



Social Value Report

Evaluating Impact and Forecasting Value
Foundations Furniture



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Executive Summary

FOR EVERY



INVESTED INTO
FOUNDATIONS
FURNITURE
THE SOCIAL
RETURN ON
INVESTMENT IS
£3.20

Introduction

Foundations Furniture have undertaken an evaluation of their current service in order to understand and forecast their impact to the wider community.

The total cost needed to deliver the current service is £114,865, which supports 677 low-income individuals to furnish their homes and 14 volunteers to develop employment skills and confidence, per annum. This income consists of commercial sales, grant funding and delivery costs.

Method

Direct and indirect stakeholders were consulted and an evaluation was carried out using the principles and methods synonymous with the Social Return on Investment (SROI), to try to understand the wider impacts of the service and Volunteer opportunities.

Social Value is defined as the direct and indirect, financial and non-financial value created as a result of the services and support provided through Foundations Furniture. A Value Map was created that defined the evidenced input, outputs, outcomes and impact of the project, within the following social themes:

- Health and Wellbeing
- Social and Community
- Housing
- Employment and Volunteering
- Environment

Key Findings

Foundations Furniture are achieving their intended outcomes to offer a supportive service and affordable furniture to the local community.

In addition to the retail aspects, Foundations Furniture impacts more widely on other areas such as health and wellbeing, community and employment. These changes occur as a result of achieving the intended and unintended outcomes.

- Positive impact on mental state and reduced need for social support carry a tangible cost saving to local authority budgets.
- Sense of safety and settlement is significantly improved for customers.
- Foundations Furniture's service and community support has notable impact on the wider structure and independence of their customers lives. This is evidenced from customer's being signposted to and accessing additional community services.
- The housing sector is being influenced through the secondary impacts of customers feeling more comfortable in their environment, maintaining their homes and reducing household debt.
- Staff and volunteers have created a positive and inclusive culture that is supportive of multiple social issues, through signposting and partnership work. This has enabled positive social and community support structures.



- Informal mentoring and education is key to sustained development and the confidence/motivation that volunteers acquire through their involvement is acting as an enabler to pursue more formal options.
- Foundations Furniture have been paramount in developing skills and creating opportunities for Foundations Furniture has a positive impact on the local and wider environment through reduced landfill.

Conclusions

There is potential to further record and measure environmental impacts as well as customer experience. A longitudinal

study over one year would be most effective to ascertain a true picture of sustained impact and value to the Local Authority.

However, the service has a clear impact on much wider social issues and circumstances than it records, which it is now able to identify and value.

Foundations Furniture is well placed and connected to offer housing and community support to vulnerable client groups. They have a good understanding of the fundamental issues that affect their customers and offer support that is appropriate.



What is Social Value?

“Understanding what stakeholders value, is the key to unlocking and reporting social impact and value”

For the purpose of this report, Social Value is defined as the direct and indirect, financial and non-financial value, created as a result of the service and support provided through Foundations Furniture.

The journey to the development of Social Value is defined below:

Social Outputs: The activities that the organisation delivers (number and frequency)

Social Outcomes: The benefits that the activities (outputs) have on all organisational stakeholders

Social Indicators: How you know (what indicates) that the outcomes are being achieved

Social Impact: The difference that an organisation makes that benefits an individual, stakeholder, community and society as a whole

Social Value: The financial and non-financial value to society that the impact makes

Social Worth: The financial and non-financial legacy to stakeholders



Methodology

Measuring social value can be ambiguous and challenging due to the difficulties in clearly defining the actual social change and difference an organisation makes to stakeholders. The trust and legitimacy of any social impact claim must be balanced against a set of value guiding principles. These guiding principles are used in all research, measurement, calculations, and stakeholder engagements.

- Research is designed, reviewed and undertaken to ensure integrity, quality and transparency can be externally verified.
- The confidentiality of information supplied by research participants and the anonymity of respondents will be respected.
- Research participants must take part voluntarily, free from any coercion.
- All research must be clear, and any conflicts of interest or partiality must be explicit.
- Clearly define who stakeholders are and only measure what our stakeholders value.
- Consider the effect of external influences, i.e. other organisations, partners, local initiatives and self-help.
- Report financial and non-financial value.
- Use only legitimate sources of data.
- Report negative as well as positive social value.

The overall approach to the measurement of the value is defined within the diagram below. The financial and non-financial inputs which enable Foundations Furniture to operate have been reviewed and the connecting frequency and type of activities have been considered (outputs).

- The outcomes (changes made) have been analysed, and supporting evidence researched (indicators).
- Impacts (differences made as a result of the change) have been researched and evaluated to be aligned to current evidence bases.
- The financial and non-financial value has been recorded and, where possible, a financial value/cost saving has been allocated.
- The level of influence that others have on the delivery and support provided by Foundations Furniture has been considered and where suitable and necessary, the effects on the financial and non-financial values have been noted and reduced.

A blended approach has been used, including the principles of:

- (SROI) Social Return on Investment
- LM3 Local Multiplier Effect
- SAA Social Audit and Accounting



Fig 1 Social Value Mapping Process

We created a Social Value Map that defines the input, outputs, outcomes and impact as a result of Foundations Furniture service and considered how outcomes and impact are created within the following social themes:

- Health and Wellbeing
- Education and Skills
- Employment and Volunteering
- Environment
- Crime and Justice
- Housing
- Social and Community

These themes have been identified and categorised from direct stakeholder consultation and align with the Social Return on Investment methodology. We attribute financial value to the impact where possible and define the intangible impact through case studies and testimonials.



Foundations Furniture



Foundations Furniture and Garden Project Limited (referred to as Foundations Furniture throughout) was established in 1996 to provide quality, pre-loved furniture to new tenants and families on a low income.

This includes single parents, asylum seekers and homeless people taking up a tenancy. They also offer a free collection service for donations, community signposting, extra support for local people in crisis and memberships to NEFirst Credit Union. In addition, a range of new furniture, white goods and electricals.

Foundations Furniture has had 677 distinct paying customers in the last year.

In addition to the core furniture provision, the project also supports volunteers and apprentices into the employment market. An average of fourteen placements

per year are offered to members of the local and wider community to support employability skills and employment experience. These placements are not time-limited and consist of practical skills development, customer service and mentoring. Referrals are made through the Job Centre and other community partners.

Foundations Furniture is a separate legal entity, but associated with Teamwork Development Trust CIC. Also associated with the Trust, are HTH Teamwork Ltd and Teams and Bensham Community Care, which offers community support and social care, predominantly to the elderly population of Gateshead.



Social Value Pledges

Foundations Furniture recognise their value in the local and wider community and so, have developed a range of pledges that encompass their commitment to creating positive change within the following themes; health and wellbeing, education and skills, employment and volunteering, crime and justice, social and community, housing, the economy, and the environment.

