivered by the project manager for the Yorkshire and Humber Joint Improvement Programme (JIP) Community Capacity Building Project, hosted by Kirklees Council. Consultancy support and SROI expertise was provided by the new economics foundation (**nef**) with acknowledgements to the Community Development Foundation (CDF). It was CDF's SROI on the impact of community development activities⁵ (carried out by **nef**) that prompted the work that is the subject of this study.

The study was, in effect, a natural progression for Kirklees Community Partnerships. For a number of years work had been undertaken by the team to measure outcomes, including an application of various 'distance travelled' tools. They also had an established asset based approach to community investment, where grants are used as the lever to maximise engagement with community groups and volunteers, as well as to generate income through charging. The outcome helps achieve a more sustainable activity.

The project manager organised workshops and focus groups with the key stakeholders of the three organisations to explore how they were impacted by the services and activities they were involved with. These helped develop a theory of change for each organisation, which explains how their work helps create outcomes with their service-users, clients or members. In arriving at the set of outcomes for each organisation, to go forward in the SROI, close reference was made to **nef**'s research around the definition and measurement of well-being.⁶ Each outcome identified by the various stakeholders from the three organisations was mapped to its relevant component of well-being.

Once the well-being outcomes were established, indicators were selected and data collection tools created for each of the material stakeholder groups. The indicators used are based on questions from existing established national surveys, including the European Social Survey and (in one case) the Department for Communities and Local Government (CLG's) Place Survey.

Data collection tools and a data collection strategy were developed in partnership with the three organisations to investigate the extent to which the outcomes identified in their theory of change were being achieved. The data collection took place in September / October 2011 with 800 participants across the three organisations. The majority of questions drafted were identical to questions asked in the

⁵ Catalysts for Community Action and Investment, (October 2010), **nef**: London..

⁶ Michaelson, J., Abdallah, S., Steuer, N., Thompson, S. and Marks, N. (2009) National Accounts of Well-being: Bringing real wealth onto the balance sheet. **nef**: London.

European Social Survey (2006). This allowed for national benchmarking. In one case a couple of questions were drawn from the Place Survey (2008) which allowed for local benchmarking. The results were analysed and modelled to understand the 'distance-travelled', i.e. the extent to which the outcomes were being achieved.

The outcomes were measured as indicator composites, drawing together results for multiple indicators. Results were interpreted against an appropriate national benchmark for the stakeholder population concerned in each case.

A cost benefit analysis model was employed in the calculation of the three SROI ratios. The model accounts for the scale of importance in the achievement of outcomes, rather than a two-fold, achievement or non-achievement of an outcome. Impact factors are integrated into the modelling to understand the extent to which the outcomes would have occurred without the services or activities of the three organisations (the “deadweight”) and the extent to which changes in well-being outcomes for individuals can be directly attributed to them.

All input costs and outcome benefits, (financial and non-financial) were placed on a net present value basis. A number of established approaches were used to create financial values for those outcomes for which there is no market traded price – for example, the value of self-esteem – and benefits were modelled as diminishing over time at a drop-off rate based on primary research with the people accessing the services. Sensitivity analysis was performed on a number of assumptions within the model to test its robustness.

Key messages

- The study gives us a deeper understanding of how activities that grow social capital contribute to overall well-being – in particular those features of social well-being set out in the National Accounts of Well-being framework. So people’s well-being is enabled by the building of relationships, friendships and support networks.
- Despite very different activities and services being delivered across the three organisations they all contribute, ultimately, to what we would understand as growing social capital. People realised higher well-being through:
 - Having a positive outlook
 - Having high levels of confidence and self-esteem – leading to greater feelings of autonomy over their lives – and for older and more vulnerable people – more resilience
- People become more resilient when their confidence to use the networks they’ve got and the support they can draw on increases;

-
- They can draw on the resources around them which helps them feel more positive; and...
 - ...the more positive and motivated they are – the more they can benefit from the services or activities on offer – and the more they can help others
- The study showed the importance of social capital, enabled through the building of supportive relationships, which helps people with coping and managing their condition better, where this involved older and more vulnerable people (in this case with The Nerve Centre and The Denby Dale Centre)
 - The importance of social capital, as realised through an increased sense of belonging for people and a stronger connection with their local community – where the organisation has a strong geographical focus (in this case, with Meltham Sports and Community Group)
 - Well-being experienced by volunteers through their volunteering activities is demonstrably higher in projects which build social capital, adding to the evidence base about the general benefits of volunteering for volunteers
 - Volunteers make a significant contribution to the running of each of the services; the economic value of this contribution of labour is £60,000 annually at The Nerve Centre (40% of the annual investment value), £82,000 annually at The Denby Dale Centre (37% of annual investment value), and £124,000 annually at Meltham Sports and Community Group (37% of annual investment value).
 - Families and carers of direct beneficiaries – service users and clients – benefit from the activities indirectly in a number of ways. However, the circumstances of being a partner, close relation, and often a carer to a person with a limiting condition or disability make the benchmarking of well-being data difficult.
 - The greatest social value, when outcomes are financialised, is demonstrated in:
 - positive functioning for direct beneficiaries at the Denby Dale Centre (£69,000 over a year);
 - supportive relationships for clients and their family members and carers at The Nerve Centre (£112,000 over a year)
 - trust and belonging for volunteers, service users and local residents in Meltham (£886,000 over a year)
-

Throughout the report a number of feature boxes highlight the distinguishing properties or characteristics of the three organisations.

Structure of the report

The report sets out the context and motivation behind the study and then goes on to introduce the three organisations involved and:

- provides details of the SROI methodology employed in assessing the impact of the work undertaken by the three organisations in growing social capital (Chapter 1)
- presents an argument, from the researcher's perspective, on a number of common characteristics of the organisations involved in the study. These are likely to be common to many similar small scale organisations across the country, delivering services or activities that grow social capital (Chapter 2)
- presents the story of how the work undertaken by the 3 organisations leads to changes in people's lives – their theory of change underpinning the SROI (Chapter 3)
- presents how the impact of the organisations was measured and modelled through SROI methodology (Chapter 4)
- presents the SROI results, tables and analysis (Chapter 5)
- concludes with some recommendations for further action (Chapter 6).

Throughout the report a number of feature boxes highlight the distinguishing properties or characteristics of the three organisations.

1. SROI Methodology

Stakeholders:
The people who are affected by, or who can affect, what the organisation does.

This chapter explains the process undertaken to assess the impact of the three organisations in the services and activities they deliver, using a cost-benefit type analysis. This is the SROI methodology recognised by the Cabinet Office.⁷ SROI is a rigorous measurement framework that helps organisations to understand and manage the social, environmental, and economic value that they are creating. The project manager leading the work used nef consulting's SROI framework and an SROI workbook developed by nef consulting to support the overall process. The methodology takes into account and values the full range of social benefits to all stakeholders, rather than simply focusing on revenue or cost savings for one stakeholder.

The stages of an SROI analysis include	SROI principles
1. Establishing scope and identifying stakeholders	<ul style="list-style-type: none">• Involve stakeholders• Understand what changes• Value what matters• Include only what's material• Avoid over-claiming• Be transparent• Verify the result
2. Mapping outcomes	
3. Evidencing outcomes and giving them a value	
4. Establishing impact	
5. Calculating the SROI	
6. Reporting, using, and embedding	

Before the first stage of the work began in earnest....a half-day introduction to SROI was held. This workshop was led by nef with attendees from the three groups and representatives from relevant teams across the council. This 'taster session' served to introduce the key stages of SROI to those who go on to be involved. It also encouraged people to think about their material stakeholders⁸ and the various changes or outcomes experienced by them as a result of the services or activities they deliver.

The groups confirmed that this focus on evidencing impact was still relatively 'new territory' for them and that they were looking forward to the SROI process offering them more support and assistance to embed outcomes monitoring into their standard way of working.

Three workshops were organised (one with each organisation's trustees, directors or management committees) to explore how 'what they do' impacts on their key stakeholders. It was agreed that the scope of the work would be to analyse the impact of all the services

⁷ For full details of the SROI methodology, see the Cabinet Office guide to SROI: www.neweconomics.org/publications/guide-social-return-investment

⁸ Materiality is the description of the stakeholders who, if omitted from the SROI, would adversely influence the accuracy of results.

and activities they deliver, focussing on outcomes for direct beneficiaries, their families and carers, and the wider community in which they operate. The analysis is conducted on the investment made in the most recent financial year (2010/11), with measurement of outcomes in Autumn 2011.

The organisations in more depth: common characteristics and features

This chapter offers more detail on the organisations which are the subject of the SROI. It goes on to present an argument, from the researcher's perspective on a number of common characteristics of the organisations involved. These may be representative of similar small scale organisations across the country, delivering services or activities that grow social capital

The Nerve Centre

The Nerve Centre (TNC) is a non-medical support centre for people with neurological conditions - and their carers, families and friends. Its members drop in for advice, information, art and craft workshops, therapeutic activities and a friendly, liberating space to share their experiences. It is Kirklees' only user-led organisation (meeting the DH's ULO design criteria).

It is one of only two centres for people with neurological conditions in the whole country. There are many activities and therapies available at TNC, all of which are provided by its volunteers, many of whom are people with neurological conditions themselves (i.e. members) .

TNC's mission is: to offer fast and convenient information and advice, pointing users to appropriate providers (statutory and voluntary) and giving personal support with issues affecting their lives. It has approximately 500 members and an active pool of approximately 25 volunteers.

TNC's core funding is from The Big Lottery plus smaller grants from Kirklees Council. It also fund-raises through a range of activities and services provided, and is exploring a number of income generating business opportunities that could be implemented over the next two years.

TNC aims to be self-sufficient in the future – relying less on statutory sector funding. It has two full time members of staff.



