

Measuring social value

An introductory guide for housing associations

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Summary

As not-for-profit landlords driven by social purpose, housing associations want to demonstrate social value to ensure the best outcomes for their residents.

In addition, measuring social value is important because it can:

- Be used to forecast the expected impacts of developing new services or programmes, which in turn can help secure support for funding and makes later evaluation far more efficient and robust.
- Support housing associations' requirement to demonstrate good value for money to the Regulator of Social Housing.
- Help meet the government's expectations in terms of demonstrating social value, for those delivering commissioned services.

To support those looking to develop a social value framework, this guidance provides information on:

- What social value is, and why it's important.
- How to create social value.
- How to measure social value.
- What makes good social value research.

It also contains a glossary of important terms, a list of useful resources, and suggested organisations to contact for more information.

1. Introduction

Housing associations are not-for-profit social landlords that provide homes and support for around six million people all around England. They are organisations established and driven by a social purpose – that everyone should be able to live in a good quality home that they can afford.

That's why housing associations want to secure the best possible outcomes for the people that receive our services, and be able to evidence and communicate the value of what they do.

As the membership body for housing associations, we work with our members to support this work. Specifically, our [Local Economic Impact Calculator](#) (LEIC) allows our members to estimate the impact of their investment in new affordable homes and their day-to-day management activities.

However, this relates only to economic impact – through employment and supply chains – and does not consider wider value that social housing can provide, such as residents having a stable and secure home, or reduced hospital admissions due to older residents living in appropriate housing. It also omits much of the non-core activities that housing associations undertake. This means that economic impact calculations alone do not capture the sector's whole value.

This report is for our housing association members. It gives an introduction to social value: how you can maximise it across your organisation, and how you can measure it. It is designed to serve as a springboard to more in-depth knowledge, covering:

- **Background** on what social value is, and why it's important ([skip to](#)).
- **Creating social value**, and how housing association employees can embed social value principles across their business to maximise benefits for residents and clients ([skip to](#)).
- **Measuring social value** – the two main steps for conducting an estimate of the impact or value of your work ([skip to](#)).
- **A summary of what makes good social value research** ([skip to](#)).
- **Additional information**, including a glossary of important terms, a list of useful resources, and suggested organisations to contact for more information ([skip to](#)).

Background

What is social value?

Social Value UK (SVUK), a national network for those interested in social value, describes social value as “the quantification of the relative importance that people place on the changes they experience in their lives.” More information is available [on their website](#).

It may sound quite complex, but the main idea is simple. **Social value is a way of trying to quantify things that are not inherently quantifiable**, such as wellbeing, good health, or a feeling of safety in your neighbourhood. The term social value is often used interchangeably with social impact, or social return on investment (SROI). Social impact is sometimes used more broadly to refer to any impact on people’s lives or communities (whether quantified or not), while SROI is a particular approach to measuring social value that involves assigning a cash value to social benefits. This value can be considered as a way of approximating how much a social good (such as an improvement in wellbeing) would be worth if it could be sold on the market.

Example: social value versus financial value

A company can decide whether or not a particular product is worth producing by comparing the costs of production against the income it generates. If it generates more income than it costs, it is profitable, and the company has an interest in producing it.

The decision is less clear for a housing association wanting to know whether a training programme to improve employment outcomes is worth the investment. This is because the outcomes – such as employment or improved confidence – are not measured in cash terms.

Social value allows us to compare non-financial outcomes with financial costs in a more robust way. It also means you can compare different community investment options – such as an employment programme and a community garden – even if the outcomes sought are quite different.

Social value approaches can be used for estimating the value of:

- **Individual projects** such as an employment programme.
- **Individual services or service approaches** such as your approach to mutual exchanges.
- **The company as a whole**, including estimating the social value of core services such as housing management.

All of these can be described as an “intervention” for the purposes of an evaluation.

Most commonly housing associations conduct social value evaluations of their community investment work, but there are also [examples of social value assessments on individual developments](#) or [examples of social value assessments for the provision of social housing](#).

Why is social value important?

