



January 2011

# ALANA HOUSE

Women's Community Project  
In conjunction with Parents and Children Together

## SROI Evaluation



PARENTS AND CHILDREN TOGETHER

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## Opening Remarks from PACT's Chair

As it comes up to a hundred years of fantastic social work in Thames Valley PACT has so much to celebrate. Its history of great achievements is not just that: a history. It is a story that is continuing, growing, developing to meet the challenges of our modern society and its children.

Amongst the many facets of its work, three were selected for examination by Jim Clifford, Cass, and Baker Tilly, and by our own team, in this fascinating "Action Research" project. Our Domestic Adoption and Fostering Service, and the child health and obesity work at the Witney Children's Centre were two of these. The third is covered in this report: the wonderful, amazing and life-changing work of the Alana House Women's Community Project.

Alana House's work with women offenders, those at risk of offending and, we hope soon, victims of crime can – is – achieving great things.

This report makes impressive reading: £93m of value from what is made possible by a year's work at Alana House, with £35m of that directly attributable to the Alana team's share of the work done. Working to help women too easily abandoned by society to regain the control of their lives, and contribute to that society through their own actions, and through their children.

We haven't just finished a hundred years of fantastic work, we are just starting a hundred years of high impact projects like Alana House.

If our Government and our Civic Society ever wanted to see outcomes for its investment, this is it.

**Malcolm Fearn**  
Chair  
Parents and Children Together



**Foreword**  
**from the Chief Executive**  
**of**  
**Parents and Children Together**

The criminal justice system is intended to protect the public, and to secure an appropriate way of helping the offender to change their ways. The visionary report by Baroness Corston in December 2007 recognised that that system needs to operate differently for women from men if it is to be equally effective. With equality of outcomes rather than equality of treatment rightly a target for a fair society, it is essential that that difference of operation becomes a reality.

Baroness Corston highlighted that women are driven to offend by very different factors from their male equivalents. So often it is social factors: financial difficulties, domestic violence, substance abuse, and the difficulties of keeping families together in the face of all of these problems. If we tackle these we reduce the need for custodial sentences. If we eliminate them we enable these women to escape totally from the cycle of chaos, offending and family breakdown.

This striking study shows the huge impact of the Women's Community Projects, of which Alana House is such a good example. In work that stakeholders describe as "amazing" and "life-changing," it works with women referred by the Courts to enable them to get organized, take the chaos out of their lives, and access supportive services.

This works so well because of the knowledgeable, approachable and non-judgmental staff, and the special place in which they can meet the women who need them. This both **is** safe, and **feels** safe, so enables women to relax and engage with the services in a way that is so hard to do elsewhere.

The "life-changing" effects of Alana House's work, even evaluated conservatively, as has been done here, give striking results. Over £35m of economic and social value, in the lives of these women and their children, is brought every year, from a running cost of under £200k. With taking Alana House as the catalyst for change, we recognise that it brings over £93m a year of value: it enables the other agencies to deliver their value too. This comes from moving women from life-courses that cost the women and society up to £700k at present value to new ones which cost next to nothing, as they are able to work and support themselves. We saw it in the earlier report on the Asha and Centre 218 Projects. Now Alana House is delivering value at those levels.

We are grateful to Jim Clifford, Baker Tilly, and Cass Centre for Charity Effectiveness for supporting us in this review, for challenging us, and guiding the development of this report.

When PACT took on the leadership of this important Berkshire facility we knew that it should bring overwhelming value. Now we can see it: over 200 times return, and an effect that is passed on to the next generation.

This is well worth continuing.

**Jan Fishwick**  
**CEO, Parents and Children Together**

## Introductory Comments from Jim Clifford

Since new economics foundation first brought the SROI methodology to the UK from REDF's work in the US, and developed it for wider use here, it has changed and adapted well to the needs of our Third and Public Sectors. With Central and Local Government now moving towards outcomes measurement, and this methodology already being the subject of a Cabinet Office guide, its time has surely come. Measurement in these sectors has tended to focus on cost-based accountability, or on outputs (how many people have been reached), rather than the outcomes, primary and secondary (how that has affected them in the short and longer term respectively).

This was extracted from a wider piece of research undertaken with PACT. This was an exploratory study considering how the three principal areas of measurement relevant to transactional decisions for charities (starting projects, funding them, acquisitions, collaborations, mergers, and demergers) interact. The three are Social Impact, cash flow and conventional valuation, and brand development. Copies of that research, and further work in the field, are available from the author.

The methodology used in this research project, and indeed the majority of similar projects we are undertaking, is Action Research, also known as Action Science. This allows the organisation to be supported by the researcher in learning about itself. In this context, it gathers quality information, from those that best understand it, building in relevant, validated third party data, and giving the organisation the knowledge to be able to embed it in its performance monitoring systems: all in one go. It works, and delivers results cost-effectively.

SROI can become a process-driven exercise in which the answer emerges as a function of the process. It can also suffer from the use of financial proxies that have a poor correlation with the outcomes they attempt to measure, or are based on over-enthusiastic assumptions, and a lack of robustness in linking outcomes to the activities in which they originate. This is not the case here. The evaluations have been developed with real thought, care and prudence, and are soundly based on validated underlying data, with conservative assumptions where such are necessary. It fairly represents the very valuable contribution of PACT to all involved in the adoption and fostering triangle, and to the wider UK economy in the fields evaluated.

This study was very revealing. With its high impacts and low funding costs it shows how much can be achieved from a well-thought-through and focussed intervention. The reaction of the reader might be seen as improbably high, at over £35m plus a year from under £200k of annual funding. However not only does this match reasonably well the results of the earlier study by nef on Asha and Centre 218, but also it is right intuitively. Work getting close to someone and helping them, consistently and openly, in a professional but accessible and non-judgmental way, and sticking with them is likely to be very effective.

Even this result may understate the gain from the work of the Alana House team. It is arguable that, without Alana or its equivalent, the other agencies' interventions which are ascribed value in the SROI analysis that follows would not be engaged sufficiently to achieve much, if any of this gain. Alana House is the catalyst for engagement with many of these services. On this basis Alana House is the prime driver behind the achievement of £93m of benefit per annum.

*Jim Clifford*

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**Jim Clifford** is Head of Charity and Education Advisory Services, and Chairs the Public Sector Group at Baker Tilly. He was the lead author of the social impact protocol for Sector Skills Councils, published earlier in 2010. He is undertaking research into evaluative protocols for transactional decision making (linking Social Impact with conventional valuation and brand valuation) with Professors Palmer and Bruce at Cass Business School's Centre for Charity Effectiveness. He has recently been appointed as a director of the Centre for Public Scrutiny.



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# Definitions of Terms

The following definitions apply throughout this document, unless the context requires, otherwise:

Term	Definition
<b>CRB</b>	Criminal Records Bureau
<b>GP</b>	General Practitioner
<b>GVA</b>	Gross Value Added (a measure of economic productivity after deducting direct costs such as employment costs)
<b>LAC</b>	Looked after children
<b>MOJ</b>	Ministry of Justice
<b>NEET</b>	Not in Education, Employment or Training
<b>SMART</b>	Specified, measurable, agreed-upon, reasonable, timely
<b>SROI</b>	Social Return on Investment

# 1. Executive Summary and Key Findings

## Background to this report

- 1.1 Parents and Children Together (“PACT”) was founded in 1911 as the Oxford Diocese’s Social Action arm. It exists to build and strengthen families and increase the life chances of children and young people especially those from more vulnerable backgrounds.
- 1.2 PACT’s values are key to what it is and what it does. It works to a values framework known as ISHAPE that defines who it is, and has been developed in conjunction with a wide cross section of its staff and managers to embody the values and ethos that makes them what they are. ISHAPE takes the five outcomes from “Every Child Matters – Outcomes for Children”, broadens them to fit PACT’s slightly greater remit, and adds **I**ndependence: a key element both in its thought and approach, and in its ability to get alongside parents and their children, without any ties to State or other bodies that would impede it doing what is right. The five ECM outcomes are:
- Be **S**afe
  - Be **H**ealthy
  - Enjoy and **A**chieve
  - Make a **P**ositive Contribution
  - Achieve **E**conomic Wellbeing
- 1.3 PACT brings the wide ranging skills and experience of its staff and managers together in a variety of projects, all focussed on the needs of children and young people at risk. This work ranges from domestic and International adoption, through long-term fostering, to Children’s and Family Centres, Before and After School Clubs, Community projects, work with the Travelling Community, and one-to-one and other forms of direct family support. In 2009, based on PACT’s strong reputation across Berkshire and Oxfordshire, it was approached to lead a local partnership in setting up a One-Stop-Shop for Women Offenders in Reading. Its bid for MoJ funding was successful, and the Centre opened in March 2010, with initial funding to March 2011. This is Alana House.
- 1.4 From an initial start-up budget of £420k, of which £110k was to fund involvement by partner organisations, the project is expected to settle to a running cost requirement of between £160k and £190k per annum. This allows it to support an estimated 225 women (or more) per annum, largely referred from the Court service as an alternative to a custodial sentence. In this first year, as referral rates are building up, an estimated 205 women will be seen and engage with the services. The aims of the project were to:
- improve access and engagement;
  - increase capacity/expertise in voluntary organisations through partnership delivery;
  - identify and evidence further gaps in provision for women;
  - break cycles of offending;
  - reduce number of women entering custody;
  - contribute to reducing offending and increasing public protection.

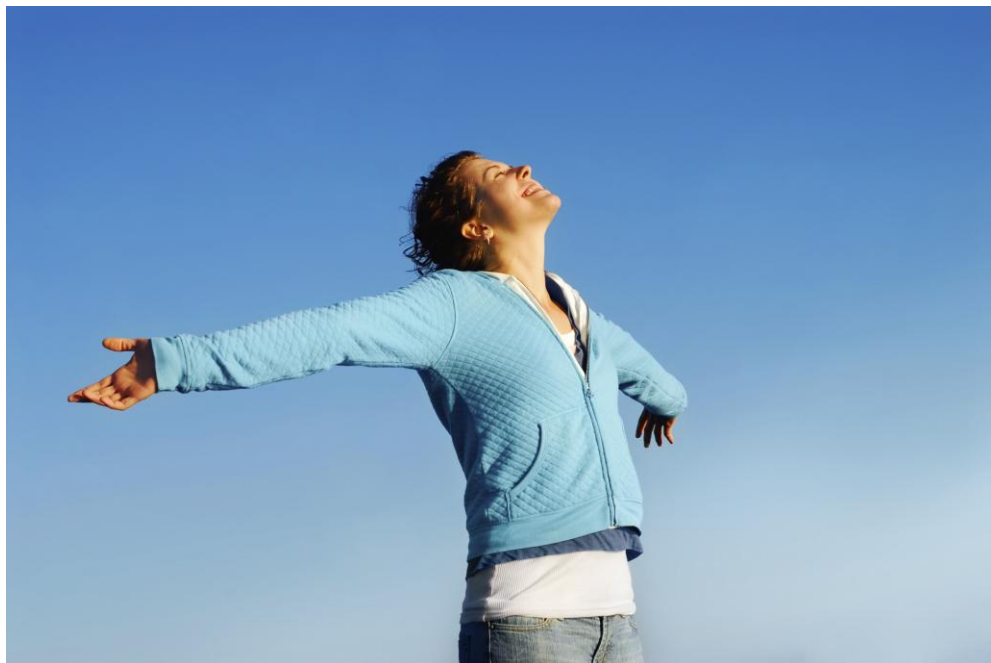


1.5 This report sets out to evaluate how much impact that this project can have in those women's lives, and quantifying the benefit in financial terms to the women, their families, communities, and to the State for wider support. It sets out to answer the question: is it worth it, and how much value does it bring ?

1.6 Alana House offers four tiers of programmes:

- |        |   |
|--------|---|
| Tier 1 | A drop-in service with 'have a go ...' sessions (cooking, IT, sewing, art), try a therapy tasters, internet access, group activities, course access, crèche provision |
| Tier 2 | Providing generic support including health advice, parenting support, housing, employment advice  |
| Tier 3 | Structured programmes based on assessed need – e.g. counselling, debt, return to work   |
| Tier 4 | Required programmes – drug rehab, mental health, conditional cautioning, Elizabeth Fry bailee support, probationers and licensees                                     |

Initially being offered to women referred under Court order, it is key that engagement with the women is effective on a personal level if they are to benefit from attending, and not to treat it simply as enforced engagement to be suffered. This is to be expanded to support women at



risk of offending, effectively self-referred, or through other agencies, and discussions are under way about supporting women as victims of male-instigated crime, arguably a group that significantly overlaps with women offenders.

1.7 This report has been produced with the researcher working with a team from with PACT, including representatives of Alana House, and two other PACT projects: Domestic Adoption and Fostering, and the Witney Children's Centres. The approach used Action Research methodology (see Appendix B) for gathering and testing data and assumptions.

1.8 This report includes:

- An overview of social impact and other key methodologies used in this work
- An analysis of the activities and outcomes of the work at Alana House
- An overview of how those outcomes may be measured using financial proxies
- An overview of the results of the evaluation, and

- A detailed presentation of the models and assumptions used in the evaluation
  - Summaries of stakeholder feedback from the focus interviews that were undertaken across the three projects in parallel with the SROI analysis.
- 1.9 To the greatest extent possible, Baker Tilly has obtained evidence to support inputs and assumptions used in the evaluation models. This has included making reference to a wide range of studies from the fields of social science, health, and public finance. Where no, or limited, evidence has been available, PACT has used assumptions that it believes to be reasonable as inputs to the model, and Baker Tilly has reviewed and challenged those assumptions during the course of the research.
- 1.10 PACT and Alana House management have reviewed the contents of the report and the models and have agreed that, to the best of their knowledge and belief, the assumptions used for the purposes of this report are accurate and reasonable for use in the context of this SROI project.