Address:

Standard House
Half Moon St
Huddersfield
West Yorkshire
HD1 2JF

Tel: 01484 469 853

www.thenervecentrekirklees.org.uk

Services
Therapy sessions
Drop in/ peer support
Activity sessions: <ul style="list-style-type: none"> • Arts and crafts • IT / Photography • Independent living/ cooking/ healthy eating
Signposting / referrals to other agencies
Strategic work – to influence agencies and grow partnerships
Library of resources and information



Address: Unit 16
Springfield Mill
Norman Road
Denby Dale
Huddersfield
West Yorkshire
HD8 8TH

Tel: 01484 860 077

www.denbydalecentre.org

The Denby Dale Centre

The Denby Dale Centre (DDC) was established in 2005 out of concern for people who are socially isolated in the 43 communities that make up rural South Kirklees. DDC was registered as a charity in February 2007.

They occupy rented accommodation in Denby Dale which incorporates offices for administration, and an area for the various activities which take place in the centre and a charity shop to help raise funds. It also offers a home befriending scheme for more vulnerable residents. Referrals are received from hospital, doctors, health visitors, social workers and families. They have also recently purchased the freehold of a property in Kirkburton (The Hub) from which they run other activities and have ambitions to expand to provide income generation from functions and room hire.

In March 2006 they secured funding for the purchase of three accessible minibuses and the running of driver training courses in the area. The minibus service is now well established and provides a vital link to the community for isolated people. A group hire scheme is offered to the community and charity groups. 74 groups are registered with this scheme. A ring and ride, door-to-door service runs weekly supermarket and town centre trips and twice monthly outings for lunch or to the coast or other locations. 202 people are registered with this scheme.

DDC have plans to set up a day centre as part of its befriending scheme with a volunteer, who is an occupational therapist. However

they are aware of the dangers of using volunteers exclusively for any activity because of the pressure this places on business continuity.

They have plans to expand the community transport scheme, but struggle with securing core funding for this service. TNC has become an integral part of many people's lives in the area and is vital to many socially isolated people who would otherwise not be able to remain independent and in their own homes. DDC has one full time manager and a half time administrator.

Services
Ring and Ride Community Transport Service
Training <ul style="list-style-type: none">• IT• Driver training
Shop and drop-in centre
Advice and help
Programme of activities (social and recreational) <ul style="list-style-type: none">• TimeTogether• Games Group• Friday Club
Home Befriending
Room Hire (private functions and self-help groups)



Address:
Mean Lane
Meltham
Holmfirth
West Yorkshire
HD9 5QT

Tel: 01484 850 198

Meltham Sports and Community Group Ltd

Meltham Sports and Community Group Ltd (MSCG) was incorporated on 5 March 2002. There are nine Trustees, representing the five main sports clubs plus one each representing community issues, retired residents, adults and civic issues and youth and pre / early school. Each of the sports clubs have sports development plans that satisfied both needs of their respective associations and Sport England. The provision of new facilities to meet both present and future development of the club and community continues to be one of the main activities of the Board.

The principle activity of the charity is to provide buildings/facilities/ open space and to act as an umbrella/resource body. During 2004 a £1.2m sports and community centre was opened on the site. Capital funding for the facility was received from a number of agencies, public authorities, business sponsorships and public fund raising. The principle funders were Sport England (£893,000), Meltham Hall Fund (£60,000), Kirklees Council (£92,000) and Yorkshire Forward (£25,000) – all supplemented by donations, sponsorships and general fund raising.

Their business plan indicates that most of their income will come from the bar receipts and they anticipate that this will need to grow to an annual turnover of £120,000+ per annum. Other income will be generated from the hire/rental of the changing rooms to the sports clubs and hire of the sports hall and function rooms for other sporting and community activities and events. Other fund raising activities are to be considered and pursued during the year. The finances of the Charity are in a healthy state and there are no borrowings. There are no major outstanding debts and the cash held at the bank was increased during last year.

Services

Sports and physical activities:

- 5 x clubs (football, rugby, athletics, bowls, cricket)
- Sports camp (holiday club for young people)

Functions and room hire

Support services to the Centre users (training)

Support services to the local and wider community (bar etc)

Social and recreation activities:

- Clubs
- Summer outreach programme

Each organisation is involved in different types of services or activities, working with different client groups – but they could all be described as contributing to social capital outcomes for their beneficiaries.

The context: Why focus on social capital?

The Department of Health initiated a Building Community Capacity project as part of Putting People First – the programme to support service transformation of adult social care and the move to personalisation and personal budgets.

This is now led by the Think Local, Act Personal (TLAP) partnership. The project has been working alongside local government partners with the aim of exploring the role of social capital and its contribution to health, well-being, independence and quality of life for all. TLAP underlines the critical connection between preventative community-based approaches and personalised care and support. It has articulated a vision of how growing social capital can enhance people's lives.

To transform social care and deliver personalisation it is important to think beyond traditional care services. Promoting social capital is a vital part of the equation because the relationships, exchanges,

Table 1.1 - What is 'social capital'?

Social capital is about the resources people develop and draw on to increase their confidence and self-esteem, their sense of connectedness, belonging and ability to bring about change in their lives and communities. The idea is that more "good" social capital can help people and groups become stronger and more self-reliant. In Kirklees and across the country, the council and its partners in the voluntary and community sector have a whole host of examples and good practice of different approaches to building, releasing and sustaining social capital.

But as a helpful framework to understand what social capital covers* – it includes:

- **Social Networks** – of friends, neighbours and others
- **Membership of groups** – that are run by and for local people
- **Positive feelings about what it's like to live somewhere** – the quality of the interactions that people have with others when they are out and about in the local area
- **Being able to contribute** – that people are able to make a contribution, help others, give their time and skills, be valued for their contribution

See Table 1.2 for a types of activities that contribute to social capital

groups, amenities, services and wider communities that form part of everyday life are fundamental to health, well-being, and independence. For example, most of people need shops, private and public spaces, housing, transport, friends, work, money, interests and commitments for concepts of 'independence' or 'health' to be meaningful.

Put simply, care services can only help people with part of their quality of life.

How would the vision work in practice?

The vision of local social capital and how it can enhance the lives of older and disabled people comprises of two elements: **people** and **organisations**.

People

It is clear what the community has to offer people and what people have to offer their community.

Older and disabled people are connecting with and involved in building their local communities. They are valued and respected by their communities because they are seen as community leaders and participants.

Public services, businesses and community organisations and groups value disabled and older people because of their positive impact on the community.

Community initiatives are led by older and disabled people. The wider community knows and trusts that the initiatives will make a positive difference to the community.

Organisations

Organisations that commission and provide services for older and disabled people as well as for the wider community recognise that when people are connected, contributing to and leading their communities, there are better outcomes all around. People feel safer, happier and more in control of their lives and public money goes further.

Organisations know that most of what is needed to build capacity and strengthen communities is already out there. Their role is to connect, and nurture the current strengths and capacity in communities.

Organisations that commission and provide specialist services have new relationships with universal public services, the third sector, community groups and businesses in a new collaborative approach to meeting community need.

Table 1.2 – Activities that build social capital outcomes

Activities that build...	Potential outcomes
<p>Social Networks</p> <ul style="list-style-type: none"> • Buddying activities • (Group) Befriending • Mentoring activities • Volunteering opportunities • Timebanking • Internal group activities that bring people together and reduce social isolation 	<ul style="list-style-type: none"> • People have more stronger and more supportive friendships and contacts to draw upon
<p>Membership of groups</p> <ul style="list-style-type: none"> • Comprehensive marketing and communications on what services / activities are available • Pro-active and inclusive approach to membership and how people can join or get involved • Opportunities for different groups of people or individuals to come together to share information and experiences or carry out activities • Signposting and advice on what's available from other organisations and groups • Positive feedback loop on individual's contribution in a group and their contribution is valued 	<ul style="list-style-type: none"> • People have more community connections and are supported by other people – not just services
<p>Positive feelings about what it's like to live somewhere</p> <ul style="list-style-type: none"> • Providing information on local issues or services to stimulate awareness and discussion • Providing opportunities for people to feel safe and welcome in their area / community and develop new friendships • Improving access to local facilities and services 	<ul style="list-style-type: none"> • People feel happier and better in themselves, know more about and are proud of their area
<p>Being able to contribute</p> <ul style="list-style-type: none"> • Volunteering opportunities • Befriending opportunities • Timebanking • Finding ways to help people support each other • Finding out people's skills, talents and interests and incorporating them into relevant services or activities (co-production) 	<ul style="list-style-type: none"> • People feel what they do or say is valued and worthwhile • They feel their lives have meaning and purpose

-
- Listening and taking notice of people's views on relevant issues
 - Valuing people's contribution and / or using their views to make decisions
 - People are treated as equal 'partners' in a service or organisation




2. Common characteristics of the organisations involved

⁹ Cahn, E. (2000) 'No more throw away people', Essential: London

¹⁰ I&DeA 'Glass Half Full' <http://www.idea.gov.uk/idk/aio/18410498>

An interesting result from workshops with the three separate organisations was that they all declared common ways of working as important to their success. This was described by them in different language, but a pattern of common features began to emerge that each organisation was displaying in one way or another. And much of what was talked about in the workshops describes the principles of 'co-production'⁹ and an 'asset approach' to well-being.¹⁰ Both these approaches show how professionals and local people can work together in a genuine partnership to design and deliver services and support with each other. So this model also serves to show how these approaches can be found in small organisations delivering services and activities that grow social capital.