Social Value



Quality MarkTM Level 2

These pledges form a foundation to which value can be measured and is part of the initial achievement of the Social Value Quality Mark Level 2.

Health and Wellbeing

We pledge to help households in Gateshead to lead safe, comfortable home lives through the provision of low cost second hand furniture.

Housing

We pledge to work in partnership with social housing providers to help families and individuals sustain their tenancy and reduce the likelihood of failed tenancies that can lead to homelessness.

Financial Inclusion

We pledge to reduce the burden of debt in Gateshead by providing low cost goods as well as an ethical, affordable weekly payment scheme in partnership with NEFirst Credit Union as an alternative to high interest lenders.

Employment and Volunteering

We pledge to help individuals to gain skills, knowledge and experience that can help lead to employment by providing access to volunteering opportunities.

Environment

We pledge to have a positive impact on the local environment by reducing the amount of bulk waste sent to landfill by providing a free collection service for unwanted, usable household furniture, white goods and electricals.

Stakeholder Mapping

Direct Stakeholders

These stakeholders are considered to be those who have power, legitimacy and influence over Foundations Furniture's services. The Social Value Business has independently engaged with a selected range of direct stakeholders, these are customers, volunteers and staff.

Indirect Stakeholders

These are the groups and organisations that are indirectly impacted by the organisation. They can be categorised into the previously mentioned social themes.

Below is a stakeholder map that identifies the range of Indirect Stakeholders that are affected and influenced by the strategic and operational development and delivery of the project, some of whom we engaged with to understand the local partnership value.

Health Wellbeing	Education Skills	Employment Volunteering
Gateshead Council	Job centre plus	Community volunteer schemes
Social services	Referral organisations	Employers
Customers family	Support workers	Apprenticeship placement provider
Community Mental Health Team	Colleges	Volunteers
Key workers	Adult education centres	
Community Health Care Providers		
Clinical Commissioning Groups		
Children's centres		



Justice Crime	Social Community	Housing	Economic
Police Community Support Officer	Community Support Providers	Housing Officers	Waste recycling centre
Police	Family & Friends	Council services	Environmental agencies
Probation	Peer Networks	Third Sector support agencies	Brighthouse type shops
	Social Services	Social landlords	Gateshead Council
	Community Centres	Neighbours	
	Neighbours	Maintenance teams	
	Refugee support	NEFirst Credit Union	

Input

Input has been broken down into financial and non-financial. The total cost needed to deliver the current project is £114,865. This income is made up through generating funds from furniture sales and delivery costs; and charitable activities such as grants from Gateshead MBC, Esme Fairburn, Santander and JP Getty for example.

The non-financial input relates to the volunteer time, partnerships, goodwill and staff experience that have been developed over the years, without which Foundations Furniture would not have the same trusted reputation and wider social impact.



Outputs

Foundations Furniture has the capacity to support 677 distinct customers with furniture purchases and signposting to additional support if needed. An additional 14 people are supported through the Volunteering programme. Both services are made possible utilising the following resources:

- 6 full time staff
- 2-part time management staff (provided by Teamwork Development Trust CIC)
- 14 volunteers delivering 5288 support hours

Headline figures

Of the 677 customers, 385 are The Gateshead Housing Company tenants. All 677 customers were social welfare claimants with 92% claiming Housing Benefit as their primary benefit. 120 of those supported by Foundation Furniture came to the project as crisis cases which enabled them free furniture to alleviate the financial and emotional burden of creating or maintaining a safe, comfortable home life during distress. An additional 467 sales have been made to the general public, who purchased items without referral or need for support.

In the last year, the team have made 955 collections from the borough and diverted 87.5 tonnes of furniture, white goods and electricals from the landfill.

Of the total number of low-income customers, 65% were between the ages of 25 – 54 years. The remainder are spread quite evenly from ages under 25 to over 65 years, which demonstrates that the need for the service and support is not specific to one generation or life event.

- **6 FULL TIME STAFF**
- **2-PART TIME MANAGEMENT STAFF (PROVIDED BY TEAMWORK DEVELOPMENT TRUST CIC)**
- **14 VOLUNTEERS DELIVERING 5288 SUPPORT HOURS**



Outcomes

It is the journey from outcome to impact that provides an in-depth picture of change and progress achieved by a service or intervention. It is vital to first understand the outcome, in order to map the impact.

Foundations Furniture's intended aims focus predominantly on 'hard' outcomes:

- Provide affordable household items to low income individuals
- Increased home comfortability and security
- Reduced debt and financial instability
- Increased employability
- Community integration
- Increased employment opportunities

However, each of the themes below shows a breakdown of the intended and unintended outcomes that the research identified. Data from the sample control group has been scaled up to reflect a full year of outcomes. It is these scaled up and forecasted figures that have been used throughout the report.

The outcomes (changes) experienced by Direct and Indirect Stakeholders are summarised and have been categorised into themes (Health and Wellbeing, Employment and Volunteering, Housing,

Social and Community, Environment). These themes are aligned to the local Joint Strategic Needs Assessment (JSNA) needs and comprise the key influences and future needs of local communities.

Foundations Furniture's intended and previously recorded outcomes fall under the themes of Employment and Volunteering and Housing. However, other aspects have been considered and 'valued', which can then be used to help the organisation choose their priorities and plan local services, such as Health and Wellbeing, Social and Community and Environment.

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These evidenced outcomes are listed below:

- **PROVIDE AFFORDABLE HOUSEHOLD ITEMS TO LOW INCOME INDIVIDUALS**
- **INCREASED HOME COMFORTABILITY AND SECURITY**
- **REDUCED DEBT AND FINANCIAL INSTABILITY**
- **INCREASED EMPLOYABILITY**
- **COMMUNITY INTEGRATION**
- **INCREASED EMPLOYMENT OPPORTUNITIES**



