

Social Impact Measurement in policy and practice

Jan 2015

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SITRA



1. What is social impactand how can we measure it..?
2. Why we need to measure social impact...and can we standardise it.....?
3. How does it look in policy and practice: Case studies from the UK

Each section will be twenty minutes plus ten minutes for questions

What is social impact
.....and how can we measure it..?

What do we mean by “social” ...

Definitions from the GECES report

http://ec.europa.eu/internal_market/social_business/docs/expert-group/social_impact/140605-sub-group-report_en.pdf

Social	Relating to individuals and communities, and the interaction between them; contrasted with economic and environmental.
Social Outcome	Social effect (change), both long-term and short-term achieved for the target population as a result of the activity undertaken with a view to social change taking into account both positive and negative changes.
Social Impact	The reflection of social outcomes as measurements, both long-term and short-term, adjusted for the effects achieved by others (alternative attribution), for effects that would have happened anyway (deadweight), for negative consequences (displacement), and for effects declining over time (drop-off).



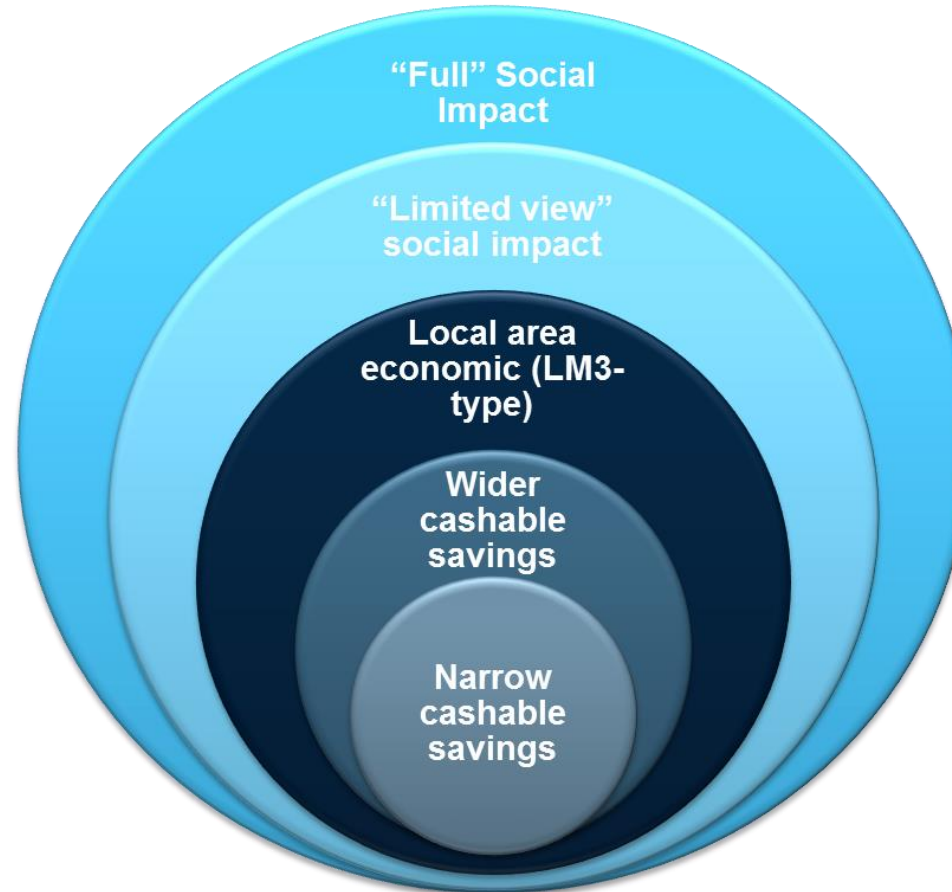
What is social impact.....?