Table 2.1 - Principles for co-producing services and activities

Mobilising resources	Harnessing people's assets	Connecting people
 <p>Organisations are exploiting the 'means' available to them, in pursuit of their core aims. They don't necessarily think about 'work' as things that earn money. So this includes a fresh approach to 'maximising':</p> <ul style="list-style-type: none"> • People • Buildings • Funds • General abilities 	 <p>Organisations are channelling the skills and strengths people have to design and run services. This includes people's:</p> <ul style="list-style-type: none"> • Skills • Talents • Flair • Interests <p>This is also about making sure that people are not just seen as, treated as, or expected to behave as 'people who need help'. Organisations that work in this way build on people's assets and expect everyone who gets support to (at some point) offer it to someone else.</p>	 <p>Organisations remember that it is people that build and sustain communities. They play an active role in supporting people to become or stay part of their local communities. This includes:</p> <ul style="list-style-type: none"> • Helping people make and sustain friendships • Signposting/advice • Supporting inter-dependence • Network building
<p>Co-production principle: <i>Valuing work differently</i></p>	<p>Co-production principle: <i>Treating people as assets</i></p> <p><i>Promoting reciprocity (give and get)</i></p>	<p>Co-production principle: <i>Building social networks</i></p>

The workshops also threw up some common characteristics to explain *the way* the organisations operated - by striking a good balance across different disciplines, shown in Table 2.2.

Representatives from the management teams in all three organisations offered different examples of where these features showed themselves in their day to day running. More importantly, they all gave instances where one or more of these features contributed to outcomes for their key stakeholders. This is presented as a common model underpinning the SROI assignment. It is hoped this model will be widely recognised by an external audience, from either a public sector or voluntary sector perspective. It tries to describe 'the world' in which small voluntary and community sector organisations operate to create change with people through services and activities that grow social capital. It also shows how 'co-production' and 'asset approaches' are working in practice.

Table 2.2 - The way that organisations operate




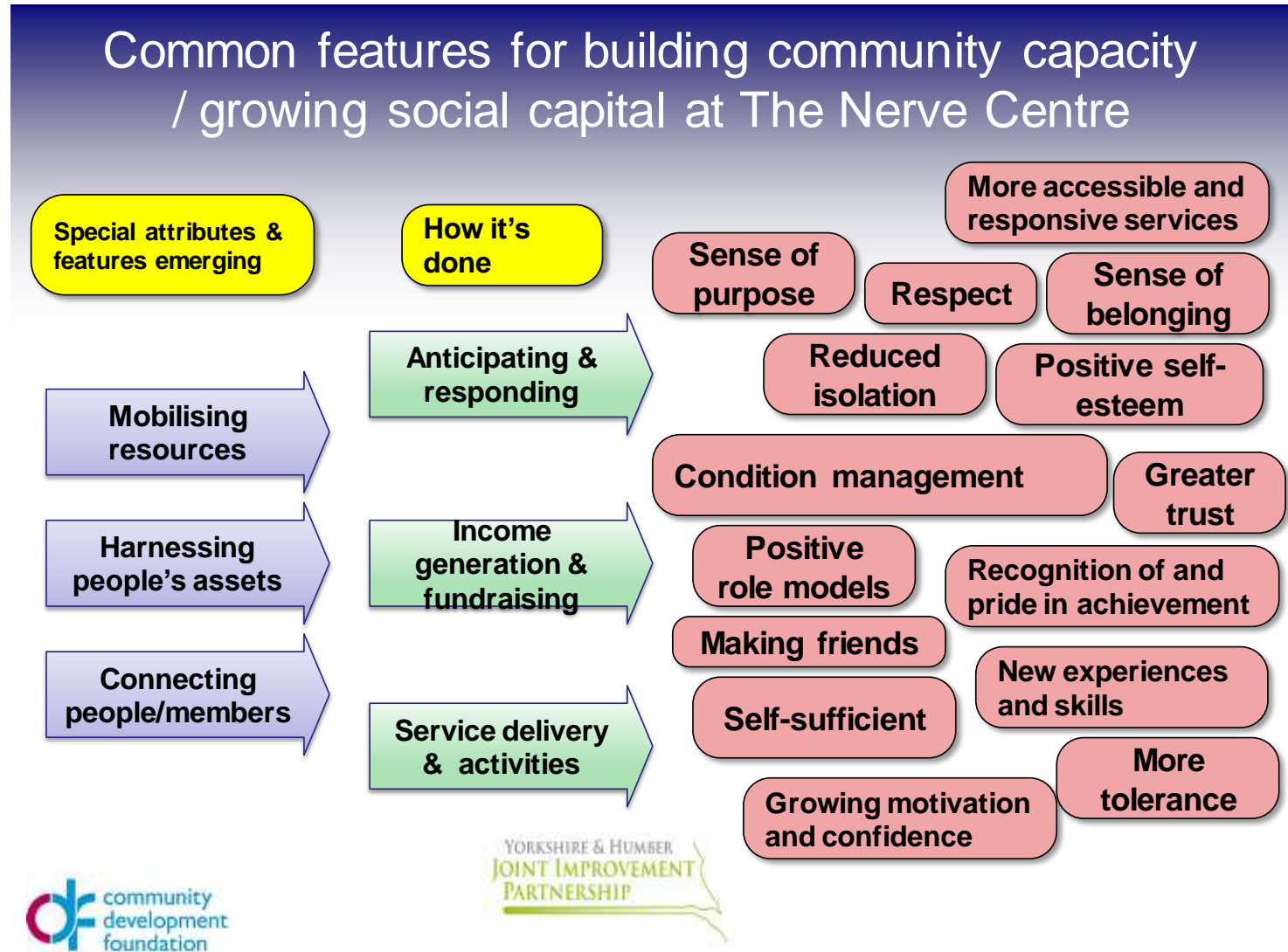
Anticipating and responding	Income generation and fundraising	Service delivery and activities
 <p>Organisations are very 'tuned in' to the interests and needs of their clients, service users or members. They are constantly listening and acting on what people tell them, but using feedback to think ahead and build on their vision. So this includes:</p> <ul style="list-style-type: none"> • Making sure people's views are incorporated in forward planning 	 <p>Organisations 'scale up' or 'scale down' the extent to which they're engaged with generating income or delivering contracts for services – depending on the time and people needed to manage all this entails. Some prefer to concentrate on fundraising over a more commercial-type approach. So there's a clear-cut decision by management teams on the proportion or way of bringing in money. But it always involves:</p> <ul style="list-style-type: none"> • Identifying and exploiting all opportunities • Being creative <p>Balancing the need to be 'commercial' against challenges they're undermining their first principles or charitable objectives.</p>	 <p>Organisations builds on the decision by management teams on the preferable routes for bringing in money. It means:</p> <ul style="list-style-type: none"> • Agreeing the right relationship /focus between contract delivery and delivering the activities or doing the things they are passionate about

Table 2.3 – Outcomes achieved by The Nerve Centre.



3. Developing a theory of change

The work undertaken by the three organisations leads to changes in people's lives: this is their theory of change which under-pins the SROI analysis

In each separate workshop a key distinction was made between those volunteers and people involved in running or delivering the services or activity programmes, and those participating who directly benefit.

Until relatively recently, monitoring of small grants programmes with voluntary and community sector groups has tended to place an emphasis on assessing outputs generated. An organisation may have needed to supply evidence that a number of activities have taken place, a number of people have attended an event, or accessed a training session. The shift to measuring and evidencing outcomes presents a different challenge for small organisations. There is now an appreciation of the importance of going beyond counting outputs; the evaluation of grants programmes needs to focus on the outcomes, or changes that occur for people / participants as a result of being involved. Funders are interested whether investing in an organisation, service or activity has made a *difference* in people's lives, and that difference can be evidenced.

SROI analysis builds on this concept and *values* the changes to the beneficiaries.

What is a theory of change and an impact map?

The relationship between the services or activities an organisation runs, the outputs (*things that can be counted*) and outcomes (*change that takes place*) is called the theory of change. It can be illustrated by an 'impact map'.

In order to develop their theory of change, time was devoted in the three management team workshops to three important exercises:

Identifying stakeholders

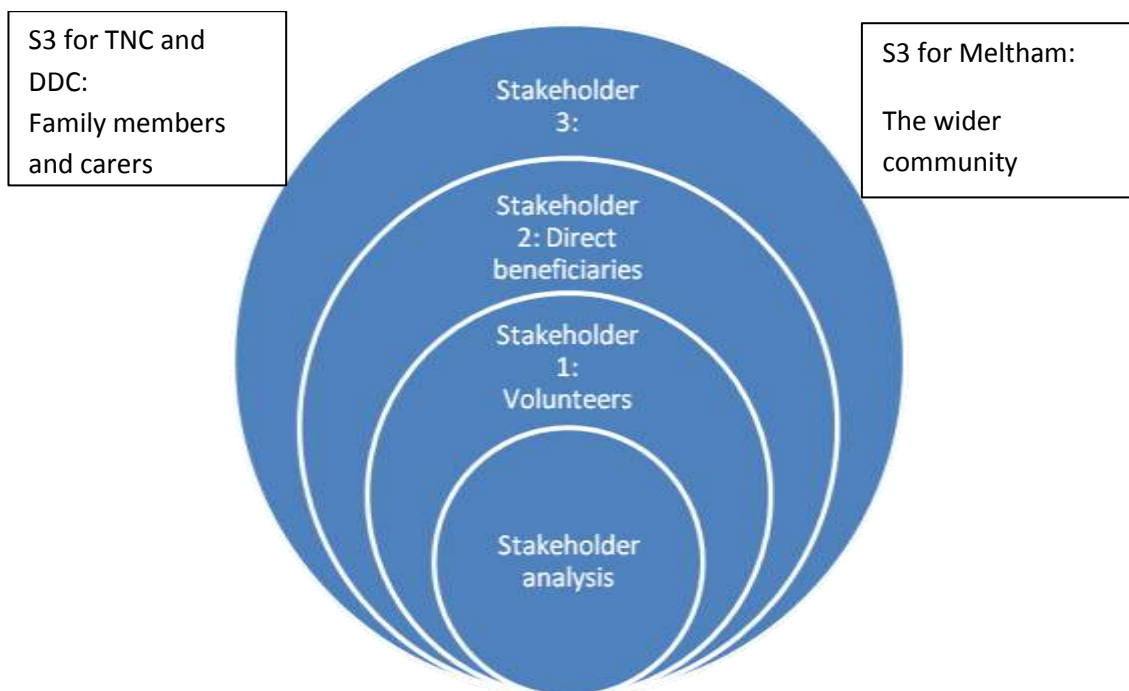
Stakeholder engagement in SROI is fundamental. It is key to understanding the benefits or changes stakeholders experience from accessing a service and what value they might place on them. Participants were asked about who affects and is affected by 'what they do', i.e. their stakeholders: which stakeholders are most influenced or changed by 'what they do' – and so need to be considered and valued in the SROI – and which would be omitted?