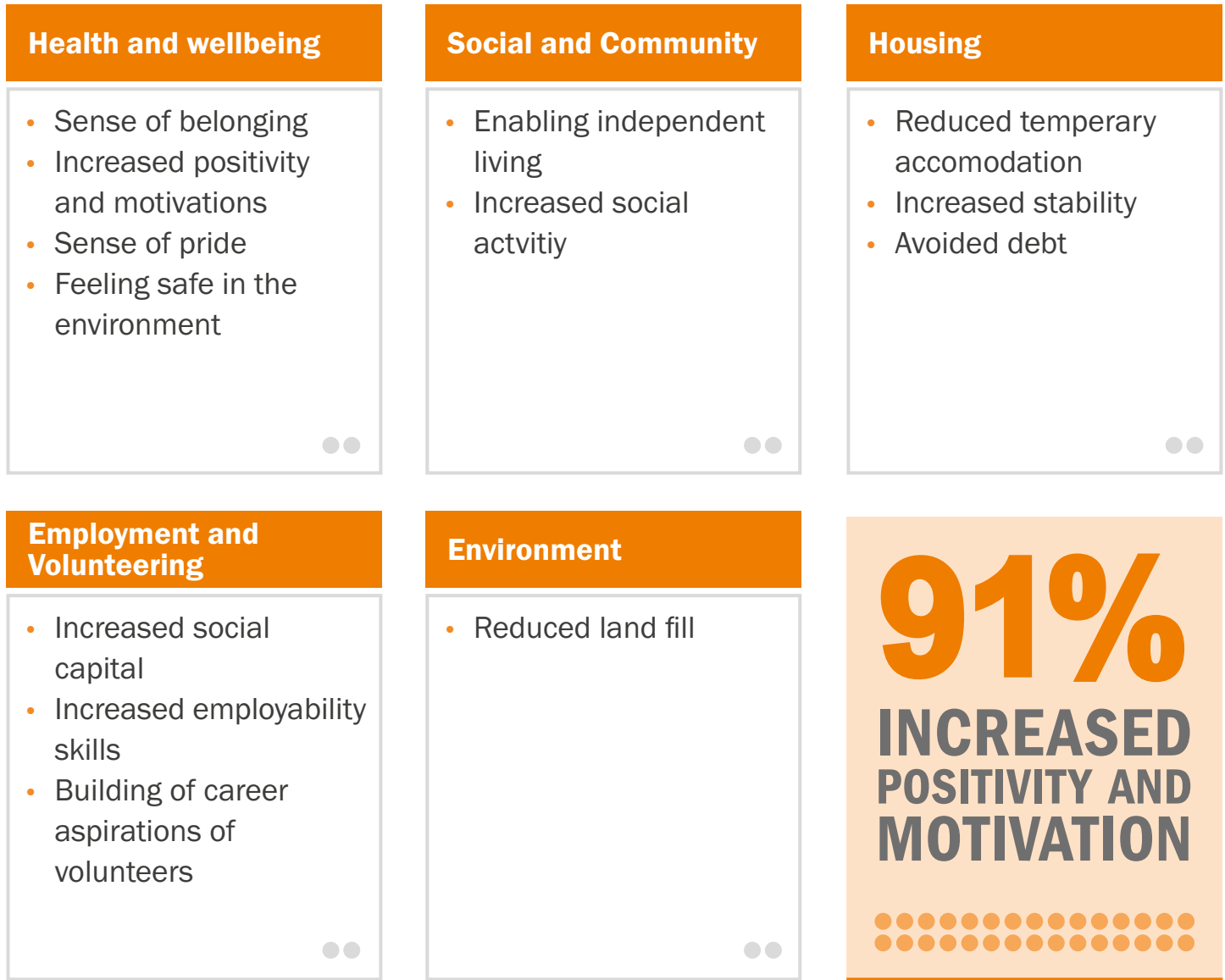


Fig 2 Outcomes



Health and Wellbeing

The changes experienced by Foundations Furniture customers are far greater than their intended outcomes. Health and Wellbeing carried a number of wider and ‘softer’ outcomes, due to the person-centred service and the subsequent change experienced.

The overarching change is that of stability and sense of belonging. This increased stability leads to happiness, positivity and motivation (91%), which relates to a whole range of positive impacts. 82% of respondents told us that they felt as though they could now settle in their homes, which made them feel part of the neighbourhood.

Feeling safe within your home and environment is a fundamental key to positive wellbeing and any further development. For a predicted 492 people, this feeling of safety was significantly helped by being able to furnish their homes and being supported in their community by Foundations Furniture. An additional 82% told us about their increased sense of pride in their home, and in themselves. Such changes encourage positive thinking

and behaviour, which is a key step to achieving successful and sustainable impact in other aspects of life.

Although not identified by respondents on this occasion, there are potential changes in physical health also that relate to a having a clean and well-functioning home, particularly for older customers. Based on the brief evidence and outcomes already collected, there is a potential future change in physical health that is associated with good-quality living conditions and having all the necessary items that are needed to maintain a healthy home. This outcome may become further evident once a control group is established and can be measured over a period of time.

Social and Community

Foundations Furniture has been influential in enabling people to live more independently. As a result of raised awareness or ‘signposting’, 73% of respondents told us about their reduced reliance on other people as they were accessing services to deal with issues themselves, as well as better maintaining their own circumstances. Customers identified that the guidance led to new

Case Study – Jane’s Journey

Jane* was a single parent who was referred to Foundations Furniture from The Gateshead Housing Company to access the free furniture package. Jane was struggling with her mental health, her child’s behaviour and her ability to progress when being rehoused after homelessness. She had very few possessions of her own.

Three weeks after receiving her items, which included living room, bedroom and dining room furniture, Jane told us that many areas of her life had dramatically

improved. When thinking about her situation and how it affected her before she used the service, she rated herself 3/10 in her ability to manage the home and 4/10 in her social life.

Jane now feels these areas of her life have significantly improved and currently rates herself 10/10 in both areas. She also wants to go back to college and is positive about the future. Jane says this change is down to feeling stable and having a comfortable home life for herself and her children.

opportunities, the reduction of social exclusion, them finishing tasks and the overall increase in personal independence.

In addition, the service actively encourages community buildings by engaging various partners and support organisations to offer additional support to customers. It is often these networks and opportunities that encourage integration and widen a person’s support structure. This social and community involvement is particularly valuable and important for those who are already marginalised through homelessness, newly arriving in the area or vulnerability. Respondents told us that as a result of having a comfortable home environment they were able to invite friends and family to the property (45%). Some customers had lived months without furniture and this had been detrimental to their sociability.

Outcomes relating to the wider context must also be recognised. When people are accessing more support externally, demonstrating independence and feeling more motivated, they naturally need less attention and social support.

Housing

The housing sector is significantly affected by the work of Foundations Furniture through improved living

conditions and reduced consequences of debt. Up to 185 people have experienced positive changes that have led them to feel more in control of their homes and financial situation.

Often, changes occur simultaneously in relation to other themes and in this case, customers disclosed feeling more empowered and motivated to do things for themselves. As an individual’s confidence and self-worth develops, often so does their sense of pride and inclination to make changes. A permanent and safe home environment is considered a fundamental building block for wider personal and professional development. Of those we consulted, 100% told us about their increased sense of ‘foundation’ and stability.

As a result, an increased 27% of social housing customers are expected to manage their tenancies, bills and financial situations better, which will reduce or help to avoid the need for temporary accommodation.

Employment and Volunteering

Employment readiness is a fundamental objective of the organisation, and placements have a positive influence on Volunteers aspirations towards employment.