Views from Maas and Liket “Do we know what we are talking about” at ARNOVA 2011

Four key elements :

- Value created as a consequence of someone’s activity (Emerson, Wachowicz & Chun, 2000)
- Value created is that experienced by beneficiaries and all others affected (Kolodinsky, Stewart, & Bullard, 2006)
- Impact is the sum of both positive and negative effects (Wainwright, 2002)
- It must be judged against a benchmark of what would have been the status without the activity (Clark, Rosenzweig, Long, & Olsen, 2004)

Categorising Financial Measures of Social Impact

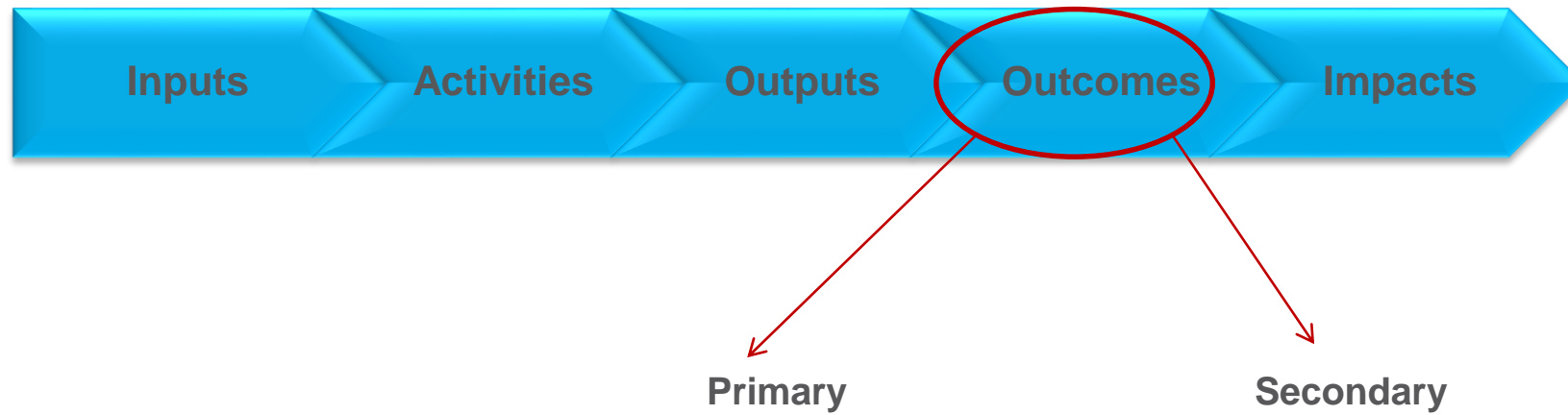


THINK

- Timescale and measure
- Viewpoint
- Purview

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Where do outcomes fit ?...



Impact measurement: How does it work ?

$$\text{Impact} = \sum \text{Outcomes} - (\text{deadweight} + \text{alternative attribution} + \text{displacement})$$

Deadweight

The outcome that would have happened anyway

Don't have to monetise

Proportionality

Story-telling

Alternative attribution

The outcome that arose as a result of other interventions – importance of recognising the work of others

Displacement

The disadvantage or reduction in positive outcome, or social cost arising as a consequence

What is “good” measurement.....

- For measurement to be effective it must be:
 - **relevant**: related to, and arise from the outcomes it is measuring;
 - **helpful**: in meeting the needs of stakeholders’, both internal and external;
 - **simple**: both in how the measurement is made, and in how it is presented;
 - **natural**: arising from the normal flow of activity to outcome;
 - **certain**: both in how it is derived, and in how it is presented;
 - **understood and accepted**: by all relevant stakeholders;
 - **transparent and well-explained**: so that the method by which the measurement is made, and how that relates to the services and outcomes concerned are clear;
 - **founded on evidence**: so that it can be tested, validated, and form the grounds for continuous improvement.



