

# Social Value Toolkit

## Guidance Notes

Practical resources to measure and demonstrate the social value impact created by social housing providers

Produced by SFHA Impact Project Team as part of the Innovation and Future Thinking Programme





# Foreword

Profit-focused businesses can look directly to their finances to check their activities and operations are successful. For organisations such as social housing providers to quantify their success in improving society, they must seek to measure their social impact.

Delivering social value is at the heart of everything that the public sector does and is fundamentally about achieving the best value. However, this doesn't simply mean the best price, rather value should be seen in a wider context of achieving greater economic, social, and environmental benefits for the local community.

There are also legislative and regulatory motivations for measuring social impact. Procurement Reform Scotland Act 2014 requires those commissioning or procuring public services contracts to consider how the service can improve the wellbeing of the area. A requirement is placed on public sector bodies to consider social value within their procurement processes and in turn, should measure the benefits that they and their suppliers are delivering to the communities where they are working.

With the Scottish Government due to produce a new affordable housing programme in 2021, it is vitally important that social housing can demonstrate the real value they provides to residents within the communities in which they operate. With the previous programme aiming to deliver 35,000 of the 50,000 targets for social rent, all evidence to build on this level of investment for social housing providers could be significant in terms of providing not only much-needed housing but also support for tenants and their communities.

HACTs **Social Value Calculator** and **Community and Social Insight Tools** can make social impact far more accessible, appreciated, and quantifiable within the UK social housing landscape. This will make individual organisations increasingly able to report to boards, funders, and residents with far greater ease and assurance. As a sector, this will help to create a collective capacity to identify and present some real and fundamental trends and needs from within their communities, towns, cities and across a nation.

HACT, Scottish Federation of Housing Associations (SFHA) and the Lintel Trust have worked closely together over the past 40 years to provide funding and support for the growth of the housing association sector and supporting housing-based work with disadvantaged people. Formalising this through their Social Insight Partnership in Scotland ensures that this work will continue with the three organisations partnering to implement a new role, in part through the application and guidance of this toolkit.

**Michael McLaughlin**  
**Social Insight Lead Scotland, HACT**



### SFHA Innovation and Future Thinking Programme

In April 2018, SFHA launched the Innovation & Future Thinking (IFT) programme to bring social housing providers together with other stakeholders to develop new ideas and solutions for the future.

The IFT programme has 3 main strands; Homes of the Future; Service Transformation and Tackling Poverty and Demonstrating Impact. The social value toolkit has been created as part of the work to 'Tackling Poverty and Demonstrating Impact', within this stream SFHA has already explored the use of social-economic impact information by housing associations.

The Poverty and Impact Team, comprising of SFHA members developed a survey 'Does your association really make an impact?' and published its findings as part of short report which can be found online at: <https://www.sfha.co.uk/news/news-category/sfha-news/news-article/does-your-association-really-make-an-impact---results>

This report highlighted the following themes that the Toolkit and Guidance will help to develop in order to help RSLs quantify and use impact measurements:

- ✓ **The importance of understanding social and economic impact**
- ✓ **The tools and approaches that currently exist to measure impact**
- ✓ **The barriers that may prevent successful social and economic impact measurements**
- ✓ **Ways in which measurement of social and economic impact could be made easier.**

Following the impact survey findings, showing only 37% of associations who responded were currently measuring their impact. With these findings SFHA began work through the IFT project to improve how it's members could better measure their social and economic impact.

SFHA published their [Housing Impact Manifesto](#) to encourage all members to sign up to a co-designed common approach which shows the impact of the whole Scottish housing sector. Building on the previous findings, the Housing Impact Manifesto pledges to create an easy to use but robust framework which is flexible, proportionate, realistic and achievable. The framework will support and advise housing providers on how to create better decision making and outcomes, in turn, showing their social impact.

There are currently 24 housing providers subscribed to the Impact Manifesto, who have helped shape the Social Impact toolkit which we hope will encourage more members to sign up to.

You can find out more about the manifesto and pledge your organisations support here: <https://www.sfha.co.uk/news/news-category/sfha-news/news-article/housing-impact-manifesto---pledge-your-support>



### Social Value

Social value is the measurement of the positive changes people experience that benefit the community. Increasingly much of this value can be measured in economic terms, including the direct benefit of increased value to individuals. It is important, however, to also consider and measure this social value from the perspective of those in receipt of tangible long-term benefits of the work carried out by social housing providers.

Many Social Housing Providers can affect the delivery of other social policy objectives – health and social care, child poverty, an ageing population, employment and education, all inextricably linked to much of their outcomes.

Social housing providers often go far beyond merely allocating and upkeeping the homes they provide. Examples of social value might be the additional value tenants experience such as increasing their confidence through a digital inclusion programme, or through increased ability of tenancy sustainment from Welfare Rights advice received. These things are undeniably important, but often not expressed or measured in the same way that financial value is.

Using Wellbeing Valuation to measure the success of a social intervention by how much it increases people's wellbeing, is widely regarded as a useful common currency for improvements to society. To do this, the results of large national surveys are analysed to isolate the effect of a particular factor on a person's wellbeing. The analysis then reveals the equivalent amount of money needed to increase someone's wellbeing by the same amount.

The main advantage of Wellbeing Valuation is that the values are consistent and robust. The consistency means that while you may be examining values for different types of outcomes, you are still comparative and relateable.

The Wellbeing Valuation approach uses statistical theory to derive values that have been added to the value bank, which will continue to be updated. Once calculated they can be applied using simple techniques shown in our toolkit.

The Scottish Government has shown keen interest in a wellbeing approach to social impact through their National Performance Framework (NPF) initially launched in 2007. While recognising the importance of economic progress is important, the NPF proposes the success of a country can be measured on more than their GDP. Alongside updated NPF indicators in 2018, the First Minister has noted a focus on "community-led, person-centred and collaborative" services, which places a key role for social housing in addition to the conventional Housing, Regeneration & Welfare Division.

In response to the regulatory environment, and a recognition of the need for more consistency in the way social value is reported, social value measurement has become significantly more widespread within the sector over the last several years. HACT and Simetrica developed and launched the UK Social Value Bank in 2014 (in direct response to the sector recognising the need for a consistent and robust Social Value methodology).