In each separate workshop a key distinction was made between those volunteers and people involved in *running* or *delivering* the services or activity programmes, and those *participating* who directly benefit. These groups of individuals are labelled stakeholder 1 and stakeholder 2 respectively, for the purposes of the analysis. Time was spent at the workshops thinking about the outcomes experienced by stakeholder 1 (*volunteers*) by being involved with the organisation, and how their 'input' creates opportunities and benefits for stakeholder 2 (*direct beneficiaries*).

Each workshop also identified benefits created by the organisations for a third group of stakeholders.

For The Nerve Centre and The Denby Dale Centre (due to the nature of their client group and the services and activities offered) stakeholder 3 was considered to be family members and carers of their clients / members. This group were believed to get a temporary (but welcome) break from their caring responsibilities, an opportunity to spend time as they wish, to take care of things that need their undivided attention.

Meltham Sports and Community Group felt that they were creating benefits for the wider community of Meltham village. For example, by offering a facility and activities that brings people of all ages together, they are helping build a stronger, more resilient community, with positive friendships and relationships going into the future. The wider community also benefit from the Club offering a safe and convenient place for people to get involved in positive activities which contributes to people having a positive identity and pride in where they live. So stakeholder 3, for Meltham, was the wider community.



The organisations were asked to think about what the gaps were in local services that motivated them to take action – and what changes they noticed after they’d been up and running for a while.

Storyboard Exercise

The workshops then explored how ‘what they do’ impacts on their key stakeholders. The project manager carried out a storyboard¹¹ exercise to clarify:

- the needs that their organisation addresses
- who affects and is affected by ‘what they do’, i.e their stakeholders
 - *which are most influenced or changed by ‘what they do’ – and so need to be considered and valued in the SROI – and which would be omitted?*
- how their organisation addresses the needs previously identified
- short / medium and longer term outcomes from the work they do

The needs to be addressed

At all three workshops participants were asked to think about what triggered them, or their colleagues, in setting up or establishing their organisations. The organisations were asked to think about what the gaps were in local services that motivated them to take action – and what changes they noticed after they’d been up and running for a while. They were encouraged to think about their response to any changes at an organisational and a personal level – and how this translated into ‘action on the ground’, i.e. how this made a difference with the way the organisation operated or what it did. Finally they were asked to think about their ‘journey’ to date, the lessons learned and what this might mean in terms of a vision for the organisation going into the future.

¹¹ www.proveit.org.uk/storyboard

**Table 3.1 – Storyboard for
The Nerve Centre**

The need was...	
<ul style="list-style-type: none"> • people with neurological conditions weren't accessing a fair share of resources or working collectively to represent themselves • recognition that there are many <i>common</i> features across a wide range of neuro conditions • for a campaigning user-led organisation (ULO) 	
↓ So what we did was...	
<ul style="list-style-type: none"> • Put on a programme of therapies, arts and craft and services delivered by founder members 	<ul style="list-style-type: none"> • Developed pool of volunteers including carers • Secured Lottery funding (2 x FTE)
↓ The initial results were...	
<ul style="list-style-type: none"> • Raised awareness and appreciation (from service users and agencies) 	<ul style="list-style-type: none"> • Increased (self) referrals • All services and building fully accessible
↓ And that was important because...	
<ul style="list-style-type: none"> • Validated founding ethos and ULO status • Felt like pioneers! 	<ul style="list-style-type: none"> • Nothing similar available for miles (Only two in England)
↓ After a while we...	
<ul style="list-style-type: none"> • Increased membership (plus specialist groups) and volunteers 	<ul style="list-style-type: none"> • Found users more empowered, assertive and demanding better service responses from agencies
↓ And that was important because...	
<ul style="list-style-type: none"> • Increased membership meant increased income 	<ul style="list-style-type: none"> • Building wide credibility and track record in improved outcomes for users (social and neuro condition management)
↓ So from what we've learned, looking to the future our vision is.....	
<ul style="list-style-type: none"> • To become a regional centre of excellence and authority on supporting people with neuro conditions 	<ul style="list-style-type: none"> • Growing trading account with specialist services, generating income to reinvest for long term

Table 3.2 – Storyboard for Denby Dale Centre

The need was...	
<ul style="list-style-type: none"> • Large rural geography of the area posed challenges for a growing older population • People were becoming socially isolated • Younger people were moving away, leaving elderly parents to live alone • Public transport was fast disappearing 	
↓ So what we did was...	
<ul style="list-style-type: none"> • Set up a management committee and legal structures and secured premises • Income generation through capital and grant funding • Volunteers recruited and programme of activities coordinated 	
↓ The initial results were...	
<ul style="list-style-type: none"> • F/T manager in post • Services and activities paid from income generation and fundraising 	<ul style="list-style-type: none"> • Volunteers and community transport became critical business factors • Increased referrals
↓ And that was important because...	
<ul style="list-style-type: none"> • Original need was justified • The business model became demand driven 	<ul style="list-style-type: none"> • The management team could draw up a longer term vision
↓ After a while we...	
<ul style="list-style-type: none"> • Expansion possible and more services run for the isolated and vulnerable • More reliance on volunteers but increasing dependency on external funding and charging 	
↓ And that was important because...	
<ul style="list-style-type: none"> • High demand for specialist services fed a new business plan • Possible to expand and maximise resources - but not at any cost (remember our core aim) 	
↓ So from what we've learned, looking to the future our vision is.....	
<ul style="list-style-type: none"> • To be a thriving self-sustaining community business – connecting individuals and communities for greater inter-dependence and independence • For all service users will be actively supported by committed trustees and volunteers 	

Table 3.3 – Storyboard for Meltham Sports and Community Group

The need was...	
<ul style="list-style-type: none"> • There was no community centre or suitable place for socials, sports or recreation • Fragmentation across local sports clubs • A feeling that the community wasn't gelling and individuals and families weren't connecting 	
↓ So what we did was...	
<ul style="list-style-type: none"> • Secured broad representation (from sports clubs and community) • MemandArticles agreed • Established a Community Interest Company and management committee • Lot funding secured 	
↓ The initial results were...	
<ul style="list-style-type: none"> • Basic sports offered • Welcoming space created for families 	<ul style="list-style-type: none"> • Increased attendance across the board • Growing volunteer pool
↓ And that was important because...	
<ul style="list-style-type: none"> • Early success confirmed original business model was sound and management team could build a longer term vision 	
↓ After a while we...	
<ul style="list-style-type: none"> • More demands for sports, services and social activities • Raised awareness from partners/sponsors • Centre became a 'hub' • More dependent on volunteers 	
↓ And that was important because...	
<ul style="list-style-type: none"> • High demand drove new business plan to maximise use/utility of the Centre for the widest community 	
↓ So from what we've learned, looking to the future our vision is.....	
<ul style="list-style-type: none"> • Centre to be the focus of community life (social and recreation) and a centre of sporting excellence • Priority to be local but reach to be beyond Meltham and environs • All ages, all background, all interests will be catered for 	

Identifying how the three organisation address the needs previously identified

Analysis of the short, medium and longer term outcomes from the work they do

A running theme through the three workshops and subsequent focus groups and interviews with samples of volunteers and clients / service users / members, was to identify outcomes for the different stakeholders. The aim was to take the views of the management teams on outcomes, but then test these out with the volunteers and direct beneficiaries. By listening carefully to people and drawing on their own comments and anecdotes, it was possible to understand potential changes at the scale of the individual; *what does the change mean for the person affected?* This was relatively easy to draw out from the volunteers and direct beneficiaries, and people enjoyed talking about, and giving examples of their experiences.

For stakeholder 3, however (*family members and carers and for Meltham, the community*), because they are more 'distant' or 'remote' from the direct services delivered or activities on offer - this challenged people to think more precisely on the benefits that might be created for that stakeholder. But once people understood the line of questioning, it was relatively easy for them to think about the potential outcomes for stakeholder 3.

