

# Social Value

Engine

**HOW TO GUIDE**





## Introduction

The Social Value Engine provides a systemised and academically robust assessment of value to forecast, plan and evaluate social value.

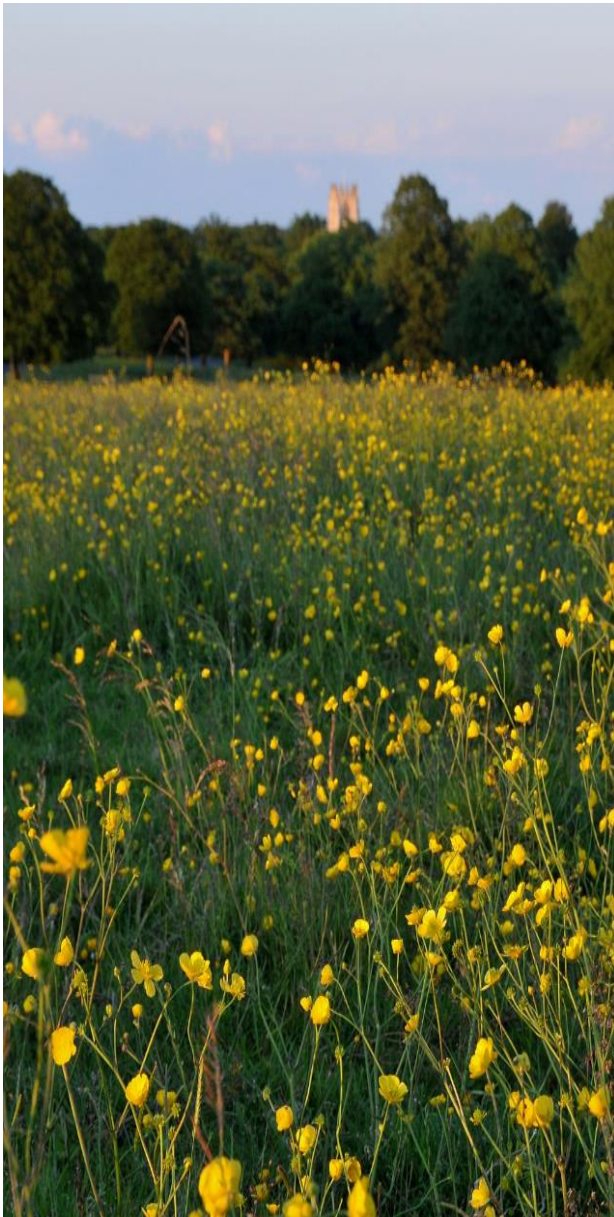
Social Value is all about the outcomes achieved by an initiative. Measuring the tangible costs and outputs of an activity is straightforward; the greater challenge is giving a value to the benefits it provides. It's even harder to do this in the context of place. That's what our Social Value Engine is all about.

Social Return on Investment produces a description of how a project creates value and a ratio that states how much social value (in £/€) is created for every £/€ of investment.

This technique is important for calculating social value and wider project benefits. It allows us to communicate the tangible value to society, which may not be recorded by other means, of the actions of organisations and individuals.

This 'How To' guide will give a brief introduction to social value, and a simple reference guide to using the engine for your projects. It looks not just at an abstract ratio in terms of social value, it also describes the impact of any given intervention on the sustainability of the place where it occurs.

If you would like to learn more about how the Social Value Engine does this, or to book a training session, please contact our team.



## How do you measure Social Value?

The traditional process of social return on investment follows 6 stages:

1. **Identifying the social value delivered by the project and the geographical area they cover.**
2. **Working with those who have been involved to ensure that the assumptions made are agreed by everyone.**
3. **Evidencing the outcomes and the value.**
4. **Taking account of factors that might affect the intensity of the project outcomes – asking, for example, which of the project outcomes would have occurred anyway.**
5. **Calculating the Social Return on Investment by dividing the value of the outcomes by the cost of delivering them.**
6. **Reporting the findings.**

Our system has been developed to give a wider context to the outcomes of a project. We use the eight indicators of a sustainable community produced by the UK government in 2005 known as the Bristol Accord.

The Bristol Accord followed initial research commissioned by Government from Sir John Egan in 2003-4. This potent approach has stood the test of time and if anything is more relevant today. We now live in an era of diminished resources, where communities not only need to do more for themselves but understand the impacts of their outcomes on their neighbourhoods.

Our methodology enables outcomes to be grouped in a manner that allows comparison on more than simply monetary terms. It puts “place” at the heart of assessing social value. It helps public bodies evaluate and forecast the impact of the interventions they support on their patch.

## The Bristol Accord

The Bristol Accord sets out eight characteristics of a sustainable community. It comprises characteristics of successful places – both urban and rural.

## Bringing it all together – the components of the Social Value Engine

This engine identifies social value by setting out:

- The monetary value of each outcome.
- The contribution of the outcome to the sustainability of the community.



The Bristol Accord

Gathering your evidence before you begin...

