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SLOUGH BOROUGH COUNCIL
SLOUGH CULTURAL INFRASTRUCTURE
QUANTIFYING SOCIAL IMPACT

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I METHODOLOGY TO QUANTIFY SOCIAL IMPACT

The Wellbeing Valuation Approach is Barker Langham's preferred methodology to measure the social impact of community investment and help organisations to make informed decisions about social investment, as well as measure and share evidence of the social value they create. This method is aligned with HM Treasury's Green Book, the Government's project appraisal guidelines, and based on research conducted by HACT - Housing Associations' Charitable Trust - and Social Impact expert Daniel Fujiwara. The main advantages of Wellbeing Valuation over other sets of values to measure social value is that these are methodologically consistent and robust. The values are calculated through statistical analyses of four large national UK datasets that contain data on wellbeing and life circumstances:

- British Household Panel Survey (BHPS)
- Understanding Society
- The Crime Survey for England and Wales
- The Taking Part survey

While the Wellbeing Valuation approach provides a robust and reliable estimate of the social value the interventions help to create, it does not provide full certainty as to how much the intervention was responsible. However, we apply a deadweight ('what would have happened anyway') adjustment the methodology mitigates 'over claiming'. The adjustments - applied by reducing the total value by the relevant percentage for the type of outcome - draws on research to produce average deadweight estimates dependent on the nature of the programme (as an example):

- Training and access to labour market – 15%
- Community and social – 19%
- Crime prevention – 19%
- Health – 27%

This approach is robust as it: compares the social impact of different programmes, helps to compare the cost of programmes or interventions with their impact and assists in developing a solid understanding of, and the evidence base for the social impact of the community investment activities.

Additionally, we mainly use the Social Value Bank's headline wellbeing 'values' that have been calculated in relation to community investment activities. The values are stated per person per year. For each activity, the number of people impacted are multiplied with the associated activity or outcome to give the quantitative social impact. To measure the actual number of people impacted we would normally look at attendance records and survey participants but considering that the project is still in planning, assumptions have to be made for the number of people or participants reached and impacted.

When the Social Value Bank doesn't have an appropriate set of values other sources are used which are clearly stated for each activity.

2 QUANTIFIED OUTCOMES PER ACTIVITY

2.1 Outcome: People moving from unemployment to full-time employment

Barker Langham has proposed a staff structure for each option, excluding employees operating the café/bar/restaurants and cinema spaces. With a council operated venue people from the local community can be prioritised and job opportunities created for people otherwise experiencing barriers to employment. It is assumed that 30% of all staff positions will help people move from unemployment to full-time employment. The proxy used are from the HACT research¹.

2.2 Outcome: Regular volunteering

Cultural venues often have volunteers to assist in their operation and offer apprenticeships - especially to youth. This reduces the organisation's employee costs, but more importantly, creates bonds with the community, and participants both learn new skills, which can lead to future job opportunities, and gain rewarding social integration. The value that people gain in terms of enhanced life satisfaction through regularly volunteering at least once a month creates a social impact.

Calculations are based on the number of regular volunteers per option. The proxy used are from the HACT research².

2.3 Outcome: Higher level of interpersonal trust

Greater interpersonal trust is born from mixing and meeting others. People regularly visiting the multi-use cultural venue are more likely to make friends from a different culture or religion and from a different socio-economic background from themselves. The centre will also help all people of Slough to 'embrace the values of social cohesion and diversity' which will help to reduce crime and antisocial behaviour.

In a study by OECD³ 34% of adults with below upper secondary education in the UK expressed interpersonal trust (this proportion was chosen since it is the lowest). We assume a 1% improvement of interpersonal trust on fear of crime among the projected total population of Slough in 2025 due to a new cultural venue. The proxy used for fear of crime is calculated as the average costs of fitting a house alarm spread over ten years and maintenance costs for one year (£106.96) added to the cost of a rape alarm (£3.60)⁴.

$$1\% \times 155,300 \times 110,56 = 171,700$$

2.4 Outcome: Hours of use for studio spaces (free)

The financial model assumes that the main users of the small studio spaces are charities and residents that use the spaces for non-profit purposes (free use).

The social benefit of free usage is measured as the number of hours the studios are used for free per year. It is assumed that each of the 20 studios are used for free on average 5 hours per day, 363 days per year. Proxy used is the projected rental rate of £10/hour to use the studios for by professionals and companies.

$$363 \times 5 \times 20 \times 10 = 363,000$$

¹ HACT and Simetrica, Community investment and homelessness values from the Social Value Bank

² IBID.

³ OECD (2010), Education at a Glance 2010: OECD Indicators, OECD Publishing, Paris, <https://doi.org/10.1787/eag-2010-en>.

