

Brand Recovery

Social Return on Investment Report

J Sutherland & T Martin

December 2015

ACKNOWLEDGEMENTS

Accredited data sources have been utilised in the development of this social return on investment report, primarily data acquired from:

- Department for Communities & Local Government (DCLG)
- New Economy Greater Manchester (University of Manchester)
- Public Health England

All unit costing prices are stated at 2014/15 financial year measures.

BACKGROUND

Brand Recovery is a social enterprise based in Derby supporting vulnerable groups including mental health, drugs, alcohol and offenders. The scheme originally opened in December 2014 as a pilot programme thanks to funding provided by the Derbyshire Police & Crime Commissioner and Public Health England. Following the early success a Community Interest Company (form of Social Enterprise) was formed in May 2015.

Brand Recovery is a unique concept attracting regional and national interest for it's innovative approach in supporting vulnerable groups to recover from their respective problem(s). The programme is built on local insight from vulnerable groups in Derby to understand their needs and to create a service designed specifically for them providing education, training and improved employment options.

Delivered by industry experts, nationally recognised qualifications are provided free of charge in Fashion & Textiles and Furniture Repair/Recycling. Qualifications last between 6 and 12 weeks in duration with learners attending on a daily basis. These qualifications are supplemented by additional qualifications linked to improved employability, personal & social development and functional skills (maths and English).

The key to the success of the scheme has been the development of strong local collaborative partnerships (Job Centre Plus, Derbyshire Healthcare Foundation Trust, Phoenix Futures and Derbyshire Probation Service) to develop collaborative visions and ways of working to support vulnerable groups in the city to overcome the significant barriers they face in addressing their problems. Brand Recovery has intensive contact with each cohort of learners and offers advice, guidance and signposting around key issues faced by individuals, collaborating where relevant with key partners.

Quick Facts

Vulnerable Groups:

Mental Health
Offenders
Drug Misuse
Alcohol Misuse

Nationally recognised qualifications delivered including Ofsted Inspections

Strong local collaborative partnership working arrangements and shared visions.

Key benefits of the programme are:

- safe environment for vulnerable groups to engage and be themselves
- attainment of qualifications
- new positive friendships created
- reduction in substance misuse and offending
- improved confidence and self-esteem
- re-introduction of daily structure and routines
- access to peer support and mentoring
- improved quality of life and mental health
- ability to progress to gain employment
- former learners continuing to use sewing skills as a therapeutic intervention

COST OF DELIVERY

The scheme costs **£60,000** per year to run but demonstrates savings to the local public sector which this document strives to utilise accredited evidence sources to demonstrate the local savings. Within the first 12 months operating, over **125 referrals** have been received to the scheme and over **75 qualifications** delivered. This translates as a top down **unit cost of £800** per qualification gained. Within the next 12 months as Brand Recovery becomes more established a target exists to reduce this unit cost.

Quick Facts

£60,000 Delivery Cost

£800 Unit Cost

FIRST 12 MONTHS OF PROJECT

As Brand Recovery continues to grow and improve its functions a plan exists to further lower this unit cost, however, it is comparable to many adult learning providers across the East Midlands region.

Brand Recovery utilises the Outcome Star as a nationally validated tool for measuring the impact of interventions. A number of different outcome stars are in existence with Brand Recovery utilising the Employability Star which measures:

- Social skills for work
- Basic skills
- Aspiration/Motivation
- Job specific skills
- Job search skills
- Stability
- Dealing with challenges

These metrics are further developed with measures used within Public Health England's Treatment Outcome Profile tool:

- Reduction in drug/alcohol use
- Reduction in offending rates
- Improved mental health and quality of life

First 12 Months Of Brand Recovery Key Facts

- Strong local partnerships supporting local agendas
- Address local gaps in access to services
- Built on insight of vulnerable groups
- Increase rates of individuals returning to employment/further education
- Enhanced one-to-one support provided to improve social functioning and confidence
- Reduction in offending rates
- Reduction in alcohol and drug use
- Positive mutual aid networks developed