Volunteers support the day to day operations and delivery of sales for the organisation, as well as gain valuable support and experience to benefit their own

development. Of the 14 Volunteers that were consulted, 100% felt that their aspirations had raised and they were better equipped to enter the employment market. All volunteers/apprentices had positively benefitted from their work placement and felt that they had increased employability skills through the programme of mentoring, on-site training and customer service experience.

Evidence suggests that significant personal learning is taking place also. For example, volunteers gain confidence to resolve personal issues or learn to communicate in different ways to different people. Through the placements, Foundations Furniture encourages soft-skills development in the form of practical capability, self-awareness and responsibility, which is due to the professional yet non-threatening style that has enabled a positive learning and working environment to be created.

Volunteers are learning about their personal strengths and challenges in terms of:

- Interpersonal skills
- Reliability and commitment
- Motivation and personal goals
- Competency
- Career pathway
- Confidence

Awareness in action

Equipped with a better understanding of themselves, volunteers are encouraged to trial and develop their skills in a supported environment, for example:

- Customer service and confidence with strangers
- Responsibility
- Product knowledge
- Warehouse organisation
- Understanding Policies, regulations and procedures
- Workplace health and safety

Action in life

The workplace experience is enabling Volunteers to adapt their learnt skills to wider life situations:

- Secure interviews
- Improved relationships
- Socialise more
- Independent living

Environment

There are significant environmental outcomes associated with the recycling and reusing of household furniture and electricals. The most significant being the amount of waste diverted from landfill. Over the last year Foundations Furniture has recorded 955 van collections from the borough with a total weight of 87.5 tonnes. This is furniture that would otherwise be discarded to local authority tips and taken to landfill locations.

There are further positive environmental aspects relating to the reduction of CO₂-eq and transport costs/emissions having to move discarded items from households.

Circular Economy



An alternative to a traditional linear economy (make, use, dispose of) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.

Indicators

Indicators represent what would be evident if the outcomes were achieved. Detailed below are indicators that are evident from the primary and secondary data.

“

The sense of stability is having significant impact on customers' wider lives.

SVB 2017 ”

Health and Wellbeing

- Feeling settled in the home
- Positive change to mental health for clients
- Increased support network
- Reduced stress and worry

Social and Community

- Enabling independent living
- Increased social activity

Housing

- Able to move into own property quicker
- Progressing with other aspects of life
- Reduced high cost lender contracts

Employment and Volunteering

- Volunteers regularly providing their time unpaid
- Experiencing working environment and following procedures
- Expressions of future plans/next steps/optimism

Environment

- Waste diverted from landfill



Impact

The impact is considered to be the difference that the outcome (change) has/is making to stakeholders, either directly or indirectly.

“

The difference the service is making extends to health and wellbeing, employment and volunteering, housing, social life and the environment

”

Based on the outcome information from a controlled group of direct customers/stakeholders, we can reasonably assume that similar outcomes would lead to similar impacts for all customers, and therefore scale up the findings to forecast the total impact of the project. This impact can be expressed as behaviour changes.

For the purposes of Social Return on Investment theory, these behaviour changes especially focus on changes that involve a greater or lower use of public services. However, they also take into consideration the importance of social engagement, community cohesion, independence and social capital.

The headline impact is considered to be ‘increased social engagement and interaction’, as it demonstrates independently created support structures and the potential of significant cost savings to local authority support services. An additional impact with less ‘wider’ value but similar financial value, is the number of people feeling the relief from debt.

The research approach to gathering the required information was centred on direct stakeholder engagement and focused on the primary question of:

- What are you doing differently as a result of the changes you have experienced?

We understand that not all outcomes lead to an impact and for some people, although they may have experienced a change, it may not necessarily mean that they are doing anything differently. For example, a customer may state their increased confidence from an intervention, however they are not doing anything differently from before gaining the confidence, so there is no impact from that increased confidence.



Impact

Detailed below is a visual summary of the impact (difference) made as a direct or indirect result of the engagement with service users and the outcomes being achieved. Impacts have been themed and understood in their most direct way.