5 steps in Social Impact Measurement

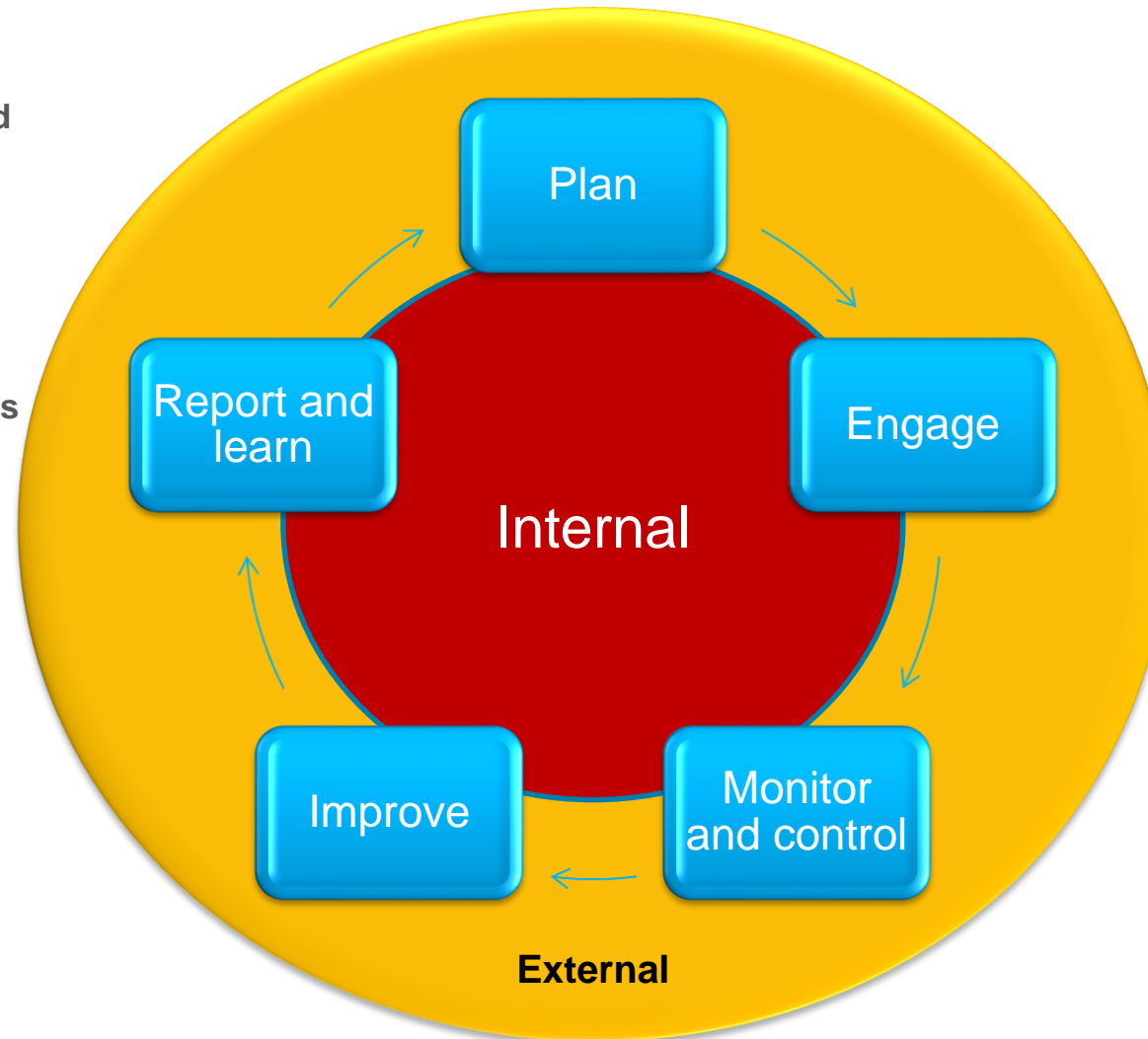


Why we need to measure social impact.....and can we standardise it.....?

- Benefits of measurement
- The standardisation debate
- GECES and the G8

Why measure

- Improving and focusing delivery
- Assessing the most effective and cost-effective approach
- Monitoring for management, for State and investors
- Engaging with stakeholders:
 - Social sector delivery partners
 - Service users
 - Others.....



Standardisation: help or hindrance



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Help ?

- Comparability
- Benchmarking for improvement
- Supported investment decisions
- Engagement with outsiders using a common language
- Support idea-sharing

Hindrance ?

- “one size fits all”
- Lose the story and devalue it
- Supporting false comparability
- Develop a two-tier landscape

*THINK.....Embracing something that's workable
and then developing it further avoids others
introducing something less helpful.....*

The search for standardisation...