Before you begin...It's useful to confirm what you have been trying to achieve and why you thought it would work – this can be described as a Theory of Change. We normally do this by identifying:

- The initial condition for change
- The priorities you have set to achieve change
- The objectives you have broken the priorities down into
- The long term goal you have been trying to achieve

This will help you think about the evidence you need to collect to judge the social value of your activity. The Social Value Engine can be used either to measure social value or to forecast it. If you are seeking to measure social value, it is advisable to arrange your management and administration systems to collate evidence of your project to undertake an assessment. This isn't complicated or onerous; however, it is best done before the project starts. This avoids the necessity of evidence collation to fit the process after the project has already begun. Completing the theory of change will help you to think effectively about the evidence you will need. You can then use the Social Value Engine to identify the best outcome measures to fit your activities.

To identify how much of the value of each measure you can claim you will need to make an assessment of the impact of: **deadweight** (how much of the outcome might have been achieved without intervention); **leakage** (how much of an outcome might have delivered an impact outside of the area you intended); **attribution** (what proportion of an outcome might be claimed by others because they claim their activity contributed to it) and **drop off** (what proportion of the outcome will diminish over time). If those benefitting are asked about these issues as part of your project monitoring process you will be in a stronger position to justify your judgement about social value than if you try and collect the information afterwards. Once you have thought about the issues the rest of the process is simple. In the Social Value Engine section on outputs you choose the outputs, timescales and volumes relevant to your project, you adjust their value to take account of the issues above. You then feed in the information about the costs of the project and press « Report » The engine does the rest, showing your return on investment and the particular contribution your project has made to the sustainability of the area. If you're in forecasting mode you simply make the assumptions about outputs and costs and the Engine gives you an indication of what you would get back in social value terms.

## Using your results –What the engine can do for you

“A cynic is a man who knows the price of everything and the value of nothing”

-Oscar Wilde



**Project design** – by thinking through the outcomes sought and using the calculator to consider the evidence that the project will need to collect, the engine will test the project’s proposed approach and how it contributes to: the sustainability of a geographical area, the project’s direct benefit to the community, and its benefit to an individual. When a calculation is completed, it provides helpful projections (particularly through encouraging you to unearth previously unforeseen outcomes) to support the development of projects/activities in the future.

**Project outcomes** – the engine provides a monetary value to the outcomes produced by your project, demonstrating the full range of impacts you have achieved rather than just the outputs alone.

**Comparison** – the measure is a means of comparing (in relative terms) the value of your project’s achievements and benchmarking them against the results of other projects that have undertaken a social value assessment. If you are a funder, the engine will enable you to accumulate a bank of data over time that demonstrates the generic characteristics of certain types of projects. For example, capital investment in community buildings will have a longer duration of impact (due to the physical manifestation of the investment) than many revenue projects (where the impact will only be linked to the beneficiaries for the duration of the funding itself). Projects which deliver outcomes in expensive public services activities, for example health care or crime prevention, have a relatively higher Social Value than those which cover less expensive areas of public activity. The engine will help you understand these issues in terms of your planning processes, particularly when you use it for forecasting.

**Engagement** – the Engine has been developed to democratise the assessment of social value. It provides anyone with an interest, with the tools, to undertake their own assessment of social value. These include academically robust financial proxies related to the key components of a sustainable community. By involving those individuals who have participated in a project in assessing its outcomes the engine helps people identify why and how it helped them and highlights any areas where it was less successful and might be changed in the future. It puts them in the technical driving seat.

## Frequently Asked Questions

### What can I do to make best use of my Social Value analysis before my project starts?

It is highly advisable to set-up your project management and administration systems to enable you to collect evidence that will be necessary for the social value assessment. This is best considered before the project starts. Setting the evidence collection approach of your project before it begins is also extremely useful for reviewing your proposed delivery methods and ensuring you have a robust schedule of activity. Thinking about this in terms of the theory of change process identified above is very useful.

### Does the process vary between capital and revenue projects?

The process does not differentiate between capital and revenue projects. It calculates the social value of a project irrespective of its character.

### What about the negative impacts of a project, how can these be captured?

The engine allows the impact of leakage, deadweight, attribution and drop-off to be identified. Negative results are calculated into

the final report. You can also enter negative values itself for outcomes themselves where they have such an impact for instance in relation to increasing use of carbon or increasing threat of crime.

### What are leakage, deadweight, attribution and drop-off?

- **deadweight**- how much of the outcome might have been achieved without intervention ;
- **leakage** – how much of an outcome might have delivered an impact outside of the area you intended ;
- **attribution** – what proportion of an outcome might be claimed by others because they claim their activity contributed to it
- **drop off** – what proportion of the outcome will diminish over time