## Results of the evaluations

- 1.11 In this exercise we have identified a smaller number of key assumptions and worked with the project representatives to develop a prudent result at a high level. We believe that it is important to present a more defensible, prudent analysis than one which is overcomplicated and risks overstatement.
- 1.12 Detailed models and commentary thereon are included as Appendix C to this report. These are based on the life course analysis explained in section 4, which gives a route by which complex outcomes covering a variety of cost centres can be blended to form summarised typical life courses, which can in turn be used to evaluate economic or social gains from moving women from one life course to another. This is a form of analysis used to considerable effect in other social studies on the effects of drug abuse, or being NEET, and works well in this context.
- 1.13 In the interests of prudence, only outcomes achievable over a ten year period have been taken into account in this analysis. The slight exception to this has been that the extent to which the work with the women concerned has been able to allow them to give their children a better start has been evaluated over the child's full working life course, based on another study that does this.
- 1.14 The results of the analysis are as shown on the following page, showing how the three life courses taken as typical for offenders are contrasted with the two taken as typical of Alana House women, and analysing the effects based upon the expected outturn for the year of 205 women:

Alana House: summary of effect of one year's work		Assumptions	Evaluated outcomes (£000)
<b>Total number of clients per annum</b>		205	
		<b>Present Value per person for a ten year period (£000)</b>	
<b>Mix of outcomes for Alana House clients</b>			
	Life course 1: fully effective	29.00	50%
	Life course 2: limited chaos in lifestyle	109.39	50%
<b>Blended value (average)</b>			-69.20
<b>Mix of outcomes for general population</b>	Life course 1: resolved without additional support	48.94	5%
	Life course 2: frequent reoffending	708.66	80%
	Life course 3: chaotic, but staying out of detention	476.58	15%
<b>Blended value (average)</b>			640.86
<b>Net value brought over a ten year period from work with one person</b>			571.66
<b>Net value brought over a ten year period from work with this year's clients</b>			117,191
<b>Less:</b>	Alternative attribution	50%	-58,596
	Need for future work with them, treated as attribution	20%	-23,438
<b>Net value generated for this year's work</b>			<b>35,157</b>

1.15 This is a very substantial impact as it stands. However it is arguable that, without Alana House or its equivalent as a catalyst, none of this change would be possible. If this line, of seeing Alana as a catalyst for change, is taken, then the attributable value is arguably in excess of £93m: it includes the attribution to others.

1.16 This evaluation recognises deductions for:

- The time value of money – that is it uses a discounted cash flow approach to discount flows in later years to achieve an equivalent current value
- Deadweight – recognising, in offender life course 1, that some of this group may manage to move away from their chaotic lifestyle without Alana House's support
- Alternative attribution – where other agencies, including friends or family, may support the woman in escaping from the cycle of reoffending, and so it cannot be said that all the gain is attributable to Alana House, albeit it is widely recognised as the catalyst for change. A second area of deduction for attribution covers the point that many of these women will require more than a year's support to escape effectively from this cycle: hence some of the gain is attributed to work outside the year for evaluation.

- Displacement – where there is a cost associated with the gain: perhaps an employment effect, or indeed an increased ability to engage with per capita costed services.

1.17 The evaluations have been arrived-at on a conservative basis. These have been done in particular in the following areas:

- Only using ten years of forward gain rather than recognising that, for some women, the benefits of Alana House's work last for far longer than that
- Assuming rather low levels of earning capacity when in paid work
- Using a relatively high level of housing benefit claimed for Alana House women
- Assuming that, even with Alana House's support, there will still be a significant effect on the children from their experiences prior to Alana House's involvement
- Taking low health care support costs for offenders, on the assumptions that even when ill, the women will engage relatively little with health services
- Taking low costs of criminal activity for former offenders, and assuming that even when engaged with Alana House, they will still engage in some crime
- Using low costs for the effects of substance abuse, below the lower end of published cost ranges

1.18 The evaluation above, whilst based on somewhat updated methodologies, and more recent studies which form the basis of the financial proxies used, matches well to the evaluation of Asha and Centre 218 in Calderdale undertaken by nef in late 2007. That study evaluated the total benefit, before attribution, from a single Women's Centre, again based on a ten-year time line for benefits, at £100m from one year's work. That matches against the figure of £104m in this study, again before attribution. In practice this study is a little more conservative, as it assumes those pre-attribution returns from a capacity of 205 women in a year, as against apparent levels of 116 for the Asha centre. Hence the return per person is lower, and generally very conservative.

## Conclusions from the evaluations

1.19 In the words of New Philanthropy Capital, in their positioning statement on SROI, published in April, it is an "incredibly useful tool." This is apparent here, as a significant financial value, based on soundly researched third party data, emerges.

1.20 Assumptions have been made in coming to the figures in this analysis, and it is undoubtedly true that, even with their being made conservatively, there is some chance that there may be elements of overstatement in a few of these. However the levels of gain are so great in total or per person that it is virtually impossible to envisage a situation where the gain was reduced to anywhere near the costs of providing the services.

1.21 The gains, after alternative attribution, amount to £35m from a year's activity. If the gains from the effects on the children are excluded, notwithstanding the conservatism of the assumptions in that part of the analysis, the total gains will still stand at £13.8m. Erosion of the gains for lower numbers of women happens pro-rata to the reduction in numbers. Hence a 10% (20 person) reduction brings the total gains down to £31.7m: still very significantly in excess of the running costs of the service.

- 1.22 If the alternative attribution (gains earned by third party agencies) is included, as a measure of the extent to which Alana House acts as a catalyst for these other interventions being effective, values of over £93m a year are seen as made possible by Alana House's continued existence.
- 1.23 The overall conclusion is clear: the gain from this programme is every bit as huge as Baroness Corston envisaged. At an annual funding cost of £160k to £190k, the levels of gain, even conservatively evaluated like this, are overwhelming. Thinking from a funding perspective, the gains accruing to the economy far outweigh the funding required. So it is very surprising that there is any question over ongoing funding. However, even more surprising is that the gains attributable to the Criminal Justice system are also overwhelming: one offender costs some £31k per annum to keep in custody. Hence if the whole project only manages to keep one offender out of custody for one year, it has paid back its investment to that Governmental cost centre nearly 200 times over.
- 1.24 The words of the stakeholders in the focus interviews perhaps sum this up. Alana House is truly "life-changing....amazing"...."they do it well.....they deliver."

## 2. Introduction

### Understanding the Services

- 2.1 In March 2007, Baroness Corston published her report<sup>A</sup> covering a review of women with particular vulnerabilities in the Criminal Justice System. This was tellingly subtitled “the need for a radically different, visibly-led, strategic, proportionate, holistic, woman-centred, integrated approach.” This ground-breaking, and insightful, piece of work recognised that, in order to achieve equal outcomes in terms of reducing the propensity to reoffend, effectiveness as well as equality principles dictate that a different approach is required for women as against that employed for men.
- 2.2 Baroness Corston recognised that different treatment inside and outside prison was required. Inside, increased mental health problems, self-harm, and proportionately greater distances of the prisons from their homes and families (for whom they are more likely than men to retain responsibility), and frequent re-rolling to allow for increasing male populations, present particular challenges.
- 2.3 Outside custody these in no way diminish. The drivers of crime are almost totally different (coercion, abuse and assault by men, relationship problems, acquisitive crime, the pressures of trying to maintain families, and mental health and substance abuse, as against organised crime, exploitative crime, and violent crime), and so are the crimes committed (less serious violence, criminal damage and professional crime, and more acquisitive crime).
- 2.4 Given the focus is rightly on removing the propensity to reoffend, and thus to remove the drivers of offending, a different approach is clearly required. Baroness Corston commented: “I am convinced that women’s community centres like Asha and Calderdale, pioneers of a woman-centred approach, have found the right way to treat women and that their work must be extended and built on as a real alternative to prison.”
- 2.5 Again quoting Baroness Corston: “the aim of the centres is to develop an integrated approach to routing women to appropriate services to meet their needs at various stages of their offending history, from prevention and diversion to resettlement into the community at the end of a sentence, whether served in the community or in custody.
- 2.6 Her recommendations in this area were:
- the Together Women Programme must be extended as quickly as possible and a larger network of community centres should be developed;
  - services should be provided based on the one-stop-shop approach of centres like Asha and Calderdale;
  - Women’s centres should be used as referral centres for women who offend or are at risk of offending; and
  - [they] should be used as court and police diversions; as part of a package of measures for community sentences; and for delivery of probation and other programmes.
- 2.7 In the Government’s response to Baroness Corston’s report, dated December 2007, the Together Women Project was recognised and endorsed as valuable. Subject to impact assessment of the pilot centres, the recommendation for an expansion in the network was accepted. Specifically the recommendation that “women’s centre as should be used as referral centres for women who offend or are at risk of offending” was accepted.

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<sup>A</sup> Corston, J. (2007). *A report by Baroness Jean Corston of a review of women with particular vulnerabilities in the Criminal Justice System*. London. HMSO.

2.8 Further supportive weight of opinion and research was added by the Report of the Commission on Women and the Criminal Justice System, dated July 2007<sup>B</sup>. The Commission had been founded in 2002 by the Fawcett Society. That report highlighted five principles which are fundamental to how successful Women's Centre projects approach their work:

- a supportive, "women only" provision that accepts offenders and non-offenders;
- a holistic approach to deal with factors associated with women's offending, both practical and cognitive;
- provision that facilitates links with other agencies;
- practical help with issues such as accommodation, childcare and transport;
- a service user perspective.

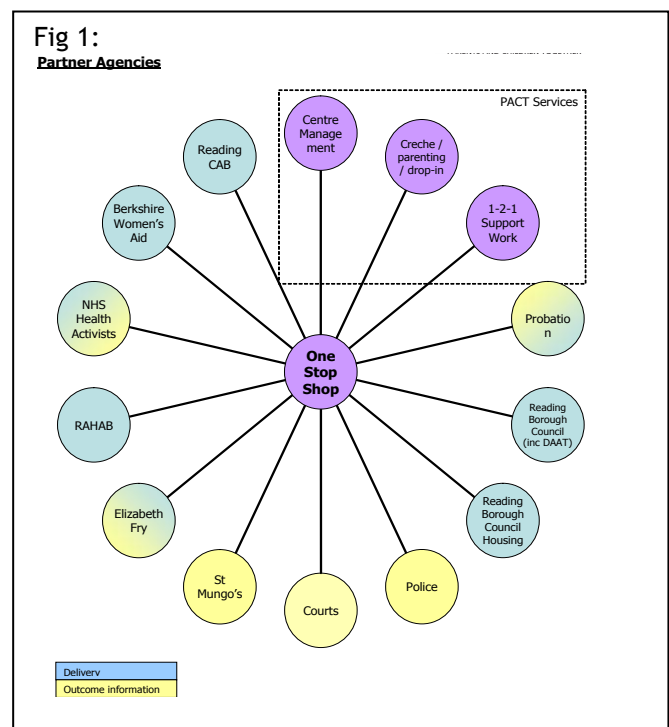
2.9 Following this, and the expansion of the pilot centres, a new phase of centres was commissioned to start in late 2009 and early 2010. Alana House was amongst these.



2.10 Prior to establishing Alana House, PACT already worked with a range of statutory agencies and third sector organisations to join up services. This led to an understanding of the gaps in provision for offenders and those at risk of offending and to discuss how agencies can work together to support women involved in the CJS and those on the cusp of offending. PACT was chosen to lead the development of the Women's Community Project in Reading to provide additionality to existing provision through an intensive holistic support service as well as facilitating informal groups and developing clear referral pathways. The aims of the project were to:

- improve access and engagement;
- increase capacity/expertise in voluntary organisations through partnership delivery;
- identify and evidence further gaps in provision for women;
- break cycles of offending;
- reduce number of women entering custody;
- contribute to reducing offending and increasing public protection.

2.11 The Community Project provision of Alana House is located where it is most needed: in central Reading. Activities are available there that will improve self-esteem, employability and educational attainment for its clients. A range of voluntary and statutory agencies provides services



<sup>B</sup> Corston, J.. (2007). *Women and Justice: Third annual review of the Commission on Women and the Criminal Justice System*. London. Fawcett Society.

at the centre addressing substance misuse, offending behaviour, housing issues, employment, debt and financial support, parenting, health and emotional well-being. Alana House aims to develop provision for conditional cautioning, providing dedicated women only provision for bail support and specialist probation interventions. A tailored conditional cautioning scheme is being developed in conjunction with Probation and the Police, building on the current successful scheme for kerb crawlers. Access to the service is multi-faceted – referral from other agencies, self referral, drop-in sessions at the centre or required attendance through CJS processes.

2.12 PACT, in establishing Alana House, has taken on board the requirement for both a holistic approach, and one that partners with other agencies. The diagram at Figure 1, taken from the Alana House planning and promotional material, illustrates this well.

2.13 Probation has agreed that the centre is to provide a 4<sup>th</sup> option for their Bail Information Service (who dealt with 9 custody cases in July 2009). The Street Population Outreach Team (St Mungos) will refer women living on the streets. RAHAB (working with street sex workers) worked with 40 women in 2008/09 who would have been suitable for referral, and will offer support through attendance at the centre. DIVERT interview arrested offenders who raise concerns about their mental well-being, the purpose being to divert the case away from the CJS if appropriate. In 08/09 they conducted 110 interviews with 30 women of which some would have been suitable for referral to this project. The DAAT team will refer their female clients to the centre for the wrap around service that will be on offer. Other potential referrers include Judge Smith at the Crown Court who sees the service as useful when considering bail and with deferred sentences, which may avoid custody; through Thames Valley Partnership’s network Family Matters, Children’s Centre referrals will be possible with implications for reductions in care proceedings; and health professionals expect to refer to reduce health inequalities.

2.14 Interventions are tiered from a universal, holistic service that any women can access, through generic support packages, programmes of support and compulsory attendance programmes. All programmes of support above Tier 2 are individualised based on need and coordinated through a 1-2-1 support plan.

2.15 Volunteers are used to befriend and mentor. By raising self esteem and confidence of clients Alana House encourages participation in our volunteering programmes, Client Forums and Partnership Board.

