

Lancashire Wellbeing Service: Social Return on Investment

Executive Summary

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Based on work completed December 2017

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Lancashire **wellbeing** Service

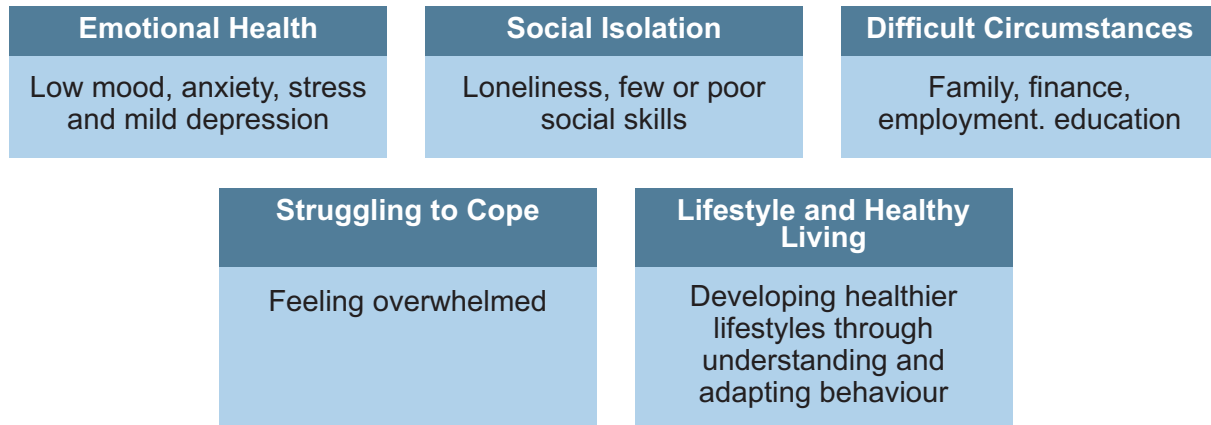
Lancashire Wellbeing Service is funded by Lancashire County Council and delivered by a consortium of three established charities: Age Concern Central Lancashire, Richmond Fellowship & n-compass.

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Introduction

The Lancashire Wellbeing Service (LWS) was set up in 2015 to provide support for adults with multiple long-term health conditions, low-level emotional health concerns, or lifestyle or social issues.¹ In 2017, LWS commissioned NEF Consulting to undertake a Social Return on Investment (SROI) analysis to try to understand the social value generated from its activities.

Figure 1. Eligibility criteria for the Lancashire Wellbeing Service



LWS asked NEF Consulting to complete a detailed SROI analysis and facilitate commissioner engagement, by presenting the SROI findings to Lancashire County Council commissioners. This report presents the approach and results of the SROI.

¹ Lancashire Wellbeing Service (2017), 'Choice. Chance. Change', service brief.

Social Return on Investment (SROI)

Benefits and key stages of SROI analysis

An SROI ratio is generated by dividing the present value (PV) of the impacts by the PV of the investment. The analysis is conducted to measure the annual impact of a programme.

The SROI method has been recognised in an official Cabinet Office report² as being a rigorous form of cost-benefit analysis that focuses on the social and environmental value of an organisation's activities. SROI is particularly appropriate for analysing services such as LWS that focus on improving health or wellbeing, as the method assesses many benefits to service users that other methods of evaluation often ignore or undervalue.

Our approach to conducting this study followed the approved stages for an SROI evaluation (see Figure 2 below).³