Table 3.4 – Common outcomes for volunteers (stakeholder 1)

Interim outcomes	»» Long-term outcomes
People having a strong sense of: <ul style="list-style-type: none"> • Reward and satisfaction in what they do • Purpose and motivation • Pride and achievement from their involvement 	People having stronger feelings of self-worth and confidence (Resilience and self-esteem)
People feeling an increased sense of leadership and responsibility to help others	People feeling they have a more satisfying life (Satisfying life)
People enjoying their involvement as volunteers, participating in activities that are fun or lively	People having fun and taking great pleasure in their lives (Emotional well-being: Positive Feelings)
People feeling they are building positive and productive relationships with other volunteers and people (young and old) accessing services or activities	<ul style="list-style-type: none"> • People having increased trust with others and more sense of belonging (Trust and Belonging) • More supportive relationships being built (Supportive Relationships)

Table 3.5 – Common outcomes for clients / members / service users (stakeholder 2)

Interim outcomes	»» Long-term outcomes
People having a strong sense of: <ul style="list-style-type: none"> • Reward and satisfaction in what they do • Purpose and motivation • Pride and achievement from their involvement 	People having stronger feelings of self-worth and confidence (Resilience and self-esteem)
People feeling an increased sense of leadership and responsibility to help others	People feeling they have a more satisfying life (Satisfying life)
People enjoying their involvement as volunteers, participating in activities that are fun or lively	People having fun and taking great pleasure in their lives (Emotional well-being: Positive Feelings)
People feeling they are building positive and productive relationships with other volunteers and people (young and old) accessing services or activities	<ul style="list-style-type: none"> • People having increased trust with others and more sense of belonging (Trust and Belonging) • More supportive relationships being built (Supportive Relationships)

Table 3.6 – Common outcomes for family members and carers at The Nerve Centre and Denby Dale Centre (Stakeholder 3)

Interim outcomes	»» Long-term outcomes
People get a respite or break from caring responsibilities	People having more independence
People are less anxious and stressed / having greater peace of mind	Positive having stronger feelings of resilience and self-esteem
People feeling: <ul style="list-style-type: none"> • Less isolated • They are able to share common issues and challenges with others in a similar situation 	More supportive relationships being built

Table 3.7 – Outcome for local residents in Meltham (stakeholder 3)

Interim outcomes	»» Long-term outcomes
The community has raised awareness of the Sports and Community Centre, with an understanding of what it does and what it offers	The community is increasing its active involvement with the Sports and Community Centre, at all ages and across all social and recreational activities – leading to healthier lifestyles
There is a growing local volunteer base (residents, families and sports club members)	Increased culture of volunteering and community action
People feel proud and more connected to their community	People having increased trust with others and more sense of belonging

Checking back with stakeholders

Once the organisational theory of change was drawn up with each of the management teams, these were further tested out with small groups of their direct beneficiaries. The idea was to see to what extent the management team’s viewpoint on the outcomes and impact of their work was backed up by people’s real-life experiences. This was done through a mix of focus groups and 1:1 interviews.

This stage of the work proved an extremely rewarding exercise for both the project manager and a number of the beneficiaries who confirmed that they thoroughly enjoyed talking about their experiences. It produced a rich tapestry of comments and anecdotes on the changes they encounter as a result of being involved with the organisation.

Although the line of questioning aimed to draw out people’s full range of feelings they go through as a result of their contacts with the organisations, i.e. negative or unintended consequences as well as positive incidents, people were overwhelmingly upbeat.

Taken as a whole, these comments strengthen the proposition that although the three organisations are involved in a range of *different* services and activities – they can all, very clearly, be described as helping grow social capital with their service-users, clients, members

or communities. See Table 1.1 for a description of what is meant by social capital

Table 3.8 – Selected quotes

The Nerve Centre	Denby Dale Centre	Meltham Sports and Community Group
<p>“My wife gets a rest from me for a day. She gets some space to do other things and she’s pleased I’ve got somewhere safe to go and that I’m doing something constructive and creative” (member)</p>	<p>“I can talk about the difficult things that I might not talk to my family about.” (client)</p>	<p>“You feel you’re part of building a community – as you see different sets of brothers and sisters coming through over time.”</p>
<p>“I feel normal when I come here – there’s no stigma or label that people put on you because of your condition. I’m not carrying as much ‘baggage’” (member)</p>	<p>“I can use my talents to support people less fortunate than myself, and help in their recovery. And I can learn new things from them as well.” (befriending volunteer)</p>	<p>“I wanted to coach young people in a something I was skilled at. When my kids grew up and moved on to other things – I stayed volunteering here.”</p>
<p>“In the beginning I was a bit wary of meeting new people or doing new things. I’m not any more. I’m much more confident. I’m putting in job applications and looking forward to getting my life back on track” (volunteer member)</p>	<p>“I feel proud to be able to help very vulnerable people and their families. I’m now looking for other voluntary work” (volunteer)</p>	<p>“I wanted to see young people from the different parts of the community mix more and play together – especially from the different estates.”</p>
<p>“When I first started coming I didn’t really concentrate. I started a lot of things but didn’t finish them. Now the volunteers set me a target or a challenge to finish a painting – and it’s much better.” (member)</p>	<p>“When I’m in the house I might be down in the dumps, but the minute I get on the bus I start joking – even though I might not feel like it inside. It makes me make an effort. I don’t want people to think I’m moaning.” (client)</p>	<p>“I like to make sure people are having a good time and not sitting at home on their own. By volunteering in the things that take place here – I can play a part in that.”</p>
<p>“I worry less about myself now – and more about others in the group – especially the new people who come along, or the vulnerable people with more disabilities.” (member)</p>	<p>“I used to be a quiet person and not say much. But now I realise you’ve got to talk to people – you get much more out of having a conversation. You learn about other people and they learn about you.”</p>	<p>“I enjoy the camaraderie. You have a laugh and enjoy yourself. There’s a general feeling of community and a sense of togetherness.” (veteran bowler)</p>

Thinking more about well-being

In arriving at a set of outcomes to take forward and measure in the SROI analysis for each organisation, it was decided to draw on nef's research around the definition and measurement of well-being. This would help build on the results of the research at the stakeholder engagement workshops, focus groups and interviews.

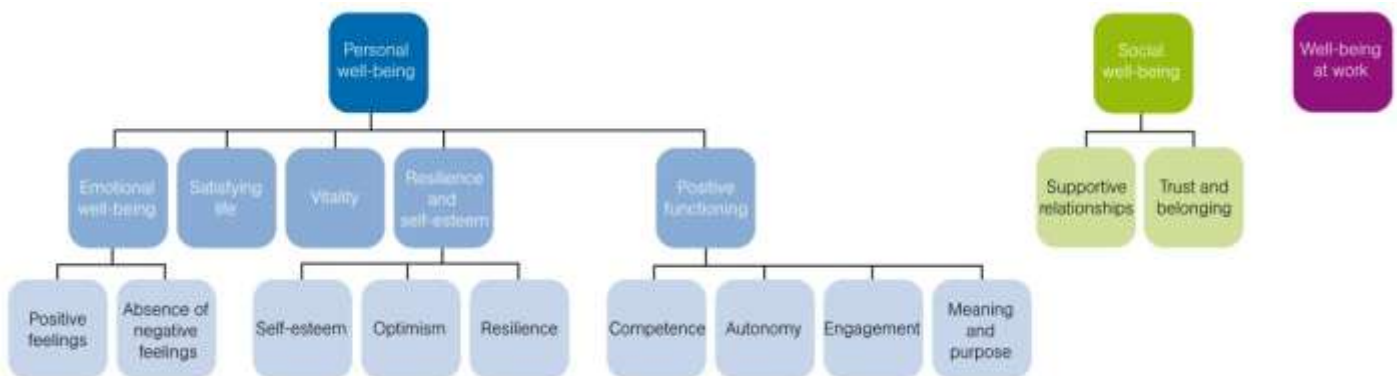
From the outcomes identified for each group of stakeholders, a mapping exercise was undertaken to the relevant component of well-being in nef's National Accounts of Well-being research. This came out of a major piece of research across Europe (the European Social Survey) which looked at people's attitudes, behaviours and the contributing factors to well-being. It built a simple indicator structure which reflects crucial aspects of how people experience their lives.

Several of the components draw on similar themes to those frequently identified by stakeholders in the workshops: in particular the feelings of resilience, self-esteem and positive functioning expressed by individuals, and the emphasis on the benefits from the development of supportive relationships.

Three of the component features of social capital (*social networks, membership of groups and positive feelings about what it's like to live somewhere*) align closely to the indicators of 'supportive relationships' and 'trust and belonging'. The remaining feature of social capital (*being able to contribute*) aligns closely to the well-being indicator of 'meaning and purpose' and overall 'positive functioning'.

By taking forward a measurement of well-being for the three organisations and their stakeholders, which is backed up by a comprehensive dataset and academic research on well-being, this SROI study is able to benefit from benchmarking primary data, in order to achieve a high degree of robustness.

Table 3.9 – Framework indicator structure for example National Accounts of Well-being



While local businesses might experience outcomes around increased income and growth, this would only displace business success elsewhere in the local community

Additional stakeholder groups

In addition to the key stakeholders (1, 2 and 3) for each organisation, the management teams identified and explored other stakeholder groups that benefit from their work. This was followed up by a number of telephone interviews with relevant contacts from the public sector. The outcomes created for these additional stakeholders are not taken forward in the SROI analysis for the following reasons:

1. **Management teams** (*management committees, directors, trustees, staff in paid employment*)

Whilst this group will get (job) satisfaction and personal, social and economic well-being outcomes they would likely experience the same outcomes in alternative employment or by being involved in the management team of another organisation. They are part of the 'infrastructure' of the organisation and should not be counted as a direct beneficiary.

2. **Business community** (*local businesses, business support organisations and local entrepreneurs*)

Whilst two organisations (Denby Dale and Meltham) emphasised their efforts to place business locally, with the result that while local businesses might experience outcomes around increased income and growth, this would only displace business success elsewhere in the local community. As a result this is more accurately described as a 'displacement' of an outcome, with a negligible net benefit when taking into account the wider picture.

3. **The local authority** (*various grants programmes*) and **government agencies**

The public sector may derive medium or longer term financial benefits through reduced health and social care expenditure for a number of older or more vulnerable service users across the three organisations. A small number of participants claimed that by being involved with the organisation it helped prevent their condition declining and avoided them having to access treatment from the GP. It may also be that the organisations, by helping their clients or members be more resilient and live more independent lives, this delays or postpones people from going on to a Personal Budget. These were very much hypothetical situations, however, with no significant implications for each organisation's theory of change.