2.16 Services at the centre in addition to PACT will include, CAB, Women’s Aid, Sex Worker Support, Health Trainers and Activists, Probation, with training including healthy eating, numeracy, literacy and ESOL, and be tiered by intensity:

- Tier 1            A drop-in service with ‘have a go ...’ sessions (cooking, IT, sewing, art), try a therapy tasters, internet access, group activities, course access, crèche provision
- Tier 2            Providing generic support including health advice, parenting support, housing, employment advice
- Tier 3            Structured programmes based on assessed need – e.g. counselling, debt, return to work
- Tier 4            Required programmes – drug rehab, mental health, conditional cautioning, Elizabeth Fry bailee support, probationers and licencees

2.17 PACT, through Alana House, coordinates the service and provide specific group programmes, work with mothers and children and the 1-2-1 assessed support service. PACT support work encompasses support in tune with government agendas such as ‘Every Child Matters’, ‘Think Family’ and ‘Supporting People’. PACT policies and procedures uphold relevant government legislation including ‘Rights of the Child’ (1989), UK Children’s Act (2004), ‘Human Rights Act’ (1998) and the ‘Data Protection Act’ (1998).



- 2.18 Referral for 1-2-1 support will always require the woman's consent. An introductory meeting arranged by a PACT support worker will involve a full, assessment agreeing identified needs and a SMART support plan. Regular support meetings will be arranged at a convenient, safe venue. If PACT 1-2-1 support is unsuitable she will be signposted to other agencies as appropriate and offered access to Tier 1 and 2 services.
- 2.19 The impact of an issue requiring support will be evaluated and inform the plan and sequence of interventions. Regular reviews ensure that work undertaken and resulting effects are measured. Reviews are consolidated with a revised support plan.
- 2.20 As the impact of support issues reduces to a manageable level, closure plans will be developed. Support includes planned access to mainstream services within their local community. The service can be re-accessed if needed following closure.
- 2.21 Each Individual Support Plan is based around a 17 point assessment of support needs based upon the 9 reducing reoffending pathways (from Corston). Support meetings will be offered (depending on assessed risk) at the centre, the women's home or other agreed location. Support plans will include signposting, referral or accompanied access to other services as required, with regular reviews at least quarterly. The aim will be to empower women to problem solve and manage independently using mainstream services, and to discourage dependence on intensive support. At assessment and subsequent reviews the impact of the interventions will be evaluated to capture the most effective practices and to illustrate to clients how things are changing. The impact measures will illustrate reductions in the chaotic life styles of some women as the support takes effect, with consequent reduction in vulnerability and increased stability.

2.22 The 9 reducing reoffending pathways are:

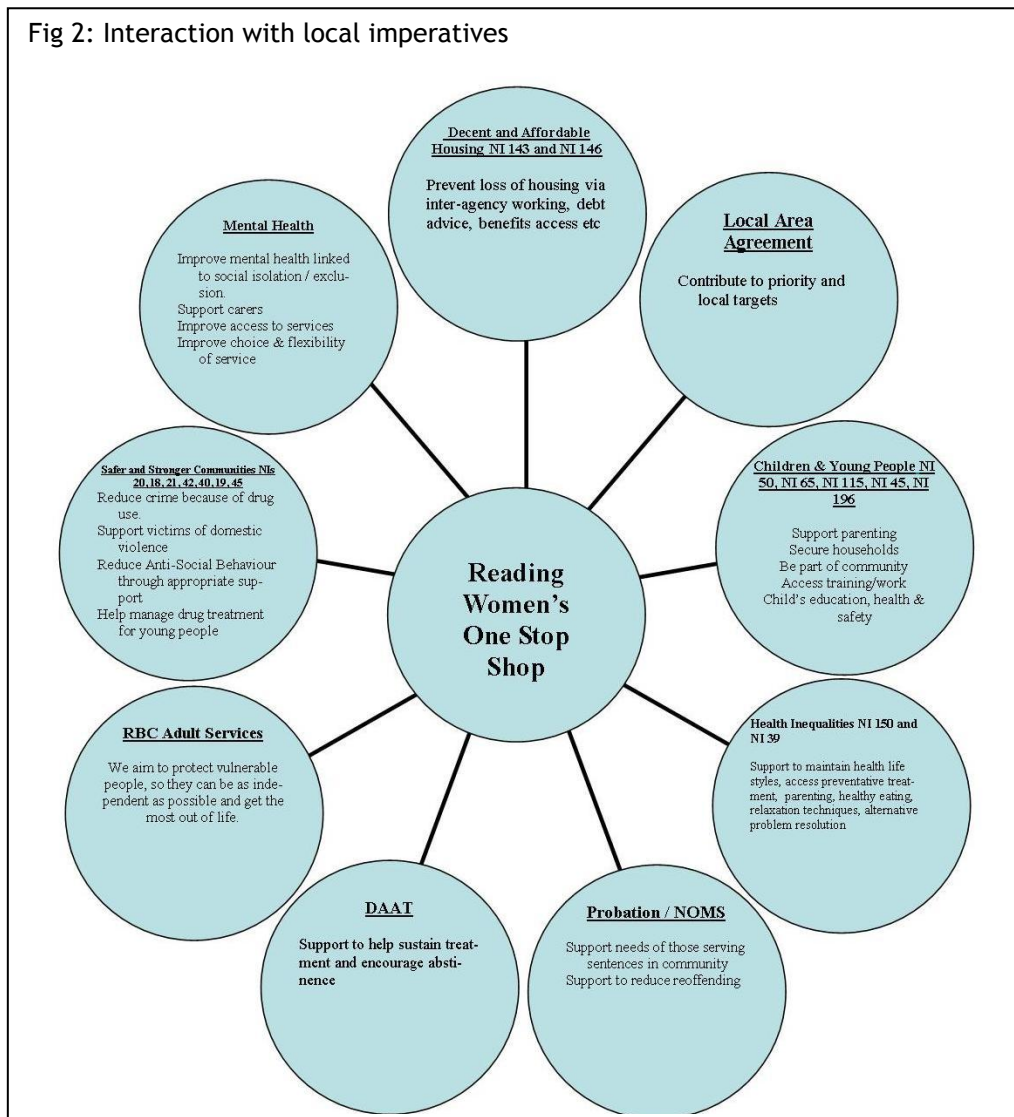
- accommodation;
- skills and employment;
- health;
- drugs and alcohol;
- finance and debt;
- children, families and relationships;
- attitudes, thinking and behaviours;
- domestic violence;
- sex workers.

2.23 Whilst the targets in the Grant agreement under which the start-up was commissioned by the Ministry of Justice are useful, they are short-term ones, in a field where long-term benefits (resilience against reoffending and re-emergence of chaotic lifestyles) are key. New Economics Foundation, in their late 2008 report on the Asha (Worcester) and Centre 218 (Glasgow) Women's Community Project centres entitled *Unlocking Value*<sup>C</sup> recognised the need for longer-term measures if all the considerable benefits of these centres was to be seen. In Appendices 2 and 3 of that report nef outlined the theory of change for women offenders, and whilst this report benefits from updated information and research in a number of areas, it is founded on the same theory of change, which underpins the work of all of the existing Women's Centres, and pervades the Governmental and research material on them.



<sup>C</sup> Lawlor, E., Nicholls, J. and Sanfilippo, L.. (2008). *Unlocking Value: How we all benefit from investing in alternatives to prison for women offenders*. London. New economics foundation.

2.24 Further comments on the earlier nef review are included in the detailed sections of this report.



2.25 The Alana House project is not just based in Reading: it is integrated with other local services to deliver local imperatives for local people. These targets are shown in figure 2.

# 3 Concepts and methodologies used

## Social Return on Investment (“SROI”)

- 3.1 The SROI methodology has been developed in order to help organisations to “[measure and quantify] the benefits they are generating” (per Lawlor, Neizert & Nicholls writing in the SROI guide, 2008<sup>D</sup>). This approach was piloted in the UK through the Measuring What Matters programme during 2002 and has evolved since then as further work has been done to develop the framework around it.
- 3.2 It is increasingly being seen as an “incredibly useful tool”<sup>E</sup> by a number of organisations and key commentators within the Third and Public sectors in the push to measure and evaluate social impact.
- 3.3 There are three ‘bottom line’ aspects of social return:
- *Economic*: the financial and other effects on the economy, either macro or micro;
  - *Social*: the effects in individuals’ or communities’ lives that affect their relationships with each other; and
  - *Environmental*: the effects on the physical environment, both short and long term.
- 3.4 Our primary focus has been on economic and social benefits, rather than environmental benefits, as any environmental benefits generated would appear, for PACT’s Alana House, to be too far removed from the intended purpose of the original services provided and appear to be too difficult to measure reliably. Where environmental benefits arise from the work of PACT’s Alana House, we have noted the nature of the benefit as an unmeasured additional benefit.
- 3.5 The benefits of using SROI include:
- *Accountability*: organisations are able to give both the numbers and the story that supports them;
  - *Planning*: SROI provides a change management tool to assist in the direction of resources towards the most effective services and to assess the viability of potential additional services;
  - *Cost and time effectiveness*: the measures produce an analysis of the most cost and time effective activities; and
  - *Simplicity*: impacts can be reduced to a simple comparison of the cost of funding Alana House and the benefits that flow from its core activities to facilitate analysis and give a clear indicator of types and ranges of success.
- 3.6 SROI takes total measurable outcomes, discounted to present value where the benefits occur in the future or are recurring over a period of time, and deducts:
- *Deadweight*: Outcomes that would have occurred regardless of the intervention;
  - *Alternative attribution*: Outcomes that arise as a result of intervention by others; and
  - *Displacement*: Outcomes that are negated or compromised by disadvantages arising elsewhere either in terms of social, economic or environmental damage.

<sup>D</sup> Lawlor, E., Neizert, E., and Nicholls, J.. (2008). *Measuring Value: a guide to social return on investment*. London. New economics foundation.

<sup>E</sup> Copps, J. and Heady, L. 2010. *Social Return on Investment: Position Paper, April 2010*. London. NPC. From [www.philanthrocapital.org](http://www.philanthrocapital.org)

- 3.7 A review of academic work and practical examples of SROI in use by the Third Sector suggests that the measures fall into three patterns, which we have used in this work:
- *Economic benefit created*: where there is an impact on earning capacity or productivity;
  - *Costs saved or not wasted*: where the intervention results in a saving, either in the cost of another intervention or in a consequential cost (e.g. introducing prevention to save on the cost of a cure). This may be seen in either removing the need for or increasing the effectiveness of an alternative intervention; and
  - *Alternative or cheaper sourcing*: where one intervention directly replaces another more expensive one.
- 3.8 In identifying these benefits, a key underlying requirement is to consider not only the positive contribution that Alana House makes, but also the economic damage that is avoided by having it in place. Much of our report involves the quantification of the damage to stakeholders that would result based on these implications. By avoiding this damage, Alana House contributes to the economy just as meaningfully as where the effect is an incremental benefit.

## Addressing issues concerning the use of SROI

- 3.9 Overall, we feel that SROI is a vital tool to provide the Third Sector with a means to evaluate its wider contribution to Society. However, there are several issues to consider when applying this, that are worthy of mention:
- SROI, as it is typically presented, tends to ignore the risks associated with the benefits generated. In the course of our work with PACT, we have encouraged the project representatives to consider the achievable benefit created, and to build in reductions to assumptions to account for risks, where necessary;
  - A robust SROI analysis must consider the proximity of the benefit created to the actions of the organisation that is seeking to claim ownership of that benefit. We have encouraged the project representatives to focus only on outcomes that are directly attributable to their activities and, where necessary, obtained evidence of the link between the outcome and Alana House's activities;
  - SROI is typically presented as a ratio of the value of the benefits achieved per pound spent to achieve those benefits. This may be useful internally to each organisation as a measure of performance relative to prior periods. However, the use of this ratio to compare organisations is inherently flawed due to sector and organisation-specific factors that reduce the level of comparability between organisations. Hence, we do not present the results of this report in the form of a ratio;
  - There is a danger that organisations seeking to evaluate their impact using SROI may create calculations that are extremely granular to the extent that they become open to accusations of 'spurious accuracy'. In this exercise, we have identified a smaller number of key assumptions and worked with the project representatives to develop a prudent result at a high level. We believe that it is important to present a more defensible, prudent analysis than one which is overly complicated and risks overstatement; and

- SROI does not take account of the interrelationship of Social Impact and brand value. By creating greater Social Impact, the recognition and perceived quality of an organisation's brand is likely to improve, thus increasing the value of that brand. In turn an entity with a stronger brand may use that to enhance the social impact of its project work. We have noted that PACT believes that in "Alana House" it has a strong, well-recognised brand in the area it serves, which augments its ability to deliver positive outcomes.

## Research methodologies

- 3.10 We have worked with an SROI Project team from PACT to carry out an Action Research process (see Appendix B). In this we commenced by holding a meeting with the SROI Project team to determine the key services that Alana House provides, the outcomes of these services and the beneficiaries. Three further meetings were held, interspersed with the SROI Project team testing out the conclusions from each interview by practical application in their work, then reporting the results back to the next meeting.
- 3.11 Based on this research, we have discussed with the SROI Project team potential means of evaluating the impact of these services by substituting financial measures (proxies) for the outcomes described. We have relied on the data and assumptions provided by staff at PACT and Alana House in our analysis; Baker have acted to facilitate both Alana House's and PACT's understanding of the methodologies we are using to evaluate the impact but are not responsible for the assumptions used in the evaluations shown in this report.

