



Social Value Report

Year Ended 31 March 2017

A Social Business Investing in
People and Communities



1. Background

As a social business we have always aimed to deliver social value through all our activities, it is inherent in the nature of the services we provide. Intrinsically the provision of safe, secure homes for people and the building and strengthening of communities has wide ranging social value across a number of themes and is essential to the health, wellbeing and economic security of our residents. Our other services too; the provision of care and repairs services to enable people to remain independent at home; supporting people into employment and training and our varied support and advice projects all have far reaching positive social impacts on our customers.

We are now in our fourth year of formally measuring our social value since implementation of the Public Services (Social Value Act) 2013, requiring commissioners to think about how they can secure wider social, economic and environmental benefits when procuring services. We have seen ever increasing changes and challenges in our internal and external environment; more cuts to resources and funding; all driving our pursuit of value for money and attaining the maximum social value return to investment. We now have social value measures in place for over 80% of our frontline services.

2. Scope

We aim to measure Social Value in all frontline services where it is feasible. Given that we wish to achieve the highest possible value for money and impact for our customers in the delivery of our services, we have limited resources to expend on the measurement of the social value of all of our activities. We implemented an organisation-wide Social Value Tool and Guide in 2015/16 which measures the social value of outcomes to participants and beneficiaries. The Tool and Guide was presented to Managers and published on the extranet with the offer of support from the Corporate Services Team to implement the Tool, enabling any service that can evidence Wellbeing Valued Outcomes to measure their Social Value. Reporting on these outcomes has been integrated into the quarterly returns, known by us as Q Reports. This system is now bedded in across the organisation, with clear social outcomes identified for teams to report on.

3. Methodology

The Methodology we have adopted is based on the basic principles of Social Return on Investment (SROI) and incorporates Wellbeing Valuation techniques developed by social econometrician Daniel Fujiwara and licenced by the housing sector solutions agency HACT. Both financial and social outcomes are identified and measured across our frontline services and proxies used to estimate the value of social outcomes to the beneficiaries and to wider society. These can be in the form of wellbeing or financial gains/savings to the beneficiary of the service; positive impacts to the wider community or financial benefits to the Exchequer.