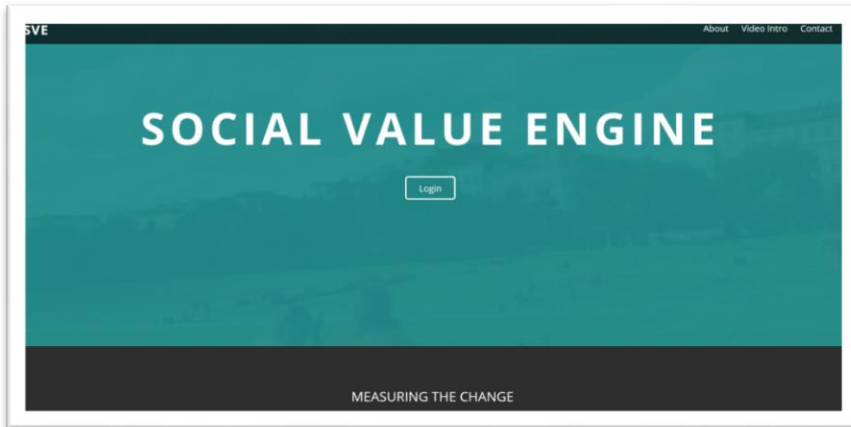
### My project is supported by more than one funder – can I break the cash figures down to input an amount (£) per funder?

The engine shows the overall social return on investment of a project taking account of all costs and all outcomes. You can either break the costs down by individual funder, or use the total figure. Where you have received ‘in-kind’ funding such as volunteer time or equipment, you can identify values for this on the inputs drop-



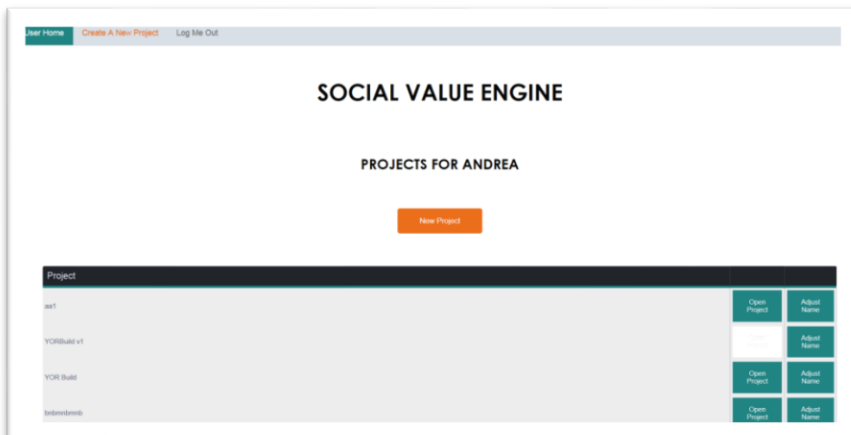
*“Social Return on Investment is a way of accounting for the value created by our activities and the contributions that made the activity possible”* Social Impact Scotland

The Social Value Engine is available online. After you have received your username and password, please navigate to <http://socialvalueengine.com/>



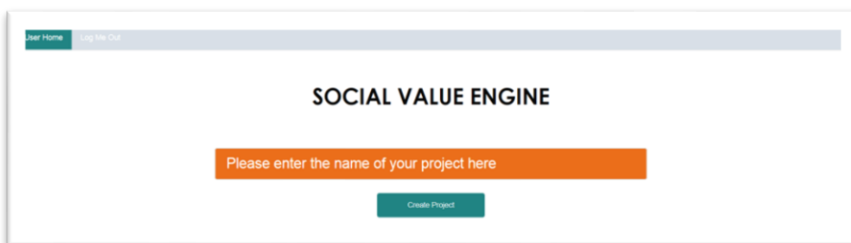
### Login

Please click the button to login to the engine. You will be prompted for your username and password, please enter these and click the 'login to calculator' button.



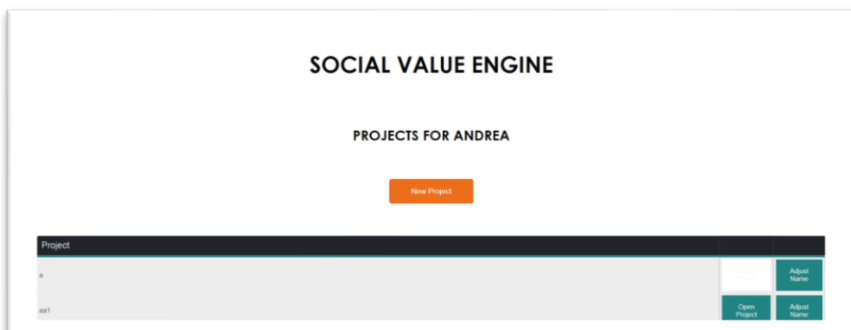
### User Home

This is the user home screen. Here you can create a new project, or view existing projects that you have saved previously.



### Create Project

Please enter the name of your project, then click the 'create project' button.



### Project Created

Your project will now be listed on your user home page. Click 'Open Project' to begin your calculation. Click 'adjust name' if you wish to change the name of your project.

## Project Page

We can now begin our calculation. Click on the 'Outputs' button to add outputs, and on the 'inputs' button to add inputs

## Outputs

Please enter a description of the output, then designate a Bristol Accord outcome from the dropdown menu which describes your output. If you want to get a full overview of the range of outcomes and proxies available they are set out in **Annex 1** below. Once you have chosen the outcome and relevant proxy the proxy dropdown will then auto-populate with options to select. Please add the number of units benefiting, the duration of the project in years (default is one), then the leakage, deadweight, attribution and drop-off (see glossary for terms). Then click the 'add to calculation' button.