The push towards social value measurement is not unique to housing associations. Charities, social enterprises and even businesses have sought to measure their positive effects on people and communities. The rise of ethical consumerism has driven companies to prove that they are not just about profits.

For housing associations specifically, it is important to demonstrate social value because they want their money to go as far as possible for their residents. Social value techniques allow us to compare projects or “interventions”, which potentially may be quite different, to determine the optimum use of limited resources. It supports us to identify the range of impacts our interventions might have – both intentional and unintentional, positive and negative.

The process of measuring social value can also be as important as the outputs. By mapping out and considering the outcomes we are seeking and how they are measured, housing associations can also improve their service design and develop organisational learning.

Those looking at developing new services or programmes can also use social value techniques to forecast expected impacts of their intervention. This can help to secure support for funding the project and makes later evaluation far more efficient and robust, as measures of success are identified and tracked from an early stage.

Housing associations are also required by the Regulator of Social Housing to demonstrate good value for money. The Value for Money (VFM) Standard was introduced in 2012, and it requires housing associations to have a robust approach to decision-making regarding the use of resources and to understand the costs and outcomes of delivering specific services. In order to demonstrate that they are meeting these requirements, boards must publish an annual self-assessment.

For those delivering commissioned services there is also a growing imperative to meet the government’s expectations in terms of demonstrating social value. The Public Services (Social Value) Act 2012 requires commissioners of public services to think about how they can secure social, environmental and economic benefits as

part of their procurement approaches, as well as simple value for money. The Cabinet Office has consulted on [how the government should take account of social value in the award of central government contracts](#).

There has also been an impetus to demonstrate social value as government funding for social housing providers has decreased in recent years. It is important that housing associations demonstrate the value they create so that the government decision-makers understand the huge value for greater investment in social housing.

While there has understandably been some criticism of social value measurement – in that certain things cannot or should not be quantified (see Social Value UK’s [valuation of a life](#) for an interesting example) – it does represent the only realistic way for organisations to compare the value of different activity options.

[As summarised by Demos](#), “outcomes that cannot be quantified cannot be counted, evaluated, or compared.” It is not necessary to place a financial value on things, although it is often useful.

Example: when to use a financial value

You don’t necessarily need to place a financial value on your social outcomes. A project that aims to help elderly residents take up regular exercise by setting up group classes, for instance, might simply want to measure the change in the number of hours the residents spend exercising. This could then be compared against another project that encourages elderly residents to exercise through informational flyers delivered to their homes. However, it would be difficult to say whether the projects represented good value for money (compared to an alternative spending option) without applying some sort of financial value to the benefits from exercise. This might be through the reduced healthcare expenditure of people who keep fit and healthy.

Creating social value

The first stage to demonstrating social value in your organisation is, of course, creating social value. By the nature of their work, housing associations already create a great deal of social value. They do this by providing good quality housing to families that would otherwise be unable to afford it, and by offering a range of services, from welfare advice to children's clubs. There are thousands of things that housing associations do which generate non-financial value to their residents and others in the community.

However, there are many things that can be done to improve the social value created through work and make it easier to demonstrate. The following six things can be considered.

1. Be clear about what you are trying to do.

The first and most important aspect of creating social value is to have a clear aim. What is the outcome that you are trying to achieve? If you are looking at your whole business, your main goal might be improving housing affordability for low-income families, or providing good quality housing for people who would otherwise not be able to afford it. In this case, you may try to identify the alternative housing for those on low incomes who can't access social housing, and compare the benefits of improved affordability or better quality from that.

This is the premise of Hyde's report [The Value of a Social Tenancy](#). If you have an employment programme, your outcome will probably be supporting people into employment, or into better employment. It's important to distinguish between outputs and outcomes.

Example: outputs versus outcomes

Outputs are what you do or produce. For example, the outputs of your employment programme might be the number of hours of personnel offered, the number of information leaflets distributed, or the number of visits to a drop-in advice session.

Outcomes are the end result of this. Your outcome might be the number of clients who successfully found a job, the increase in the number of hours worked, or some measure of the quality of the work found (such as salary, contract type, or the level of experience required).