4. Results (Table 1)

Activity	Purpose	Description	Outcome	Budget	Beneficiary Wellbeing Value	Beneficiary Financial Value	Exchequer Benefit	Analysis of benefit			Notes
								Overall Benefit	£ benefit to every £1 cost	Net Benefit	
Housing – Tenant Engagement	Encourage tenants to be engaged and influence decisions that influence their tenancy.	Facilitation of regular tenant meetings and engagement events tailored to specific issues across communities.	69 people active in tenants group.	£ 88,122	£ 340,573	£ -	£ -	£ 340,573	£ 3.86	£ 252,451	Other outcomes with a social value have been identified for other housing services; however we do not currently have systems in place to record and measure these pre and post intervention.
Social Business Team – Employment and Training Services	Provision of personalised support for claimants who need more help looking for and staying in work.	Training & jobsearch, appointments 4 weekly. Monthly monitoring of those entering employment.	192 individuals have entered full-time employment as a result of SBT activities over the last 3 years.	£ 543,250	£ 2,454,554	£ 2,416,039	£ 1,921,102	£ 6,791,695	£ 12.50	£ 6,248,445	Beneficiary Financial Value based on increased income to those gaining employment (35 hr wk, National Minimum Wage). Exchequer Benefit based on additional Tax and NI contributions; savings in JSA, ESA, Housing benefit payments.
Savoy Centre – Training Provision	Organise & facilitate training & learning opportunities for members of the local community.	A wide variety of vocational training opportunities and courses are delivered to members of the local community.	778 people given vocational & employment training..	£ 163,509	£ 687,954	£ -	£ -	£ 687,954	£ 4.21	£ 524,445	This service is now completely funded by our Social Investment Fund and provides valuable advice and support to older people. The impact of our two Community Outreach Officers is significant compared to the cost of providing the service.
Compass	Provision of advice & guidance to older people regarding their home, finances and care to improve their quality of life.	Free advice service available to people aged over 55 in the Black Country. Benefits check, budgeting advice and support.	660 provided with advice locally, additional income accessed through identification of eligible benefits and charity grants/ donations.	£ 90,835	£ 2,101,7513	£ 576,605	£ -	£ 2,687,356	£ 29.49	£ 2,587,521	We believe that this service offers additional Wellbeing outcomes through relieving anxiety in beneficiaries and enabling them to feel more in control of their life, however the system to measure these outcomes is not yet fully implemented. It is likely that the value of these additional outcomes will be included in next years assessment.
Supported Housing	Support vulnerable young people aged 16 to 25 who are at risk of homelessness.	Support vulnerable young people to gain skills to live independently, set their own goals and engage in education, employment and training.	64 individuals at risk of homelessness supported, individuals with substance misuse issues; Mental Health issues; and those from Foster care.	£ 503,837	£ 95,848	£ -	£ 2,167,472	£ 2,263,320	£ 4.49	£ 1,759,483	The Exchequer Benefit is based on savings to the Exchequer from supporting individuals with substance abuse; mental health issues and in Foster homes at Highland Road rather than in a specialist residence, based on the PSSRU Unit costs of Health & Social Care 2015. The cost of homelessness to society is very difficult to value given that homeless people can interact with a number of different services
Supported Living	Enable independent living for adults with learning disabilities.	Provide care and support to live as independently as possible.	44 people supported to volunteer regularly and to participate in hobby groups.	£ 15,990	£ 63,654	£ -	£ -	£ 63,654	£ 3.98	£ 47,664	Cost data is based on support hours for hobbies and volunteering only. PLEASE NOTE: These outputs have only been measured for the last 2 years and therefore relate to 2015 – 2017 only.
TOTALS				£ 1,405,543	£ 5,744,334	£ 2,992,644	£ 4,088,574	£ 12,825,552	£ 9.12	£ 11,420,009	

Housing, Development & Property Services

Our primary activity of providing good quality housing delivers social value to society, although it is difficult to calculate. Evidence indicates that poor housing can contribute to crime and offending, educational underachievement and medical conditions. A study, 'Social impact of poor housing' by Danny Fieldman published by ECOTEC in 2010 indicates that costs assessed for a basic police response to crime related to poor housing conditions, plus the costs of burglary and criminal damage in relation to those cases amounted to £200m per annum for public sector stock, and rose to £1.8b if private stock was included.

The costs did not include court, prison or probation service costs related to those case or any physical or health costs to victims of the crimes. The same study also suggested that an additional £14.8 billion pounds of income could be earned by the generation currently in poor housing, based on differences in GCSE results alone and that the cost of treating medical conditions associated with poor housing amounted to nearly £2.5 billion per annum.

Although we cannot directly measure these outcomes for our own tenants the true value of safe, secure, good quality housing cannot be overlooked. It is integral to individuals', families' and society's wellbeing and quality of life.

Measures identified for Housing, Development and Property Services include:

- Tenancy engagement – as detailed in the Results table above
- The Wellbeing Value new tenants experience when moving into a BCHG property from an Average Local Authority or Private Landlord property 2014 - 2017 valued at £64,000

NOTES: Valuation Method - Three different measures of wellbeing were used in calculating these values: How housing factors affect people's preferences for housing (desire satisfaction account); And two different subjective wellbeing accounts: life satisfaction and happiness; and their associations with housing. Life satisfaction measure is used to derive monetary values for housing quality in line with welfare economic theory. The source data used is from the British Household Panel Survey (BHPS), a nationally representative sample of over 10,000 adult individuals constructed between Sep and Dec of each year from 1991. For happiness the General Health Questionnaire (GHQ) is used. The amount of extra income people would need in order to Compensate them for given housing problems is estimated and life satisfaction is used as a measure of wellbeing.