# 4 Overview of evaluated activities

## Overview of evaluation services

- 4.1 The services selected for analysis were Alana House’s combined four-tier offering, as outlined in section 2.16 above. These combine, in the way described in Corston and Unlocking Value, the report on Asha House and Centre 218, to create real change in the lives of the women attending the centre.
- 4.2 From review of the published material on the other women’s centres, from early-stage feedback from clients, through the Centre’s managers, and from stakeholder feedback in the focussed interviews, it has been possible to form an impression of the change that can be made.
- 4.3 In essence that change enables the clients to achieve a significant movement in life course from a cycle of repeated offending, driven largely by family, financial, and personal circumstances, to a less chaotic pattern, with stabilised housing, regular work, and relative financial stability. Outlining this we have used life course analysis, an approach used successfully in a variety of other research reports such as Godfrey, Hutton and Ors (2002<sup>F</sup>), for outlining mixed social, educational and employment consequences of a social or health intervention or lack of it.
- 4.4 This theme of a change in life course has been picked up in the approach to the analysis used in this report. From the work in and around the Action Research group it has become apparent that there are two principal life courses that emerge as alternatives for women who attend and buy into the Alana House programmes:
- the work is fully effective in enabling them to escape from their chaotic lifestyle of reoffending;
  - the work is partly effective in doing so.
- 4.5 In either case the patterns emerging in each woman’s life, and for her children and those around her, have been considered under headings which correspond closely to those in the nef study “Unlocking Value”. They are shown in the following table, which summarises the primary outcomes under each heading for each of the life courses. It then goes on to indicate the expected secondary (longer term or indirect) outcome, and how that might be measured financially for the purposes of this report.

Life course	Immediate Effect (Primary Outcome)	Measure for Costing Secondary Outcome
1. Alana House input is fully effective: return to stability	Alana House input is fully effective: return to stability in financial housing, health, family and criminal activity	Alana House input is fully effective: return to stability
2. Alana partially effective: limited chaos in lifestyle	Housing of intermittent stability	Some losses through rent arrears      Some periods of higher housing cost whilst in temporary accommodation
	Occasional employment, but limited	Some productivity from working
	Children move in and out of care	Poor long-term prognosis for children. Care costs for children combined with an exit from care into being NEET and possibly to offending
	Occasional drug and alcohol abuse	Longer-term health effects - self and health services (but overlapping with the generally poor eating and personal care
	Periodic minor criminal activity	Disruption of thefts: losses in terms of damaged or lost property and costs of policing
	Depression and other mental health problems are less inclined to emerge	Costs of depression and related illness for some small proportion of the cohort - to health service and earnings
	Some poor eating, and some lack of early	Costs of poor eating and health care - to health service and

<sup>F</sup> Godfrey, C., Hutton, S., Bradshaw, J., Coles, B., Craig, G. and Johnson, J.. (2002). *Estimating the cost of being “not in education, employment or training” at age 16-18*. York. Social Policy Research Unit.

stage or preventative medical interventions

earnings

4.6 Three broad categories of outcome arise for women who do not attend Alana House or one of its equivalents, or for whom Alana House is not effective as they do not engage in the first place or disengage quickly from it.

4.7 These, again with indications of primary and secondary outcome, are as follows:

Life course	Immediate Effect (Primary Outcome)	Measure for Costing Secondary Outcome
1. Resolved without additional support	Housing reasonably stable - rented from housing association	Cost of housing benefit
	Employed in a role requiring limited responsibility	Low level of earning power compared to average GVA
	Children return to her care	Whilst not primarily prone to the extremely poor outturn for the children in terms of NEET and propensity to criminal activity that is found amongst young people in the care system, the outcome is unlikely to be as positive as would have been the case had they had a continuous, stable upbringing
	Avoids domestic violence and inappropriate relationships	Drives other categories
	Occasional substance abuse, but very limited	Limited cost
	No criminal involvements	Limited or no cost
	Generally isolated lifestyle, with limited or lack of family or peer support, and limited engagement with services	Mental health costs for some of this cohort
2. Frequent re-offending	Sets into a cycle of six months out of custody and two years in	
	The six months out of custody at each cycle leaves no room for stabilising life patterns, so that phase is characterized by:	
	Housing needs intermittently met, largely through emergency accommodation	Short-term or emergency housing costs, interspersed with periods in detention
	Children stay in care	Costs of children in care, with possible escalation into higher cost care levels or offending
	Drug and alcohol abuse re-emerge	Support costs for drug or alcohol
	Likely to be involved in poor relationships, with a tendency to abuse and domestic violence	Costs of domestic violence
	Frequent thefts driven by financial needs	Disruption of thefts: losses in terms of damaged or lost property and costs of policing
	Depression and related mental health problems	Costs of depression and related illness for some large proportion of the cohort - to health service and earnings
	Generally poor eating, and lack of early stage or preventative medical interventions	Costs of poor eating and health care - to health service and earnings
5 Other chaotic but staying out of detention	Housing of intermittent stability	Losses through rent arrears Periods of higher housing cost whilst in temporary accommodation
	Occasional employment, but limited	Some productivity from working
	Children move in and out of care	Poor long-term prognosis for children. Care costs for children combined with an exit from care into being NEET and possibly to offending
	Occasional drug and alcohol abuse	Longer-term health effects - self and health services (but overlapping with the generally poor eating and personal care
	Periodic minor criminal activity	Disruption of thefts: losses in terms of damaged or lost property and costs of policing
	Depression and other mental health problems emerge	Costs of depression and related illness for some large proportion of the cohort - to health service and earnings
	Generally poor eating, and lack of early stage or preventative medical interventions	Costs of poor eating and health care - to health service and earnings

4.8 As regards attendance and engagement, there are four stages to this:

- initial visit: coming through the front door;
- initial engagement with the services: not just attending and ignoring the offering and the attempts to engage by the Alana House staff;
- continuing to engage with, and learn from the Alana House input, facilitating a change in life course;
- continuing to maintain contact when a time of need arises in their lives.

4.9 The initial visit is generally tacitly enforced, since a Court referral will often be on the basis that this is an alternative to a custodial sentence. There is, for women, whose reasons for being at risk of a custodial sentence are largely social, financial, and circumstantial, a strong drive to comply. As the service moves outward in future to embrace other sources of referral, it will be interesting to see whether similarly high levels of initial compliance can be achieved. These are expected to depend upon the quality and insistence of the referral, which in turn relies on the quality of the relationships with referrers, an area on which Alana House has concentrated, and has built well.

4.10 The initial engagement on the first visit is reliant on the environment (safe, and all female), the manner in which the woman is received (non-judgmental, supportive, empathic, but positive and practical) and the quality, confidence, manner and knowledge of the staff. These themes, and the fact that Alana House are achieving them, are apparent from the stakeholder feedback in the focus interviews, summarised at Appendix D.

4.11 The longer term engagement with the services are reliant on the same factors as the initial engagement, together with the effectiveness of Alana House in securing the support and involvement of other agencies, and real progress for each woman involved. This, too, is achieved, notably through getting them to meet the women at Alana House itself rather than simply making appointments at different times and locations which will then prove impossible to achieve for a woman struggling to escape from the constraints of habitually chaotic life styles. The delay involved in organising different appointments is also avoided, and a sense of urgency to get the key issues of homelessness and the other pathways resolved emerges.



4.12 The effectiveness is also reliant on the personal relationships that the Alana House staff build up with the women attending the centre, and with external agencies and partners. Both are areas of strength and clear achievement for them (as explained in Appendix D).



4.13 The encouragement to continue to engage in future, and to return to the centre for specific support when needed is expected to rely on the same factors as the medium term engagement together with the contact maintained. This is in the area of future planning for Alana House as it is a relatively new project, and so can have little experience of longer term return rates. Arguably, even if it were a longer-established project, it might still be hard to analyse this by longitudinal study since:

- some women may object to staying in touch, preferring to “move on”;
- others may leave the area;
- others may lose touch through a re-emergence of chaotic lifestyles;
- shame may work as a blocker against re-engagement with services if the woman feels she has failed despite the strong engagement with the Alana House support.

4.14 The evaluation of the Alana House services follows in the next section.

## 5 Summary of evaluation approaches

5.1 Section two above gives an overview of the need for the Women's Centres, and how Alana House in particular works with women offenders to help them to engage with services, and reduce the chaos in their lives. Section four explains how the services can be expected to move the women who attend and engage with it from one destructive series of life courses of reoffending and custodial sentences to another constructive one of re-engagement with society and reduced chaos.



5.2 This section explains how each of those life courses is evaluated in accordance with the SROI approach to economic cost-benefit analysis. It refers to the detailed calculations, and the assumptions and underlying research upon which they are based, which are laid out in Appendix C.

5.3 The approach, and the analysis, are similar to those used by nef in Unlocking Value, with three key differences:

- these benefit from updated cost information from research carried out by other parties which does not seem to have been available to the authors of the nef study;
- they do not attempt to split the benefits down into categories of beneficiary or perspective, as nef do;
- they are based on life-course analysis, which, as was explained in section four, is a style that is emerging through various social and socio-economic research papers as a useful approach when analysing complex social effects from a multi-faceted intervention.

5.4 "Unlocking Value" splits the benefits down into benefits to five categories of people:

- the State – for its support of the women concerned in terms of housing, custodial costs, drug support and health;
- the State – for the costs of supporting the women's children in and through the care system;
- the women themselves – for employment, housing, drug use and indebtedness;
- the children themselves – in terms of their future perspectives;
- the victims of their crimes – in terms of the losses they suffer.

5.5 It evaluates each, and then sums them to get the overall benefits.

5.6 However this study takes the view, as do others published since the nef one, that breaking the perspectives down in this way leaves considerable difficulty in eliminating double-counting whilst ensuring that all the effects from any one perspective are taken into account. This is more difficult in many cases because benefits:

- are apparent to more than one person (housing benefits and payments); or
- may act as a subset one of another (earnings as an employee as against Gross Value Added in terms of value to the economy from being in paid work); or

- may be alternatives to each other (for example the drugs are paid for by the woman out of the proceeds of her crimes).
- 5.7 This report takes all categories of benefit together, to show the total effect from the intervention. Arguably the biggest perspective is that of the State, and this is the prime focus here, but taking the wider definition to look at benefits to society in general, including the offender, her children, those with whom she comes into contact, and those agencies that support her.
- 5.8 The number of women assumed to benefit from the Alana House offering in the course a of a year is taken from the target set, and expected to be achieved in the initial funding period to March 2011. Whilst that period was one of sixteen months, when allowance is made for set-up period, and the initial month after opening, when time was needed to get known and to start a flow of referrals from the Court, the total planned of 225 women may be seen as relating to the twelve months to March 2011. This is assumed to relate to those women that engage initially and stay engaged for long enough for the services to have an effect. It excludes referrals that fall away straight away. Referrals that have engaged through to early December 2010 total 112, which indicate, when combined with the increasing referral rate that Alana House is on course to achieve some 205 women seen in the current year. Management still believe that 225 in a full year is achievable, but have taken the most conservative view in completing this evaluation.
- 5.9 The evaluation covers each of the five life courses outlined in section four above:
- three typifying the spectrum of outcomes for offenders generally, so, once blended with an assumption as to the spread of the women across those different life courses, they form a measure as to the expected outcomes for these women as a group without the Alana House support;
  - two typifying a spread of outcomes for those attending and engaging with Alana House.
- 5.10 Clearly it is not possible at this stage to form a view as to the full life-course outcomes for the Alana House group (which is only achievable by longitudinal study over a number of years), nor will it ever be possible to undertake a similar study of what would have happened had they not received that support. However we do have evidence sources that help us to test the assumptions to an acceptable degree for this analysis, notably:
- the stakeholder feedback through focussed interviews undertaken in conjunction with this study, and summarised at Appendix D;
  - the feedback from, and knowledge of, the staff and management of Alana House;
  - the various review and research reports (notably Corston and Fawcett) looking at the overall effectiveness of the Women’s Centre projects;
  - other related research from social and health fields looking at the effects of long-term cycles of offending, and its relations to other areas such as housing, drug use, or children in employment;
  - unlocking Value and its work with the Asha and Centre 218 Centres.
- 5.11 Based then on these sources each of the five life-courses has been reviewed from the perspectives of the following cost headings:
- Housing – taking housing benefits where they are likely to be claimed, based on the normal costs in the Thames Valley area, expanding where appropriate into enhanced costs of emergency accommodation or custodial costs;
  - General benefits – where unemployed and an entitlement arises and is likely to be claimed;
  - Employment – relating this to Gross Value Added (“GVA”) as an appropriate measure of what an individual earns for the National economy in a year;
  - Children – taking the effect of being NEET at age sixteen to eighteen as an indicator of the life course likely for the children, based on studies by Godfrey, Hutton and Ors (2002), and McNally and Telhaj

(2007)<sup>G</sup>, as well as the costs of accommodating children in the care system where their mothers are unable to do so;

- Domestic violence – picking up the strong correlation between women living chaotic lives, and being victims of domestic violence, and evaluating these from the studies in the area by Walby (2004<sup>H</sup>);
- Substance abuse – with the link between drug and alcohol abuse and these women’s lives, based again on the wide evidence of the link, and the costs in Godfrey, Eaton, McDougall and Culyer (2002)<sup>I</sup>;
- Crime – using the measure of the cost to the victim or his insurer of the theft, since (apart from sex trade, which is an area not addressed by this report), acquisitive crime is the most prevalent (Corston and others);
- Isolation and mental health costs – avoiding the proxy of suicide rates used by nef since there are a wide range of debilitating and costly effects that fall far short of suicide, but choosing instead the costs of providing counselling or other support through the State or voluntary sectors;
- Poor eating, health and personal care – based upon the health costs of obesity in Foresight (2002)<sup>J</sup>, uplifted for the other non-obesity-related health costs from other aspects of these women’s chaotic life styles.

5.12 The period over which these effects are evaluated has been taken at ten years, with the exception of the effect of children being NEET at aged sixteen to eighteen, which is already a lifetime cost, but one which is set in train during the ten year evaluation period. Whilst the effect of Alana House’s work and support is likely to last, for some, beyond that ten year period, that has been left out of account for the sake of prudence because:

- the longer term effects, and indeed the need for ongoing support, if the women are not to fall back into their previous patterns of reoffending have not yet been studied. Arguably studying this may be difficult since those that do not come back because they do not need further support, and those that have lapsed back into old ways will both be difficult to contact after they have moved on, both metaphorically, and perhaps from the local area;
- the need for ongoing support will fall to be taken into account in future years, and staying on track will become increasingly to do with this rather than the work done with them now;
- again, taking blended costs for the whole cohort, those that succeed post Alana House may to some extent be balanced by those that fall back and result in increased costs to society;
- beyond ten years it is very difficult to anticipate the effects in a life course analysis without further detailed work (albeit the nef study took twenty years).