It is important to measure both, but remember that outcomes are the ultimate priority, not outputs. You want to maximise the amount of outcomes you can achieve from your outputs.

2. Be clear about how you will do it

This is essentially what a theory of change is. A theory of change shows how your work will lead to the outcomes you are seeking. It is often represented as a visual diagram such as a flow chart. NCVO have [a short guide to building a theory of change](#) as well as [an example of a flow chart for a youth employment project](#). The process of building your theory of change can be as important as the output, as it helps you to clarify what you want to do, what needs to happen to achieve it, any potential challenges, and how you might measure success.

3. Follow an established process.

Adopting a social value approach may be challenging if you have never tried it before, but there is a huge amount of information out there to support you. Those thinking of setting up a new project could consider [HACT's Standards of Evidence](#). These suggest that you start by describing the problem you want to address, reviewing existing evidence, building a causal chain map for how your intervention will address it, and then preparing a detailed description of how you will test this and what you are comparing it against (e.g. business as usual). By following these steps from the beginning, not only can you improve your service design, you will also find it much easier to evidence your success if you decide to undertake an evaluation.

At the whole business level, [Communities Count](#) is a full report about how you can better deliver social value across your organisation. It suggests:

- Adopting a written policy and nominated lead for social value.
- Viewing social value as a route to innovation and cost savings as well as improved social outcomes.
- Integrating and considering social value in all your services.
- Working with social enterprises where possible.
- Measuring what social value is being created against what you are trying to achieve.

4. Review service offers across the business.

You may not necessarily think of social value as being something that applies to “core” services like housing management, or collections. But every service has social impacts as well as financial ones, and can therefore be assessed from a social value standpoint. Support services in particular have a key social aspect, and you can improve and develop these by considering the principles of social value in your work.

5. Think about why you want to measure social value.

[Social Enterprise UK argue that](#) social value should be viewed “as a route to innovation and cost savings, not just as the creation of positive social outcomes or, worse, compliance to the Social Value Act”.

Housing associations are required by the Regulator of Social Housing to demonstrate value for money and social value is a good way of doing so. But there are many more benefits to performing the measurement and thinking about social value throughout a project:

- Identifying better ways of working
- Improving service design
- Better connecting what you are doing with your organisational goals
- Improving your chances of to achieving those goals
- Contributing to staff development.

Evaluations may not always show that your project/programme is effective on your target outcome, but this should be treated as an opportunity to learn, improve, and deliver better services. While there is a tendency (in all sectors) to avoid publishing the results of “failed” interventions, it is good practice to do so. It can prevent other organisations using resources on the same ideas as well as showing your commitment to robust and transparent working. Reports which detail the “lessons learnt” of an intervention are particularly useful.

6. Remember not all work needs to be able to have a demonstrable social value “pay-off” to be worth doing.

From an efficiency standpoint, you want to demonstrate that the social value you provide is “worth” the money you spend on the project. But there is also an ethical argument that some things are a minimum expectation, or a right, regardless of whether you can “prove” the social value.

An example is the right to a suitable home: you may agree that everyone deserves to have a home which meets certain standards, regardless of whether or not that results in measurably improved health, wellbeing, or other social benefits. In that sense you don’t always need to evaluate your interventions (but you may want to anyway).

Measuring social value

Once you have set up your intervention and want to measure your success, there are two main stages. The first is to identify the impact of your programme, and the second is to assign that impact a value.

Step one: identifying social impact

The first stage is a subset of impact evaluation: the process of identifying the impacts caused by some kind of intervention, on whoever the intervention affects, and whether those are positive or negative, intended or unintended. Impact evaluation is most often conducted on government policies, or charitable programmes. In other words, it attempts to quantify the causal effects of a programme. Note that ‘programme’ can be considered in the broadest sense here. It could be one project (such as a community fair), a programme of work (an advice service for young offenders), or even your entire organisation’s core services (including development).

It’s important to distinguish impact evaluations from process evaluations (or “monitoring”), which investigate:

- How projects or programmes are implemented
- Whether they are run according to plan
- How they are perceived by their participants and those delivering them.

Impact and process evaluations can often run hand-in-hand: one reason that a programme may not be delivering its intended aims is because it isn’t being administered in the way originally intended.