Source - Fujiwara, D. & HACT (2013). The Social Impact of Housing Providers. London: HACT. p11-29.

Assumptions – Primarily the calculation assumes that all tenants that have moved into a BCHG property have moved from an 'Average Quality' property to a 'Good Quality' property. The valuation method also has the following inherent assumptions: The values are derived from the available data. There are likely to be other aspects of a home that are important for wellbeing and hence are valuable to people and if there are differences in these factors between HA and non-HA homes there would potentially be extra value in HA home not picked up here. The values derived here are average level values for people in the sample. Given the distinctive characteristics of social housing tenants, particularly in relation to income groups, employment, age and disability/vulnerability, it is possible that some values which are drawn from the full BHPS sample may not be fully representative of the nature of that group. As with all statistical analyses of observational data, causality can be an issue. The general approach for these models has been to rely on a selection on observables assumption, using the panel structure of the BHPS data to control for unobservable time-invariant factors. however, the possibility that some of the result may still be susceptible to selection bias cannot be ruled out.

Sandwell Financial Service Hub

As part of The Big Lottery's Improving Financial Confidence Programme (IFCP), Sandwell Financial Services Hub is one of 37 projects delivering financial capability activities to tenants to enable them to improve their financial confidence. The project delivers support primarily to residents of Sandwell 'Helping people manage their lives better'. The service helps tenants deal with every day money management and provides independent information and guidance regarding financial matters. It supports tenants to improve their financial confidence by building their financial skills so they can make informed choices about their own finances. During 2014 - 2017:

- 1,983 people have taken advantage of one or more of SFSH services
- 1,704 people have received a financial health check
- 1,590 people are working through an Individual Action Plan to improve their finances and take control of their debt
- 590 people have received financial management skills training
- 81 people have received accredited financial training
- 285 people feel less financially excluded
- 297 people are more confident to manage their money or access mainstream services
- Tenants have received £158,805 in charitable support as a result of SFSH intervention

Energyextra

We are a founding member of Energyextra; a partnership of nine Housing Associations and Local Authorities, set up in May 2000 to give tenants easy access to cheaper gas and electricity. As well as providing cheaper gas and electricity, Energyextra also provides a whole range of additional services, all aimed at reducing the amount of money people spend on energy and increasing the household income. Energyextra outcomes have only been measured as part of Social Value for the last 2 years, 2015-2017. During this time the partnership has saved a total of £283,813 for clients, using a combination of Energy Efficiency advice, Warm Homes Discount applications, and switching to cheaper tariffs/ providers. In addition the energy saving advice given has a predicted saving of 1588 tonnes of CO2.

5. Conclusions

The Social Housing sector has come under considerable pressure from the Government with the introduction of a whole host of proposals that undermine our financial viability and threaten the existence of affordable housing in the UK. The effects have been felt in all of our services, and it is fair to say that the measurement of Social Value has taken a back seat as we concentrate on restructuring services and finding efficiencies to ensure their long term survival. Despite this we have been able to have social measures on 80% of our services which is a positive reflection of the integration of Social Value measurement into our day-to-day business.

The cost to benefit ratio of our social Value activities over the last 3 years is still very positive, delivering £9.12 of Social Value for every £1 invested overall. Some individual services deliver a much higher benefit to cost ratio, Compass for example, delivers £29 of Social Value for every £1 invested. This is an extremely valuable service providing advice and support to some of the most vulnerable older people in our community. It is funded entirely from our Social Investment Fund, investing our profits for the benefit of those in need in our local community.

As our services continue to be challenged by external changes it is important that we continue to measure the social value they deliver, so as to assess their effectiveness and value for money, as we continue to make difficult decisions about allocating limited resources.



How to contact us:



T: 0121 561 1969



E: info@bchg.co.uk



W: www.bchg.co.uk



Black Country Housing Group Ltd

134 High Street

Blackheath

West Midlands

B65 0EE