### Social Value

The UK Social Value Bank remains the largest bank of methodologically consistent values that exists and has become widely regarded as a 'standard' methodology within the sector.

Given this, its relatively ease of use and analysis of HACT tools, the availability of free downloadable [Social Value Bank Calculator](#) for all Housing Associations plus the existing knowledge of this within SFHA membership, the impact group endorse the HACT Wellbeing Approach as the method of assessing impact to be chosen in this process.



The Social Value Bank Calculator is available free to download for all Housing Associations  
<https://www.hact.org.uk/value-calculator>

However, it is also worth noting there are other social value methodologies that are used across the sector that may also be worth researching further, many of which can be used in addition to the HACT model including;

- ✓ **SROI**
- ✓ **CBA**
- ✓ **Stated preference Modelling**
- ✓ **LM3**
- ✓ **Exchequer Values – to evaluate cost saving to the public purse**
- ✓ **Social regen activity tracker**
- ✓ **Bespoke neighbourhood dashboard**
- ✓ **STAR**
- ✓ **Better Future Framework**
- ✓ **Logic Modelling**



### Aim and Purpose

The aim of this toolkit is to provide a practical resource for SFHA members to help them measure and use the social value they create through their housing and wider role activities.

This will comply with current guidance, including the following documents:

- ✓ **Model Rules, SFHA**
- ✓ **Annual Assurance Statement, SFHA**
- ✓ **SHR Regulatory Framework, SFHA**
- ✓ **Community Benefits Showcase, SFHA**
- ✓ **RSL Guide to Housing Options, SFHA**
- ✓ **Construction Procurement Manual, Scottish Government**
- ✓ **Scotland's Sustainable Housing Strategy**
- ✓ **Scottish Social Housing Charter**
- ✓ **SEPA Housing Sector Plan**
- ✓ **The Social Impact of Housing Providers, HACT**
- ✓ **Social Value Bank, Practice notes, HACT**

This toolkit aims to develop services that are accessible to all and to encourage as many members as possible to use our common approach to social value and impact measurements.

The benefits of this allow our members to be:

- ✓ **Armed with more information and skills.**
- ✓ **More capable of supporting their tenants in accordance with their needs.**
- ✓ **Able to plan towards better value for money services.**
- ✓ **Better equipped to display direct and comparative figures to board, funders and regulator**

Due to many of the above: They are likely to better contribute to healthier and happier communities, thus further increasing the impact.

For the whole sector, the benefits of having a collaborative approach throughout SFHA's members: -

- ✓ **Access to nationwide impact calculations.**
- ✓ **Ability to create baseline measurements and changing trends.**
- ✓ **Better equipped to advise of policy decisions within the sector**
- ✓ **To highlight best practice and areas that require more support and funding.**



## Indicators of Social Value

Charting all outcomes included in the Social Value Bank Calculator would provide a full impact measurement – however in order for a collaborative approach to be effective, it is important that whilst we encourage members to measure their social value outcomes against all indicators, we only pick certain indicators of impact that relate to activities common amongst all social housing providers.

Alongside the Social Value Bank, these indicators will be based around the areas highlighted in Scottish government’s National Performance Framework.

- ✓ **Human Rights**
- ✓ **Culture**
- ✓ **Environment**
- ✓ **Health**
- ✓ **Fair Work & Business**
- ✓ **Education**
- ✓ **Children**
- ✓ **Economy**
- ✓ **International**
- ✓ **Poverty**
- ✓ **Communities**

After consultation and initial testing of data, the project team were keen that some of these indicators should be able to be calculated on information already held by the organisation, as with varying resources available across the SFHA membership, in order for consistent indicators to be measured, it is key that these can be carried out by all social housing providers.

There was agreement that these should include data in the following areas,

- ✓ **Tenant Support**
- ✓ **Health and Wellbeing**
- ✓ **Affordability**
- ✓ **Environmental**

Housing Associations may also wish to note these also link to ARC return and the following SHR regulatory standards which can be specifically referenced;

### **Standard 1**

*The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.*

### **Standard 4**

*The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.*

It is intended for associations to eventually carry out a full impact assessment for their complete processes and outcomes using as many wellbeing valuations within the HACT social value bank as possible. This would enable associations and the sector as a whole, to have a more complete picture in terms of the impact of social housing, building towards a social value calculation per social housing unit or money spend on their operations.



### How to use the Social Value Toolkit

This wellbeing approach is intended for organisations operating within the housing sector to quantify social value associated with procurement, service design and decision making.

The Social Value Bank is a resource to support the valuation of work carried out by many social housing providers. The guide includes the Social Value Bank Calculator which enables the user to apply the values to understand a basic assessment of the impact of individual activities, can generate an Impact Valuation Statement and inform a strategic approach.

The Practice Notes available from HACT at <https://valueinsight.zendesk.com/hc/en-us> aim to address questions arising from the practical application of these values.

Organisations may use the Social Value Toolkit at strategic level, to capture, quantify and report the value of interventions and initiatives that are already happening. By doing this, organisations can highlight the positive value they are creating (on top of their core service) and share best practice but also identify what they could be doing to achieve more added value.

This is also designed to be used effectively for setting specific objectives or targets for an upcoming project, or retrospectively capturing the impact of a project that has concluded.

In accordance with the Procurement Reform Scotland Act, the importance of measuring social impact will also inform thinking in the procurement process, when identifying the need, developing the specification or engaging the market. The impact values may serve as a “menu of options” to inform the design phase and may become a reporting vehicle during contract delivery, where relevant and proportionate.

As described in the aforementioned practice notes, in terms of recording social values, to ensure the data can be used in as robust a manner as possible, be conservative and prevent overclaiming.

Ensure all data recorded is accurate and exactly as required for evidence. It is important that questionnaires are carried out as described in the Social Value Bank, and answers recorded in accordance with options provided to the same individuals as the baseline surveys.

If using a sample of tenants, please note this in estimates and assumptions section of notes. Sample size must be at least 30-40 people, and all should be surveyed if group measured is less than less than 25.

Time thresholds for measurements should be annual, though if engagement with people on an ongoing basis and individuals access intervention initially in a staggered fashion, survey at 6 or 12 monthly intervals.