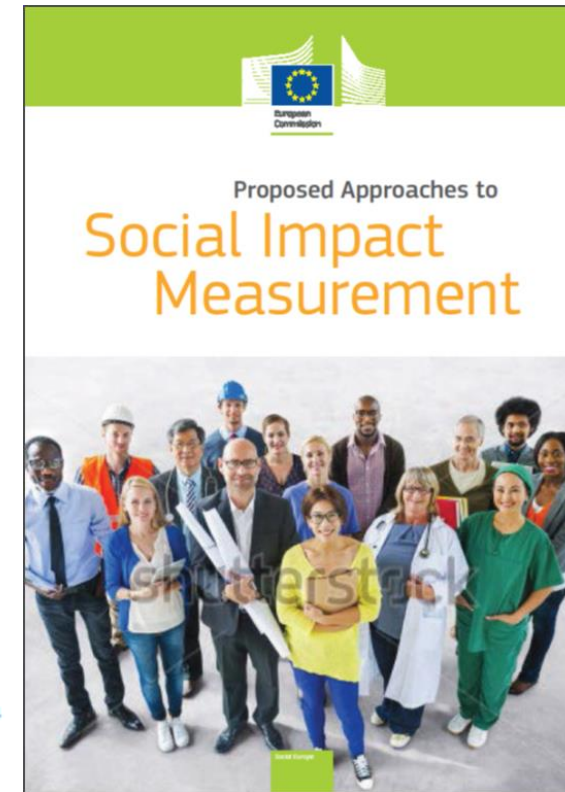
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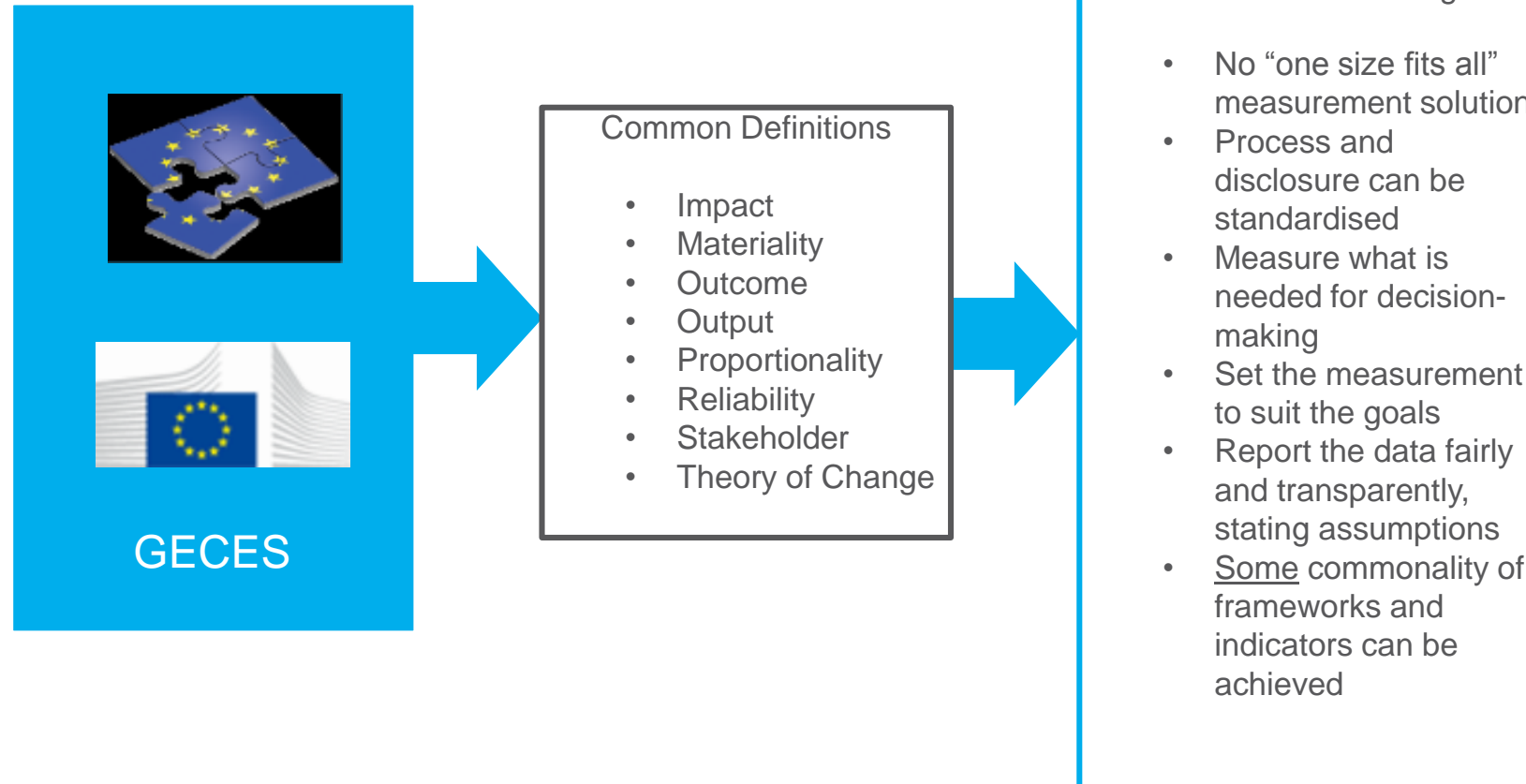
2. The four elements of a standard

- **PROCESS** (of measurement)
- **CHARACTERISTICS** (of good measurement reports)
- **FRAMEWORK** - A matrix of expected outcomes and sub-outcomes set within each major area of intervention
- **INDICATOR** - A particular way of attaching a value or measure to those outcomes and impacts.