⁴ Which, (2011) How choose a burglar alarm, can be retrieved at: <http://www.which.co.uk/home-and-garden/home-improvements/guides/how-to-choose-a-burglar-alarm-contract/protecting-your-home/>

2.5 Outcome: Additional benefits from the incubation space in Hub model

We assume that there are wider benefits achieved by the Hub model vs a dispersed model when it comes to start-ups survival rate, companies' growth rate and thus number of jobs created. The benefit measured is the value for people moving from unemployment into full-time employment.

Assumes to create 5% additional full-time employment opportunities in the Incubation space in a Hub model. An 80% to 20% ratio between usable space and circulation/plants. A commonly accepted rule is that c. 10 sqm per employee is the ideal amount of space per person to allow for roughly 5 sqm desk space and 5 sqm to accommodate space in communal areas like breakout spaces, meeting rooms and kitchens. This is also in line with Regulation 10 of the Workplace, (Health Safety and Welfare) Regulations 1992. Proxy used are from HACT research⁵.

$$960 \times 80\% / 10 \times 5\% \times 14,433 = 55,423$$

2.6 Outcome: Programming workshops

An annual nine-month education programme of workshops in gaming and coding for primary school pupils to develop technical and creative skills.

Measured as the number of hours spent with pupils through student tutoring. We have assumed 20 participants in 60 minute long workshops, and that the workshops are held during only three quarters of a school year (0.75 x 38 weeks school year) to account for the weeks when students are still on their breaks and the occasions they cannot attend. The average cost for one hour private tuition of £36 is based on the Prospects website⁶.

$$20 \times 1 \times 28.5 \times 36 = 20,520$$

2.7 Outcome: Vocational creative training programme

A vocational 12-months training programme of two weekly workshops for young people aged 16-25 to develop a range of skills across technical, producing, stage management, marketing and performance culminating in a Takeover Festival produced, curated and performed by programme attendees. The participants will improve confidence and acquire skills to get a more fulfilling job.

Measured as the number of participants that participated in the programme. Proxy used are from HACT research⁷.

$$20 \times 1,567 = 31,340$$

2.8 Outcome: Greater enjoyment of reading

A study by Miller et al⁸ shows that higher reading fluency correlates with more enjoyment of reading. The monthly book swap event gives children the opportunity to refresh their bookshelves and talk to new and old friends about the books they love. Staff will be at hand and also offer impromptu readings to introduce children to new books. The events will create improvement in reading fluency and enjoyment of reading.

Based on Miller et al⁹ research we assume that the events increases reading fluency which correlates to more enjoyment of reading. Their research showed that 14% of pupils experienced an improvement in reading fluency. 14% of the 360 children participating in the book swaps experience more enjoyment of reading.

⁵ HACT and Simetrica, Community investment and homelessness values from the Social Value Bank

⁶ Prospects, <https://www.prospects.ac.uk/job-profiles/private-tutor>, accessed 200623

⁷ HACT and Simetrica, Community investment and homelessness values from the Social Value Bank

⁸ Miller, S., Connolly, Maguire, L. (2011). A Follow-Up Randomised Controlled Trial Evaluation of the Effects of Business in the Community's Time to Read Mentoring Programme. Queen's University Belfast: Centre for Effective Learning.

⁹ EBID.

Enjoyment of reading is valued through the average number of books an 8-year-old reads in a year = 16 (The National Literacy Trust) multiplied by £1.85 = the average price of a children's book in the UK¹⁰.

$$360 \times 14\% \times 1.85 \times 16 = 1,492$$

2.9 Outcome: Youth apprenticeship

Measured as the number of participants that complete the apprenticeship/internship programme. Proxy used are from HACT research¹¹.

$$6 \times 2,353 = 14,118$$

2.10 Outcome: Regular volunteering

Measured as the number of participants that regularly volunteer at least once per month. Proxy used are from HACT research¹².

$$25 \times 3,249 = 81,225$$

2.11 Outcome: ESOL classes for speakers of other languages

A large proportion of Slough's residents are born outside of the UK, 39% of the population according to the 2011 census, and 50% of school pupils do not have English as a first language. ESOL classes will help to integrate participants in society, increase confidence, skills looking for jobs, volunteering and accessing local services.

Measured as the number of participants who gain in confidence (survey before and after participation), starts regular volunteering and gets full-time employment. Proxy used are from HACT research¹³.

2.11.1 Higher confidence

$$35 \times 13,080 = 457,800$$

2.11.2 Regular volunteering

$$5 \times 3,249 = 16,245$$

2.11.3 Full-time employment

$$5 \times 14,433 = 72,165$$

2.12 Outcome: Cultural enrichment in local community

The existence of the proposed cultural venue will increase the variety of live theatre, music and dance performance available to those in the community, and thus creates a more culture oriented local community.