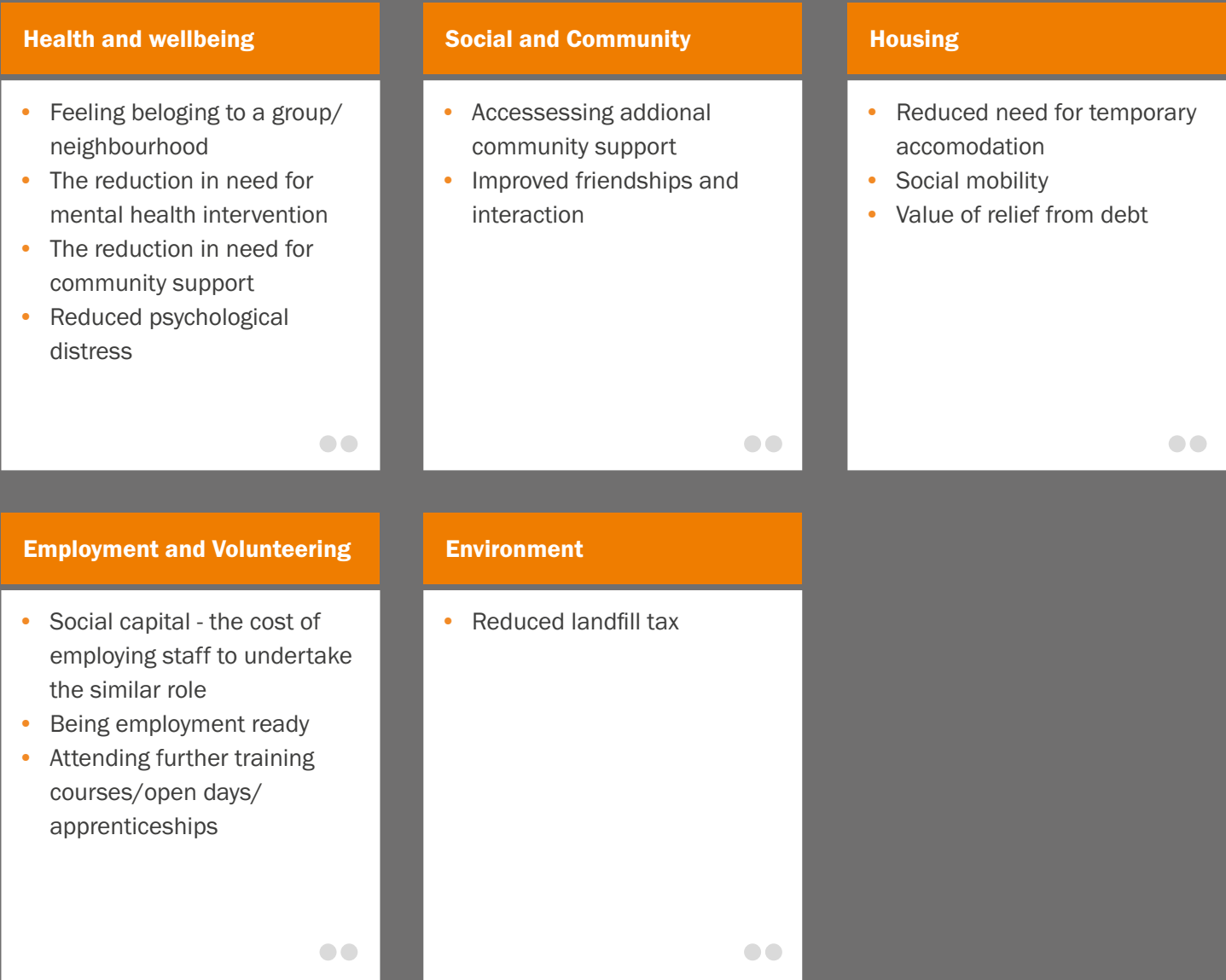


Fig 3- Impact Summary

Health and Wellbeing

'Wellbeing' is a broad term that means different things to different people. Foundations Furniture's core mission focuses on 'hard' and tangible outcomes that relate to wellbeing, such as having a comfortable home to live in and having the items needed to live happily. However, the wider changes and impacts resulting from the light-touch community support are associated with customers feeling settled and safe in their homes with less emotional stress and more opportunities to benefit from socialising.

Customers told us that their furniture enabled them to make their *'shell of a house into a home'*, where they felt settled and rooted. Scaled up from those who we consulted, 123 people report feeling more established in their environment, as though they belong to their neighbourhood. This impact has the potential for further behaviour changes and positive effects later on in the journey, with the potential of people organising social activities or getting involved with resident's groups. According to extensive social research, the feeling of belonging to a neighbourhood has a value of £2,251 per person. Therefore, based on our consultations, Foundations Furniture create a qualitative value of £20,781 to the local community.

Furthermore, impacts relating to health and the reduction in the need for future interventions has a direct link to resource, capacity and financial saving. For example, customers disclosed feeling more positive and motivated in daily life which led to positive changes in their mental health and ability to better manage their

mental health. This change can be associated with the reduction in the need for medical intervention.

There is considered to be a link between the reduction of anxiety and increased positive thinking. As a result, clients are able to manage their mental health better. The average cost of mental health intervention in the form of six sessions of Cognitive Behavioural Therapy with a trained Therapist would cost £300. Therefore, based on the information in Figure 4, row 2, this would cost £55,391 if Foundations Furniture customers were to continue to access this NHS support.

An additional 25% of customers told us that due to feeling safe in their environment, they worried less, consequently causing then less psychological distress. This impact has the potential to save mental health budgets of £133,554 per annum (£10,017 after deductions). The improvement in emotional and psychological health will reduce the long-term need for community mental health interventions and sustained medication. Therefore, there is the potential for even wider impact and cost savings.

Further impacts can be associated with social care budgets and reduced need for community support. Of the customers we spoke to, 22% stated that their improved social networks meant that they were needing less social support in the form of welfare advice, housing sustainment support and a key worker.

The overall Health and Wellbeing Value equates to £54,495, with a cost saving to the public purse of £33,715 in health interventions per year.

Quantitative Impact		Frequency (%)	Frequency (No.)
1	Feeling belonging to a group/ neighbourhood	22%	123
2	The reduction in need for mental health intervention	30%	185
3	The reduction in need for community support	22%	123
4	Reduced psychological distress	25%	123

Fig. 4 Health and Wellbeing impact

**THE OVERALL
HEALTH AND
WELLBEING VALUE
EQUATES TO
£54,495 WITH A
COST SAVING TO
THE PUBLIC PURSE
OF £33,715**



Social and Community

Foundations Furniture enables customers and volunteers to develop local support structures through linking community partners and support services. In addition, customers are able to construct more social and integrated lives at home and within the community, as a result of having a comfortable home base.

Social isolation is understood to be one of the main barriers that vulnerable people and newly arrived communities face. Research shows that social isolation and loneliness impacts on quality of life and wellbeing with demonstrable negative health effects¹ (NICE, 2017). Both physical and psychological community building is essential for personal and social development. Evidence suggests that Foundations Furniture has been key in encouraging integration through

community support and signposting. 246 customers accessed additional services following their involvement with Foundations Furniture, for example NEFirst Credit Union, Citizens Advice, housing support and the local food bank. If customers were to pay for this advice and support to achieve similar results, the cost equivalents would be £128,507 (£9,638 claimed by FF).

A further 60% of customers stated having more friendships as a result of having increased opportunities and a comfortable home environment to host social ‘meetings’, which is a forecasted 185 people. A social network is paramount for community inclusion and wider personal development.

The combined Social Value to the Community is £45,642.

Qualitative Impact		Frequency (%)	Frequency (No.)
1	Accessing additional community support	50%	246
2	Improved friendships and interaction	60%	185

Fig. 5 Social and Community

¹ NICE (2016): Evaluation of the Reducing Social Isolation and Loneliness Grant Fund

Case study - Mr Lowe

Mr Lowe*, a single 28-year-old man, was referred by *Changing Lives* after spending time in supported housing following family breakdown. After experiencing homelessness for some time, he was helped to find his own tenancy which he was able to furnish as a result of the funding Foundations Furniture received from the Dulverton Trust. He received £80 worth of recycled furniture, including two sofas, bedroom furniture and a table. As he is now settled and living in a safe environment, he is now able to have his children stay with him at weekends. Mr Lowe has also started looking for employment again and is feeling much more optimistic.

I feel so much happier to have my friends and family over now that we don't have to sit on plastic chairs in the living room

CUSTOMER

Housing

The housing sector is being influenced by a number of primary and secondary impacts, the majority of which relating to temporary accommodation cost savings and relief from debt.

The basic cost to the local authority in short-term accommodation is £2,792 per person per six months. Of the customers that we consulted, 33% told us that they were able to move into permanent accommodation quicker, as a result of having furniture and home appliances. The service and support enabled customers to relocate and settle in a shorter space of time, which also potentially helped them to avoid crisis situations. This direct impact has the potential to save £21,491 to social housing departments.

There are numerous wider impacts that stem from ‘stability’ in home life, which acts as a positive platform from which to progress. Of the 100% of customers who expressed feeling more settled and stable, 27% will achieve more in other aspects of life. Social mobility and interaction is one area that is positively influenced by having a stable base, with a community value of £85,394.