5.13 The life courses are then blended using the experience of the published material and the Alana House staff and management to judge how many of the cohort would be in each of the life courses outlined. This, as with the prudent assumption of only recognising the gains from the first ten years, is addressed prudently.

5.14 For Alana House, life course 1 (those for whom the work is fully effective in reducing the chaos in their lives, and getting to a stable housing and employment situation) is assumed to apply to only half of those attending. For the others (Alana House life course 2), they are able to limit the chaos, but still are involved in some crime, suffer some higher levels of domestic abuse, and are less able to support their children and bring them up in a stable environment.

5.15 For those former offenders who do not have the benefit of attending Alana House, it is prudently assumed that 5% will nevertheless achieve a substantially stable position, as if they had been to Alana House. Effectively this is a deadweight allowance, since the active involvement of others in achieving change for the Alana House cohort (alternative attribution) is accounted for later. Consistently with the evidence in Corston,

<sup>G</sup> McNally, S. and Telhaj, S.. (2007). *The cost of exclusion: Counting the cost of youth disadvantage in the UK*. London. Prince’s Trust.

<sup>H</sup> Walby, S.. (2004). *The Cost of Domestic Violence*. London. Women and Equality Unit.

<sup>I</sup> Godfrey, C., Eaton, G., McDougall, C. and Culyer, A. (2002). *The economic and social costs of class A drug use in England and Wales, 2000*. Home Office research Study 249. London. Home Office Research.

<sup>J</sup> Butland, B., Jebb, S., Kopelman, P., McPherson, K., Thomas, S., Mardell, J., and Parry, V.. (2002). *Tackling obesities: future choices – Project Report*. 2<sup>nd</sup> Ed. London. Foresight.

Fawcett and other research, it is assumed that the majority (80%) will fall into a pattern of regular reoffending, spending periods of up to two years in custody in every two and a half. The remaining 15% will avoid custodial sentences, but will still not escape the generally chaotic lifestyles of the past.

5.16 The analysis is relatively insensitive to these assumptions, notably since the total figures being produced so dwarf the annual running costs of the Centre. However the split between offender life courses 2 and 3 is largely insensitive, with the split between full effectiveness and limited chaos in the Alana House group being the most sensitive. A move from 50% fully effective to 40% would move the overall net value generated down by only £0.5m (some 1% of the total).

5.17 The blended life courses are then compared to give a net gain over ten years forward.

5.18 This is then multiplied by the number of effective attendees at Alana House, and then two deductions are made:

- alternative attribution of 50% - to account for the involvement of other partners and agencies (as described in section two) in securing these positive outcomes for the women. This is set at a level which is prudently high given the fact (supported by Corston, Fawcett and others) that the involvement of the Women’s Centres is critical in enabling the other agencies to have an effect, or to engage at all, and that the costs of those other agency involvements have been in several cases taken into account in the comparables used of the offender group of life courses (for example health costs and children’s life courses);
- effects of future work by Alana House or other women’s centres in maintaining the lifestyle changes set in train. This is taken at 20%: again a prudent assumption, based on the experience and view of the staff and management.

5.19 The resulting figures are summarised as follows:

Alana House: summary of effect of one year’s work		Assumptions	Evaluated outcomes (£000)
<b>Total number of clients per annum</b>		205	
		<b>Present Value per person for a ten year period (£000)</b>	
<b>Mix of outcomes for Alana House clients</b>			
	Life course 1: fully effective	29.00	50%
	Life course 2: limited chaos in lifestyle	109.39	50%
<b>Blended value (average)</b>			-69.20
<b>Mix of outcomes for general population</b>	Life course 1: resolved without additional support	48.94	5%
	Life course 2: frequent reoffending	708.66	80%
	Life course 3: chaotic, but staying out of detention	476.58	15%
<b>Blended value (average)</b>			640.86
<b>Net value brought over a ten year period from work with one person</b>			571.66

<b>Net value brought over a ten year period from work with this year's clients</b>			117,191
<b>Less:</b>	Alternative attribution	50%	-58,596
	Need for future work with them, treated as attribution	20%	-23,438
<b>Net value generated for this year's work</b>			<b>35,157</b>

5.20 At this point it is useful to make a comparison with the Unlocking Value study's results. This is less straightforward than it might seem, since that study included an SROI analysis based on two similar centres, but was not specifically about that being focussed on the wider benefits of support focussed alternatives to prison. It also drew important conclusions about how the forms of measurement used by Government to evaluate these needed to change. This review supports both the theory of change laid out in the nef study, and the call for wider socio-economic measures to be applied in order to understand the benefit of these measures to society. It also recognises the areas of gain laid out on page 19 of Unlocking Value.

5.21 Overall the nef study evaluated the outcomes for 116 women, and their 77 children. It is therefore presumably an evaluation of a single Women's Centre, although that is not quite clear from the figures in the report. It generally uses higher financial proxy figures than study in the areas of drug abuse and mental health. It agrees with this study that the effects on the children are highly significant, but assumes only one (but younger) child per 70% of women, against our two for 75%, but averaging twelve years old. How it aggregates the costs and eliminates double counting is not quite clear from the report. It also appears that it quotes figures before alternative attribution since it presumably takes the argument that either:

- the Women's Centre is a catalyst without which none of the change could be achieved, and hence there is a limited amount or none of the benefit attributable to other agencies; or
- it is the collective effect of the alternative approach that is being evaluated, and not the work specifically of the Women's Centre.

5.22 In terms of an overall sense and consistency check, then, it appears that nef's £100m ten-year present value before alternative attribution (at p.17) compares to this study's £93.8m (117.2-23.4 of future cost) per centre.

From this, this study deducts alternative attribution, resulting in a net figure of some £35m per annum of social return directly attributable to the Alana House team, albeit it is arguable that Alana House acts as a catalyst for all of those involved, and so makes gains of over £93m possible.

# 6 Conclusion

## Results of this evaluation

- 6.1 The concept of the One-Stop Shop is well founded, tried and tested elsewhere. Originating in the Together Women programme, it was firmly endorsed by Baroness Corston in her report in December 2007 that has become a watershed in the development of thought on the treatment and support of women offenders and those at risk of offending.
- 6.2 In it she recognised that the reasons why women offend, and why they continue to offend, are fundamentally different to those for men. She called for “a radically different, visibly-led, strategic, proportionate, holistic, woman-centred, integrated approach”.
- 6.3 Following on from earlier successes at Asha, Calderdale and others, Alana House exemplifies all that is good about that concept: all that works in practice. This has four essential factors that secure its success:
- It is for women, designed by women, and delivered by women
  - It is delivered at a place that not only is safe, but feels safe to those attending there
  - The staff are knowledgeable, clear in their expectations, non-judgmental, and empathic
  - It has the strong support of the Courts and the other agencies involved in the field, with the result that they cooperate in enabling these vulnerable women to access services in one place, in an organised and supported way.
- 6.4 Comments from stakeholders in focus interviews described the Alana House offering as “professional”, “innovative”, exhibiting “total commitment” by the staff, and “life-changing.”
- 6.5 The outcomes achievable by this service have been examined from the plans of PACT in undertaking the project, from earlier research in the general field and on similar projects, and from the experience of those involved in Alana House: both staff and management, and the outside stakeholders encountered in the focus interviews. They have been evaluated using the SROI methodology, and based upon life-course analysis for three different representative lives of offenders not attending a Women’s Centre, and two who do. These have then been evaluated for their economic or social effects, on a conservative basis, to show the minimum likely payback from a year’s further operations of Alana House.
- 6.6 Appropriate deduction has been made for:
- The uncertainty surrounding outcomes – through the general conservatism of assumptions taken
  - The possibility that, for some, they would have been able to get their lives back on track without any support – through the inclusion of such a “deadweight” category as one of the non-Alana life courses
  - The involvement of other agencies in service provision – through percentage deductions for alternative attribution
  - The need for ongoing work to continue to support these women – through a further percentage deduction, effectively taking an alternative attribution to future years’ Alana House provision
- 6.7 Notwithstanding that all of the assumptions have been taken at the lower end of the acceptable range of alternatives, it is still conceivable that some of the assumptions might prove to be excessive. However the analysis’ conclusions are insensitive to most of the assumptions made. This is clear from the absolute level of most of the lines of analysis as against the total annual cost of running the whole Centre of £160k to £190k per annum.

Probably the most material assumptions are:

- The number of women that will attend the centre – a 10% (20 person) reduction will reduce the gain to £31.7m from £35.1m
- The number of these women that have children, currently assumed to be 75% of them having two children aged 12 years. Removing this assumption from all aspects of the costing reduces the gain to £13.8m.

6.8 The result is that, even with the conservatism in the analysis, the relevant deductions, and the fact that some areas (notably some of the wider impacts for children and other family) have not been evaluated, over £35.1m of economic or social benefit is seen to flow from a project which only costs between £160k and £190k per annum to run.



# Appendices

# A. Details of services at Alana House

## 1. Overview of Services

### 1.1 What is the centre for?

Alana House is a Women's Community Project aimed at supporting local women with complex needs and strengthening their links with the local community. Targeting female offenders and those identified as at risk of offending, the objectives of the project are to reduce the numbers of women in custody by offering a viable community intervention which will assist them to resolve issues linked to offending, social exclusion and low self esteem. At Alana House we provide a safe, women only space that aims to empower and enable our clients to access the support that they need, at their own pace.

### 1.2 What services are on offer?

Alana House support workers offer holistic one-to-one support and outreach. We are work in partnership with a range of local statutory and voluntary agencies to offer specialist advice and support across a variety of needs such as health, debt and poverty, housing, mental health, education, training and employment, substance misuse and alcohol issues. We also offer support for women with low self esteem, those experiencing domestic violence and women who are involved in sex working. Along side this we run support groups for the women to encourage structured peer support such as our own women's alcohol support group and constructive activities such as meditation, IT skills and gardening at our allotment.

### 1.3 Why Alana House?

At Alana House we recognise that women need to be able to access various types of support at different stages in their lives. Some women may need to work with us for a few months; some for just a few sessions and some may need ongoing support for a long time. The centre is a positive and enabling space where women can feel safe and try new things. We aim to help and empower women to tackle some of the problems in their lives. As a result this will benefit their children, families and the community generally.

## 2. Tackling the 9 pathways of offending

### 2.1 Accommodation

Getting offenders into accommodation is the foundation for successful rehabilitation, resettlement and risk management. It can provide the anchor for a previously chaotic life and act as a springboard for other crucial steps – such as getting and keeping a job, and accessing health care or drug treatment. (NOMS report)

#### **What are we doing?**

Team support workers assess each client's accommodation situation through an initial induction and support plan. If a client needs help with finding accommodation because they are street homeless, sofa surfing, living in accommodation that isn't safe or suitable or they need help maintaining a tenancy, they would be referred to the Reading Borough Council, St Mungo's or Ability (supported housing) weekly Drop Ins, which we offer at Alana House. Team Support Workers are able to support women to maintain their tenancies and assist women with developing the life skills necessary for living independently.

## 2.2 Education, training and employment

**Lack of employment is one of the major factors associated with re-offending.**

There is a strong correlation between offending, poor literacy, language and numeracy skills, and low achievement and truancy at school. Many offenders have very poor experience of education and no experience of stable employment. The educational achievement of female offenders is lower than that of male offenders. Only 39% of female prisoners have any qualifications at all, compared to 82% of the general population.

### **What are we doing?**

At Alana House we offer free basic skills classes run weekly by New Directions for literacy, numeracy and IT.

PACT Support Workers assist women with job search, interview skills and CV writing. We are running support groups helping women to improve their self esteem that will give clients the boost to (re) enter into employment. Alana House offers opportunities for ex-Service Users to become volunteer peer mentors which enables them to access accredited training and develop skills transferrable to the work place.

## 2.3 Health

**Offenders often experience significant problems gaining access to adequate health and social care services.**

This can add to problems of social exclusion, and puts offenders at a greater risk of continued offending. More than 70% of women in prison have diagnosable mental health issues. Statistics show that 37% of women in prison report having attempted suicide at some point in their lives. In 2006, women accounted of 11, 503 or 49% of total recorded incidents of self-harm, even though they form only around 6% of the prison population.

### **What are we doing?**

Baker Street Nurses facilitate a weekly Drop In at the Centre, for clients who may find it difficult to access health care services elsewhere but who may be in great need for health care or advice. PACT Support Workers can also support our clients by attending appointments in the community with them, such as a health appointment at a clinic/surgery. Alana House staff are able to refer to an NHS Health Trainer who facilitates drop-in and 1-2-1 sessions on improving lifestyle including smoking cessation, healthy eating and increasing physical activity.

## 2.4 Drugs and alcohol

At any one time about one third of all problematic drug users in England and Wales are under the supervision of the National Offender Management Service, amounting to half their total caseload. 66% of sentenced women in prison say they were either drug dependent or drinking to hazardous levels before custody.

## **What are we doing?**

PACT support workers offer general one-to-one support with a client's drug or alcohol use and check on their progress or usage through key working sessions. CAST (Community Alcohol Support Team) facilitate a weekly women only alcohol support group at Alana House. DAIS (Drug Advice Intervention Skills) facilitate Drop In sessions for women to access 1-2-1 drug and alcohol specialist advice and support. KCA offer drop-in and 1-2-1 sessions for women who require drug and/or alcohol treatment and detox including substitute prescribing such as Methadone. SOURCE support parents to cope with their children's drug use and offer 1-2-1 sessions at Alana House. A specialist Substance Misuse Social Worker and Substance Misuse Midwife offer 1-2-1 sessions from Alana House for women referred to them.

## **2.5 Finance, benefit and debt**

**Ensuring ex-offenders have enough lawfully-obtained money to live on is key to their rehabilitation but many face significant problems achieving financial security.**

Low incomes, debt, disrupted access to benefits advice and insufficient income on release from prison all add to the problem.

## **What are we doing?**

Reading Citizens Advice Bureau offer a weekly Drop In for immediate financial advice. They then work with clients on a one-to-one basis to offer ongoing advice until the situation reaches resolution.

Team support workers can help clients with basic budgeting and managing finances and general benefits information through one-to-one key work.