When entering the number of years you need to think about the total volume of each proxy. If you have 100 units over 10 years you must avoid the mistake of putting in 100 for the volume and 10 for the years this will increase the volume you are claiming by a factor of 10!!! Instead in this situation you would need to divide the number of units by the number of years to derive an average number of units per year. You should then enter this figure into the volume part of the engine and then select the number of years. There is a complex technical issue here about how averaging out the number of outputs could distort the value of the impact in terms of the Net Present Value calculation. In practical terms even with a heavily back loaded programme the impact for any project operating under 20 years is likely to be minimal. We have therefore taken the view at this stage that introducing a further very complex calculation into the assessment of social value by the engine is inappropriate.



The screenshot shows a web interface for an 'Outputs Calculator'. At the top, there is a navigation bar with three links: 'User Home', 'Return to Project', and 'Log Me Out'. An orange arrow points upwards from the bottom left towards the 'Return to Project' link. The main content area is a dark grey form titled 'Outputs Calculator for The project to end all projects'. It contains several input fields: 'Output Description' (a text box with placeholder 'Please enter a description of the output'), 'Please select the outcome:' (a dropdown menu with placeholder 'Please select the outcome'), 'Please select the proxy:' (a dropdown menu with placeholder 'Please select the proxy'), 'Number of Units Benefiting' (a text box with the value '1'), and 'Over' (a text box).

### Return to Project

After all your outputs have been entered, please click on 'Return to Project' in the top left-hand corner to return to the project page.

### Inputs

Please enter a description for your input, select the category of input, the value, the volume, and the leakage, then add the input to the Social Value calculation. When applying a percentage for each of the 4 deflators you need to take the following approach. Work out what proportion of the overall or gross impact (100%) is likely to be reduced by each factor. As this is a proportion of the overall or gross impact when you add the percentage attributed to each deflator together it should not come out at more than 100% as this is the maximum you can deflate the gross impact by. The sum of these deflators will usually be considerably less than 100%.

The screenshot shows a web interface for an 'Add Inputs' form. The form is titled 'Add Inputs to The project to end all projects'. It contains several input fields: 'Input Costs (Description):' (a text box with placeholder 'Please enter a description of the input'), 'Input Costs Category:' (a dropdown menu with the value 'Money'), 'Value £:' (a text box with the value '£'), and 'Volume (n°):' (a text box with the value '1').

Output	Outcome	Financial Proxy	Saving	Units	Period	Annual Return	Project Return	Sources
For queen	80. Greater sense of cohesion and cooperation across different sectors	average cost of achieving life goals	£5,360.00	1	For 1 years	£5,360.00	£5,360.00	<a href="http://www.loydsbankinggroup.com/Media/Press/Releases/2014/loyds-bank-877000-the-0-gains-for-the-average-un-couple/">http://www.loydsbankinggroup.com/Media/Press/Releases/2014/loyds-bank-877000-the-0-gains-for-the-average-un-couple/</a>
Buy the thing called SPO	84. Increased use of public transport and reduced dependence on private cars	value of a child walking to school	£768.00	1	For 2 years	£768.00	£1,536.00	<a href="http://www.local.gov.uk/documents/101805854661/Making-the-case-for-public-health-8000-4500-4963-073623ed3e43">http://www.local.gov.uk/documents/101805854661/Making-the-case-for-public-health-8000-4500-4963-073623ed3e43</a>
Put stop me now	85. Strengthened public and civic engagement	average cost of councillors allowances at district level	£4,500.00	4	For 5 years	£18,000.00	£90,000.00	<a href="http://www.telegraph.co.uk/news/politics/2014/05/17/Council-expense-rising-by-up-to-25-per-cent-per-year/">http://www.telegraph.co.uk/news/politics/2014/05/17/Council-expense-rising-by-up-to-25-per-cent-per-year/</a>

Returns	
1. Active, Inclusive and Safe	£0.00
2. Well Run	£90,000.00
3. Environment	£0.00
4. Well Designed and Built	£0.00
5. Well Connected	£1,536.00
6. Fair to Everyone	£0.00
7. Thriving	£0.00
8. Well Served	£5,360.00

### The Social Value Engine Report

When all of the outputs and inputs have been added to your project, hitting the ‘Social Value report’ button will take you to the report for your project. The outputs are allocated to one of the eight categories of a sustainable community as designated by the Bristol Accord, these are colour-coordinated for ease of reference.