The reduction in debt is considered to be a central aspect of the organisation’s mission, as it supports and influences wider positive outcomes. A predicted 185 people per year will benefit from their reduced debt which relates to things such as rent arrears, pay-day lenders and hire purchase contracts.

There is a social value of £213,051 to the social housing sector per year.

Qualitative Impact		Frequency (%)	Frequency (No.)
1	Reduced need for temporary accommodation	33%	62
2	Social mobility	27%	185
3	Value of relief from debt	100%	185

Fig. 6 Housing Impact

THERE IS A
SOCIAL VALUE OF
£213,051 TO THE
SOCIAL HOUSING
SECTOR PER YEAR

Case study - Sarah

Sarah is 31 years old and fled domestic violence from her ex-husband. She was living in Council provided temporary accommodation with her four children until a suitable tenancy was available. Due to poverty and the need to quickly settle her children into a new home and new school, The Gateshead Housing Company’s Homeless Support Team referred the family to Foundations Furniture. They were supported with a sofa suite, 4 beds, bedroom furniture and a dining table. The family were able to move into a permeant home with comfort and start to rebuild their lives. Sarah was also encouraged to access the local food back and other agencies that could support her situation.



Employment and Volunteering

Foundations Furniture offers quality employment experience to local people, which is a key objective of the organisation. Through the provision of on-site training and informal mentoring, 14 people per year have completed or continue to benefit from workplace placements. Some placements are structured and intensive in order to prepare the apprentice for the working environment, while others hold long-term volunteering roles that allow more self-development and autonomy.

A notable impact that is being created and achieved as a direct result of the service is the number of people who have successfully gained employment skills, which enables them to be ready for work. The development of new skills and awareness acts as an enabler for people to access opportunities, secure interviews and demonstrate their worth to employers. ‘Employment readiness’ carries an

associated value of £4,257 per individual, therefore for the 43% of volunteers who expressed this change, we can attribute £6,385 to Foundations Furniture.

An additional 36% of Volunteers told us about their changes in attitude, behaviour and aspirations towards wanting to achieve more, and therefore attending additional training or courses. Some stated changes to professional endeavours and others stated changes related to personal growth. This impact, seen in Fig 7 line 3, carries a value of £2,406 (after deductions).

In addition, significant social capital is created by the Volunteers for the organisation. This is discussed later in *Volunteer Value* as this value is attached to Furniture Foundations and not to the individual.

The total Employment and Volunteering value to society is £46,865 per year.

“

Staff have a lot a patience and I think that their support has helped me to understand what is expected of me in work

”

Qualitative Impact		Frequency (%)	Frequency (No.)
1	Social capital - the cost of employing staff to undertake the similar role		
2	Being employment ready	43%	6
3	Attending further training courses/open days/apprenticeships	36%	5

Fig. 7 Employment and Volunteering



Case Study – Wayne

Wayne has been a volunteer with Foundations project for 9 years.

Wayne has mild learning difficulties and lives with his family, very close to the showroom. He joined us as a volunteer to learn some new skills and because he wanted to do something meaningful with his time. He volunteers five days a week and is an excellent and conscientious worker who always gives 100% commitment to any task.

To begin with, Wayne needed a lot of guidance and did not feel comfortable with responsibility. However, now he is one of the most competent and reliable team

members. He is responsible for opening and closing the showroom and warehouse, keeping furniture tidy for public viewing and general cleanliness. He thrives with this responsibility and takes his role very seriously. In addition, Wayne helps with loading and unloading furniture onto the van and assisting the driver of the van with collections and deliveries.

Wayne's confidence has increased steadily over the years, within his role and in other aspects of his life. He is much more comfortable talking to the public and has gained a lot of friends from the project.

Wayne has become a real asset to the organisation.

Environmental

Foundations Furniture has a significant positive impact on the local and wider environment.

Through donations and house collections, Foundations Furniture has directly reduced landfill by diverting 87.5 tonnes of waste in the last year. At a cost of £84.40 per tonne, the organisation saves a value of £7,385 per year in landfill tax.

With further rigor and research, there is the potential for even wider impact that can be attributed to Foundations Furniture's environmental efforts. For example, according to WRAP one tonne of sofas for direct reuse (second-hand shop or eBay) can result in a net GHG saving of 1.45 tonnes CO₂-eq. This is just over 54kg CO₂-eq per sofa. There is also significant household benefit as a result of the sale of items through reuse, exchange and avoiding the purchase of (more expensive)

new items. On this occasion and for this report, these impacts have not been calculated, however it is clear that Foundations Furniture has the potential for much wider environmental impact and value.

WRAP suggest that domestic furniture reuse is thought to pass through a wider range of pathways than office furniture. An unwanted sofa for example, may pass through or end up at a number of different final destinations, such as landfill, recycling, energy recovery and reuse. Studies show that only 17% of sofas that reach the end of their life are reused². This demonstrates the vast potential for need, opportunity and impact.

The basic Environmental value to society is £7,385 per year.

Quantitative Impact

1	Reduced landfill tax tonnes	87.5 %
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THE BASIC ENVIRONMENTAL VALUE TO SOCIETY IS £7,385 PER YEAR.

Fig. 8 Quantitative Impact

² WRAP: November 2011: Benefits of Reuse Case Study: Domestic Furniture

Volunteer Value

Volunteers are a huge resource that support the core functions, sales and success of the organisation. Responsibilities include warehouse organisation, manual handling, stock management, online sales, regional deliveries and supporting customers.

As well as being a productive use of time for the individual, volunteering builds social capital for the local area. In the last year, 14 volunteers or apprentices have donated 5,288

hours to support operations and people accessing the service, which equates to £38,074 in value. This figure is what is saved by Foundations Furniture, based on the cost of paying for the services provided by its volunteers.

In addition to the above financial aspects, there is significant qualitative value created through the involvement of volunteers also.

“

I came to Volunteer at Foundations for three months, two and a half years ago

VOLUNTEER

”



Partner Value

Foundations Furniture understands that their impact is created in partnership with others. Some of these partnerships include families, commissioners, funders, referral agencies, local residents and other local community projects. In order to understand the wider impact of the service and the local value that it creates, we interviewed a number of Local Authority stakeholders and indirect connections. This information strengthens the primary data collected from direct stakeholders.

Although not included in the financial return on investment calculations, the below information demonstrates the mutual benefit and value created in local collaboration. It is vital to recognise this qualitative value.

Commissions and community partners told us what they valued the most about Foundations Furniture service to the local people (responses have been summarised and generalised):

• Sustainability

The service promotes and enables local sustainability. It supports people to sustain their homes and have stability. It helps people to budget better and make money available for other essentials, such as food and energy.

• Valuable resource

They are a valuable resource to the council and residents by providing low cost furniture. The service

is widely needed and used by local people and wider boroughs. It also helps households who want to get rid of items as they feel useful to be able to donate it. The support and free items are particularly valuable to a group who have absolutely nothing, like asylum seeker and refugees.