Determining causality is a key challenge in impact evaluation. If resident satisfaction has improved on an estate following the development of a new community garden, we might be inclined to say that the project was effective. But what if resident satisfaction has also improved in other areas, because an improved approach to repairs was rolled out simultaneously? We can’t say that because two things have happened at the same time, one must have necessarily caused the other. In other words, correlation does not imply causation.

The challenge is then to identify that your work has caused the change that you were aiming for. Does your employment programme increase a customer’s chances of finding a job, or improve their income? Has your new call triaging process improved customer satisfaction, or led to quicker resolution of problems?

To take the terminology from impact evaluation, we want to know what the effect of some “treatment” is on some outcome(s) of interest, compared to the outcome if the treatment had not taken place. The challenge with impact evaluation is that there is no counterfactual: it is inherently impossible to observe both what happened and what would have happened otherwise.

There is no perfect way of dealing with this problem. Different methods essentially differ in how they attempt to estimate this missing counterfactual. They each involve certain assumptions and it is down to the researcher to determine which is the best method, given the constraints that they face. Sometimes it is not possible to use the most appropriate approach because you have been asked to do the evaluation after the project has begun, or because the data you need is not available. Sometimes this can require some creativity about the methods, but regardless of circumstances, you can ensure your work is always of good quality by being transparent about your methods and open about what your evidence shows.

Example: counterfactuals

Imagine you have set up a programme which provides one-to-one tutoring to children who have fallen behind the average on their mock exams. At the end of the year, the children who have taken your tutoring still receive lower grades on their final exams than the average in their year. Does that mean the programme was ineffective?

No! The question you should be asking is not “how did the children do compared to other children”, it is “how did they do compared to how they would have done without additional tutoring”. There are many ways you might try to estimate this.

The simplest approach would be a simple ‘before–after’ comparison: comparing their grade before with their grade after. The problem is you would expect the children to have improved, even without tutoring, because of the additional school and homework time between the exams (as well as potentially the scare of getting a poor grade).

A better option might be to compare them to children who were falling behind in the mock exams but did not receive tutoring. These could be children in the same school who opted out, or children in another nearby school who started with similar mock grades. Alternatively, you could compare their change in grades with children in the previous school year who got similar mock results.

In the world of impact evaluation there are a great number of “hierarchies of evidence”. These are essentially rankings of research approaches, by robustness. Many different hierarchies have been proposed and we do not cover all of them

here. Instead we present a sample of common types that housing associations might use.

- **Randomised controlled trials (RCTs)** are often considered the gold standard for primary research. In RCTs, intervention recipients are randomly assigned to two or more groups. One group receives the intervention, while the other (the “control group”) has an alternative intervention or no intervention. Outcomes are then measured at fixed times for both groups, and the difference between the groups can then be statistically tested. While these are most common in medicine, housing associations have also conducted RCTs: [in 2016, Family Mosaic \(now Peabody\) conducted an RCT of a health intervention](#) which supported older residents to reduce their NHS usage and improve their health. While they are very useful, they can be challenging to run, and they must also be set up before your intervention begins.
- **Observational studies** do not involve the researcher assigning participants to groups or determining the intervention. They use data, such as administrative data or surveys, that have been gathered at fixed periods. This means these studies can be performed after your intervention has finished, assuming some baseline data is available. An example of this might be the introduction of a support service to reduce rent arrears: using your internal data, you could compare the change in arrears over time between those who engaged with the service and those who didn’t (but who started with a similar level of baseline arrears). You could also investigate various factors such as property size, family type, or area. Observational studies essentially aim to create a control group during the stage of data analysis, as opposed to creating them through assignment as in an RCT.
- **Before–after** studies are a more simplistic approach for when you are unable to create a meaningful control group. This simply involves taking a measure for your target group at the beginning of the intervention, again at the end, and then comparing the change in your outcome of choice. An example might be measuring the success of a training service for unemployed people, by highlighting how many are employed after receiving the training (the baseline, of course, being 0). This approach is not ideal because it does not allow you to create a control or comparison group: one might expect that a number of the training recipients would have found employment regardless of going through training. Sometimes you will find that this is your only option for evaluation, but you should avoid before-after approaches where you can.