Results of activities that do not have associated value should be recorded and reported alongside the methodology shown in the toolkit.





### Social Value Bank Calculator

<https://www.hact.org.uk/value-calculator>

The Social Value Bank represents a major step forward in the quality of resources available to those seeking to place a social value on community-focused activity. It is available for housing providers to use at no cost.

Since 2011, HACT has been working with Daniel Fujiwara, a leading expert on social impact valuation. Daniel's work is based on Wellbeing Valuation theory and report on housing provider value 'The Social Impact of Housing Providers' was published by HACT in February 2013, and generated wide interest across the sector. This following report which seeks to place values on the social impact of community investment activities includes values as well as practical guidance on how to apply them to achieve a basic assessment of social value.

This is the cornerstone of how Housing Associations can produce and develop real and comparable impact measurements.

### Social Value & Procurement -

<https://www.hact.org.uk/procurement-toolkit>

Working with SPA and Lintel trust to understand the practical implications of social value and community benefit in the procurement process we have included tools integrating social value into the procurement process.

This is intended for use alongside the guidance contained within the Social Value and Procurement toolkit which offers detailed support on relevant legislation, an extensive tool bank with guidance, options and examples at each stage.

# SFHA Innovation & Future Thinking Programme

This toolkit was produced by the SFHA Impact Project Team as part of the Innovation and Future Thinking Programme. The Innovation and Future Thinking programme focuses on three key areas:

- Home of the future
- Service transformation
- Tackling poverty and demonstrating impact

Visit the **SFHA Innovation Hub** for more information and resources or email us to get involved:

[www.sfha.co.uk/innovation](http://www.sfha.co.uk/innovation)

[innovation@sfha.co.uk](mailto:innovation@sfha.co.uk)

The Social Insight partnership is a partnership between SFHA, HACT and Lintel Trust.



We are housing Scotland



With thanks to Clydebank Housing Association and Port of Leith Housing Association



## Innovation & Future Thinking



[www.sfha.co.uk/innovation](http://www.sfha.co.uk/innovation)



We are housing Scotland

# Social Value Toolkit

Practical resources to measure and demonstrate the social value impact created by social housing providers

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## Who is this for?

The Social Value Toolkit is aimed at all staff working within the social housing sector. Social value measurements do not have to be made globally across the business, and we would encourage everyone, from front line staff to executive team members to use this for smaller and specific pieces of work, and to champion this approach within your organisation. The toolkit is designed to take account of the interventions of social housing providers in all facets of their work: in day to day housing operations; community investment programmes; and all other projects, planning and decision making within social housing.

## Why use this toolkit?

SFHA recognise that their member associations have varying levels of resources and have designed this toolkit to provide straightforward and practical advice to start measuring and improving the social value you already create. Looking at and understanding the value of small interventions that support tenants every day is as much of this process as social value generated through large contracts or developments. It is important that all associations are given the opportunity to use social value measurements and this toolkit allows social housing providers, regardless of size, to begin or improve their journey. This creates more value for money and outcomes that make a real difference to tenants and residents in your communities. Being able to demonstrate the impact you are making shows the additional value of social housing and illustrates the ways in which you are contributing to a healthier and happier Scotland.

## This toolkit will help you:

- ✓ **Think about how you measure the social value you deliver**
- ✓ **Promote social value within procurement processes**
- ✓ **Look at the sources and use of data in this process**
- ✓ **Consider different community benefit programmes**
- ✓ **Increase opportunities for disadvantaged people within your communities**
- ✓ **Develop a social value policy**
- ✓ **Provide accurate and robust data to help long term decision making**





## 1. Principles

Guiding you through the seven principles of social value reporting

## 2. Measuring Impact

A practical method of calculating impact using core indicators of social value

## 3. Data

Highlighting the sources and application of data to increase social value

## 4. Community Benefits

Creating projects that promote non-financial outcomes as part of a procurement contract

## 5. Procurement

Tools to be used in the planning and procurement process of any programme of work

## 6. Social Value Policy

Template Social Value Policy to be used by social housing providers

## 7. Further Support

Additional tools and more in-depth ways to develop your wellbeing approach and impact





## What is social value?

Social value is a term used to describe the measurement of positive changes experienced within a community which have a public benefit. Much of this value can be measured in economic terms, including the direct benefit of increased value to individuals. It is important, however, also to consider and measure this social value from the perspective of tenants in receipt of tangible long-term benefits of the work carried out by their social housing providers.

The aim of this toolkit is to provide a practical resource for those working for social housing providers to help them measure and use the social value they create through their housing and community activities.

## What is wellbeing?

Wellbeing is a multifaceted term that encompasses an individual's state of wellness relating to their comfort, health and happiness. The World Health Organisation refer to physical, mental and social wellbeing in terms of health, and not merely the absence of disease or infirmity.

What this recognises is that wellbeing is a broader concept that includes how people feel about themselves and their lives as a whole. Many factors may influence a person's wellbeing, and, in this toolkit, we will look at some indicators which are important for housing associations to consider in measuring an individual's wellbeing. These factors include various external conditions and internal resources which affect personal capabilities, quality of relationships and sense of purpose in people's lives.

## What is a wellbeing valuation approach?

A wellbeing valuation approach uses statistical theory to derive values which can be applied using simple techniques to calculate social value impact.

Using wellbeing valuation allows an organisation to measure the success of a social intervention by how much it increases an individual's wellbeing. It enables impact to be measured against the equivalent amount of money needed to increase someone's wellbeing by the same amount.

Through Scotland's National Performance Framework (Scottish Government, 2020), pictured on the next page, the Scottish Government endorse a wellbeing approach to measuring impact. Whilst recognising the importance of economic outcomes, the framework suggests that success can be measured on more than financial value.

The UK Social Value Bank developed by HACT and Simerica-Jacobs utilises wellbeing valuation and, as the largest existing bank of methodologically consistent values, it has become a standard methodology when calculating social value within the sector. It is free to use for all SFHA members.