Figure 2. Stages of an SROI study



Outcomes

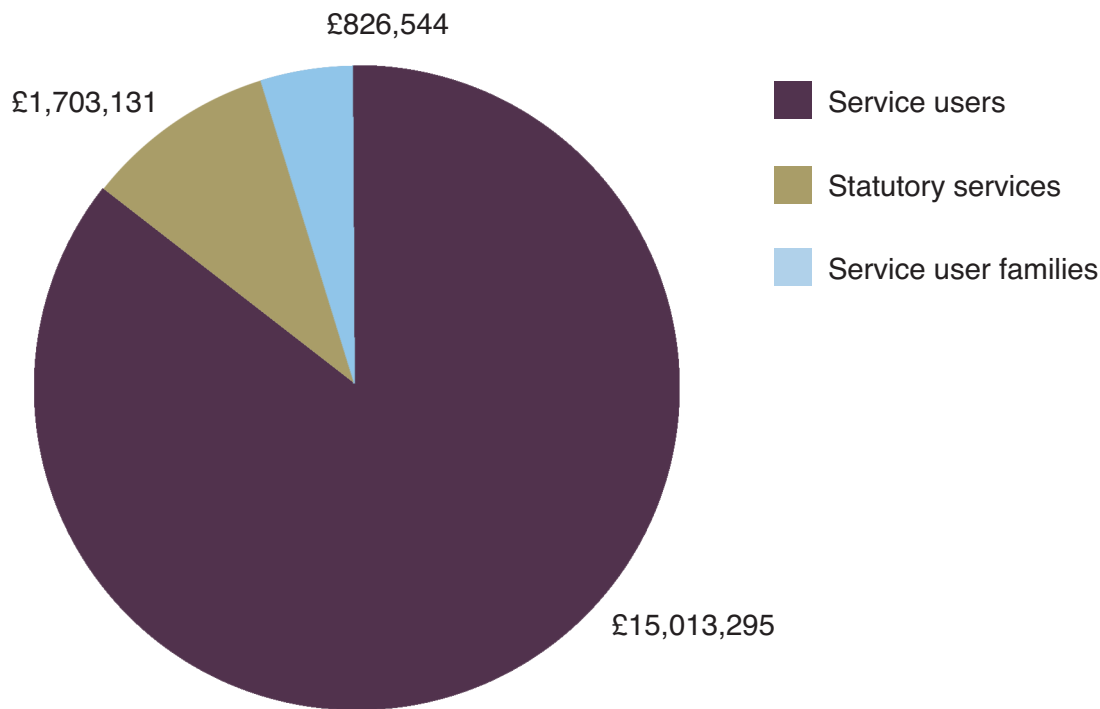
Our SROI analysis shows that LWS creates positive impacts for its service users, for their family members, and for associated partner services of LWS. Figure 3 below presents the average gross and average net changes for each outcome, for the material stakeholders of LWS.

- Net changes for service users were quite significant: in the range of 6% to 25% improvement (with an average of 19%), after attribution, the counterfactual, and displacement had been taken into account.
- The outcomes for service users that were most influenced by the actions of LWS, included: feelings of hope, contentment, and community integration.
- The net improvement in wellbeing for the families of service users was 8%, and the average service user participated in charitable work on 12 occasions more per year.
- In addition, the demand for statutory services was reduced by nearly three uses per person, per year.

2 The SROI Network (2012), A guide to Social Return on Investment, The Cabinet Office of the Third Sector. Retrieved from: <http://www.socialvalueuk.org/resources/sroi-guide/>

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Figure 2. Stages of an SROI study



Social Return on Investment

The cost of £2.5 million is the one-year investment value, while the impact (value created) is considered by reviewing the activities of the intervention in one year. (Note that the benefits of the activities may continue for longer than the year in which the activities occur; credit for these benefits to LWS is considered over a period of two years within the SROI model). Therefore, the ratio is presented as an annual value, and is also applicable more generally across subsequent time periods.

The value of the LWS scheme is significantly greater than the investment in the scheme, as shown in Table 1.

Table 1. The SROI ratio of the Lancashire Wellbeing Service scheme

Investment (£)	£2,500,000
Value Created (£)	£17,542,970
SROI ratio	7.0

On average, at an annual cost of **£227** per service user, LWS produces over the benefit period (presented as an average across all service users):

- **£ 1,366** of benefit for the service user.
- **£ 155** of benefit for statutory services.
- **£ 75** of benefit for the families of service users.
- **£ 1,596** of total benefit.

LWS has been able to produce improvements in all measured outcomes across the stakeholder groups. The fact that LWS engages with so many service users (approximately 11,000 annually) means that the overall social value created is high, relative to the investment in the scheme. Even applying a conservative estimate of the financial value of the reduction in demand for statutory services, potential savings to the state from this outcome alone account for over two-thirds of the investment cost of the programme (savings of £1.7 million to the state compared with a £2.5 million investment in LWS), with £16 million in additional social value created.

Conclusions

This SROI analysis provides strong evidence that LWS provides significant value to service users, their families, and statutory services. For every £1.00 invested in the scheme, £7.00 is generated in social value.

By capturing value in this way, we show how services that focus on wellbeing can produce significant benefits, even if these are not typically listed on the balance sheet as 'profit'. Additionally, this analysis has gathered information directly from service users, to capture a wide range of their experiences; therefore, we have been able to include a wide range of experiences that are wellbeing-related.

No single outcome stands out as being disproportionately significant for service users compared to the others. Perhaps this was to have been expected, as LWS does not deal typically with service users who have critical and imminent needs. However, we saw a small (< 10% change) but consistent improvement in a range of wellbeing outcomes following the intervention of LWS.

LWS will use this model to embed learning. Following a walk-through of the model with service providers, we expect that it will be used by LWS going forward, to guide the future development and evaluation of services.

This report was produced by



For



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