Excerpts from the work of the sub-group to
Groupe d'experts de la Commission sur l'entrepreneuriat social
(GECEs)

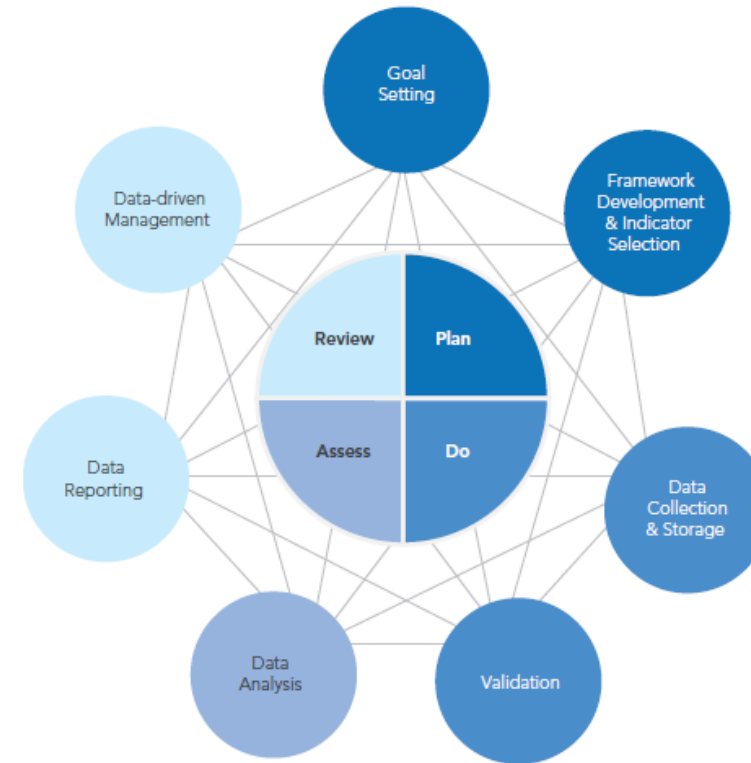


GECES Report as a key to uniting G7 thought



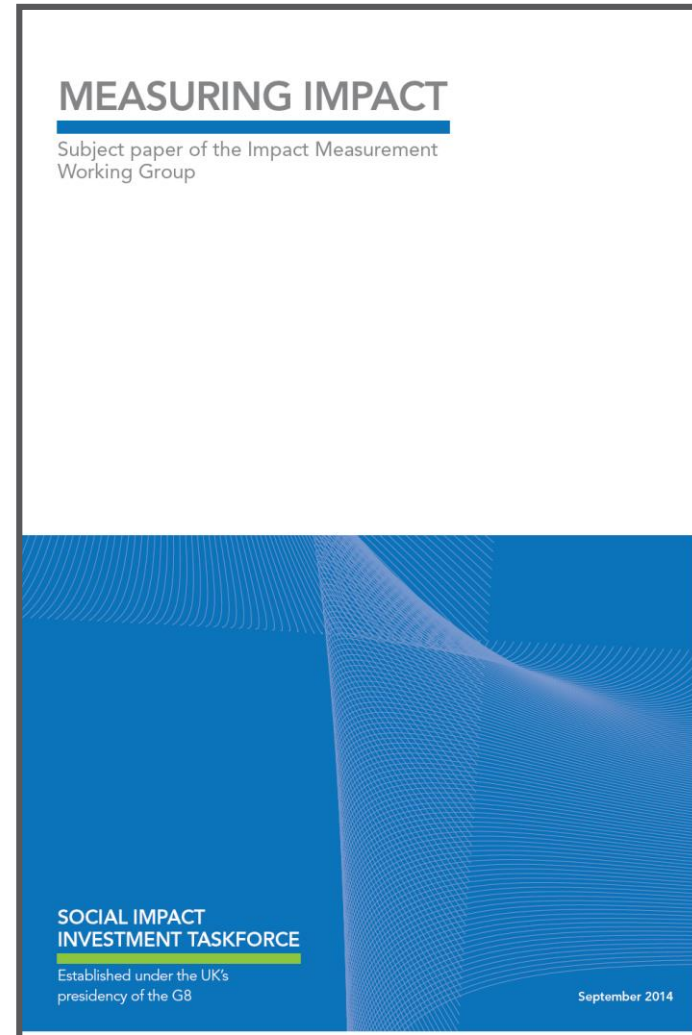
7 Guidelines: the key stages of Impact-based investment