## Scotland's National Performance Framework – Purpose

To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing and sustainable and inclusive economic growth



## Scotland's National Performance Framework – Values

We are a society which treats all our people with kindness, dignity and compassion, respects the rules of law, and acts in an open and transparent way



Scotland's National Performance Framework (Scottish Government, 2020) <https://nationalperformance.gov.scot/>



## 7 Principles of Social Value

When measuring impact created by your organisation, it is important to follow the seven principles of social value reporting. When calculating and presenting any impact information, it is important to be mindful of the need to ensure these principles have been adopted.

**Retrieved from:** Social Value International. (2020, August 12). Principles of Social Value and Accountability, [Social Value UK Website](http://www.socialvalueuk.org/app/uploads/2017/03/Social-Value-Principles-andAccountability.pdf) (<http://www.socialvalueuk.org/app/uploads/2017/03/Social-Value-Principles-andAccountability.pdf>)



### Principle 1: Involving stakeholders

Active involvement of tenants, partner organisations and funders in the design and the data you gather.



### Principle 2: Understand what changes

The methodology adopted has been designed to gain insight into what social changes are made as a result of activities carried out by a social housing provider. It is important to use this evidence when capturing changes in the wellbeing of an individual, and the economic and preventative spending impacts, to ensure the data you are collecting is accurate, reliable and collected ethically, alongside a local context through community profile of the area.



### Principle 3: Value the things that matter

The calculation of impact, and consequent decision and resource allocation, depends much upon the relative importance stakeholders place on differing outcomes. Cross referencing the experiences captured by social value wellbeing measurements with broader trends, including community profiles and local and national strategy documents, will help impact valuation and analysis presented to be as useful as possible.





## 7 Principles of Social Value



### Principle 4: Only include what is material

Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.



### Principle 5: Do not over-claim

A thorough evidence base has been compiled and checked to ensure that over-claiming is avoided and is consistent with activities which the case studies have been directly involved with. Deadweight adjustments have been made in social impact valuations reflecting nationally recognised good practice.



### Principle 6: Be transparent

All calculations should be backed up by widely recognised methods. In this toolkit we recommend the HACT Social Value bank and wellbeing approaches



### Principle 7: Verify the result

The results are consistent with methodology stated, and all data is gathered in adherence with the survey questions and results described, in the HACT and Simetrica-Jacobs UK Social Value Bank Calculator.



## Measuring Impact

Gathering data on all possible indicators referenced in the [HACT and Simetrica-Jacobs Value Bank Calculator](#) using the guidance and questionnaires included will produce as comprehensive a wellbeing valuation as possible. This will enable social housing providers to show the impact of the work they carry out within their communities. However, when it isn't possible to survey tenants or community service users this way, organisations can also measure the social value of their operations based on data they already gather.

As seen in the core indicators sections below, this can be split up to show values created in different operational areas. In order to have a robust, certified impact valuation, the data would have to

be evidenced as per the Value Bank guidance. However, social housing providers may still report on the impacts where this is not possible as long as note is made on how the data was gathered.

For example, where it is not possible to survey tenants specifically to assess the impact an intervention has had on their ability to pay for their housing costs, value could be measured by noting tenants who have been supported after being in arrears the previous year, who were not in arrears in the following 12 months. This may be used as a guide to what your social value target could be for this service and may be evidenced through future surveying – to provide an official value it is always recommended that surveys are carried out.

Enter the data you have for your organisation to measure the social value impact you have created in the following outcomes showing core indicators of impact

### Core Impact Indicators : Tenant Support

Indicator	HACT social value	Number of tenants	Social impact of activity
Able to pay for housing	£7,347	X	= £
Able to obtain advice locally	£2,457	X	= £
Tenant moving from temporary housing	£8,019	X	= £



## Core Impact Indicators : Environmental Improvements

Indicator	HACT social value	Number of tenants	Social impact of activity
Energy efficiency improved by one EPC band	£217	X	= £
Resolution of problems with condition of dwellings	£336	X	= £
Rectification of serious condensation or mould	£770	X	= £
Rectification of penetrating (higher level) damp	£674	X	= £
Rectification of ceiling fault	£266	X	= £
Rectification of floor fault	£754	X	= £
Rectification of door faults (interior doors)	£578	X	= £
Rectification of wall fault	£390	X	= £

As mentioned, where data is not already held to measure the impact of activities, please follow the questionnaires, wording, answers and scales as set out within the Social Value Bank calculator.



In order to measure social housing providers' core activities, it is important that social value calculations for the following sections are also carried out:

## Core Impact Indicators : Health & Wellbeing

Indicator	HACT social value	Number of tenants	Social impact of activity
Feel belonging to neighbourhood	£3,753	X	= £
Talks to neighbours regularly	£4,511	X	= £
High confidence (adult)	£13,080	X	= £
Relief from depression/anxiety (adult)	£36,766	X	= £
Good overall health	£20,141	X	= £

## Core Impact Indicators : Affordability

Indicator	HACT social value	Number of tenants	Social impact of activity
Financial Comfort	£8,917	X	= £
Access to internet	£2,413	X	= £
Relief from being heavily burdened with debt	£10,836	X	= £



## Case Study One

### Clydebank Housing Association, Core activities 2019/20

Clydebank Housing Association (CHA), with 1,122 properties for social rent, aims to provide the highest possible quality housing, environment and services to all their customers. They aim to maximise their contribution to the overall regeneration of Clydebank by addressing, wherever possible, the needs of those in the community who are disadvantaged. As part of their mission “offering our community more than a home”, they aim to improve the social, economic and environmental circumstances of the community in which they operate.

From the information they already gather, CHA has been able to evidence the following social value calculations. Further collection of data in accordance with the Social Value Bank surveys would show wider impact including health and wellbeing, and affordability.

### Tenant Support

Able to pay for housing:	£5,984
Temporary accommodation to secure housing (average):	£360,855
Able to obtain advice locally:	£81,681
<b>Total:</b>	<b>£448, 521</b>

### Environmental Improvements

Energy efficiency improved by one EPC band:	£104,160
Resolution of problems with condition of dwellings:	£28,490
Rectification of serious condensation or mould growth:	£112,189
Rectification of penetrating (higher level) damp:	£2,696
Rectification of ceiling fault:	£20,748
Rectification of floor fault:	£5,278
Rectification of door faults (interior doors):	£8,670
<b>Total:</b>	<b>£282,231</b>

**Total = £730,752**



## Case Study One (continued)

Using the Social Value Bank calculator, you can begin to add in more specific details such as age and location of tenant to give an even more defined valuation. It also allows for the addition of expenditure on specific projects in order for social value per pound spent to be measured.