Expenditure	
Direct Costs	£5,000.00
Other: Equipment	£
Other: Advice	£
Other: Borrowing	£
Other: Expertise	£
Other: Mentoring	£
Other: Volunteering	£
	£5,000.00

Less	
Leakage	£1,890.50
Deadweight	£225.40
Attribution	£1,127.00
Drop-Off	£0.00
Total Return after leakage, deadweight, attribution and drop-off	£8,227.10
Total Expressed as a Net Present Value	£8,227.10

**THE GROSS SOCIAL VALUE**  
**IS £2.25/£1**

**THE NET SOCIAL VALUE**  
**IS £1.65/£1**

### The Social Value Engine Report

The Gross Social Return on Investment and Net Social Return on Investment show the calculated gross and net social return for every £1 of investment in the project. If the result is **green** the return is below £12.50, if it is **amber** the return is between £12.50 and £25.00, if the return is above this the result will be **red**.

Please note, although the engine should operate on all web browsers, it is best viewed in google chrome or apple safari.

## Annex 1 – Outcomes & Proxies

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Active, Inclusive and Safe	1a. Improved well-being through cultural, recreational and sports activities	Estimated weekly cost of private sports tuition	Cost p.p.
		Contribution of sport to wellbeing	pp
		The annual amount that single retired households who are mainly dependent on the State Pension spend on 'recreation and culture'.	per household
		Value of sports arts engagement	pp
	1b. Improved social capital, community ties and strengthened civic engagement through greater use of community space	Average Annual spend on culture, recreation and leisure	£ per annum p.h
		Cost of mental health problems exacerbating a long term health condition	p.p
		Value of increased happiness through living near green space	p.p pa
	1c. Improved social inclusion and access to community resources	Value to an individual (aged 25-49) of feeling like they belong in their neighbourhood.	p.p pa
		Value ascribed to a good neighbour	per household
		Average local authority spend per resident	per person
	1d. Increased volunteering and potential for greater community participation and development	Value that frequent volunteers place on volunteering	p.p
		Value placed by a local authority on volunteering	per hour
		Cost of supporting a young person in a job readiness programme	per person
	1e. Reduced social isolation for community members	Annual value attributed to talking to neighbours more frequently	p.p
		Quality of life improvements associated with a reduction in depression	p.p
		The value of feeling more confident in being with family and other people as a result of taking part in an adult learning course	p.p
		Suicide prevented	p.p
		Savings from the reduced cost of treating depression	p.p

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Well Run	2a. Improved capacity for local solutions to local problems	Average size of a charitable donation in the UK	£ pa. per household
		Value per volunteer in UK	per volunteer
		Average cost of trustee training	per person
	2b. Improved trust, relationship building and group participation	Annual value attributed to change to seeing friends and relatives most days from once or twice a week	p.p pa
		Average cost of relationship counselling	per session
		Cost of Business Leadership Training	per person
	2c. Strengthened public and civic engagement	Value to an individual of being member of a social group	p.p pa
		Average cost of councillors allowances at district level	p.p pa
		Average cost of a meeting with a council official	per meeting per person
	2d. Improved efficiency and dynamism of community and voluntary sector	dfT estimation of business time savings	Cost p.h saved by organisation
		Typical cost of quality assurance	per organisation
		Average salary of a project worker	per year
	2e. Improved leadership and agency for individuals in the community	Cost of leadership management training course	£ p.p
		Cost of advocacy	cost p.h
		Costs for a parliamentary campaign	per campaign

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Environment	3a. Carbon reduction through sustainable behaviours and increase in green space	Value of carbon savings from growing vegetables on allotments	per sq m p.a
		Expenditure on energy per family per year	per family
	3b. Improved water and soil quality	Willingness to Pay for improved water quality	per household p.a
	3c. Increased aesthetic and cultural value of physical environment	Average annual household spend on recreation and culture	per household p.a
		Annual cost of family membership for National Trust	per family
	3d. Improved resource efficiency adoption of renewable energy	Cashable benefits from investing in renewables	per £
	3e. Growing	Per Capita costs of obesity to society (£49.6 bn/£64,000,100 population)	Cost per head
		Reduction to grocery bills on average by growing your own vegetables	Cost per family
		Cost of therapy	Cost per person, per session
		Better Food Management can reduce household food bills by 1/3 – average spend on food per week	Cost per household, per week

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Well Designed and Built	4a. Improved protection, management and conservation of historic resources	Tourism value of heritage	£ per year p. h
		Annual cost of family membership for English Heritage	£ per family
		Average spend on tourism to create a job	per job created
	4b. Increased or improved open green spaces and recreational infrastructure	Average family spend on sports/leisure	Per household p.a
		Value of greenspace	Per ha
		Average price per acre of amenity land	per acre
	4c. Improved access and affordability to quality housing	Compensation value for 'average' quality compared to 'good' quality housing association homes.	Per household per annum
		Homelessness prevented	p.p
		Average annual rent for affordable housing	per household
	4d. Reduction in crime and the perception of crime	Opportunity cost in lost earnings (at national minimum wage) of a 6 month custodial sentence	p.p
		Average cost of crime against the person	p.p
		Average cost of a house fire	per house
		Anticipation costs of crime	per dwelling
	4e. Improved resilience of natural and man-made structures against disasters	Local residents willingness to pay to avoid flooding	p.p
		Spend on flood defences per head	per head