More qualitative approaches, such as case studies or focus groups, are not typically used in social value estimates. It is worth noting that while the

hierarchy of evidence is a good guideline to how robust and reliable studies are, a study of poor methodological quality can be less reliable than one of a lower level in the hierarchy. Even if you don't have the data or tools you need to identify your impact using the most robust methodology, you can still conduct good quality research by being clear about what you're doing and what the limitations are.

Step two: assigning impact a value

Once you have determined your impact (i.e. the change in your outcome of interest which can be attributed to your intervention), the next stage is to assign that impact a value. There are a number of different ways of doing this. Below we introduce the two most common approaches that are used within the housing association sector: Social Return on Investment and the Wellbeing Valuation Model. This part should serve as an introduction to the approaches: if you are looking at making use of one, you should access the detailed resources available for each of them [in the resources section](#).

Social Return on Investment (SROI)

Across sectors, SROI is by far the most widely used framework for measuring social value, and is often considered the "gold standard". The government particularly favours SROI, so it is something to consider if you deliver commissioned services.

SROI attempts to apply a financial value to a social good in order to compare it against the cost of the intervention. The final output of a SROI is normally a ratio of how many pounds in social value has been created per pound of investment. Social Value UK have published a full guide into conducting SROIs (based on an earlier report by the Cabinet Office). If you are intending to conduct an SROI, we recommended that you consult this report.

There are seven basic principles of SROI, outlined below. There are then six stages to carry out the analysis. The main challenge with adopting SROI as a default measure is that it generally requires technical knowledge and thus can be challenging or expensive for those without internal research expertise. It may require commissioning an external research agency. As a result, it is not always viable or proportionate for smaller interventions.

The six stages of SROI

1. Establishing scope and identifying key stakeholders

Any SROI needs to clearly define why you are measuring social value, what you are going to measure, and how you will do so. Identifying key stakeholders involves figuring out who is affected by your activity. This includes recipients of any service, but could also include their families, people in their areas, and any public or voluntary services that might experience reduced demand because of your work.

2. Mapping outcomes

This involves creating an Impact Map, which includes your inputs (such as financial investments or time contributed by stakeholders), valuing those inputs, clarifying outputs (such as the number of hours of a service delivered), and then describing outcomes (such as employment or increased earnings).

3. Evidencing outcomes and giving them a value

This involves selecting measurable indicators for your outcomes. For instance, if your goal is to improve residents' fitness, measures might include weekly number of hours spent exercising. You will also need to establish the duration of the improved outcome (e.g. providing a new boiler will result in improved energy efficiency and savings for the resident for several years). Finally, you need to value this outcome. There are many ways to approach this. Often you can find values from existing research (see the Unit Cost Database in [the resources section](#)), but you can also attempt to estimate these yourself using methods such as stated preference (how much people say they are willing to pay for something) or revealed preference (inferring values from the prices of related goods).

4. Establishing impact

To do this, you need to identify whether the outcomes you have recorded result from your activities, how much of any change can be attributed to these activities (attribution) and how much of the outcome would have happened anyway (known as the deadweight). This allows you to determine your impact.

5. Calculating the SROI

Lastly, you will use the values gathered in the previous stages to create your SROI, which is generally reported as the ratio of costs to benefits. This includes projecting the value of the outcomes into the future (taking into account the "drop-off" of benefits over time).

6. Reporting, using and embedding

Once the SROI process is complete, you need to report the findings (getting external assurance if necessary), communicate and utilise the results, and embed the SROI process in your organisation.

Source: [Social Value UK](#).

The Wellbeing Valuation Model

By far the most widely used approach in the housing association sector is the Wellbeing Valuation Model developed by Simetrica-Jacobs for HACT. HACT publish a social value bank which assigns monetary values to a set of common outcomes sought by housing associations, as well as [a social value calculator](#) for housing associations to use to estimate the social value of their projects. HACT publish the bank and calculator for free as well as guidance materials for use, making it accessible and affordable for associations to conduct their own social value estimates without needing to do much of the analytics.