1. Set Goals
2. Develop Framework & Metrics
3. Collect & Store Data
4. Validate
5. Analyse
6. Report Data
7. Make Data-driven Investment Decisions



Four “desires”

1. Embrace Impact Accountability as a common value
2. Apply best practice guidelines
3. Establish common language and data infrastructure
4. Evolve – strive continuously to improve



How does it look in policy and practice ?

Case studies from the UK:

1. [StepChange Debt Charity](#)
2. [Permanence in child placement](#)
3. [North Lanarkshire Leisure](#)

The Research

109,397 StepChange clients in the groups reviewed (47% of total)

Action Research:

- using the experience of debt counsellors
- to examine the stories of changed lives for four groups:

Group	Profile	Client numbers	Average unsecured debt
Beyond Means	18-24, single, no dependents	16,848	£4,574
Going Under	18-59, sole parents	38,673	£11,898
Juggling Life	40-59, couples	40,316	£26,860
Limited Means	60+	7,916	£16,662



Telling the stories....spotting the gains



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Improved mental health	Reduced creditor recovery cost
Improved physical health	Reduced risk of debt recycling
Reduced likelihood of being NEET	Reduced risk of children being taken into care
Reduced risk of losing home	Reduced risk of relationship breakdown
Cost of residential care	Reduction of unemployment
Increased employment	Reduced risk of crime

Gains to the State and economy

Gain for the state				
Segment Type	Beneficiaries	Totals	Total Gain	Average Gain
Beyond Means: 18-24 no dependents	Clients	£7.2m	£7.3m	£431
	Parents	£45k		
Going Under: Sole Parents	Clients	£42.0m	£42.1m	£1,087
	Parents	£49k		
Juggling Life: 40-59 Couples	Clients	£32.2m	£47.7m	£1,038
	Partner	£1.9m		
	Children	£3.9m		
	Employees	£9.7m		
Limited Means: Over 60's	Clients	£12.2m	£12.2m	£1,547
	Family	£9k		
Segment Totals	Clients	£93.7m	£109.3m	£999
	Parents	£2.0m		
	Children	£3.9m		
	Employees	£9.7m		
	Family	£9k		

- Welfare, housing, healthcare, employment
- Set off enhanced claims for benefits
- More complex effects in Juggling Life group

Gains to Creditors

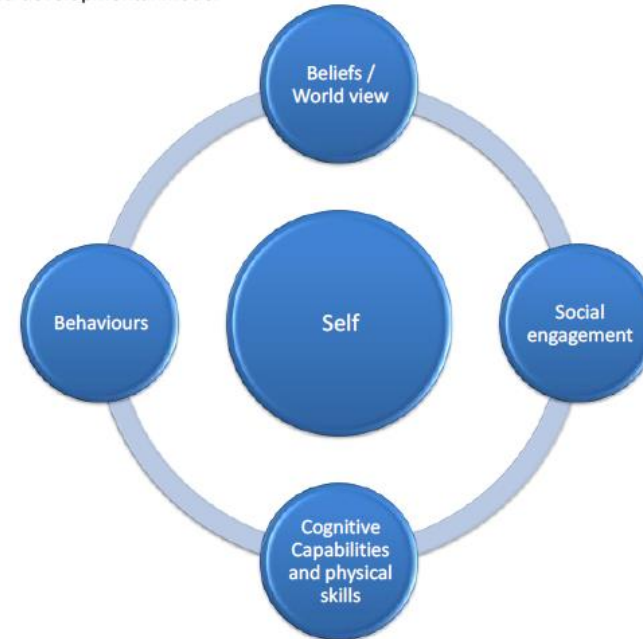
Gain to creditors					
Segment Type	No of Clients	Average Total Debt	Average unsecured debt	Total Gain	Average Gain
Beyond Means: 18-24 no dependents	16,848	£6,211	£4,574	£2.7m	£160
Going Under: Sole Parents	38,673	£47,628	£11,898	£21.9m	£567
Juggling Life: 40-60 Couples	45,960	£122,817	£26,860	£52.1m	£1,134
Limited Means: Over 60's	7,916	£43,052	£16,662	£5.6m	£708
Totals	109,397	£219,708		£82.4m	£753