• Environmental benefit

Foundations Furniture helps the Council to meet their Social Enterprise outcomes as they reduce waste, support local people and sustain themselves. There is a mutual benefit in the local people being made aware of the service.

“The service is particularly good for refugees who need to start from scratch” – LA commissioning department

“They provide employment experience and opportunities which are effective and quality for the participants”

“Tenancies last longer and tenants are not getting into debt with hire purchase”

“(Foundations Furniture) provide a service in a number of areas that the council cannot provide themselves”
– Gateshead Commissioning officer

(Adapted from consultations)



External Influence

Throughout the review and evaluation of the impact and value experienced by Artists, key considerations have been made as to the influence of others. This includes the Government and its connecting policies and strategies, other local and regional support providers and other individuals. We have also considered whether impact and value are newly created or has just been displaced.

Approach

This has been achieved in three stages:

- Firstly - through researching and analysing local and central government strategies and previous qualitative and quantitative reports carried out.
- Secondly - by engaging directly with clients and supported by direct research of delivery and support partners.
- Thirdly - using the knowledge, experience and awareness of the Social Value Business team.

Influence of the organisation

The level of influence that the organisation has on customers has been considered to support the legitimacy of financial claims within the report. This has been considered using Social Return on Investment (SROI) Deadweight, Displacement and Attribution measures.

Deadweight

A deadweight measure is the scale of outcomes that would have happened even if Foundations Furniture services were not being delivered. The current policies and strategies affecting housing and communities in Gateshead have been considered. For example, *Active, Healthy and Well Gateshead*³ and *Vision 2030* from Gateshead Strategic Partnership⁴. However, the most relevant

local strategy that demonstrates similar objectives to those of Foundations Furniture is *Gateshead Housing Strategy 2013-2018*⁵, who aims are to:

- Contribute to economic growth
- Improve health and wellbeing
- Help educational attainment
- Tackle the financial exclusion of some of our poorest households
- Contribute to a better environment for future generations
- Build respect and community cohesion within our neighbourhoods.

Due to the limitation of this report, the variations in area priorities and the breadth of the local provision, a significant deduction of between 50% and 70% has been used.

Rationale

Research of the regional strategic policies and local documents vary in priorities. However, those relating to low-income or vulnerable client groups demonstrate a clear focus on health and wellbeing, supporting people to make positive life choices, and inclusion. Therefore, with existing local investment in outcomes similar to Foundations Furniture's, it can be evidenced that a portion of the outcome and impact will occur anyway.

³ Active Healthy and Well Gateshead: A Health & Wellbeing Strategy for Gateshead (2013/14 to 2015/16)

⁴ Gateshead Strategic Partnership: Vision 2030

⁵ Gateshead Housing Charity 2013-2018

“It is important to understand that others influence the outcomes and impact that is achieved.”





Fig. 9– Deadweight (%)

Attribution

An assessment of how much of the outcomes were caused by the contribution of other organisations or people. This has been considered using the sliding scale below.

- 0% - 50% is associated with individuals who are referred to the organisation and therefore, it is reasonable to assume that the attribution would be lower.
- 51%+ is associated with individuals who have self-referred and therefore, the attribution will be higher as the impact is less likely to have happened.

During the research, between 50% and 75% of the sample group mentioned that they received support from one or more other agencies. Therefore, we will attribute between 50% and 75% of the remaining value to 'other partner organisations or individuals' in order to create a more accurate picture of impact.

Displacement

Displacement is centred on the number of positive outcomes and impacts that are being created in one location, i.e. the negative outcome and related impacts being moved to another area.

Rationale

Due to the nature of the support and engagement and the integrated partnership and referral approach, the displacement effect is minimum. In this case, as we are only claiming value for one year, we will not be considering displacement.

Drop Off

To finalise the financial claims, the drop-off period has been considered (i.e. the length of time the impact can be expected to last) using the above methods. We have also taken into consideration the level of relevance using the sliding scale.