Simetrica-Jacob's approach to generate the values involved performing statistical analyses on data from the British Household Panel Survey, a major national dataset. They calculated the increase in self-reported wellbeing (rated out of 10) associated with various improvements in life (e.g. better quality housing). They then assigned monetary values to this increase in wellbeing based off other variables in the data that can be measured financially.

An example of how this works is that if the average problem debt in the data set is £10,000, and those without problem debts are on average one point higher on the wellbeing scale than those with problem debts, we can assign a value of £10,000 to one point of wellbeing. They can then use this "exchange rate" to calculate a monetary value for the wellbeing increases associated with other changes in one's life.

The values in HACT's approach are not strictly "social value", as they are only based on the value of the increased wellbeing achieved by the individual. This means they exclude benefits to others such as reduced welfare or health spending. However, HACT states they can easily be used as part of an SROI evaluation and they offer support with developing measures that are not already included in the free [Social Value Bank](#).

HACT have also recently launched a project to broaden the wellbeing values and created [new sets of both economic and environmental values](#).

What makes good social value research?

This section discusses how you can identify good quality social value research. It is useful for anyone who may be commissioning an external contractor to conduct the estimates, but also for anyone conducting such research who wants to ensure it meets certain quality standards.

As mentioned above, there are a range of approaches you can take to generate social value estimates for your work. Some are more robust than others, but there isn't always a clearly superior approach. Whichever approach your social value research uses, adopting a transparent and honest approach to methodology and reporting is key.

In 2014, [the European Commission's GECES Sub-group on Impact Measurement published a proposed framework to social impact measurement](#). The contention of the report was that there could be no gold standard methodology, due to the diversity of need, intervention, scale, and stakeholder interest across third sector organisations. Instead, GECES proposed a universal standard involving five stages, known as the GECES Standard:

- Identifying objectives
- Identifying stakeholders
- Setting relevant measurements (including a theory of change)
- Measuring, validating and valuing the outcomes
- Reporting, learning and improving

The GECES Standard also suggests minimum disclosure standards for any reporting on social value. It is worth consulting when you reach the write-up stage of your evaluation.

You do not always need to quantify something if the scale of the project does not warrant it. For instance, if you have a small estate level intervention, you should briefly acknowledge any wider (local authority or even national) changes that may have also affected your outcome of choice – such as wider economic conditions or a specific relevant policy change. While the above recommendations are relatively simple and easy to follow, it is actually quite unusual for published social value research to cover all of these details.

As long as these criteria are met, there is a choice of framework and indicators. GECES' approach is thus a broad set of requirements, which means they can be adjusted proportionately to the needs of the particular project.

It is worth remarking that most of the above standards are about **recognising the weaknesses** of your approach. Social value is, by its nature, an estimate. Whichever approach you use, it will involve imperfect information and assumptions.

The best social value research is honest about what it is doing and clearly states what the numbers mean. You can be more confident about commissioning research contractors who are as open about the weaknesses as they are about the strengths. You can assure that you're getting not only credible research, but useful insights about how you can maximise the impact of your work and the benefits to your stakeholders.

Conclusion

As anchor institutions, housing associations have strong ties to their local communities. As such, it is important for them to demonstrate the social value of their work in order to deliver the best outcomes for residents.

This introductory guide has set out the ways in which housing associations might begin to measure the value of work undertaken with their communities. This report introduces what social value is, how to embed it within your organisation and the main steps to estimate the value or impact of your work. This is not a comprehensive guide and for those who want more detail we recommend exploring the additional information below.

For more information about this guide or social value please contact the NHF's Research team by emailing researchteam@housing.org.uk

Additional information

This section covers:

- A glossary of terms.
- Useful resources.
- Useful contact organisations.