## **2.6 Children and families**

Families play a significant role in encouraging an individual to make and sustain changes which reduce their likelihood of re-offending. Many offenders' relationships are broken or fragmented as a result of their offending and their families are left bewildered and unsupported. This increases the likelihood of intergenerational offending and mental health and problems. Women are highly likely to be the primary carer for their children and as such these children are significantly affected by any offending behaviour and social exclusion. Family support is important to us all; it is significant that 1 in 4 women in prison have been in local authority care during their childhood.

More than 50% of women in prison have children under the age of 16. For 85% of the women who do have children and are serving a custodial sentence, their entry into prison is the first time they have spent time away from their children. This is indicative of the likely traumatic impact that a custodial sentence will have on both mother and child. Each year it is estimated that 17,700 children are separated from their mothers as a result of imprisonment.

## **What are we doing?**

Initially the project had funds to provide crèche facilities so that women accessing the service could also have free childcare. Unfortunately, the initial referral routes meant that the majority of women referred to the centre were extremely chaotic and as such their children were often no longer living with the family. This meant that it did not appear cost effective to employ Early Years Workers to facilitate child care. Alana House still has playroom facilities where women can bring their children and Support Workers encourage active play. The referral rates are such that Alana

House would now benefit from being able to provide childcare and as such this will be considered in future funding applications.

Alana House will be delivering Bounce Back 4 Kids a programme which assists children to cope with Domestic Violence they have experienced. The programme also includes sessions to help the mothers to cope with their own experiences and the impact that the DV has had on the children.

Alana House is working in conjunction with Children's Services to offer access to a Specialist Substance Misuse Social Worker. In addition, Reading Children's Services facilitate parenting groups from Alana House and our Service Users have free access to these.

## **2.7 Attitudes, thinking and behaviour**

There is considerable evidence for the effectiveness of cognitive skills intervention in rehabilitating offenders and encouraging them to make changes in their lives.

### **What are we doing?**

An initial induction is completed with each client, which will then be followed up with one-to-one key working sessions with their key worker and support groups if the client wishes. In these sessions, positive thinking and behaviour are encouraged. Our centre guidelines challenge inappropriate, negative and destructive attitudes and behaviour so that we provide a safe, positive and empowering environment for women.

We offer an intensive Women's Programme to enable women to develop their self esteem, improve their thinking skills and reduce their likelihood of reoffending. This is delivered as an Activity Requirement as part of a Community Order and Alana House co-facilitates with Thames Valley Probation. Women who are not subject to Probation Requirements are also able to access this programme.

In drop-in sessions Team Support Workers model pro-social behaviour and encourage peers to challenge each other. The environment is structured so that the women are using their time constructively.

## **2.8 Women who have been abused, raped or experienced domestic violence**

Research indicates that disproportionately female offenders have experienced violence and abuse at some point in their lives. A significant number of female offenders have experience abuse either as a child and/or domestic abuse as an adult. More than half of women in UK prisons report having suffered domestic violence and 1 in 3 have experienced sexual abuse.

### **What are we doing?**

PACT key workers offer support for women who have experienced or are experiencing violence through one-to-one advice and/or support groups. We work in partnership with Berkshire Women's Aid to support women who require specialist Domestic Violence support.

## **2.9 Women involved in prostitution**

Research indicates that sex-working is an issue for a significant proportion of female offenders in custody. These women struggle to access support services and are often experiencing exploitation from others.

## **What are we doing?**

Partner agency RAHAB provides specific specialist support for women who are sex working women and RAHAB is based at Alana House. The PACT support workers can refer women involved in prostitution to RAHAB but can also offer one-to-one generic support to these women as part of their support plan.

Alana House and RAHAB co-facilitate a specialist evening drop-in for women involved in sex-work to access Chlamydia testing, food, showers, condoms and support to resolve problems and access services. RAHAB engage this hard to reach group through late night pro-active outreach where they offer women similar support, condoms and hot drinks from the street.

### **3. Therapeutic Environment and Activities**

- 3.1 Alana House offers women access to a relaxation and prayer room. Arts and Crafts including jewellery making, card making, patchwork, sewing and glass painting are offered at Alana House. Women accessing the centre are encouraged to celebrate important days and Service Users were heavily involved in assisting Alana House to raise money for Breast Cancer Awareness by dressing in pink, attending a pink lunch and selling pink cakes to local businesses. Alana House has involved Service Users in preparing for the Christmas Fair to raise money to support the project. In addition we have organised trips to the cinema, creative writing afternoons and upon suggestion by a service user we are now completing patchwork. Alana House also has an allotment and encourages service users to develop their gardening skills.
- 3.2 As taster sessions we have also facilitated a media course (4 days), a mindfulness and meditation programme (12 sessions) and basic IT taster (drop-ins).

### **4. Service User Involvement**

- 4.1 Alana House encourages service users to take responsibility for certain tasks when they are in the centre e.g. clearing up, helping to put posters up, designing adverts for new services. Service users are encouraged to pass their skills onto others and sewing has been a good example of this with some women instigating sewing and showing others how to do this. A suggestions box is available for clients to voice their views and staff feedback monthly on progress with ideas. One suggestion was for gardening sessions to be delivered; in response to this Alana House now rents an allotment in conjunction with another agency and women are encouraged to get involved with the allotment development and maintenance.

## B. Notes on Action Research

Action Research, or Action Science as some, including Gummerson<sup>K</sup> prefer to call it, is a recognised and respected research approach originating in the social sciences arena, which involves the researcher and the researched jointly learning in and investigating the research area. Whilst primarily a qualitative methodology, it can be constructed in such a way as to gather and test data with levels of validity that would constitute scientific research (as opposed to casual enquiry) whilst retaining the proximity to that data that best comes from working with those who are involved with it.

The researcher works with the researched jointly to investigate an issue of common interest. Together they gather data, test and validate it, and draw interpretations and conclusions from it.

Action research is hence an iterative research methodology that is intended to bridge the gap between theoretical research and the practical realities of the real world. As Gustavsen puts it:

*“The point is to understand the world as it is by confronting it directly; by trying to grasp the phenomena as they really are.”<sup>L</sup>*

Reason and Bradbury (2001) define Action Research as *“a participatory, democratic process concerned with developing practical knowing in the pursuit of worthwhile human purposes, grounded in a participatory worldview... It seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues of pressing concern to people, and more generally the flourishing of individual persons and their communities.”* (2001, p.1).

In simplistic terms, Action Research is collectively learning from experience by sharing that experience with others and taking action to bring about change by building on that experience.

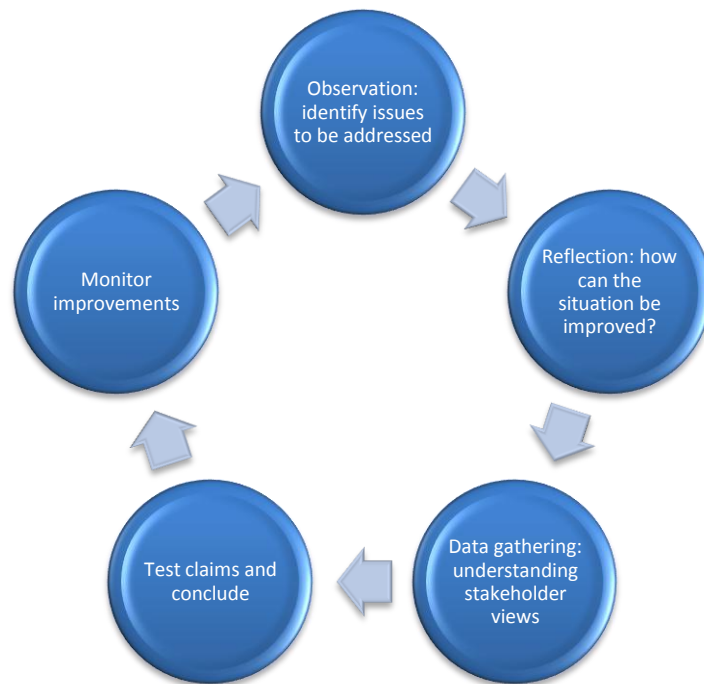
In our work with PACT and the Alana House Centre, it has been vital that we gained an understanding, not just of how its activities could *theoretically* be benefiting the local area, but of how it creates benefit in practice. Theoretical research on SROI methodologies gives us a view on where the benefits may lie, but only through an iterative process of discussing, developing and refining our understanding can we get a true picture of where the benefits of Alana House’s activities actually lie.

The process of conducting Action Research may be summarised using the diagram shown below:

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<sup>K</sup> Gummerson, E. 2000, *Qualitative Methods in Management Research*. 2<sup>nd</sup> Ed. Thousand Oaks, Ca. Sage Publications

<sup>L</sup> ‘New Forms of Knowledge Production and the Role of Action Research’, Bjorn Gustavsen, *Action Research* 2003; volume 1 at p.153



The diagram shows an iterative five stage approach to Action Research. We describe below how our approach fits with this model:

1. **Observation:** from our initial discussions with Alana House, it is clear that a lack of understanding of its Social Impact may weaken their position when negotiating with funders, thus damaging their ability to continue their work. However, it is also clear that by improving awareness of the extent of their impact on the local area, Alana House can further improve its brand recognition, and therefore, potentially, its user base;
2. **Reflection:** by using Social Impact measurement tools such as SROI, we believe it is possible to begin to increase understanding of the benefits Alana House generates;
3. **Data gathering:** we have discussed the services that Alana House provides with a team of project representatives, and the outcomes these services produce and identified the key beneficiaries. We have discussed a range of possible methods of evaluating these services using the three models discussed at §3.7 of this report to cover the concept of value from the perspective of all key stakeholders;
4. **Test claims and conclude:** many of the assumptions used in the evaluation models (Appendix C) are based on data gathered by PACT's management information systems. We have obtained copies of the supporting records for such data. Where, an assumption was required, we have encouraged Alana House to be prudent in order to avoid overstating benefits. In some cases, assumptions have been informed by data from external sources combined with the use of judgement. We have obtained copies or records of any research;
5. **Monitor improvements:** it is hoped that this work will result in improved awareness of Alana House's activities among stakeholders (including funders), and therefore address the risks identified at stage 1 of the process.

Having reached a stage where an improvement is expected, the iterative nature of Action Research allows for further studies to be carried out in future to build on the work presented in this report, including ongoing measurement of benefits and the use of similar methodologies to assess proposed future projects.

Clearly, wherever data already exist to quantify a benefit, they are to be used. However, in the absence of specifically observed data, Action Research allows us to gain an accurate perspective on the real benefits that



are generated. In some cases it will be impossible to observe the impact, as to do so would require a comparison between a world in which a Reading Women's Centre exists and one in which it does not, all other factors being equal. Clearly such comparison will never be possible, and so we must rely on the common-sense and judgment of Alana House's Management, based on their real-world experience.

Where data may be, but is not currently, observed, our work allows us to refine the list of useful data that may be gathered in future as a basis for refining the measurement of the economic benefit that is generated. This project may therefore act as a platform for identifying further Action Research projects that will develop detailed measurement tools.

Any outline of a research methodology would be incomplete without looking at broader criticisms of it in management science circles. Criticisms of action research are several, but most emanate from proponents of statistical sampling and questionnaire-based research methodologies. In brief, these tend to surround the following areas, each of which is shown with a brief response related both to theory and to this research in particular.

### **How can you assert validity when all the data is of internal origin?**

Bypassing the theoretical debates about the validity of different data sources and the extent to which all are, to some degree, partly objective and partly partisan, the key point here is that the data is not all of internal origin.

Many of the measurement criteria within the financial proxies are:

- from publically available data sources, often validated Government data;
- from appropriately structured pilot studies;
- from research appropriately undertaken by the subjects' own research team; or
- separately sense-checked or reviewed by the research team.

### **How can it be true research when the researcher influences, and is involved in the outcome.**

It is true that the researcher is involved in the sense that "the action researcher... may help clients make more sense of their practical knowledge and experience..."<sup>M</sup>.

This is consistent with the second of the seven principles of SROI: Measurement with people.

If the researcher facilitates the better collection and interpretation of data from the researched and leaves them with an understanding and knowledge to enable them to embed that in future action, then this active involvement must be seen as a virtue and not a weakness. It improves the understanding of data gathered and at the same time, seeks to embed the results in the organisations (the final stage of the SROI process).

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<sup>M</sup> Gill, J. And Johnson, P. 2002. Research Methods for Managers. 3<sup>rd</sup> Ed. London, Sage. p.92.

Berg<sup>N</sup> summarises the strengths of action research in these fields as follows:

- “a highly rigorous, yet reflective or interpretative, approach to empirical research;
- the active engagement of individuals...in the research enterprise;
- the integration of some practical outcomes related to the actual lives of participants in this research project;
- a spiralling of steps...”.

We have found, in this study and other similar ones, that Action Research provides an ideal foundation approach for developing a Social Impact Evaluation and embedding it in the organisation.

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<sup>N</sup> Berg, B. 2009. Qualitative Research Methods for the Social Sciences. 7<sup>th</sup> Ed. Upper Saddle River, NJ. Pearson. .248.

## C. Detailed notes on evaluated activities

- 1.1 Section two of this report explained how the Corston and Fawcett studies, amongst others, highlighted the benefits for the women involved, for their families and for wider society of finding alternatives for custodial sentences in combating cycles of repeat offending. Section four explains the approach to this analysis in interpreting the spectrum of possible outcomes for offenders from not having input from Alana House by taking three typical points on that spectrum, and illustrating the life courses consequent upon those, looking at economic costs and benefits under a series of headings. Those three life courses are then blended, judgmentally weighted, to form a composite outcome for the offender cohort as explained in section five.
- 1.2 The possible life course continuum for the group who attend Alana House is similarly mapped, but using two typical points on that continuum rather than three.
- 1.3 This appendix shows the calculations of the economic gain for each life course for an individual woman in detail, with their calculation of the present value of flows over an assumed ten year period (again, discussed in the main report). It takes each of the life courses in turn, starting with the offender ones, and moving to the Alana House ones. It shows the calculations in tabular form, and then lists key assumptions underneath each table.
- 1.4 In the evaluated outcomes column, a cost to the economy is a positive figure, and a contribution to the economy (say by productive work) is shown as negative. The resultant figures at the foot of each table then report into the summary table in section five of this report.
- 1.5 In all of the analyses the discount rate used to discount future years' flows to present values is 3.5%, which is both the Public funding standard, and approximates closely to the risk free rate for general commercial and Third sector valuation purposes.
- 1.6 First to be considered is the offender life course 1, relating to those who can resolve and escape from the cycle of reoffending without additional support from Alana House or its equivalent.