This also contains a wider range of values for activities and outcomes that may either be run or supported by social housing providers such as through community benefit programmes, employability, community participation and social activities that can be measured using this methodology.



### Social Value Bank

Free to download, use and access:  
<https://www.hact.org.uk/value-calculator>



### The Impact of Social Housing: Economic, Social, Health and Wellbeing

Report by CaCHE and HACT  
[https://www.sfha.co.uk/  
mediaLibrary/other/english/66627.  
pdf](https://www.sfha.co.uk/mediaLibrary/other/english/66627.pdf)



## Case Study Two

### Port of Leith, Employability Activities 2019/20

Port of Leith Housing Association (POLHA) work closely with customers and local communities in order to fulfil their aim to make Leith a better place to live, work and visit, through their four strategic goals:

- ✓ To make the POLHA organisation and service delivery great
- ✓ To make the physical infrastructure, including affordable housing, and environment of Leith great
- ✓ To contribute towards making the availability of economic opportunity in Leith great
- ✓ To contribute towards making the social fabric of the community in Leith great

POLHA who have a stock of 2,850 in Leith and North Edinburgh, provided core funds of £231,370 towards their Community Works programme for the year, to create social values which follow.

Full Time Employment:	£588,847
Part Time Employment:	£31,996
Government Training Scheme:	£40,782
Secure Job:	£790,841
Vocational training:	£83,123
Regular volunteering:	£33,680
Regular attendance at local organisation:	£18,227
General training for job:	£203,459
Employment training:	£89,155
<b>Total:</b>	<b>£1,880,110</b>

These nine employability outcomes alone show a direct annual social value for this programme of £1,880,110 against POLHA's investment of £231,370. This gives a social value ratio, which is measured as real spend against the social value this has returned, of more than 1:8.



## Further Social Value Measurements

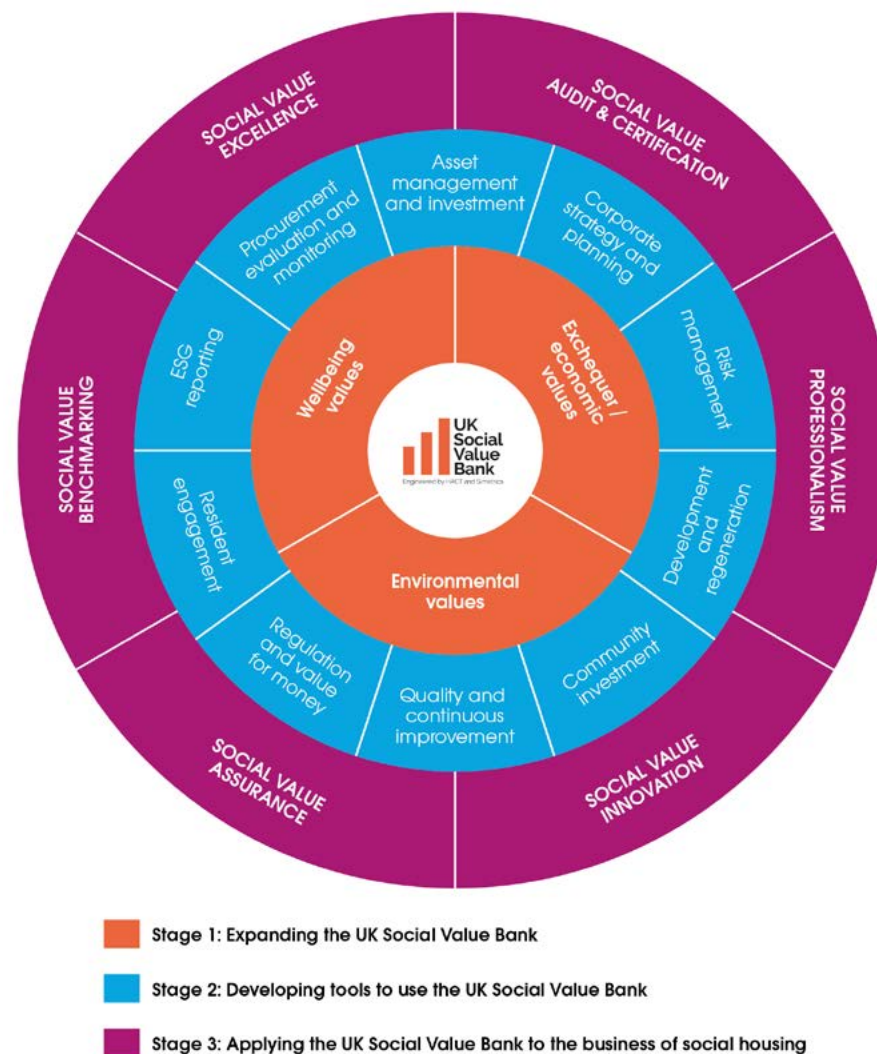
As part of the UK Social Value in Housing Taskforce, SFHA is supporting HACT in their development of the current social value metrics through the roadmap for the future of social value in social housing (<https://hact.org.uk/social-value-roadmap>). In doing so, we will look to share with our members pioneering new wellbeing, economic and environmental values that speak to the business of social housing.

We hope to extend this toolkit, as the roadmap progresses, to include valuations to reflect the impact of developing new affordable housing and of doing so in a socially and environmentally responsible manner. An example of this can be seen in Simetrica-Jacobs's work with Redrow in their 'Valuing Communities' Report (2018) which shows that financial proxies can be put against the following outcomes.

<b>+c£34k</b>	Bigger house, giving improved social engagements
<b>+c£39k</b>	Living near greenspace
<b>+£36k</b>	Reducing fuel poverty through increased energy efficiency

These show an additional social value of c£76m, calculated over a 25 year period, based on their 250 house development.

We encourage the use of all social value calculations where they can be done using robust and reliable methodology. The inclusion of these as part of full impact assessment may also include economic outputs including SROI and financial savings. However, due to different methodology in these calculations, we do note that these cannot be aggregated together.