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Well Connected	5a. Increased use of public transport and reduced dependence on private cars	Estimated cost per mile of a vehicle movement for leisure purposes	£ per hour
		Value of a child walking to school	p.p
		Difference between car and bicycle mileage rates	per mile
	5b. Improved community health and service provision	Cost of a community health visit	£ per visit
		Average cost of an inpatient stay in hospital	p.p
		Average cost of one year residential care	p.p
	5c. Improved health and well-being for local residents	Valuation for improved emotional well-being arising through the Common Assessment Framework	Cost saving per family
		Ambulance journey to hospital & A&E Attendance	Per visit
		The average annual cost of hiring a carer per hour a week. Annual figure for a 14 hour week converted into an hourly figure and multiplied by 52 weeks to get an annual cost	Per person per week
		Average cost of last year of life care	p.p
	5d. Improved access to regional, national and international networks	Average cost of a LEADER transnational project	cost per project
		Average cost of secondary school trip overseas	cost per person
	5e. Improved access to public, private and consumer services for local residents	Average spend on social activities	£ p.a per household
		Additional cost of living in a rural area in terms of access to services	£ per household
		Cost of average savings from using online shops & services	p.p.pa
		Reaching Communities Grant	per organisation

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Fair for Everyone	6a. Increased living conditions and welfare for local citizens	Landscape value of woodland.	£ per household per annum
		Average spend of households per year	£ p.a per household
		Average spend of households on housing per year	£ p.a. per household
	6b. Improved links and synergies between neighbouring and global communities	Value to an individual (aged 25-49) of feeling like they belong in their neighbourhood.	p.p pa
		Average salary of a community development worker	p.p pa
		Average cost of a LEADER project with a focus on trans-national cooperation	per initiative
	6c. Increased empathy and understanding	Cost of equality/disability awareness training	p.p
		Average cost of family mediation	per session
		Average cost of employment tribunal discrimination award	per case
	6d. Improved ability to affect local change	Cost estimate for Local Authorities of implementing proposed duty to promote local democracy	Per District
		Average salary of a marketing consultant	p.p pa
		Average cost of advocacy	per hour
	6e. Improved life satisfaction	Value of mental health component on Quality of Life Adjusted year (NICE recommended expenditure of QALY is 30K)	p.p
		Average unit cost to the NHS of treating someone with depression	p.p
		Value attributed to housing arising from good neighbours	per house



Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Thriving	7a. Increase in the creation of new micro-enterprises	Turnover of a micro-business and return on investing in innovation.	£ per business pa
		Median turnover of a micro-business	per business
		Average cost of starting a micro-business	per business
	7b. Increase in entrepreneurship and innovation	Earnings differential realised by completing an HND/HNC equalisation	£ p.a.
		Average earnings of a small business owner	£ p.a
		Average cost of employing a graduate	per graduate
	7c. Increased employability of local people	Employment Incentive costs	p.p
		Employment gained - average increase in income	p.p
	7d. Development of innovation and value added	Added value from investing in precision agriculture	£ per ha per year
		Innovation support (voucher scheme)	per business
		Average cost of a patent	per patent
	7e. Skills development and improvement for residents and workers (Including migrant workers)	Value to an individual of moving from unemployment to a secure job	£ per pers. per yr
		Unfair dismissal financial settlement following a tribunal	p.p
		Average increase in earnings from achieving and NVQ2	£ per hour
	7f. Learning/Participation	Average cost per hour of private GCSE School Tuition	Cost pp per hr
		Average fine for children missing school	Cost per fine
		Cost of successfully preventing school exclusion	Cost per pupil
		Average cost of a 2 week educational placement	Cost per placement
		Average cost of a personal development course	Cost per person
		Cost of mentor training supporting young people	Cost per mentor

Bristol Accord Impact Area	Outcome	Financial Proxy	Unit
Well Served	8a. More substantive links between organisations and service providers	dfT estimation of business time savings	Cost p.h saved by organisation
		average costs per day of community outreach	per day p.p
		costs per head of joint working	p.p in local authority area
	8b. Greater sense of cohesion and cooperation across different sectors	Cost of time spent collaborating	Cost per organisation p.a
		contribution of sport to social cohesion	return per £ of public investment
		Average cost of achieving life goals	pp p.a.
	8c. Improved performance of local schools and educational institutions	Average annual salary of 16-17 year olds in FT work	Average annual salary of 16-17 year olds in FT work
		Average salary of a modern apprentice	Average annual salary of a modern apprentice
		Average increase in education from having a degree	Average increase in salary p.a
	8d. Improved family and children's services	Average State Spend on Health Per Person	p.p
		Average cost of earnings foregone by youth unemployment	p.p.
	8e. Improved access to local facilities for local residents	Cost of round trip to nearest supermarket	Cost p.p p.a
		Cost of stress counselling to help service users maintain their stability in the face of stressful circumstances	Cost per person
		Savings from transacting services online rather than face to face, by telephone or by post. Calculation from the average number of transactions multiplied by the difference between the average cost of an offline transaction vs an online	Per transaction
		Amount saved to a household by having access to broadband	Per household

# Glossary

**Activity:** Refers to the project or programme to be evaluated.

**Adequate Resources:** Whether you have adequate resources for the evaluation is dependent on how much work there is to complete and how many person-hours are available.