Glossary

- **Attribution** is the amount of the change in your outcome measure that can be attributed to your intervention. It is normally expressed as a percentage. Alternative attribution is the amount that can be attributed to other stakeholders. For instance, if you have a support service for homeless people, they may also be receiving support from other agencies or from their family. Any improvements in their outcomes may be in part due to these others and not just your own intervention.
- **Baseline data** is the recorded measurements at the beginning of an intervention. You compare any change against this baseline.
- **Causality** is a cause and effect relationship. This is contrasted with a **correlation**. A classic example is that shark attacks are correlated with ice cream consumption (when ice cream consumption increases, so do shark attacks). This is not because ice cream consumption causes shark attacks, but because hot weather causes people to eat ice cream and to go swimming in the sea.
- A **control group** is a group which does not receive an intervention, allowing you to compare them against your “treatment group” who do receive an intervention.
- **Correlation** is a relationship between two things but not necessarily a causal one (see “causality”).
- The **counterfactual** is what would have happened if not for your intervention. The difference between what happened and what would have happened otherwise is your intervention’s impact. Since it is inherently impossible to know both things, the main challenge for any evaluation is identifying what you can use as a fair counterfactual. If you have a control group, you can use this. If not, social value techniques such as SROI often use deadweights and (alternative) attribution to approximate a counterfactual.
- The **deadweight** is the amount of the intervention that would have happened otherwise, normally expressed as a percentage of the total effect. For instance, if your intervention aims to help people into work, you might take the

proportion of unemployed people who move into work within a certain timeframe. If on average 70% of unemployed people find a job within six months, then your deadweight might be 70% (unless you are targeting an especially vulnerable group).

- **Drop-off** is the reduction in the amount of impact that occurs over time. It is only applied to impacts that last for more than one time period (generally years). Drop-off is important because as time passes, there are more possible factors which can influence your outcomes, so it becomes less reasonable to attribute it all to your intervention.
- **Impact evaluation:** the process of identifying the impacts caused by some kind of intervention, on whoever the intervention affects, and whether these impacts are positive or negative, intended or unintended.
- An **indicator** is another word for a measure: a value that indicates the state or level or something. For instance, the number of close friends someone has might be used as an indicator of a positive social life, or the number of visits to a GP in the last three months might be used as an indicator of poor health.
- An **intervention** is a general term of any project, programme, or action that you take with the intent of affecting someone else. It is used to define the subject of an evaluation, so an “intervention” in the case of a housing association could be anything from the entire core service, to an employment programme, or even a change in service delivery approach.
- **SROI** (social return on investment) is a common approach to measuring the non-financial value to society or individuals created by certain interventions.
- A **theory of change** is simply a description (often in the form of a flowchart) of how and why a desired change is expected to happen. Working through a theory of change is important in order to clearly identify what conditions must be in place to ensure your desired outcome happens. It includes things such as the inputs you need to carry out your plans, the activities you will conduct, the outputs that will result from your activities, and the outcomes you hope to come from them (as well as why that output will lead to that outcome).
- **Outputs** are the products or services that result from your activities. For example, the outputs of your employment programme might be the number of hours of employment support offered, the number of information leaflets distributed, or the number of visits to a drop-in advice session.
- **Outcomes** are the end goal: the change in some indicator that you have tried to influence. Sometimes organisations measure outputs as a measure of success (such as number of hours of employment support delivered) when what they should be measuring is outcomes (the change in employment outcomes for those who received the support).

Useful resources

- **[A guide to Social Return on Investment](#) (2012). Jeremy Nicholls, Ellis Lawlor, Eva Neitzert and Tim Goodspeed. The SROI Network (now Social Value UK)**

This is an update to the 2009 guide published by the Cabinet Office and is a clear and readable guide to conducting SROIs, which includes a worked example. Anyone considering conducting or commissioning an SROI should read this report.
- **[Journey to Impact: a practitioner perspective on measuring social impact](#) (2013). Stephen Russell. Midland Heart**

This is a guide to social impact measurement from the perspective of a housing association and is very useful for those wanting to go more in-depth into the principles of impact evaluation, as well as some of the different methodologies you can use.
- **[The Magenta Book: guidance for evaluation](#) (2011). HM Treasury.**

The Magenta Book is central government's guidance on evaluation which sets out best practice for other government departments. It is useful for anyone conducting an evaluation, but also for those undertaking bids for government funding. It gives an insight into the decision-making process of those who commission services.
- **[New Approaches to Delivering Social Value](#) (2015). CIH.**