As a value of the cultural enrichment that all visitors receive at the cultural venue, Barker Langham take the price of an average ticket for non-cinema performance applied to the financial model. The proxy is calculated as the average ticket price paid by all individuals going to a show in the theatre and studio (i.e. excluding film screenings). We assume that 40% of the visits would not have occurred elsewhere without the new centre.

$$98,500 \times 21,5 \times 40\% = 847,100$$

$$106,313 \times 21,5 \times 40\% = 914,292$$

¹⁰ Statista, Average invoiced price of physical books in the United Kingdom (UK) 2018, by category, accesses 200623

¹¹ HACT and Simetrica, Community investment and homelessness values from the Social Value Bank

¹² IBID.

¹³ IBID.

2.13 Outcome: Enhanced reputation of Slough

The existence of the proposed cultural venue will increase the variety of live theatre, music and dance performance available to those in the community and enhances the reputation of the local area.

Cultural amenities have repeatedly shown to be one factor when highly skilled individuals chose to relocate to a given area¹⁴. An increase in the highly skilled in an area has several benefits to a local community. We believe that a new cultural venue will act as a place maker for Slough and help to attract those highly skilled individuals and also help to retain highly skilled individuals in Slough. The Hub options will have a bigger impact as place maker than the Dispersed options.

Measured as the additional highly skilled individuals being attracted to the area. Cowling¹⁵ found that greater cultural amenities in an area increased the likelihood of the highly skilled being attracted to an area by 8.7% (the biggest contributor was the availability of jobs). Barker Langham thus take 8.7% of all residents with NVQ4 level qualifications and above in Slough = 3,468 (95,126 or 63.8% of Slough's total population of 149,100 were of working age in 2018, 41.9% of those have achieved a NVQ4 or more level of qualification). To account for the impact of other cultural amenities we then divided this total by 3 for Hub option (3 = option 2c, 3.5 option 2b, 3.9 option 2a) and 5 for Dispersed model (5 option 3c, 5.5 option 3a).

There are many perceived benefits of having an increased number of highly skilled individuals in an area. The proxy we used to capture some of these benefits is the difference in average annual wages for those that do not go to university (£24,000) and those that do (£34,000)¹⁶.

$$3,468 / 3 \times 10,000 = 11,560,000$$

$$3,468 / 5 \times 10,000 = 6,936,000$$

2.14 Outcome: Increased social mobility

The principal public benefit from local Higher Education is created by increasing the number of students from low-income households (social mobility). Increasing the number of individuals from low-income backgrounds at universities is commonly seen as an effective way to increase social mobility. In Slough, with an 'NVQ4 and above' qualification level that falls below the average for the region and London, the existence of a local higher education provider will increase the number of residents attaining a degree. Most students from low level income households tend to stay local for education and stay at home to avoid high levels of debt, particularly for BAME groups. The latter is especially important for Slough, being one of the most diverse local authority areas. It is assumed that the Hub would increase accessibility more than the Dispersed model, and deliver a greater 'fairness' in society and social inclusion.

An additional 5% undergraduate students above average from low-income households attending Higher Education at Hub. Total number of undergraduate students = 1,000 (Royal Holloway projection). Benchmark students from low-income household = 14.6%¹⁷.

$$1,000 \times 5\% \times 10,000 = 500,000$$

¹⁴ Cowling, M. (2009). The geographical distribution of UK talent: Causes and consequence. Institute of Employment Studies, Working Paper 24. Retrieved from <http://www.employment-studies.co.uk/pdflibrary/wp24.pdf>

¹⁵ IBID.

¹⁶ Department of Education, (2019), <https://www.gov.uk/government/news/graduates-continue-to-benefit-with-higher-earnings>, accessed 200624

¹⁷ Estimate by new economics foundation (nef) based on Office of Fair Access (2009) Access agreement monitoring: Outcomes for 2007-08. OFFA

3 SUMMARY

The first year's impact is calculated by adding the calculated value from each activity:

Total Value				
2a	2b	2c	3a	3b
£ 9,320,556	£ 10,667,531	£ 12,071,245	£ 6,826,339	£ 7,443,043

The calculation shows that Option 2c has the biggest social impact, and each of the Option 2 variations make a bigger impact than any of the Option 3 variations.

In future years, the amount of outcome is likely to be less or, if the same, will be more likely to be influenced by other factors, so attribution to the project is lower. Drop-off is used to account for this and is only calculated for outcomes that last more than one year.

In order not to have to make judgements about the duration of the impacts, and the drop off after the first year the first year's 'deadweight' can be added to the same calculation for subsequent years to measure impact extending past a year.

Table: Deadweight over multiple years

Year:	1	2	3	4	5	6	7
Training and employment	15%	30%	45%	60%	75%	90%	100%
Community and social	19%	38%	57%	76%	95%	100%	100%
Crime prevention	19%	38%	57%	76%	95%	100%	100%
Health	27%	54%	81%	100%	100%	100%	100%

Barker Langham assumes that the impact on new people from future years activities will equal or surpass the drop off effect each year and hence the calculated value for year one is considered to be the stable annual value.



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