In November 2015 Brand Recovery and KTL Ltd received a part **Ofsted Inspection** as part of a wider contract held by The Derbyshire Network. The Ofsted report published on 2 December 2015 gave a **Grade 2 – Good** for the overall work of The Derbyshire Network. Within the report direct references of good practice are attributed to Brand Recovery:

- *The standards of learners' work on fashion and textiles courses is very high. They make good-quality, desirable products such as well-designed T-shirts, soft toys, and wreaths for Christmas, with due consideration to health and safety regulations. Learners gain knowledge and apply the skills to produce stencils for printing as well as block and screen printing.*
- *Strong partnerships between TDN, its subcontractors and voluntary groups have been extremely successful at helping learners recovering from poor mental health, drug and alcohol abuse to re-engage in learning and society. Learners overcome their difficulties with learning, attend classes regularly, make friends, gain confidence and progress rapidly through their qualifications. They take charge of their lives and reduce their dependency on other services such as the National Health Service (NHS), probation and the other support services.*
- *Trainers' support and care for learners are good. They create a positive learning environment, which helps learners overcome their difficulties with learning and increase their confidence. As a result they make rapid progress and develop an extensive range of skills from their often low starting points.*
- *Learners' understanding of diversity is good. Trainers plan meaningful professional discussions and deepen learners' understanding of this issue well. For example, in a classroom-based lesson for adults the trainer led a thought-provoking discussion on how 'Jedi' came to be recorded as a 'religion' in the census in 2011.*
- *Subcontractors meet skills needs effectively; they collaborate closely with organisations that work with vulnerable and hard-to-engage learners and specific employers. For example, a subcontractor developed bespoke courses for the unemployed, which helped them gain employment as well as helping the jobcentre to achieve their employment targets.*

Ofsted Derbyshire Network Inspection – December 2015

SOCIAL RETURN ON INVESTMENT INTRODUCTION

Following the initial 12 months of Brand Recovery's operations in Derby an initial unit costing exercise has been developed. Data is obtained from the New Economy Manchester unit costing database developed in conjunction with the NHS, Local Authorities and Police.

Costs are contained within three key areas:

Fiscal Value is costs or savings to the public sector that are due to the delivery of Brand Recovery.

Economic Value relates to the net increase in earnings or growth of the local economy.

Social Value contains wider gains to society such as improvements to health, educational attainment, access to public services, safety and crime.

As Brand Recovery operates in partnership with key local services it would be inappropriate to apportion 100% of cost savings wholly to Brand Recovery, therefore a weighted percentage is applied to each metric based on outcome data collated by Brand Recovery.

In the first instance a maximum annual return on investment is calculated before applying a reduced percentage weighting. The reduced percentage weighting is calculated from existing data held by Brand Recovery and also accounts for the fact not every learner will achieve such a high public savings yield.

Quick Facts

Savings are made to:

The public sector

Wider society

The economy

GLOBAL SOCIAL RETURN ON INVESTMENT

The social return on investment costs are initially stated at a global (whole service) level prior to depicting a breakdown to key interested groups.

Saving	Unit	Fiscal Value	Economic Value	Social Value
Crime average cost per incident of crime ¹	Per Incident	£ 663	£ 736	£1,795
Criminal proceedings ²	Per incident	£ 719		
Crime – antisocial behaviour ³	Per incident	£ 673		
Alcohol Misuse savings ⁴	Annual	£2,015		£1,565
Drug Misuse savings ⁵	Annual	£8,954	£9,234	£3,933
Anxiety/Depression disorders ⁶	Annual	£ 977	£4,522	
Mental Health Community Provision ⁷	Cost of 2 Visits	£ 334		
GP GMS Contract ⁸	Per Hour	£ 125		
GP Prescription Costs ⁹	Per 3 consultations	£ 126		
NVQ Level 2 Qualification ¹⁰	Annual	£ 90	£ 483	
ESA Benefits ¹¹	Annual	£9,091	£13,236	
TOTAL		£23,767	£28,211	£ 7,293
<i>Aggregated Total</i>		<i>£59,271</i>		

Full referencing of all unit cost data sources are show within appendices.