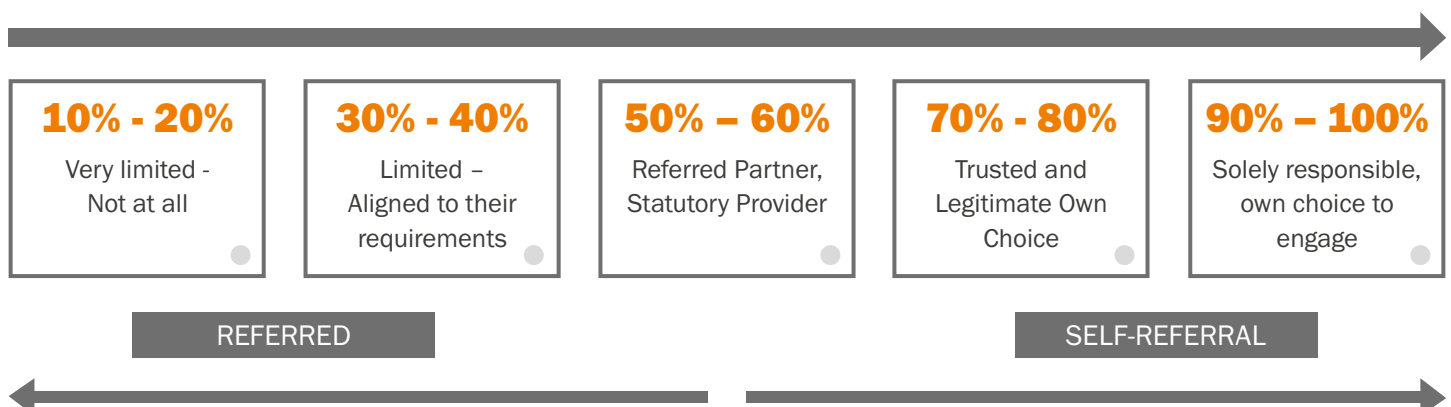


Fig. 10 – Sliding Scale

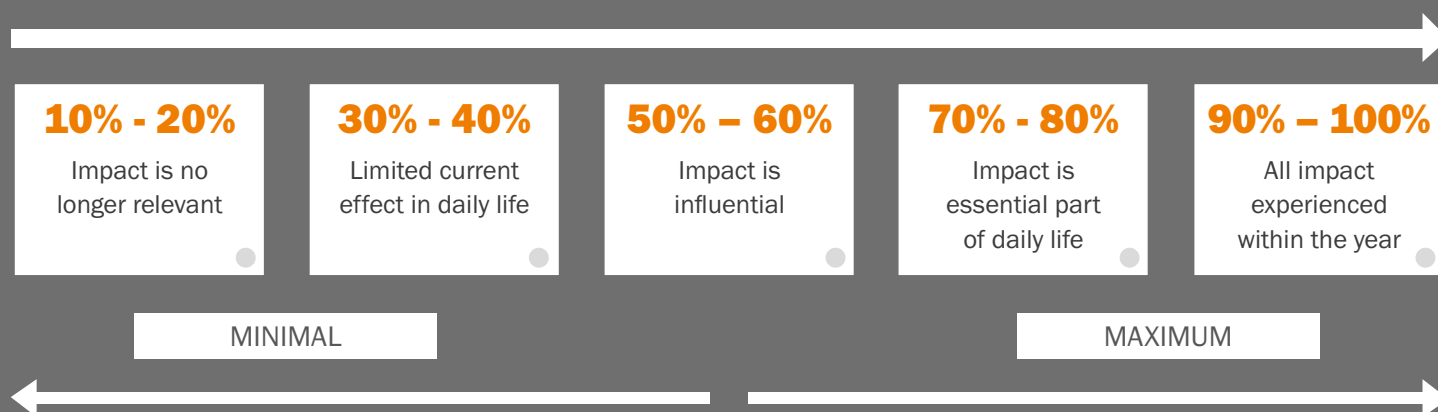


Fig. 11 – Sliding Scale

Rationale

For the purposes of this report, 100% drop-off period is defined as 3 years. During this period, it is forecasted that 60% of the drop-off will be experienced within year 1, 30% within year 2, and a final 10% of year 3.

To calculate these figures, a range of government, academic and leading social accounting research documents have been consulted to legitimise the claims and increase the rigour.

Financial Value Attachment

Each outcome and supporting impact has been allocated a financial proxy (cost). The proxy is based on the financial investment needed to achieve the same impact, or the cost saving that the impact is or will make.

Rigour and Transparency

Rigour

The development of this report is centred on the research and evaluation of (experienced/forecasted) stakeholder impact and the value that can be attributed to it. As a result, this report defines the outcomes, impact and value experienced by stakeholders, together with considering the external influences on the stakeholders.

The approach of the Social Value Business is to ensure the highest trust and legitimacy of the research, evaluation and reporting as possible; and that the budget, scope and timescale will allow.

Social Value Business reporting is categorised into three areas of rigour - Low, Medium and High.

Low: The research and reporting is a forecast of the impact and value that a service or organisation has. There has been a reliance on secondary research to create an evidence base to support conclusions. In the production of the report, there has also been a dependence on internal data and qualitative experiences provided by the organisation.

Medium: The research and reporting is either a forecast or evaluation of the impact and value experienced by stakeholders, and there is a mixture of primary and secondary research to support outcomes, impact and value claims. In the production of the report, there has been a balance of the use of internal data verified by external stakeholder engagement.

High: The research and reporting is an evaluation that has in-depth primary and supporting secondary research, which supports the in-depth direct and indirect stakeholder engagement. This report is an accurate evaluation of outcomes, impact and value that are experienced and created by the intervention or organisation.

Transparency

The Social Value Business believes in ensuring high levels of transparency wherever possible, without breaching confidentiality and providing competitors with sensitive information or a competitive advantage.

Low: Only positive outcomes, impact and value have been reported, whereas negative values have been researched and evidenced.

Medium: All negative and positive outcomes, impact and value has been researched and accounted for. However, due to business and commercial sensitivity, the report has been edited to remove these areas.

High: All negative and positive outcomes, impact and value has been reported in an unedited format to provide an unbiased and independent view of the organisation's service(s).

For the purposes of this report, the level of rigour is **Medium** and the level of transparency is **Medium**.

“

It is important to understand that others influence the outcomes and impact that is achieved

”



Financial Value

Following the analysis and evaluation of the outputs, outcomes, indicators and impact, it is possible to assign financial values to the tangible impact.

Where assigning financial value against impacts has been possible, and legitimate references have been used, a triangulated approach has been adopted, i.e. Central Government financial costs have been the primary sources, supported by Academia/Think Tanks and further supported by leaders within the relevant sector. A full list of reference sources used can be found within Appendix 1.

The formula used to calculate the financial value is:

Outputs x Outcomes frequency x Impacts frequency x individual assigned financial value per intervention – external influences (Deadweight – Attribution – Displacement) ÷ the number of years the impact will last

VALUE IS CREATED AS A RESULT OF IMPACT BEING EXPERIENCED BY INDIVIDUALS AND ORGANISATIONS.

FINANCIAL VALUE RELATES TO THE POTENTIAL AND EVIDENCE BASED SAVINGS THAT WILL BE EXPERIENCED BY THE PUBLIC SECTOR.

NON-FINANCIAL VALUE RELATES TO THE INTANGIBLE VALUE THAT IS FELT BY PEOPLE EMOTIONALLY, PSYCHOLOGICALLY, OR PHYSICALLY.

=
FINANCIAL VALUE (£)

÷
INPUT

=
SROI RATIO

**THE OVERALL SOCIAL AND FINANCIAL VALUE
DEVELOPED THROUGH FOUNDATION FURNITURE IS:**

£367,439

FOR EVERY £1 INVESTED INTO FOUNDATIONS, THERE IS A:

£3.20

RETURN ON INVESTMENT

Recommendations

The social impact report indicates how value is created and identified above and beyond the contract outcomes. With this in mind, we have been able to make several organisational recommendations.

Monitoring and Evaluation Framework

- Create a new impact and value data capture process
- Update pre-engagement forms to add impact benchmark questions, which include, Health and Wellbeing, Social and Community, Housing, Employment and Volunteering and Environment.
- Embed post engagement follow up calls into customer monitoring.
- Train volunteers to carry out a baseline monitoring form at point of engagement with all FF buyers and follow up after six months to track impact and situation.
- Train and emphasise the importance of staff cooperation and involvement.

Development – Invite key Local Authority contacts to be involved in significant future development plans, using the Impact Report as leverage to demonstrate wider impact. For example, in areas such as Health and Wellbeing and Community.

Marketing – Share the value of the services as an engagement tool to generate donations, sales and profile.

Online Sales – Potential to further develop the existing online sales platform. Opportunity for a graduate intern or skilled apprentice.

Signposting – Although signposting takes place, there is the potential for a stronger and wider community network that involves additional community activities and services that support softer outcomes.

Environmental Action Plan – Create an action plan that monitors in detail and increases the impact and value of the whole organisation, including recycled waste, CO2 from saved mileages, items donated to others, environmental awareness training, electricity consumption etc.

Employment Readiness - There is the potential for greater emphasis on employment readiness and therefore having structured placements with a clear exit strategy and route into employment. Monitor leavers and their employment status.

Pathways to employment – Connect further with local organisations to offer additional pathways to employment or experience for Volunteers.

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