Offender Life Course 1: resolved without additional support		Assumptions	Calculations	Evaluated Outcomes (£000)
<b>Housing</b>				
Housing benefit in view of low wage earning	£700	pcm avge	700x12	
Assumed term of years for effectiveness		10 years	8,400	
Discount rate for publicly funded flows		3.50%		
Consequent multiple of annual flows		8.3	x 8.3	69.72
<b>General benefits</b>				
Other supplementary benefits allowances (weekly) – inc.children		80		
Equivalent years in a ten year period		2		
Annuity factor (as above)		8.3		6.91
<b>Employment</b>				
GVA for the local area	£26,874		26874	
Assumed deduction for lower level of working		50%	x50%	
Assumed percentage of time as a non-wage earner		20%	x(1-20%)	
Annuity factor (as above)		8.3	x8.3 =	-89.22

<b>Children</b>			
Lifetime costs of being NEET at 16 to 18 (per Godfrey & Hutton (2002) as stated at present value	£300,000		
	£84,000		84
Assumed number of offenders with children	75%		x75%
Assumed number and age of children per parent, to pv, because starts @ age 18	2, 12 yrs		x2 x pv factor 0.808
Probability of being NEET at 16-18 per care sector	65%		x65%
Less: reduction in that based on increased stability of parent	20%	x (1 - 20%) =	52.94
<b>Avoids domestic violence</b>			
Assumed percentage of former offenders this affects	5%		5.00%
Assumed percentage of injuries that are "serious"	5%		
Assumed percentage of ten year period affected	20%		x 20%
Cost of serious assaults (each - assumed annual)	£33,413		x5%
Cost of other assaults (each - assumed annual)	£4,554		x 95%
Total annual effect per person (average)			0.06
Total effect per person (average) at present value			0.50
<b>Substance abuse</b>			
Assumed no material effect from this			0.00
<b>Criminal involvements</b>			
Minimal - say an assumed annual level of	£1,600		
Applying to (percentage of cohort)	30%		
Present value, assuming an annuity factor of	8.3		3.98
<b>Isolation and mental health costs</b>			
Assumed level of day care or Vol Sector support sessions per week	2		2 x 52 x 10
Level of cost per session (Curtis (2007))	£20		x £20
Percentage of cohort affected	40%		x 40%
Percentage of ten year period for which care is required	50%		x 50%
			3.45
<b>Poor eating and personal care</b>			
Assumed cost per person for health services	200		
Assumed percentage of cohort affected	40%		
Ten year effect annuity at 3.5%	8.3		0.66
<b>TOTAL</b>	Per person affected for a ten year period at present value		<b>48.94</b>

Key assumptions or sources of data used in the above analysis are as follows:

- housing benefit is assumed based on the monthly cost of accommodation in the reading area for a two or three bedroom flat or terraced house;
- it is assumed that, given the low level of earnings assumed, housing benefits will be paid throughout. No account has been taken (due to uncertainty of how it will apply) of the impact of changes in policy regarding funding of housing after the 2010 Comprehensive Spending Review ("CSR");
- benefits are assumed to be paid at twice the level of job seekers' allowance to account for maintenance costs for the children, in addition to housing benefit, for those weeks when the woman concerned is not in paid work
- employment is assumed to be available, and will generate GVA at 50% of the average level for an employed person in the Thames Valley (from ONS 2009), to take account of the lower skills, and the need to take lower paid work for someone who has a criminal record and a lack of reliable employment history.
- Children are shown to stand a high risk of being NEET at aged sixteen to eighteen when they grow up with periods in care. This is taken, as explained in section five, to match to a greater or lesser degree not just to those who are in care, but to those who are, or have been, in chaotic families in the past. The reports on NEET (not in education, employment or training), that is principally Godfrey, Hutton & Ors (2002)<sup>o</sup> and McNally & Telhaj (2007)<sup>p</sup>, indicate that children emerging from the care system have a strong propensity to fall into this category. Indeed 75% of LAC children leave care without any qualifications, and this is taken to be an indication of NEET status. The

<sup>o</sup> Godfrey, C., Hutton, S., Bradshaw, J., Coles, B., Craig, G., and Johnson, J.. (2002). *Estimating the cost of being "not in education, employment or training" at age 16-18*. York. Social Policy Research Unit.

<sup>p</sup> McNally, S. and Telhaj, S.. (2007). *The cost of exclusion: Counting the cost of youth disadvantage in the UK*. London. Prince's Trust.

comparison is 6% in the general population (Godfrey p.16). It is assumed that only 65% of those leaving care are NEET, to allow for some of those who are unqualified being nevertheless in employment, notwithstanding the likelihood that some of the qualified 25% go one to be NEET. The evaluation of this draws on Godfrey, Hutton & Ors (2002). This picks up the distinction between the “NEET” path and that of the broader, and more successful, life courses of the non-NEET young person, so well described by Godfrey & Hutton in their comparative case studies from p.59 onwards. These give additional publicly funded costs of around £300,000, or £84,000 at present value as the difference between NEET and non-NEET. These omit any enhanced earnings due to attaining higher qualification, but these are considered unlikely based upon the profile of the families involved in this study, and their expectations of educational attainment regardless of Alana House’s input. Should adjustment be required, the incremental earnings which, as indicated in Table 8 on p.56, are around the same sum again, which further underlines the intended conservatism of these evaluations. It is assumed that the 65% at risk of being NEET are reduced by 20% to allow for the somewhat greater emotional and social stability from these young people still staying with birth mother, who is reducing the chaos in her life;

- it is also assumed that, on average, 75% of the cohort attending have two children, at an average age of twelve. The nef study assumed 77 dependent children for 116 adults, but that they were aged around six years (so meaning they were to be supported for the whole of the ten years of the evaluation, but would then be NEET). The overall differences between the two sets of assumptions are modest;
- The costs of domestic violence come from Walby (2004)<sup>Q</sup>, which researched and categorised costs of serious and other injuries as follows:

	Ref in report	Serious (£)	Other (£)
<b>Medical, including mental health element</b>	p.46 onward	9,955	1,445
<b>Children in care cost – assumed included elsewhere in this evaluation</b>		-	-
<b>Housing – state and individual elements</b>	p.80 and p.73	8,308	1,509
<b>Employment</b>	pp. 89, 91	15,150	1,600
<b>Total costs</b>		<b>33,413</b>	<b>4,554</b>

- the assumption is that only 5% of those experiencing this life course suffer domestic violence since it is assumed that they will be able to stay away from the sort of destructive relationships that involve this, and to which women in this cohort are so often prone. Of those that do suffer injury, only 5% are identified as in the serious category, as against a National statistic of 15% (Walby p.91), since it is assumed that even the 5% that do still have difficulty with this will be able to avoid the escalation of violence that leads to assaults of greater seriousness. This is a prudent estimate taken in context with the equivalent in other life courses, as is the assumption throughout that only one such incident will occur a year;
- substance abuse is assumed not to be an ongoing issue here;
- criminal involvements are minimal, at an annual level for acquisitive crime of £1,600. This equates to the mid range (weighted average, allowing for the tendency of women to commit more petty theft than organised burglary, compared to men) of total costs of burglary, theft and vehicle theft from Brand and Price (2000)<sup>R</sup> table 2. This is assumed to apply just to 30% of this group across the ten year period;
- isolation and mental health costs are modelled using the costs of supportive counselling, assuming two sessions a week at a funded cost of £20 a session, for 40% of the group for half of the total period;

<sup>Q</sup> Walby, S. (2004). *The Cost of Domestic Violence*. Londn. DTI.

<sup>R</sup> Brand S. and Price, R.. (2000). *Economic and Social Costs of Crime*. London. Home Office

- poor eating and personal care costs are based on the proxy of the annual health costs of obesity, which are given in Foresight (2002)<sup>S</sup> as £4.2bn across 70% of a 63m population, or £100 per person per annum. This is enhanced by a further £100 to take account of other non-obesity related health issues that can be expected to arise for this cohort. Again this is expected to be an issue for around 40% of this cohort.

1.7 Next to be considered is the offender life course 2, relating to those who stay with the majority pattern of frequent reoffending.

1.8 Assumptions and approaches to evaluation are similar to those for life course 1, but subject to the changes noted below the table.

Offender Life Course 2: frequent reoffending		Assumpti ons	Calculations	Evaluated Outcomes (£000)
<b>Housing</b>				
Housing benefit in view of low wage earning	£700	pcm avge	700x12	
Assumed term of years for effectiveness		10 years	8,400	
Assumed percentage of period of accommodation need		20.00%		
Assumed percentage of period of need for which accommodation is funded		50%		
Discount rate for publicly funded flows		3.50%		
Consequent multiple of annual flows		8.3	x 8.3	6.97
<b>General benefits</b>				
Other supplementary benefit allowances (weekly)		40		
Equivalent years in a ten year period		2		
Annuity factor (as above)		8.3		3.45
<b>Costs of prison accommodation</b>				
Annual costs of prison with behavioural intervention		£31,124		
Years in a ten year period in custody		8		
Equivalent annual cost			24,899	
Annuity factor (as above)		8.3		206.66
<b>Employment</b>				
National minimum wage		£6	26,874	
Assumed working hours per week		20	x50%	
Assumed average working weeks per annum		5.2	x(1-20%)	
Annuity factor (as above)		8.3	x8.3 =	-5.18
<b>Children stay in care</b>				
Lifetime costs of being NEET at 16 to 18 (per Godfrey & Hutton (2002))		£300,000		
as stated at present value		£84,000	84	
Assumed number of offenders with children		75%	x75%	
Assumed number and age of children per parent	2	12 yrs	x2 x pv factor 0.808	
Probability of being NEET at 16-18 per care sector		65%	x65%	
Less: reduction in that based on increased stability of parent		0%	x (1 - 0%) =	66.18
Cost of accommodating children as LAC	Per week	£600		
Age of child when accommodated	Years	12		
Age of leaving care	Years	18		
Cost of state accommodation per parent per annum			£46,800	
As above at present value				388.44
<b>Domestic violence</b>				
Assumed percentage of former offenders this affects		40%	10.00%	
Assumed percentage of injuries that are "serious"		10%		
Assumed percentage of ten year period affected		20%	x 20%	
Cost of serious assaults (each - assumed annual)		£33,413	x5%	
Cost of other assaults (each - assumed annual)		£4,554	x 95%	
Total annual effect per person (average)			3.67	
Total effect per person (average) at present value				30.52

<sup>S</sup> Butland, B., Jebb, S., Kopelman, P., McPherson, K., Thomas, S., Mardell, J., and Parry, V.. (2002). *Tackling obesities: future choices - Project Report*. 2<sup>nd</sup> Ed. London. Foresight.

<b>Substance abuse</b>			
Annual support costs of drug or alcohol effects			£1,000
Part of period affected	20%		
Annuity factor (as above)		8.3	1.66
<b>Criminal involvements</b>			
Significant costs during the periods between custody	annual equiv.	£6,000	
Applying to (percentage of cohort)		90%	
Present value, assuming an annuity factor of		8.3	
Percentage of ten year period out of custody		20%	8.96
<b>Isolation and mental health costs</b>			
Assumed no engagement with support services			
Long-term mental health effects assumed included in other headings			
<b>Poor eating and personal care</b>			
Assumed cost per person for health services		200	
Assumed percentage of cohort affected		60%	
Ten year effect annuity at 3.5%		8.3	1.00
<b>TOTAL</b>	Per person affected for a ten year period at present value		<b>708.66</b>

- It is assumed that the cycle of reoffending is broadly six months out of custody before receiving a further two-year custodial sentence.
- Housing in the periods between reoffending is as for life course 1. The costs of custodial sentences are taken from Matrix (2008)<sup>T</sup> p.7, and are those for prison with behavioural intervention.
- With limited earning capacity, these women claim benefits, which are assumed at a basic level of £40 a week, for a single person living alone.
- Employment is assumed to be at or just above National minimum wage, with little if any value added. Twenty hours a week are worked, for an average of 10% of the year.
- The children are accommodated in the care system (“LAC”), taking a mid-range estimate of the cost of foster care of £600 a week, which includes only State-fostered provision, but includes a modest element for Social Services costs of supervision. These arise between the ages of twelve and eighteen. Should the child leave the care system before that, it is assumed that other State costs of supervision, police and health involvement will replace, and add up to, this.
- Domestic violence is more likely to occur in these circumstances. It is assumed that it applies to 40% of this cohort, with 10% of crimes being serious (which may be a little low), one such incident per year for the period when this woman is not in custody (which again may be unrealistically low, and hence prudent).
- Substance abuse is based upon an annual support cost of £1,000. nef, by comparison, uses an annual cost of maintaining a drug habit of £16,500, but care needs to be taken as:
  - this relates to a range of drug use; and
  - it is primarily driven by Drugscape estimate of the cost of supplying the drugs, as opposed to social effects; and
  - to some extent may double-count with the evaluation of crime, since the latter funds the former.
- Godfrey, Eaton and Ors (2002)<sup>U</sup> at p.55 cite economic or reactive costs of class A drug use of £1,927 per annum, or total social costs of £6,564. Against this the £1,000 assumption looks modest.
- Criminal involvements are assumed at an annual equivalent of £6,000. This is higher than in the earlier lifecourse since it is a more habitual pattern of acquisitive theft to support drug and other habits. It is assumed to apply to 90% of the cohort.

<sup>T</sup> Matrix (2008). *The economic case for and against prison*. London. Matrix Knowledge Group.