**Attribution:** An assessment of the proportion of the outcome that was attributable to the contribution of other organisations or individuals.

**Beneficiary/Beneficiaries:** Those individuals, groups or organisations – whether targeted or not – benefitting from projects or activities funded by an organisation.

**Bristol Accord/Egan Wheel:** In 2003 Sir John Egan was commissioned to undertake an assessment of the factors necessary for sustainable communities. He identified eight key indicators that constitute the relative sustainability of places. These indicators were set out in 'The Egan Wheel' in 2004.

**Checking/Fact-checking:** Utilising a variety of sources and/or team members to ascertain and validate the data you have collected and analysed.

**Complexity:** How complex an evaluation will be is dependent upon the number of outputs and the variety of types of stakeholder. A significant factor is whether it is a project taken as a whole or one activity within it.

**Cost/Cost Allocation:** The costs of or expenditure on activities related to a given project or programme.

**Deadweight:** The proportion of the outcome that would have occurred irrespective of whether the project activity took place.

**Discounting:** The process by which future financial costs and benefits are recalculated to present day values.

**Displacement:** How much of the outcome has displaced other outcomes.

**Distance Travelled:** The progress that a beneficiary makes towards an outcome.

**Drop-off:** The deterioration of an outcome over time.

**Duration:** How long (in years) an outcome lasts after the project intervention, such as length of time a participant remains in a job.

**Financial Value:** The financial surplus generated by an organisation in the course of its activities and/or project.

**Impact:** Is defined as "any effects arising from an intervention". This includes immediate short-term outcomes as well as broader and longer-term effects. There can be positive or negative, planned or unforeseen."

**Impact Table:** A table that captures how an activity makes a difference: that is, how it uses its resources to provide activities that lead to particular outcomes for stakeholders.

**Income:** An organisation's financial income from donations, contracts, grants or sales.

**Leakage:** The proportion of outputs that benefit those outside the project/organisation's intended target area or group.

**Monetise:** To assign a financial value to something.

**Net Present Value:** The value in today's currency of money that is expected in the future minus the investment required to generate the activity.

**Outcome:** The effect of the activity, for example, improved confidence and employability amongst 16-24 year olds. Outcomes can be short or long term and can be positive or negative. Some may be unintended.

**Outcomes Map:** A structured explanation of the processes and actions whereby the outcomes of the activity have arisen for the various stakeholders.

**Output:** The immediate result of your activity. For example, ten sessions of a training course for unemployed young people.

**Output Indicator:** A well-defined measure of an outcome.

**Payback Period:** The time (in months or years) for the value of the impact to exceed the investment.

**Proxy:** A sourced approximation of value where an exact measure is impossible to obtain.

**Result:** The output, outcome or impact (intended or unintended, positive or negative) of an intervention.

**Scope:** The activities, timescales and type of SROI analysis.

**Social Return Ratio:** Total present value of the impact divided by total investment.

**Stakeholders:** All those affected by the process and outcomes. Likely to include volunteers as well as the beneficiaries of volunteering.

**Sustainability:** The likelihood that the positive effects of an intervention (such as assets, skills, facilities or improved services) will persist for an extended period after the intervention ends.

## Sources of further information

### **Bristol Accord / Egan Wheel**

[http://www.eib.org/attachments/jessica\\_bristol\\_accord\\_sustainable\\_communities.pdf](http://www.eib.org/attachments/jessica_bristol_accord_sustainable_communities.pdf)

This document was published in 2005 and sets out the background and purpose of the Bristol Accord – eight characteristics of a sustainable community: a set of principles common to all Member States in seeking to create sustainable communities across Europe.

### **Cabinet Office – a Guide to SROI**

[http://www.bond.org.uk/data/files/Cabinet\\_office\\_A\\_guide\\_to\\_Social\\_Return\\_on\\_Investment.pdf](http://www.bond.org.uk/data/files/Cabinet_office_A_guide_to_Social_Return_on_Investment.pdf)

A Guide developed by the New Economics Foundation & the SROI Network and published by the Cabinet Office. The document has been written for people who want to measure and analyse the social, environmental and economic value being generated by their activities or by the activities they are funding or commissioning. It provides a step by step Guide of how to undertake a SROI analysis as part of efforts to standardise practice and provide more clarity on the use of SROI.

### **New Economics Foundation: Social Return on Investment**

<http://www.neweconomics.org/issues/entry/social-return-on-investment>

NEF is an independent think tank promoting social, economic and environmental justice. Its web page on SROI includes links to facts, blog posts and publications setting out alternative tools to measure social and environmental impacts.

### **Proving and Improving**

<http://www.proveandimprove.org/>

A website for charities, the voluntary sector and organisations that support socially enterprising activity. It contains a range of resources to help organisations prove and improve their quality and impact. The list of tools includes a description of SROI; its benefits and limitations; the resources needed and third sector examples.