A separate research assignment might identify that people with low 'well-being scores' may go on to have a Personal Budget. The research for this study, however, identified participants with high 'well-being scores'. This is supported by their response to the range

interventions they access and backed up with the theory of change for each organisation and the subsequent data collected.

As a result the local authority and government were not deemed to be a material stakeholder and, as such, no data collection was carried out to quantify the value to governmental agencies and local authorities.

4. Results

This chapter describes how the impact of the work undertaken by the organisations was measured and modelled.

Impact is the net effect in achieving identified outcomes – over and above what would have happened anyway – and minus the contribution of any other party.

Evidencing outcomes: Following this series of workshops, focus groups and interviews in early summer 2011 to establish the outcomes generated from their activities, indicators were selected and data collection tools created for each of the material stakeholder groups. The indicators used were largely based on questions from national surveys such as the European Social Survey (2007) and, in one case, from the last Communities and Local Government Place Survey (2008).

In order to measure how the extent to which identified outcomes are happening for stakeholders, we need to collect data which can be put in a useful context. A successful approach was developed by nef in the Community Development Foundation study *Catalysts for Community Action*, which involves using identical or near-identical indicator questions in primary data collection, and then comparing results against a UK benchmark, adapted from the responses collected as part of the European Social Survey in 2006.

By doing this, we can measure the significance of the levels of well-being outcomes experienced. For example, data in this project shows that those who are users of Meltham Sports and Community Group have above average levels of optimism. Rather than reporting how many “feel optimistic”, or the average optimism score on a six-point scale, we have calculated how much more optimistic Meltham sports users are than the average UK citizen, and given a financial value to the difference (5%) between these scores. However, to improve reliability, we have calculated well-being composite scores, which combine several indicators into a single composite score with which we have assigned a financial value to; in effect a proportion of the value of total resilience and self-esteem – of which optimism forms a part.

The data collection tools were developed with the three organisations. A key consideration was having a method to establish ‘attribution’, i.e. the amount of credit that the organisation could claim in achieving the identified outcomes with the different stakeholders. Consultation with the management teams also provided some corroboration around attribution.

The data collection was carried out with the three organisations and their different sets of stakeholders in September and October 2011. This was a combination of qualitative and quantitative data – gathered through a mix of survey questionnaires distributed by post, by hand, through and one-to-one interviews.

Table 4.1 provides an overview of the sample size achieved, in relation to the total number of stakeholders among each stakeholder

group. Tables 4.2, 4.3 and 4.4 show the final well-being outcomes taken forward for measurement in the SROI analysis.

Table 4.1 - Stakeholder Population Size and Sample Size Achieved

	Stakeholder 1	Stakeholder 2	Stakeholder 3	
The Nerve Centre	<i>Volunteers</i>	<i>Members (service users)</i>	<i>Family members and carers</i>	
Sample size achieved	24	86	37	
Population size of stakeholder group	25	120 (active)	120	
Sample size as a proportion of stakeholder group	96%	72%	31%	
Denby Dale Centre	<i>Volunteers</i>	<i>Clients (Ring and Ride and Time Together)</i>	<i>Family members and carers</i>	
Sample size	14	46	17	
Population size of stakeholder group	25	90 (active)	90	
Sample size as a proportion of stakeholder group	56%	51%	19%	
Meltham Sports and Community Group	<i>Volunteers</i>	<i>Adult service users</i>	<i>Young service users</i>	<i>Local Community</i>
Sample size	43	88	81	392
Population size of stakeholder group	120	330	220	8500
Sample size as a proportion of stakeholder group	36%	26%	37%	5%

Table 4.2 - Well-being Outcomes for The Nerve Centre

<i>Volunteers</i>	<i>Members (service users)</i>	<i>Family members and carers</i>
Resilience and Self-esteem	Resilience and Self-esteem	Resilience and Self-esteem*
Positive Functioning	Positive Functioning	Positive Functioning*
Supportive Relationships	Supportive Relationships	Supportive Relationships*
Trust and Belonging*	Trust and Belonging*	Trust and Belonging

* - Insufficient outcomes data or benchmark data to be included in SROI analysis.

Table 4.3 - Well-being Outcomes for Denby Dale Centre

<i>Volunteers</i>	<i>Clients (Ring and Ride and Time Together)</i>	<i>Family members and carers</i>
Resilience and Self-esteem	Resilience and Self-esteem	Resilience and Self-esteem*
Positive Functioning	Positive Functioning	Positive Functioning*
Supportive Relationships	Supportive Relationships	Supportive Relationships*
Trust and Belonging*		Trust and Belonging
Satisfying Life		

* - Insufficient outcomes data or benchmark data to be included in SROI analysis.

Table 4.4 - Well-being Outcomes for Meltham Sports and Community Group

<i>Volunteers</i>	<i>Adult service users</i>	<i>Young service users</i>	<i>Local Community</i>
Resilience and Self-esteem	Resilience and Self-esteem	Resilience and Self-esteem	
Positive Functioning	Positive Functioning	Positive Functioning	
Trust and Belonging	Trust and Belonging	Trust and Belonging	Trust and Belonging
Emotional Well-being	Vitality		

Data Analysis: Results

832 responses were analysed for 10 different stakeholder groups across the three organisations.

The following tables represent the result of calculating mean indicator values for respondents, compared to a national benchmark for people who reported they were “hampered, limited, or restricted in their daily activities by illness, disability, infirmity or mental problem”. Mean indicator values were then combined into a composite indicator for each domain of well-being. Full versions of the questionnaires are included in the Appendix.

The Nerve Centre (TNC)

Table 4.5 - Well-being Composite Scores for The Nerve Centre

	<i>Volunteers</i>	<i>Members (service users)</i>	<i>Family members and carers</i>
Resilience and Self-esteem	-2%	+9%	+5%*
Positive Functioning	+9%	+7%	-8%*
Supportive Relationships	+2%	+4%	+5%
Trust and Belonging	-5%*	-6%*	-1%*

* - Insufficient outcomes data or benchmark data to be included in SROI analysis.

Results show that volunteers experienced the greatest magnitude of change, with the strongest evidence of outcomes. Well-being indicator composite scores were close to or above the national benchmark in the two personal well-being domains of Resilience and Self-esteem, and Positive Functioning. Social well-being scores were slightly above the national average for Supportive Relationships, but 5% below the national benchmark for Trust and Belonging.

Members of The Nerve Centre also reported scores above the national average for three of the well-being composite indicators constructed, but 6% below the national benchmark for Trust and Belonging. The consistency of the range and distribution of results across different stakeholder groups led us to suspect two factors¹² might be at play: 1) the national benchmark scores for those

¹² An alternative hypothesis was discounted – that members and volunteers of the The Nerve Centre experience low levels of Trust and Belonging – based on evidence collected at the research stage of the project.

reporting they are “hampered” may not be an appropriate comparator for those with neurological conditions, or 2) the three questions¹³ were not interpreted in a consistent way to the manner of interpretation of those in the benchmark dataset¹⁴. A cautious approach was taken, and financial modelling was not undertaken for the Trust and Belonging outcome for The Nerve Centre.

Family and carers of members of The Nerve Centre reported their well-being against the indicator set which made meaningful interpretation difficult. Although carers reported above average scores on resilience – saying it didn’t take them a long time for life to get back to normal after things go wrong – they also reported that they had little autonomy, and that they didn’t feel able to decide how to live their life. This is perhaps to be expected for carers, given the characteristics of their role. Encouragingly, compared to the national benchmark, families and carers also reported that they felt close to people in their local area, that time with their family was not particularly stressful, and that they had more time to do things they enjoy in life.

However, overall, the inconsistency and high frequency of negative scores, when compared against the benchmark (also noticeable for family and carers at the Denby Dale Centre), led to the conclusion that the benchmark data was generally not sufficient to draw conclusions about outcomes for family and carers. Only in the social well-being domain of Supportive Relationships, was there reliable data to take forward outcomes to model social value; three different indicator scores were collected and combined into a composite – versus one or two indicators available in the other well-being domains.

¹³ To what extent do people in your area help one another?; To what extent do people treat you with respect?; Do you feel close to people in your local area?

¹⁴ This is an inherent risk stemming from the different conditions of data collection. The European Social Survey data was collected through professionally-led interviews, while data collection tools for this study were administered under a range of conditions.

Denby Dale Centre (DDC)

Table 4.6 - Well-being Composite Scores for Denby Dale Centre

	<i>Volunteers</i>	<i>Clients (Time Together)</i>	<i>Clients (Ring and Ride)</i>	<i>Family members and carers</i>
Resilience and Self-esteem	+15%	+16%	+5%	-11%*
Positive Functioning	+22%	+17%	+5%	-9%*
Supportive Relationships	+2%	+2%	+/-0%	-5%*
Trust and Belonging	+25%			-5%*
Satisfying Life	+33%			

* - Insufficient outcomes data or benchmark data to be included in SROI analysis.

The outcomes evidenced for volunteers, and clients of the Time Together programme, at the Denby Dale Centre are significant across all domains of personal well-being, and slightly above the national benchmark in terms of Supportive Relationships, part of social well-being. Taking composite scores, levels of resilience and self-esteem are 15-16% higher than the national benchmark, and Positive Functioning (comprised of engagement, competence, and meaningfulness) scores are 17-22% higher. In particular, volunteers demonstrate remarkable overall life satisfaction, and report high levels of Trust and Belonging in terms of how they relate to others in their local community or in the public realm.