## Data

This toolkit provides suggested sources of data and information to measure social value. By familiarising yourself with these you will be able to calculate and interpret how to use social value impact measurements in your organisation's context. You may also wish to return to this tool for ideas and reminders when you seek and gather evidence throughout the process.

### External – Quantitative

These are typically open source data, much of which is available on the [Community Insight platform](#)

Open source data such as:

- Office of National Statistics (ONS) [www.statistics.gov.uk/hub](http://www.statistics.gov.uk/hub)
- Data held by local authorities
- Crime and ASB statistics [www.police.uk](http://www.police.uk)
- Scottish Index of Multiple Deprivation <https://simd.scot/>
- Community narrative including key population changes, dynamic inward and outward migration flows
- Community organisations
- Local primary and secondary research
- Other housing associations
- Local enterprise partnerships



### External – Qualitative

This data is typically available from [SFHA](#), [HACT](#), and [Centre of Excellence in Community Investment](#)

- Community experiences (happiness, liveability, neighbourliness, etc)
- Existing strategies, policies, partnerships, programmes, etc
- Community organisations
- Local primary and secondary research
- Relevant legislation, reports, articles and publications

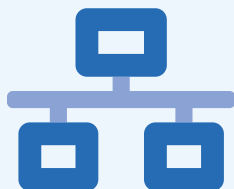




## Internal – Quantitative

This data is typically gathered from tenants and stored in housing management software, CRM software or on spreadsheets

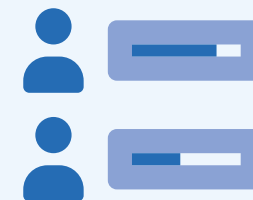
- Property related information
- Asset management surveys and strategies
- Customer profiling
- Tenant satisfaction surveys
- Tenant inspection findings
- Resident feedback
- Tenant scrutiny findings
- Transactional analysis
- Board reports
- Stock condition data



## Internal – Qualitative

This data is typically gathered from tenants through customer engagement processes

- Corporate business plan
- Growth strategy
- Board reports
- Resident feedback
- Tenant inspection findings
- Customer insight/profiling
- Tenant satisfaction surveys
- Tenant scrutiny findings





## Data collection

Social housing providers already gather much data internally for KPIs, regulatory returns, annual reports and board updates. Where possible, this data should be evidenced to measure the impact of organisations.

The HACT and Simetrica-Jacobs Social Value calculator has set out surveys with measurable outcomes for the following five areas:

- **Local Environment**
- **Employment**
- **Financial Inclusion**
- **Youth**
- **Health**



## Data within social value

It is important to follow the seven principles of social value, set out at the beginning of the toolkit, in order to ensure not only robust measurements, but best quality of data led evidence to inform social housing providers' decision making and resource allocation.

Establishing standardisation of the data in use, as well as within the data collection processes, will enhance the quality of data that can be used to assess the performance and impact of the service. This will also ensure it is being collected from the outset of service delivery and evidenced again when there is value in doing so and has a defined purpose.

Given the existing operations social housing providers are already required to carry out, it may be worth accessing digital means of data collection. There are various survey websites and free apps that allow for this to be done online and safely in times of social distancing. These can be designed to be carried out by either social housing staff or the tenants themselves and may reduce errors in collating and analysing data.



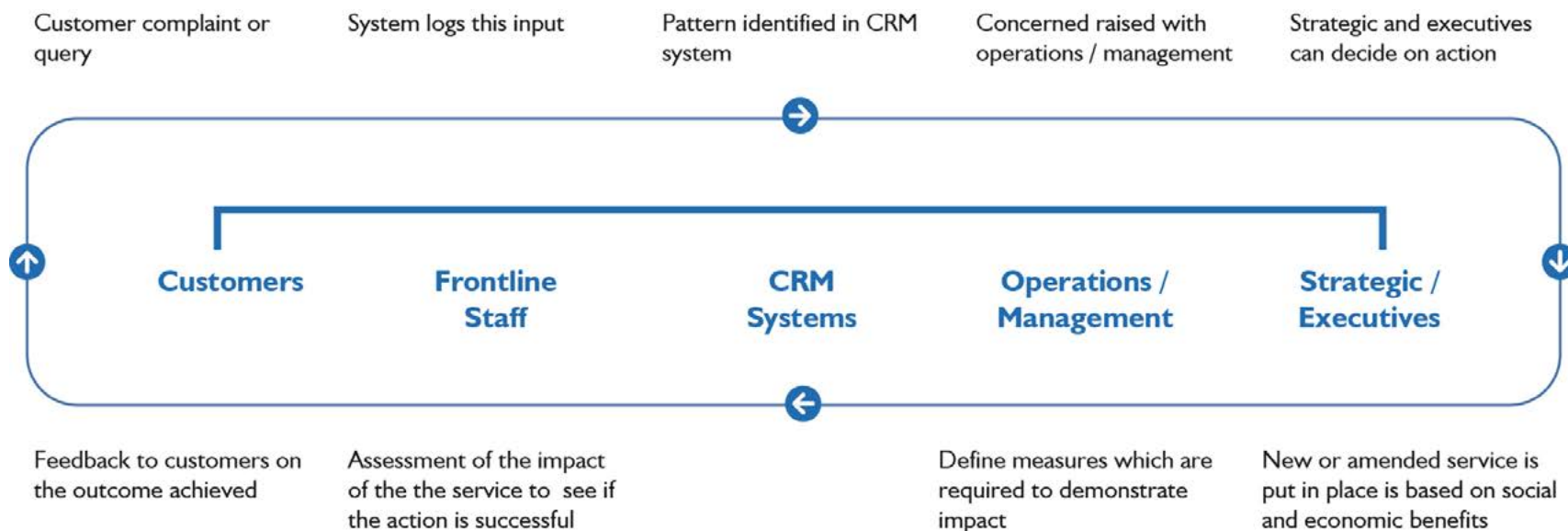
## Data led decision making

In order for each association to be able to best use the wellbeing approach through the tools outlined in this document, it is important that appropriate bearing is given to their existing work processes.