### **SROI Network / Social Value UK**

<http://www.thesroinetwork.org/>

The SROI Network promotes the use and development of the Social Return on Investment methodology internationally, encouraging a community of practice along the way. The SROI Network is a membership organisation and a company limited by guarantee. The website contains a range of case studies; information about SROI has helped other organisations and publications (what is SROI and how to undertake SROI analysis).

### **Third Sector Research Centre (TSRC)**

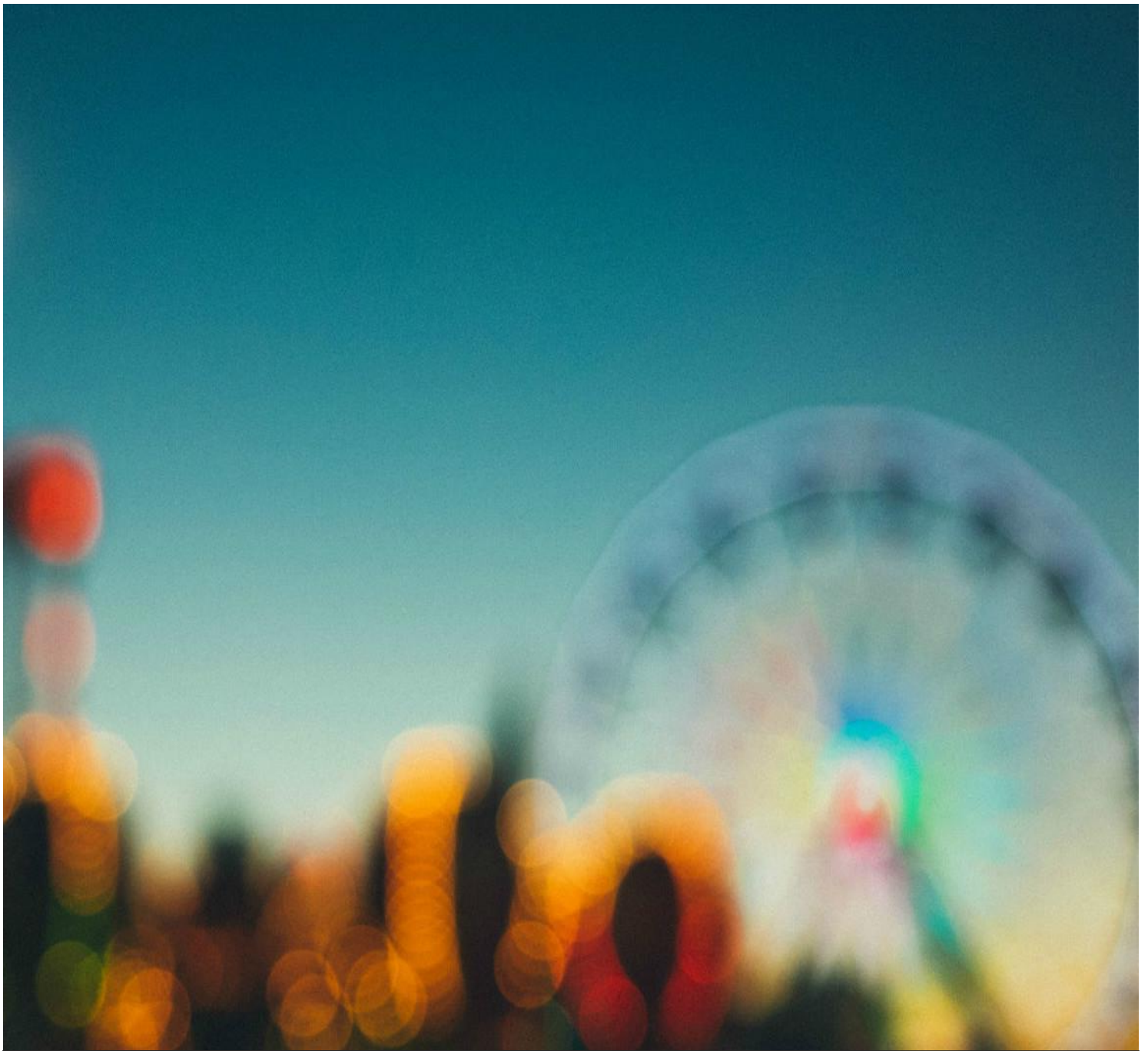
<http://www.birmingham.ac.uk/generic/tsrc/index.aspx>

The Centre is part of the University of Birmingham and aims to explore the key issues affecting charities and voluntary organisations, community groups, social enterprises, cooperatives and mutuals. The Centre's research includes briefing and working papers and a presentation on SROI.

### **Volunteers for European Employment (VERSO)**

<http://www2.eastriding.gov.uk/living/community-groups-and-volunteering/verso/?locale=en>

VERSO is a Pan-European knowledge-sharing initiative set up to combat the rising figures of unemployment across the European Union and change negative attitudes sometimes associated with volunteering. By bringing together different partners from several EU countries, VERSO aims to find new and innovative approaches to help get people into employment through voluntary work. The outputs of and news about the initiative – including the development of this Toolkit – are signposted from the site.



## Social Value Engine

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