Results for those clients of the Ring and Ride service also suggest that these clients experience well-being, slightly higher than the national benchmark, in their personal well-being. No significant difference from the benchmark is observed for social well-being indicators.

As with The Nerve Centre, the results for family members and carers of clients of the Denby Dale Centre were a challenge to interpret. Almost across the board, indicator scores were lower than the national benchmark, though carers reported that they did have a reasonable opportunity to learn new things in their lives, and they

thought people in their local area helped one another. Consistent with The Nerve Centre sample this group reported that family life tended to be less stressful than the national average. However, because all results were based on a sample of just 17 responses, it was considered unreliable to model social value for outcomes evidenced by families and carers at Denby Dale Centre. If a more reliable set of benchmark data was available – for example collected from carers specifically¹⁵, this would have allowed for further interrogation of what the results collected in this study demonstrate.

Meltham Sports and Community Group (MSCG)

Table 4.7 - Well-being Composite Scores for Meltham Sports and Community Group

	<i>Volunteers</i>	<i>Adult service users</i>	<i>Young service users</i>	<i>Local community</i>
Resilience and Self-esteem	+1%	+5%	+8%	
Positive Functioning	+5%	+7%	+4%	
Trust and Belonging	+16%	+18%	+21%	+10%
Supportive Relationships	+1%			
Vitality		+13%		

All four stakeholder groups at Meltham experienced significant enhancement to their sense of Trust and Belonging – 10-21% above the national average – which was consistent with what was found to be the predominant outcome through qualitative research undertaken to construct the Theory of Change for Meltham.

Other indicator composites proved positive across the board, with the surprising result being that volunteer outcomes were not significantly larger in magnitude than those of service users. Adult service users demonstrated high levels of vitality – feeling physically well – which is to be expected given the nature of the sport- and activity-based intervention.

¹⁵ The demographic information collected through the European Social Survey did not allow for identification of those who perform a caring role.

Establishing impact and calculating the SROI

A cost benefit analysis model was then used in the calculation of the SROI ratio for the three different organisations. The model accounts for each of the following considerations:

1. **Distance travelled towards the achievement of the outcomes, and**
2. **Impact considerations:**
 - a. deadweight (*what would have happened anyway*)
 - b. attribution
 - c. benefit period and drop-off rate (*how long the outcomes last and when they diminish*)
 - d. Value of inputs (*financial and non-financial*)

Distance travelled

The modelling was undertaken on the assumption that individuals travelled a certain distance from a national benchmark, over the course of a year.

Deadweight

Deadweight is an adjustment made to outcomes data to account for the fact that in many situations, some of the change observed *would have happened anyway*.

The core modelling assumption for TNC and DDC is that without the intervention, individuals would – in aggregate – be experiencing well-being at the national benchmark average (constructed for those who reported that they are “hampered” in performing their daily activities for TNC and DDC; unadjusted national averages (i.e. for all individuals) apply for MSCG).

For stakeholder 1 – volunteers – a deadweight proportion is constructed using information gathered about other whether individuals participate in other volunteering opportunities. If respondent indicated they also volunteered elsewhere, it is assumed that half (50%) of the observed outcomes would be happening anyway.

For MSCG, an additional deadweight adjustment was made to account for the fact that 70% of adult service users (stakeholder 2) indicated they would have accessed similar facilities and activities elsewhere, if it weren't for MSCG. Furthermore, since young people (stakeholder 3) are subject to two hours per week mandatory physical

education as part of their statutory education requirement, two-thirds (67%) of the observed outcomes would have happened anyway (assuming average use of MSCG is one hour per week).

Attribution

A subjective attribution was posed to all individuals, with the exception of residents in Meltham, with results presented in the table below. Because Meltham residents were not generally users of the sports facility, a conservative attribution figure of 10% was applied to the Trust and Belonging outcomes measured. Table 4.8 shows the results of subjective attribution questioning.

Table 4.8 – Attribution assumptions

Stakeholder group	TNC	DDC	MSCG
Stakeholder 1 - Volunteers	80%	60%	79%
Stakeholder 2 – Clients/Members/ Service Users	69%	75% (Time Together) 84% (Ring and Ride)	75% (Adults) 70% (Young People)
Stakeholder 3	80% (Families and carers)	<i>Outcomes data not used</i>	10%* (Local Community)

* -Conservative assumption that MSCG can be given 10% of the attributable value of Trust and Belonging experienced by local community

Benefit period and drop-off

The core modelling assumption is that the outcomes achieved and measured for the different stakeholder groups last for a period of one year, the same length of time for which the intervention is in effect. The core assumptions are subject to sensitivity analyses in the following chapter. The core model assumed that if the intervention were taken away, no benefits would extend. An alternative assumption was tested, whereby the benefit period of the one year intervention was one year, with a linear decline to zero benefits over the course of that year.

Value of inputs (investment)

The cost of investing in the three interventions has been calculated, including the financial expenditure to run the interventions and the value of volunteer time also involved in delivering the services and activities. In the case of Meltham, because the expenditure figures did not include an accurate value of the annual use of the physical sports facility, an imputed yield of 6.25% was taken on a building value of £1.2m

Table 4.9 – Value of input (investment)

Input / Investment	TNC	DDC	MSCG
Volunteers – specialised skills (valued at market rate)	£ 47,058	£ 52,470	-
Volunteers – general (valued at £6.08 per hour: national minimum wage)	£ 13,619	£ 30,137	£ 124,275
Cash	£ 90,190	£ 141,730	£ 139,441
Gifts in kind (6.25% yield calculated for £1.2m facility)	-	-	£ 75,000
TOTAL	£ 150,867	£ 224,337	£ 338,716

Financial proxies

A number of established approaches were used to create financial values for those outcomes for the three sets of stakeholders for which there is no market traded 'price', such as 'self-esteem', sense of trust and belonging, having a positive outlook. Table 4.10 shows the financial proxies employed in this analysis.

Table 4.10 – Financial Proxies

	<i>Stakeholder 1 - Volunteers</i>	<i>Stakeholder 2 – Clients / Members / Service Users</i>	<i>Stakeholder 3 - Family members and carers</i>	<i>Local Community</i>
Resilience and Self-esteem	<p>£1,240 Cost of Cognitive Behavioural Therapy to build psychological resilience and self-esteem: £62 per session; 20 session treatment. Source: Units Costs for Health and Social Care, published by the Personal Social Services Research Unit: http://www.pssru.ac.uk/pdf/uc/uc2007/uc2007.pdf</p> <p>£1,182 <i>for young people at MSCG</i> Cost of providing National Citizen Service programme: six month intervention to improve confidence and self-esteem http://www.cypnow.co.uk/Youth_Work/article/1076514/cost-national-citizen-service-not-justifiable/</p>			
Positive Functioning	<p>£10,560 <i>for volunteers and members at TNC, and DDC – Time Together clients</i></p> <p>Value of the mental health component of a Quality Adjusted Life Year: National Institute for Clinical Excellence recommended expenditure of QALY is £30,000; improvement from a level 3 (severe) mental health problem Source: Centre for Mental Health, The economic and social costs of mental illness, June 2003, updated October 2010.</p>			
	<p>£ 2,940 <i>for volunteers at DDC and MCSG, and adults at MCSG</i></p> <p>Additional median annual wages earned by employed people vs. self-employed people. Source: National Statistics Feature: Self-employment in the UK labour market, Guy Weir, Labour Market Division, Office for National Statistics, September 2003 http://www.statistics.gov.uk/articles/labour_market_trends/Self_employment_Sep03.pdf</p>			
	<p>£5,869 <i>for DDC – Ring and Ride service users</i></p> <p>Annual cost of car ownership (outcome relates to autonomy) Source: Royal Automobile Club as quoted in <i>The Guardian</i>, 24 Nov 2010: http://www.guardian.co.uk/money/2010/nov/24/annual-cost-car-ownership-rises-rac</p>			
	<p>£2,500 – for young people at MCSG</p> <p>Estimated annual cost of once weekly private sports tuition</p>			
Supportive Relationships	<p>£15,500</p> <p>Annual value attributed in change from “seeing friends and relatives once or twice a week” to “seeing friends and relatives on most days”, as calculated using regression analysis comparing correlations between 1) income and life satisfaction and 2) seeing friends and life satisfaction Source: BHPS data 1997-2003 as analysed by Nattavudh Powdthavee (2008) Putting a price tag on friends, relatives, and neighbours, <i>Journal of Socio-Economics</i> 37(4)</p>			

Trust and Belonging	£ 15,666 Annual value attributed in change from “talking to neighbours once or twice a week” to “talking to neighbours on most days”, as calculated using regression analysis comparing correlations between 1) income and life satisfaction and 2) talking to neighbours and life satisfaction Source: BHPS data 1997-2003 as analysed by Nattavudh Powdthavee (2008) Putting a price tag on friends, relatives, and neighbours, Journal of Socio-Economics 37(4), 1459-1580	
Satisfying Life	£10,560	
Vitality	Value of the mental health component of a Quality Adjusted Life Year: National Institute for Clinical Excellence recommended expenditure of QALY is £30,000; improvement from a level 3 (severe) mental health problem Source: Centre for Mental Health, The economic and social costs of mental illness, June 2003, updated October 2010.	
Emotional Well-being		

5. SROI Calculations

This chapter presents a series of tables highlighting the estimate social value generated by each of the three organisations that feature in this study. Each organisation is analysed separately.

Social values are compared against the investment value for each organisation to create a social return on investment ratio, using a set of “core” assumptions, described in the previous chapter.

A number of key assumptions which sit within the socio-economic model which supports these findings were then varied, as part of a sensitivity analysis. This included varying the highest value financial proxy, assuming that only 50% of economic savings estimated would be realised, and applying a one year benefit period, where outcomes continue, following the investment year.