The above table is illustrative of the cost savings yielded by the Brand Recovery project, however, as vulnerable individuals have differing needs it is not realistic to project these costs across all learners within the project. Consequently the first twelve months **client profile data has been used** to apply conservative weightings.:

- **Crime Related Value** – 10% of all learner attainment
- **Local Authority Value** – 5% of all learner attainment
- **Health Values** – 10% of all learner attainment
- **Economic Values** – 15% of all learner attainment

Quick Facts

Savings are made to:

Crime

Health

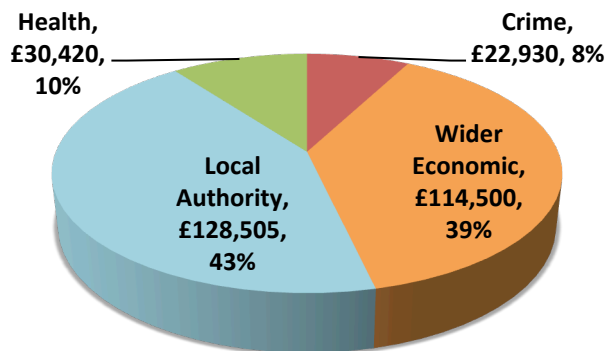
Public Health

Economy

Through the partial application of percentage costs against the first year's cohort of learners total cost savings are stated against 50 learners as:

	Fiscal Value	Economic Value	Social Value	TOTAL
Crime (10% attainment)	£10,275	£ 3,680	£ 8,975	£ 22,930
Local Authority (5% attainment)	£54,845	£46,170	£27,490	£128,505
Health (10% attainment)	£ 7,810	£22,610	£ 0	£ 30,420
Wider Economic (15% attainment)	£45,905	£68,595	£ 0	£114,500
Total Savings				£296,355

Brand Recovery has supported a return on investment of **£296,355** within the initial 12 months



In summary, compared to many training, education and voluntary sector organisations, Brand Recovery can demonstrate realistic and effective social return on investment calculations that are at a higher than average level for this type of intervention.

Based against a £60,000 grant funding contribution of revenue running costs this sum equates to a saving of £4.94 for every £1.00 invested in Brand Recovery.

For every £1.00 invested a saving of £4.94 is achieved

Appendices:

EXTERNAL DATA REFERENCES

¹ Figures derived from 'Revisions made to the multipliers and unit costs of crime used in the Integrated Offender Management Value for Money Toolkit, 2011'. This estimates the total cost (fiscal, economic and social) of crime. These costs have been disaggregated to identify the breakdown into fiscal, economic and social elements of the cost of crime and the breakdown of the fiscal costs to each agency using the split of expenditure from Home Office Research Study 217, 2000. Analysis carried out by New Economy and checked by the Home Office

² Salford: Police costs 2006/07

³ The Economic and Social Costs of Anti-Social Behaviour: a review' (London School of Economics and Political Science, 2003), p.43

⁴ Alcohol Use Disorders: diagnosis, assessment and management of harmful drinking and alcohol dependence (NICE Clinical Practice Guidance 115), p.408

⁵ Estimating the crime reduction benefits of drug treatment and recovery (National Treatment Agency for Substance Misuse, 2012), p.11; and Drug Treatment Outcomes Research Study (DTORS) (Home Office, 2009), p.13

⁶ Paying the Price: the cost of mental health care in England to 2026 (King's Fund, 2008), p.118

⁷ National Schedule of Reference Costs 2011-12 for NHS trusts and NHS foundation trusts ('MHCOMM' worksheet, currency codes MHCOM01-MHCOM09)

⁸ Unit Costs of Health & Social Care 2014 (Curtis, 2014), p.195

⁹ Unit Costs of Health & Social Care 2014 (Curtis, 2014), p.195

¹⁰ BIS (2011): Returns to Intermediate and Low Level Vocational Qualifications p9 to 10

¹¹ DWP modelling (unpublished)