- Avoiding debt recovery costs
- Reduced losses on unsecured debt recovery
- Improved reduction in mortgage arrears
- Very conservative assumptions about effects

PACT Permanence in child placement report

Summary Table for PACT Adoption	NPV (£)
Additional capacity achieved per annum	17,135,903
disruptions	1,351,233
Increased educational attainment	262,586
Reduction in NEET population	2,832,987
Displacement: Loss of tax revenue from fostering	-1,022,805
Total evaluated	£20,559,903

The balanced developmental model



January 2011

PACT Domestic Adoption and Fostering

SROI Evaluation

<http://pactcharity.org/reports>

Some background:
what's a social impact bond ?

- A contract for delivering services
- Deliberately creating social outcomes – changes in the lives – of individuals or communities
- Generally paid-for on the basis of
 - success in delivering those outcomes, or
 - delivering other value
- With its own embedded way of financing its work up-front



It's All About Me.... "IAAM"in a nutshell.....

Of 7,000+ children a year who seek an adoptive family, 2,000+ don't find one. Many that do struggle.

A child in State care costs €1m to age 18, and more into adult life.

IAAM's solution:

Creating a new, alternative, UK-wide, virtual "market"

In which

- adoption works differently: children find parents
- Local Authorities can choose if, when, and how
-on a child-by-child basis
- adoption support pre-, during and post-placement is built in
- Local Authorities pay by results, out of savings they've already made: €70,000 out of €140,000



How's it doing....eleven months in?

- Network is working and developing
- First registrations after 6 weeks
- Psych/medical reports delivered within 6 weeks
- Engaged with 60+ of a target 75 (50%) local authorities
- 60 children referred; 23 registered; 15 being considered
- 2 placed in new homes
- LAs decision-making changing
- Wider VCS discussions about what's possible
- Interest from wider finance markets.....and individuals



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Our ambition for children and their families

Currently there are nearly a thousand children in England who have been in care for over a year, creating further distress for already vulnerable families. These children are older, are in sibling groups, from a range of backgrounds and have complex needs. For these children, adoption is the alternative. Though this works for some, it is not for all. Adoption has significant advantages in enhancing lifetime opportunities for these children. For the families that seek to adopt these children they can find a family where the children are supported in coming to terms with their past experiences, rather than being controlled by their traumas. However, support, both before and after placement, is essential.


At IAAM our ambition is to ensure that more and more parents have the opportunity of making a family for these children. We will provide the support and training they need to make those placements a success.

To find out more

IAAM is available for children referred to the VAAs above - via our website. Alternatively, please visit the IAAM website: www.iaam.org.uk or contact IAAM's CEO Andrew Thomson via e-mail at andrew@iaam.org.uk




You can follow us on twitter: @IAAMAdoption

 [Linked in](#) 



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"IT'S ALL ABOUT ME": GUIDE FOR PARENTS

What is "It's All About Me?"

"It's All About Me" (IAAM) is a new family finding service that finds families for 'harder to place' children. The service is provided by six of the country's leading Voluntary Adoption Agencies (VAAs):

Action for Children	Caritas Care
Adoption Matters	Family Futures
After Adoption	Parents and Children Together

How Does IAAM Work?

IAAM uses a unique social impact bond to enable VAAs to find families for specific children, referred by their Local Authority, and to provide support for these families as they move through the adoption process. The support provided helps parents with:

- Developmental re-parenting
- Attachment
- The impact of early life trauma on brain development and subsequent behaviour
- Managing challenging behaviour
- Safe caring of children whose behaviour is particularly challenging
- The impact of secondary trauma, self-care and managing stress as parents
- Additional modules specifically related to the needs of a particular child e.g. autism
- Appropriate training for other members of the adopter's household, and support network
- Appropriate training for those also involved in caring for the child