This short document by the CIH covers what social value is, why associations should be thinking about it, what the sector is doing, and how you can ensure you deliver social value through your services.
- **[The Value of a Social Tenancy: a socio-economic evaluation based on Hyde's housing portfolio](#) (2018). Katie Barnes, Jim Clifford OBE, Carla Ross and Alice Hulbert. The Hyde Group and Bates Wells Braithwaite.**

This ground-breaking report, commissioned by The Hyde Group, is an evaluation of the total value (social and economic) added through the provision of a social tenancy. This is through savings to healthcare through provision of more appropriate housing, the social security system through lower rental costs, local authorities, and other public agencies. The report has also been [updated for 2018/19](#). Additional explanatory documents are available on [The Hyde Group's website](#).
- **[Measuring the Social Impact of Community Investment: A Guide to Using the Wellbeing Valuation Approach](#) (2014). Lizzie Trotter, Jim Vine, Matt Leach, Daniel Fujiwara. HACT.**

This report is a full guide to using the Wellbeing Valuation approach to social impact measurement, developed by HACT and Daniel Fujiwara. This is one of

the most popular approaches used by the sector and the report is essential reading for anyone wishing to use it. It was produced in conjunction with the [Social Value Bank calculator](#).

- **[Broadening the Range of Designs and Methods for Impact Evaluations: Report of a study commissioned by the Department for International Development](#) (2012). Elliot Stern, Nicoletta Stame, John Mayne, Kim Forss, Rick Davies, Barbara Befani.**

This is a very detailed report for those wishing to go more in-depth with the range of methodologies available for impact evaluations (including social impact). While it is “out-of-sector”, international development is one of the fields with the most rigorous expectations of quality evaluation so it offers many learning opportunities for housing associations.

- **[Measuring Social Value: the gap between policy and practice](#) (2010). Claudia Wood and Daniel Leighton. Demos.**

This report by Demos investigates the use of social value measurement by the third sector, which tools are used, whether it is prepared to align with government’s expectation of SROI, and whether alternative approaches might be useful. While it is a few years old, it is a very useful introduction to the issues.

- **[Inspiring Impact’s resource library](#).**

Inspiring Impact is a coalition of six voluntary sector and evaluation organisations. Their website contains a resource library which you can filter by category as well as sector.

- **[Greater Manchester Combined Authority’s Unit Cost Database](#) (2019).**

The GMCA’s Unit Cost database is the largest collection of unit costs for social goods such as housing, employment, crime reduction, education and skills, and health. These are mostly derived from government reports or academic studies and include a RAG (red, amber, green) rating for quality of the estimate. Costs are given in 2019/20 prices so will need to be updated for inflation in subsequent years.

Useful contact organisations

There are a number of organisations working on social value who may be worth contacting if you wish to know more. Many also publish useful resources in addition to the ones above.

- The **[Centre for Excellence in Community Investment](#)** (CECI) is an initiative by HACT, funded by the housing associations Clarion, L&Q, Orbit, Peabody,

and Sovereign. It provides conferences and events as well as resources and networking.

- **[HACT](#)** is a housing sector-specific consultancy that offers support for business transformation as well as impact measurement and data analytics. They offer the Social Value Bank for free to housing associations as well as other social value resources.
- **[Social Enterprise UK](#)** (SEUK) is the national body for social enterprises, businesses which have a social or environmental mission. As social enterprises are some of the leaders in social value and impact measurement, SEUK provides a range of practical guides that may be of use to community investment professionals. Social enterprises can also be a good choice for procurement.
- **[Social Value UK](#)** (SVUK) is the national network for social value, and a subgroup of the global Social Value International. SVUK provide a huge range of resources as well as support, assurance and accreditation services.
- **[3ie](#)** – the International Initiative for Impact Evaluation – is a non-profit organisation which funds, produces and quality assures rigorous evidence about impact evaluation. It focuses on international development where expectations of evidence are high and evaluation expertise is well developed, so it is a useful resource for anyone wishing to take learning from outside the sector.