Following the below diagram, developed at SFHA's Impact Hackathon, social housing providers can chart what data is gathered and used to begin the process that creates an intervention or outcome from which social value can be measured. This then advises decision making.

Each association will carry out operations differently due to size, staff structure or business priorities, and will draw on different data as listed in the qualitative and quantitative sections above.

For community projects, the start and end points, for example progression into employment or attendance at community or social groups, are clear-cut. On the other hand, the data collected from repairs or complaints may be used throughout the organisation in various different ways. These can all be used as evidence for social value measurements, preventing the need for further surveys or data collection where data already exists.





## Data standards

In order to improve the data that social housing providers hold on their tenants, and on activities they carry out which create social value, a UK Housing Data Standard has been created providing a consistent approach and reducing bad data within the social housing sector.

This provides the foundation for data-driven business so you can make fast, effective decisions based on better business intelligence, resulting in reduced costs, greater agility and the ability to embrace new technologies quickly.

As part of the Social Value Taskforce Roadmap we are working on ways of combining data standards to the UK Social Value Bank.

If all social housing providers used the same data standards there would be less expense, less waste and greater margins to be reinvested in activities to further increase social value in our communities.

Download the current UK Housing Data Standard for [free here](#).





## Community Benefits

The Procurement Reform (Scotland) Act 2014 introduced community benefits as a range social and environmental considerations which can be included in relevant public contracts. Social housing providers are able to use procurement to achieve wider non-financial outcomes, including improving wellbeing of individuals and communities, social value and improved environment.

The following list of themes for outcomes and projects that could create social value could be included as community benefit clauses in procurement contracts. It is not exhaustive, and we encourage innovative programmes that find new ways to provide sustainable value to increase social and community welfare.





## Themes

### Strengthening local economies

- Employment and skills training
- In-house procurement
- In-house apprenticeships
- Social enterprise support

### Poverty and exclusion

- Financial and debt advice
- Community cohesion
- Financial inclusion

### Community capacity and resilience

- Supporting civic infrastructure
- Supporting community enterprise
- Building 'under the radar' capacity
- Management/ownership of assets

### Environment and sustainability

- Environmental improvements
- Energy efficiency
- Community energy initiatives
- Community transport

### Young people

- Diversionary activities
- Sports and leisure
- Advice and support

### Health and wellbeing

- Independent living
- Vulnerability
- Loneliness





## Introduction

The tools in this section can be used by social housing providers in the planning and procurement process of any programme of work. They can be used alongside HACT’s comprehensive [Social Value and Procurement guidance](#) which also provides in-depth insight into social value from a contractor’s perspective.

## Social value throughout the procurement process

The flowchart taken from that guidance provides a good overview of the steps at which social value should be considered during the procurement process.







## Pre-procurement: community engagement

This table provides a suggested template you may wish to use when producing a social value action plan in any social housing procurement processes.

### Example Questions

Issue	Who	How	Why	Social Value Initiative	Delivery	Priority Rating
What are the issues affecting, or been highlighted in this community, that could be improved?	Which specific demographic are affected?	What is the impact of this issue on individual residents and community as a whole?	What are the underlying issues causing or contributing to this?	What are possible solutions to this issue?	<p>What local organisations and groups would be involved in delivering these solutions?</p> <p>Would the costs and timescales be prohibitive?</p>	<p>How many people stated this as an issue?</p> <p>On a scale, how important an issue is this for people?</p> <p>What was the response to the initiative/ solution proposed?</p>



## Contract

Once you have engaged with the community and have planned an evidence-based project, it is important that the following documents relating to the delivery of social value within this programme are agreed and signed off as part of the procurement process.

- ✓ **Social Value Requirements Document**
- ✓ **Social Value Requirements Method Statement**
- ✓ **Social Value Requirements Plan**

In addition, a template clause may be added highlighting the relevant obligations under the Procurement Reform Scotland Act within any contract or framework:

*“Under this contract, all contractors will be required to actively participate in achieving the social or environmental outcomes as stated in the Social Value Requirement Document, Method Statement, and Plan; relating to the delivery, training, recruitment and supply chain of the agreed project.”*





## Delivery

The following template measures delivery of social value as a checklist against performance and delivery targets. The delivered benefits of each output mentioned within the Social Value Requirements documents should be evaluated on at least an annual basis.

The checklist should be developed specifically against each social value item agreed for this contract, highlighting the target, delivery, and the Social Value Benefit of each activity.

### The Checklist Example

Social Value Activity (Social Value Bank outcome)	Annual Target	Contract Target	Number Delivered to date	Input Cost	Social Value bank calculation	Social Value Benefit	Comments



## Reporting

Before you share or publish the social value generated through your organisation's activities, it is important to ensure you have applied the approach in accordance with the guidance and practice notes included in the Social Value Bank calculator.

- ✓ You have clearly described your social purpose and defined social value, as set out in the Social Value documents agreed as part of any procurement contract or framework, this may include who is involved in providing the social value generated and for whom.
- ✓ You have adhered to HACT's guidance and practice notes for Wellbeing Valuation.
- ✓ You have included a budget.
- ✓ You have defined a reporting period.
- ✓ You have explained your approach to data collection.





## Introduction

As a social housing provider, we are committed to delivering social value in all activities and services we invest in. Social value is the measurement of the positive changes people experience that benefit the community. Increasingly much of this value can be measured in economic terms, including the direct benefit of increased value to individuals.

## Purpose

We will measure the social value we create to ensure that we are aware of the impact of our activities; that we are providing value for money; that we are allocating resources effectively; that we are listening to the needs of local people; and that we are able to demonstrate the value that social housing has in our communities. This will be done in three key ways:

- ✓ **Through the services we provide for our tenants and communities**
- ✓ **Through our procurement process**
- ✓ **Through local partnership working**

The association's business plan and strategic objectives are linked to this policy. Our policies relating to the following are also relevant to this document and should be complied with at all times:

- Community Investment
- Wider Role
- Procurement
- Digital Strategy
- Value for Money
- Corporate Social Governance
- Customer Care
- Asset Management

Please note that this list is not exhaustive and you are required to comply with all of our policies and procedures.