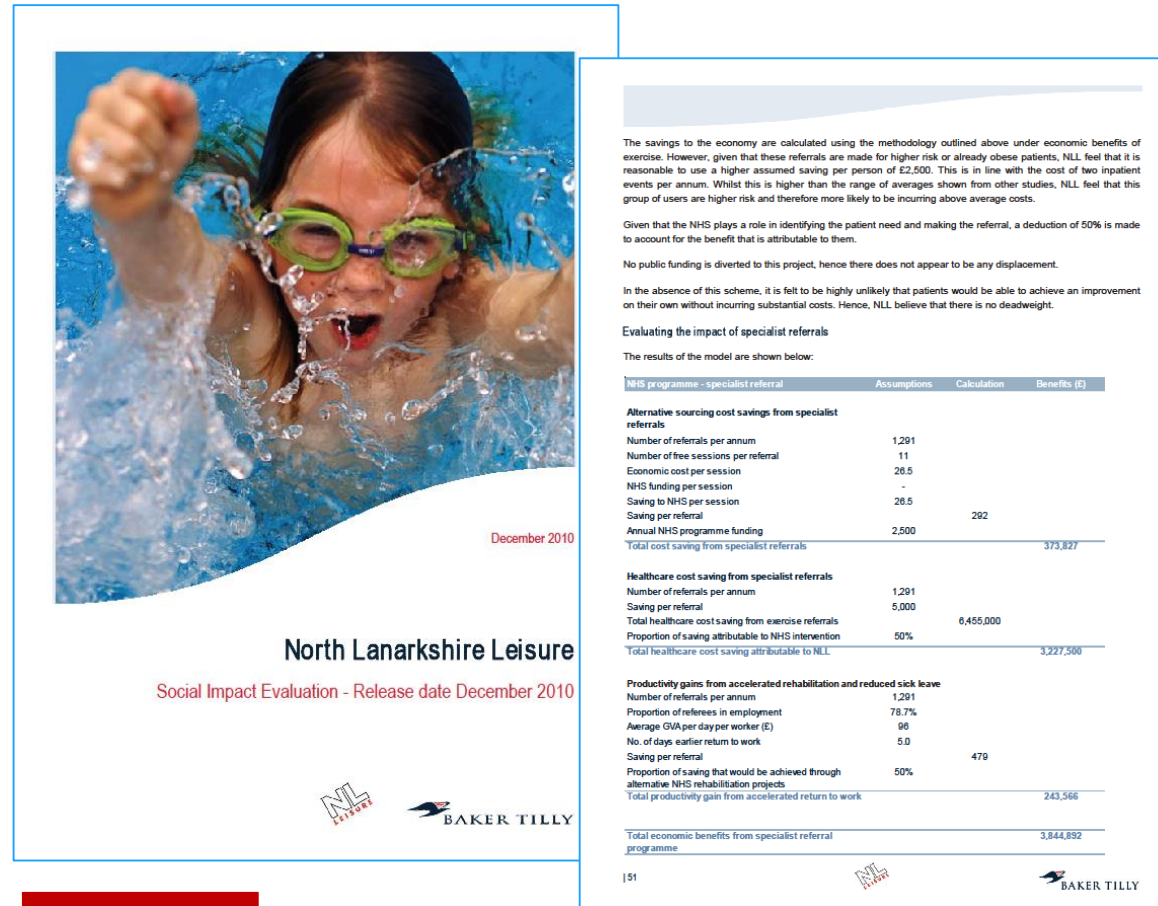
The support package for parents will span at least the crucial two years after placement as well as the build-up to it, and will include the following elements:

- assessment of the child's needs, enabling training to be matched to them, but also enabling parents to set realistic but positive expectations for the child
- continuing training
- provision of emergency 24 hour telephone support
- respite care
- access to an individual buddy or specific group support before during and after placement
- Individualised therapy for the child/family as determined through a specialist assessment (via the South London and Maudsley Children's Hospital)



North Lanarkshire Leisure: Focusing Municipality spending on what works...

- **Stroke Rehabilitation**
 - More cost-effective than hospital services
 - €6,500 a year per hospital-served referral
 - €500 a year for Leisure-led programme
- Wider benefits
- **Youth Engagement:**
 - 1,350 young people
 - €2.6m a year in fire brigade callouts alone



<http://www.nlleisure.co.uk/images/PDFs/social-impact-evaluation.pdf>

...but think

....Impact Measurement.....

.....What possibilities can you see ?