The Nerve Centre

Table 5.1 - Social value created by The Nerve Centre	<i>Volunteers</i>	<i>Members</i>	<i>Families and Carers</i>	TOTAL
Resilience and Self-esteem	£4,359	-£ 1,873		£ 2,486
Positive Functioning	£15,676	£ 5,786		£ 21,462
Supportive Relationships	£4,895	£ 49,855	£ 57,711	£ 112,461
<i>Economic Savings: expenditure saved on alternative care and support</i>		£ 163,647		£ 163,647
TOTAL	£ 24,930	£ 217,415	£ 57,711	£ 300,056

TNC SROI Ratio	
Investment value	£ 150,867
Social value created	£ 300,056
SROI Ratio	1.99

TNC SROI Ratio Sensitivity Analysis	
Ratio under cautious assumption 1: reduce proxy value for Supportive Relationships by 50%	1.62
Ratio under cautious assumption 2: assume only half of estimated economic savings in other care and support arrangements	1.45
Ratio under cautious assumptions 1 <i>and</i> 2	1.07
Confident assumption: Benefit period for well-being outcomes (but not economic savings) lasts one year with linear drop-off	2.42

Denby Dale Centre

Table 5.2 - Social value created by DDC	Volunteers	Clients (Time Together)	Clients (Ring and Ride)	Families and Carers	TOTAL
Resilience and Self-esteem	£1,757	£ 7,486	£ 2,121		£ 11,364
Positive Functioning	£ 6,166	£ 67,421	£ 9,637		£ 83,224
Supportive Relationships	£ 2,301	£ 14,557	-£ 1,242		£ 15,616
Trust and Belonging	£ 36,963				£ 36,963
Satisfying Life	£ 32,463				£ 32,463
<i>Economic Savings: expenditure on alternative care and transport</i>		£34,956	£ 62,920	£157,114	£ 254,990
TOTAL	£ 79,650	£ 124,420	£ 73,436	£ 157,114	£ 434,620

DDC SROI Ratio	
Investment value	£ 224,337
Social value created	£ 434,620
SROI Ratio	1.94

DDC SROI Ratio Sensitivity Analysis	
Ratio under cautious assumption 1: reduce proxy value for Positive Functioning by 50%	1.75
Ratio under cautious assumption 2: assume only half of estimated economic savings in other care and transport arrangements	1.37
Ratio under cautious assumptions 1 and 2	1.18
Confident assumption: Benefit period for well-being outcomes (but not economic savings) lasts one year with linear drop-off	2.32

Meltham Sports and Community Group

Table 5.3 – Social value created by MSCG	Volunteers	Adult service users	Young service users	Local community	TOTAL
Resilience and Self-esteem	£ 1,222	£ 4,825	£ 4,865		£ 10,912
Positive Functioning	£ 12,432	£ 16,206	£ 5,641		£ 34,280
Trust and Belonging	£ 191,838	£ 205,540	£ 171,807	£317,410	£ 886,595
Emotional Well-being	£ 6,764				£ 6,764
Vitality		£ 97,238			£ 97,238
TOTAL	£ 212,257	£ 323,809	£ 182,313	£ 317,410	£ 1,035,790

MSCG SROI Ratio	
Investment value	£ 338,716
Social value created <i>less access/ membership fees</i>	£ 929,790
SROI Ratio	2.75

MSCG SROI Ratio Sensitivity Analysis	
Ratio under cautious assumption 1: reduce proxy value for Trust and Belonging by 50%	1.44
Ratio under cautious assumption 2: assume only one quarter of village population (25%) experiences Trust and Belonging increase	2.04
Ratio under cautious assumptions 1 and 2	1.08
Confident assumption: Benefit period for well-being outcomes (but not economic savings) lasts one year with linear drop-off	4.22

6. Conclusions

“To be useful, the SROI analysis needs to result in change. Such change might be in how those that invest in your activities understand and support your work, or how those that commission your services describe, specify and manage the contract with you. However, there will also be implications for your organisation.”

-Cabinet Office, 2009

The most important tasks for any voluntary sector organisation, community group or charity is to achieve its mission, and to make an impact. Impact is all about cause-and-effect. In other words, it's about looking for the changes in outcome that are created by what an organisation does, or who it does it with – that are directly attributable to 'them'. Focusing on *impact* will help organisations evidence how what they do helps create benefits and changes for others. This is particularly important if a small VCS organisations can also demonstrate to funders that investing in their activities provide high levels of social value.

This isn't *just* to attract more funding and support, which is obviously so important in the current climate – but it's also to motivate all the 'team' involved in the organisation (whatever their role) to think about outcomes as part of their day-to-day work.

In conducting this analysis, the challenge was to look at the impact of three archetypal small VCS organisations, but from a fresh perspective. So the study explored the extent to which fostering social capital activities contributes to positive improvements in well-being for individuals and communities. The study doesn't attempt to present a unifying theory or financial value (SROI) on the outcome of investment in this type of work. The three separate SROI calculations for the three organisations speak for themselves. What it does do, however, is present the conclusions as part of the body of evidence furthering our understanding of how services or activities that grow social capital can improve people's well-being – and that there is a reasoned economic case for investing in these type of activities.

This section suggests general ways in which the SROI assessment might be used by different audiences; national and local. Suggestions are broad ranging in nature. Specific recommendations relating to the three organisations or Kirklees Council will be the subject of separate management reports.

This stage of the SROI methodology offers the opportunity to improve the way the conclusions might result in changes to the way services are delivered, stakeholders are understood or strategic decisions taken.

For small voluntary and community sector organisations the report may help you think about:

- More systematic gathering of outcomes information from the services or activities you deliver. Notwithstanding the critical importance of this information for SROI, it should have a much wider value to your organisation. Collecting more information

(qualitative and quantitative) will give you a much 'richer' understanding of what you do. Think about developing your own 'theory of change'

- Devoting time with your management team to reflect on the particular characteristics of the way in which you operate. This may sound rather pedestrian, but there can be a tendency for organisations, in the thick of running activities or delivering services, to overlook the distinctive features that relate to what you need to happen, or what you need to be in place, for you to be successful.

The SROI study presented an opportunity to explore this with the three organisations which were the subject of the case study. Their ways of working, which emerged across 'the piece' were considered to possess many common features to the way similar organisations will be going about their business across the country.

So if this model is a help to others, to think how your organisation, in your own way, might be successfully mobilising your resources, harnessing people's assets and connecting people, it might help you reach a deeper appreciation of the influence and effect you have, at an organisational level, on people's lives. And again, this may help you develop your own 'theory of change'.

One or twice yearly engagement with your stakeholders (around the outcomes they experience) would start to build a longitudinal study of the impact your services or activities are having:

- This might help you understand the long term health and well-being improvements experienced by your beneficiaries, and whether they endure over time (or drop off)
- The use of 'distance travelled' tools can make a valuable contribution to work. The Edinburgh Health Inequalities Standing Group's planning and evaluation tool for social capital, health and well-being has some good examples of these tools.¹⁶
- And if you start thinking of your stakeholders in a wider sense, i.e. volunteers, family members or carers, or other beneficiaries, you might get more insight into the 'reach' of your services.
- Talking about outcomes with your volunteers may also help you recruit and retain this important pool of people for your organisation. Volunteers have different motivations, so if you can 'unpick' the different benefits experienced by your volunteers, it might help you target your time and investment with this group

¹⁶http://www.edinburgh.gov.uk/downloads/id/4206/social_capital_health_and_wellbeing_toolkit

“A first step could be for charities to specify and measure their desired outcomes (which deliver value to society, rather than just outputs)... This will require our best creative thinking and force us to really look at what we set out to achieve and what we actually achieve. We will have to build new skills and ask ourselves new questions but the rewards will be enormous.”

‘Measuring Social Value; the gap between policy and practice’, Demos, 2010

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For commissioners / funders:

- By developing greater insight into the impact of these type of social capital activities, the report should serve as a catalyst in the shift to more preventative social care services. This is a central issue for the public sector in the context of significant budget pressures. It could steer future investment decisions in a different direction. This could be by reducing people’s use of or dependency on high cost, high value health and social care services by encouraging a commitment to additional expenditure on lower cost interventions. These could be activities which help people to grow stronger and more meaningful social networks by getting involved in local groups. This could help people become more independent and inter-dependent within their communities and less dependent on 'the state'.
- Commissioners are encouraged to use the different practical guides from Think Local, Act Personal to consider how investment in social capital type activities can help service transformation
- By helping commissioners to appreciate the financial value of the wider outcomes being generated by this type of work – from the perspective of other stakeholders (i.e. not just direct beneficiaries) it will help them attach more importance to the value for money from this sort of investment

One of the outcomes from building a ‘theory of change’ with the three organisations was the emergence of the importance of ‘co-production’¹⁷ and an ‘asset approach’ to developing health and well-being services within each setting¹⁸. Both these approaches show how professionals and local people can work together in a genuine partnership to design and deliver services and support with each other.

This assignment also serves to show how these approaches can be found in small organisations delivering services and activities that grow social capital. And there is a business case for investing in a co-production or asset based approach to health and well-being services. It means not having to pay for outcomes or benefits that are being generated *anyway* for people where this approach is being drawn on.

Commissioners might want to encourage co-production self-assessments¹⁹ to be carried out, both in-house and within VCS provider organisations. This could evidence the extent to which organisations are working towards designing and delivering services aligned to co-production principles.

¹⁷ Cahn, E. (2000) ‘No more throw away people’, Essential: London

¹⁸ I&DeA ‘Glass Half Full’
<http://www.idea.gov.uk/idk/aio/18410498>

¹⁹ http://coproductionnetwork.com/forum/topics/organisational-audit?commentId=5217382%3AComment%3A19904&dxq_source=activity