## Social Value Principles

As part of our commitment towards social value, we will follow the principles of Social Value to improve evidence-led decision making by increasing value in wellbeing and sustainability within communities. SFHA Social Value toolkit and associate guidance notes will give practical application of these principles:

<p>Involvement stakeholders</p> <p>1</p>	<p>Understand what changes</p> <p>2</p>	<p>Value the things that matter</p> <p>3</p>	<p>Only include what is material</p> <p>4</p>	<p>Do not over-claim</p> <p>5</p>	<p>Be transparent</p> <p>6</p>	<p>Verify the result</p> <p>7</p>
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## Our Social Priorities

We will ensure where possible that all activities are following the Scottish Government's National Performance Framework. We will promote sustainable and inclusive growth in order to increase national wellbeing across wider social, economic and environmental indicators, so that people in our communities can:

- grow up loved, safe and respected so that they realise their full potential
- live in communities that are inclusive, empowered, resilient and safe
- are creative and their vibrant and diverse cultures are expressed and enjoyed widely
- have a globally competitive, entrepreneurial, inclusive and sustainable economy
- are well educated, skilled and able to contribute to society
- value, enjoy, protect and enhance their environment
- have thriving and innovative businesses, with quality jobs and fair work for everyone
- are healthy and active
- respect, protect and fulfil human rights and live free from discrimination
- are open, connected and make a positive contribution internationally
- tackle poverty by sharing opportunities, wealth and power more equally



## Working with contractors and partners

To deliver maximum social value and to ensure all relevant legislation is followed when working with others and in the procurement of goods, services and works, we will ensure all agreements include documented social value requirements.

We will monitor the delivery of social value in all procurement and agreed activities with third part organisations, and continue to work with stakeholders to increase social, economic and environmental impact and comply with all emerging policy and best practice.

This policy was adopted by our management committee on

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It will be reviewed not later than

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**Signed:**

**Dated:**





## Community Insight

<https://www.hact.org.uk/communityinsight>

Community Insight is available via subscription from HACT and gives you the most relevant and up-to-date data on the communities where you work, with no need to invest in specialist mapping and data staff, consultancy or software. It provides data and reports for all or subsets of a housing providers properties or stock areas within minutes.

This is ideal for external reporting and is aligned with other contextual data such as deprivation, population density and a dynamic activity layer. This demonstrates how effective facilities are at targeting high value gaps that delivery significant community savings.



Request demo for **Community Insight** or **Value Insight** here:

<https://www.hact.org.uk/value-insight>



## Control groups

It is possible to conduct primary data collection to explore the effect of all the outcomes in the Social Value Bank using a 'control group' as a comparison.

## Certification

HACT offer a Certification Process to which you can submit your Impact Valuation statement. The purpose of the process is to assess whether the values have been applied in accordance with the method defined in The Guide and you will receive Certification that your results are an accurate representation of your organisation's social impact. Please get in touch to find out more.

## Training

A range of training is available including an overview of the methodology, in-depth sessions on the full model, tailored hands-on workshops and training on how to use the values separately in Cost-Benefit analysis or Social Return on Investment.

If you have an interest in the development of a specific Practice Note to answer a particular question about an area of the Social Value Bank or application of a value, we would be keen to hear from you.

If you are interested in finding out more about the further support and consultation HACT can offer, please get in touch with James Williams on [james.williams@hact.org.uk](mailto:james.williams@hact.org.uk)



## FAQs

### 1. Are the values in the social value bank based on real money created by housing associations?

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No, these social values are measured in monetary terms as a proxy for the benefit an intervention has provided to an individual's wellbeing.

### 2. Can HACT wellbeing measurements be used alongside SROI or TOMS model to create a comprehensive impact of an organisation's operations?

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The values can provide a basic assessment of social impact, provide evidence of value for money, and compare the impact of different programmes. The values can also be used within a full SROI or Cost-Benefit Analysis. However due to the difference in methodology, these should not be added together.

### 3. Are all contracts that housing associations procure required to have a community benefit element included?

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The Procurement Reform (Scotland) Act 2014 requires those commissioning or procuring public services contracts over £4m to consider how the service can improve the wellbeing of the area. However, we would encourage our members to do this as part of all procurement processes where possible.

### 4. Do social value measurements work as part of ESG reporting?

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The UK Social Value Bank is currently being developed as part of the work of The UK Social Value in Housing Taskforce. They aim for this to provide social value metrics that can be used across social housing providers, whether in asset management and investment, ESG reporting, or regulation and value for money.

### 5. Who can use the social value bank?

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All housing providers who wish to measure or report on their social value can use these valuations. It is free to use for all SFHA members, any other organisations wishing to use these valuations should check the licencing information found here <https://www.hact.org.uk/social-value-bank-licencing-information>

### 6. Do we need to measure our social value?

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It is important for all social housing providers to be able to understand their communities and what makes the biggest difference to individuals within them. Measuring and reporting on the social value they create is a great way to do this. This may not yet be part of any regulatory returns, however SFHA would like to collect annual data from their members on this, and report on the impact made across the sector.

### 7. How can I find out more about this?

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For updates and information on our impact work, please check out SFHA Innovation Hub (<https://www.sfha.co.uk/innovation>). To pledge your support of the [SFHA Housing Impact Manifesto](#) to measure, understand, and grow our social and economic impact in order to make a difference and deliver our social purpose across Scotland together, email [innovation@sfha.co.uk](mailto:innovation@sfha.co.uk).

# SFHA Innovation & Future Thinking Programme

This toolkit was produced by the SFHA Impact Project Team as part of the Innovation and Future Thinking Programme. The Innovation and Future Thinking programme focuses on three key areas:

- Home of the future
- Service transformation
- Tackling poverty and demonstrating impact

Visit the **SFHA Innovation Hub** for more information and resources or email us to get involved:

[www.sfha.co.uk/innovation](http://www.sfha.co.uk/innovation)

[innovation@sfha.co.uk](mailto:innovation@sfha.co.uk)

The Social Insight partnership is a partnership between SFHA, HACT and Lintel Trust.



We are housing Scotland



With thanks to Clydebank Housing Association and Port of Leith Housing Association



## Innovation & Future Thinking



[www.sfha.co.uk/innovation](http://www.sfha.co.uk/innovation)



We are housing Scotland