<sup>U</sup> Godfrey, C., Eaton, G., McDougall, C., and Culyer, A..(2002). *The economic and social costs of Class A drug use in England and Wales, 2000*. London. Home Office Research.

- Poor eating and personal care affects 60% of the cohort under this life course.

1.9 Next to be considered is the offender life course 3, relating to those who stay out of detention, but retain much of their chaotic lifestyle.

1.10 Assumptions and approaches to evaluation are similar to those for life course 2, but subject to the changes noted below the table.

Offender Life Course 3: other chaotic, but staying out of detention		Assumptions	Calculations	Evaluated Outcomes (£000)
<b>Housing</b>				
Housing benefit in view of low wage earning	£700	pcm avge	700x12	
Assumed term of years for effectiveness		10 years	8,400	
Discount rate for publicly funded flows		3.50%		
Consequent multiple of annual flows		8.3	x 8.3	69.72
<b>General Benefits</b>				
Other supplementary benefit allowances (weekly)	£40			
Equivalent years in a tend year period	7			
Annuity factor (as above)	8.3			12.08
<b>Employment</b>				
GVA for the local area		£26,874	26874	
Assumed lower level of working		30%	x50%	
Assumed percentage of time as a non-wage earner		70%	x(1-70%)	
Annuity factor (as above)		8.3	x8.3 =	-20.07
<b>Children</b>				
Lifetime costs of being NEET at 16 to 18 (per Godfrey & Hutton (2002))		£300,000		
as stated at present value		£84,000	84	
Assumed number of offenders with children		75%	x75%	
Assumed number and age of children per parent		2, 12 yrs	x2 x pv factor 0.808	
Probability of being NEET at 16-18 per care sector		65%	x65%	
Less: reduction in that based on increased stability of parent		20%	x (1 - 20%) =	52.94
Cost of accommodating children as LAC	per week	£600		
Age of child when accommodated	years	12		
Age of leaving care	years	18		
Cost of state accommodation per parent per annum			£46,800	
As above at present value				187.03
<b>Avoids domestic violence</b>				
Assumed percentage of former offenders this affects		80%	80%	
Assumed percentage of injuries that are "serious"		50%	x 50%	
Assumed percentage of ten year period affected		100%	x 100%	
Cost of serious assaults (each - assumed annual)		£33,413	x50%	
Cost of other assaults (each - assumed annual)		£4,554	x 50%	
Total annual effect per person (average)			15.19	
Total effect per person (average) at present value				126.30
<b>Substance abuse</b>				
Annual support costs of drug or alcohol effects		£1,000		
Part of period affected		80%		
Annuity factor (as above)			8.3	6.64
<b>Criminal involvements</b>				
Significant costs during the periods between custody	annual equiv.	£6,000		
Applying to (percentage of cohort)		80%		



Present value, assuming an annuity factor of	8.3		
Percentage of ten year period out of custody	100%		39.84
<b>Isolation and mental health costs</b>			
Assumed level of day care or Vol Sector support sessions per week	2	2 x 52 x 10	
Level of cost per session (Curtis (2007))	£20	x £20	
Percentage of required sessions engaged and allocated	10%	x 70%	
Percentage of cohort affected	70%	x 10%	
Percentage of ten year period for which care is required	50%	x 50%	0.60
<b>Poor eating and personal care</b>			
Assumed cost per person for health services	200		
Assumed percentage of cohort affected	90%		
Ten year effect annuity at 3.5%	8.3		1.49
<b>TOTAL</b>	Per person affected for a ten year period at present value		<b>476.58</b>

- Housing and employment largely follow the life course 1 model, but with lower wage and productivity levels, and lower time in work within the period.
- General benefits are claimed and paid for the 70% of the total period for which it is assumed the woman is not working. This is evaluated at £40 a week, since the woman is living alone, with the children being accommodated.
- Children are accommodated by the State on the same cost model as life course 2, but with a 20% deduction from the risk of being NEET at aged sixteen, based on some continued involvement from mother
- Domestic violence is assumed to be in evidence for 80% of this group, with one incident a year resulting in injury, of which 50% are serious.
- Drug support costs are as for life course 2, but occur in 80% of the period.
- Criminal involvement is at £6,000 of damage a year, for 80% of this group.
- Isolation and mental health costs are assumed to apply to 70% of the group, but only 10% of the sessions are attended.
- 90% of the group are assumed to suffer problems from poor eating and personal care.

- 1.11 Next to be considered is Alana life course 1, relating to those for whom the Alana House involvement is fully effective.
- 1.12 Assumptions and approaches to evaluation are similar to those for the Offender life courses, but subject to the changes noted below the table.

Alana Life Course 1: input is fully effective		Assumptions	Calculations	Evaluated Outcomes (£000)
<b>Housing</b>				
Housing benefit in view of low wage earning	£700pcm	avge	700x12	
Assumed term of years for effectiveness		10 years	8,400	
Discount rate for publicly funded flows		3.50%		
Consequent multiple of annual flows		8.3	x 8.3	69.72
<b>General benefits</b>				
Other supplementary benefit allowances (weekly) – inc children		80		
Equivalent years in a ten year period		2		
Annuity factor (as above)		8.3		6.91
<b>Employment</b>				
GVA for the local area		£26,874	26874	
Assumed deduction for lower level of working		50%	x50%	
Assumed percentage of time as a non-wage earner		20%	x(1-20%)	
Annuity factor (as above)		8.3	x8.3 =	-89.22
<b>Children</b>				
Lifetime costs of being NEET at 16 to 18 (per Godfrey & Hutton (2002))		£300,000		
as stated at present value		£84,000	84	
Assumed number of offenders with children		75%	x75%	
Assumed number and age of children per parent	2, 12 yrs		x2 x pv factor 0.808	
Probability of being NEET at 16-18 per care sector		65%	x65%	
Less: reduction in that based on increased stability of parent		40%	x (1 - 40%) =	39.71
<b>Avoids domestic violence</b>				
Assumed percentage of former offenders this affects		5%	5.00%	
Assumed percentage of injuries that are "serious"		5%		
Assumed percentage of ten year period affected		20%	x 20%	
Cost of serious assaults (each - assumed annual)		£33,413	x5%	
Cost of other assaults (each - assumed annual)		£4,554	x 95%	
Total annual effect per person (average)			0.06	
Total effect per person (average) at present value				0.50
<b>Substance abuse</b>				
Assumed no material effect from this				0.00
<b>Criminal involvements</b>				
Minimal - say an assumed annual level of		£800		
Applying to (percentage of cohort)		5%		
Present value, assuming an annuity factor of		8.3		0.33
<b>Isolation and mental health costs</b>				
Assumed level of day care or Vol Sector support sessions per week		2	2 x 52 x 10	
Level of cost per session (Curtis (2007))		£20	x £20	
Percentage of cohort affected		10%	x 10%	
Percentage of ten year period for which care is required		50%	x 50%	0.86
<b>Poor eating and personal care</b>				
Assumed cost per person for health services		200		
Assumed percentage of cohort affected		10%		
Ten year effect annuity at 3.5%		8.3		0.20
<b>TOTAL</b>	Per person affected for a ten year period at present value			<b>29.00</b>

- The assumptions for housing, employment and children are as for Offender life course 1 (back on track) except the additional support of Alana House is assumed to improve the children's chances of not being NEET at sixteen from 20% lower probability than the LAC standard to 40% lower.
- For these women, they are able to claim benefits for the period that they are no working, at the rate of £80 per week, to allow for claims for the children.
- Criminal involvement is very modest, at £800 per annum, and affecting only 5% of the group.
- Isolation and mental health costs affect only 10% of the group, and for only 50% of the time.
- Poor eating and personal care, similarly, affects only 10% of the group.

- 1.13 Finally we consider Alana life course 2, relating to those for whom the Alana House involvement is partially effective.
- 1.14 Assumptions and approaches to evaluation are similar to those for the Alana life course 1, but subject to the changes noted below the table.

<b>Alana House Life Course 2: partially effective: limited chaos in lifestyle</b>	<b>Assumptions</b>	<b>Calculations</b>	<b>Evaluated Outcomes (£000)</b>
<b>Housing</b>			
Housing benefits as for Alana L-C 1			69.72
Emergency accommodation - incremental - one 3 month period p.a.	1,900		15.80
<b>Employment</b>			
As for Alana L-C 1 , but deducting in each year a period of	3 months		-66.92
Job seeker's allowance for the same proportion of each year, plus uplift for children	3 months plus 20% of whole period £80 pw		15.54
Annuity factor, as for Alana L-C 1	8.3		4.32
<b>Children</b>			
NEET effect as for Alana L-C 1, based on a reduction against LAC of	40%		
Discount for staying with parent limited to	10%		59.56
<b>Avoids domestic violence</b>			
Assumed percentage of former offenders this affects	15%	15.00%	
Assumed percentage of injuries that are "serious"	10%		
Assumed percentage of ten year period affected	20%	x 20%	
Cost of serious assaults (each - assumed annual)	£33,413	x10%	
Cost of other assaults (each - assumed annual)	£4,554	x 90%	
Total annual effect per person (average)		0.22	
Total effect per person (average) at present value			1.86
<b>Substance abuse</b>			
Assumed minimal effect - say at an annual effect of	£1,250		
	20%		
Annuity effect	8.3		2.08
<b>Criminal involvements</b>			
Occasional - assume an annual level (including police costs)	£2,000		
Applying to (percentage of cohort)	20%		
Present value, using an annuity multiplier of	8.3		3.32
<b>Isolation and mental health costs</b>			
Assumed level of day care or Vol Sector support sessions per week	2	2 x 52 x 10	
Level of cost per session (Curtis (2007))	£20	x £20	
Percentage of cohort affected	40%	x 40%	
Percentage of ten year period for which care is required	50%	x 50%	3.45
<b>Poor eating and personal care</b>			
Assumed cost per person for health services	200		
Assumed percentage of cohort affected	40%		
Ten year effect annuity at 3.5%	8.3		0.66
<b>TOTAL</b>	<b>Per person affected over ten years at present value</b>		<b>102.15</b>

- Housing costs and benefits are supplemented by one three month period of emergency accommodation a year, when general housing provision proves unsustainable.
- Employment is as for Alana life-course 1, but with one period of three months a year when, with housing problems, work is unsustainable, and the women concerned claim benefits at £40 per week.
- Benefits are claimed for the three months per annum plus the 20% generally out of work, at the rate of job seekers' allowance (£40) plus a further £40 for the children.
- For the children they stay with mother, but are still at risk of being NEET at aged sixteen, with a 40% lower chance than if they were in care.
- Substance abuse is an issue at a cost of £1,250 per annum for treatment and support, a higher level than for the offender life course equivalent because of the support from Alana House in engagement with services.

- Criminal involvements are assumed to be £2,000 per annum, affecting 20% of the group, which may be prudently high.
- Mental health and poor eating effects occur for an assumed 40% of the group, again with a higher general level of cost because of the greater support for engagement with services.

## D. Summary of Stakeholder feedback from focus interviews

- 1.1 In conjunction with the work to develop this SROI analysis, the researcher undertook a series of focus interviews with stakeholders in order the better to understand:
- How brand (positioning) assists social impact by enhancing service user engagement
  - How that brand (positioning) is perceived by the relevant stakeholder
- 1.2 The work in this part of the study was done in conjunction with stakeholder feedback for two other PACT project areas: PACT's self-funded Domestic Adoption and Fostering services, and the Local Authority-funded Witney Children's Centre.
- 1.3 The interviews were undertaken on the basis that the results would be published, but that any comments would not be attributable. The eight stakeholder representatives concerned were agencies working in parallel with, or supervising the work of the project, or service users (Adoption and Fostering only), . Those commenting on Alana House were a Senior Probation Officer responsible for working with women referred to the centre, and a senior local authority manager with wider responsibility.
- 1.4 The results of these interviews were interpreted under the headings applicable to demand driver analysis within the Brand Knowledge approach to brand valuation. These are as follows:

BK evaluation element	Comments
<b>Economic profit</b>	Conventionally this covers just the financial economic profits: that is those arising in the conventional valuation field, generating positive cash flows. However a charity generates additional impact and gain by use of brand, so this should probably extend to SI "profit".
<b>Brand premium profits</b>	These are the element of the economic profits (and hence for a charity the Social Impact) that is attributable to the use of brand. It revolves around the demand drivers, that in this context extend acrCommunity Project the cash flow profit and the social impact.
<b>Category and Brand strength analysis:</b>	This looks at the expected life of the Brand, which is a function of two elements: the expected life of the category in which it is developed and used, and the positioning of the brand in relation to the whole category.
<b>A. Category useful life</b>	
• Longevity	i.e. category maturity
• Leadership	Market share stability of volatility
• Barriers and churn	Competitive activity in terms of how many competitors are entering and leaving the market, and how easily this happens
• Vulnerability	What is the vulnerability of the whole category to factors such as changes in Government policy, changes in social need, norms and mores, etc ?
<b>B. Brand Knowledge Structure</b>	This brings the positioning of the brand relative to its category down to a single percentage based upon two factors: awareness and association.
• Awareness	The profile of the brand and the awareness of it amongst customers (service users and referrers)
• Associations	The positioning (in Bruce's terms) of that brand: for what does it stand in the eyes of the service user or referrer ?

1.5 In the interviews the following comments emerged:

BK evaluation element	Interview responses	Interview comment
Economic profit	<p>The economic profit from the project arises from the funding agreement with the MoJ. This is modest at around £65k p.a. before core costs, but the social impact is the more appropriate focus. This is considerable.</p> <p>The current social impact is evaluated in this report.</p> <p>Expansion possibilities arise, and are being developed in Alana House, around the safety for women factor, to include enabling women to give evidence in safe and secure settings, and reaching out to vulnerable women before the Court has to get involved.</p>	<p>The prospect of ongoing funding relies on the effectiveness of the project. Proving this is perhaps challenging with its short life. However the model has been developed elsewhere (and measured, albeit those measurements could benefit from being updated (explanation in Appendix 14), and there is considerable evidence from this study and from the KPIs-based reporting from Alana House that the model is being delivered with high effectiveness.</p> <p>These expansion of service possibilities are very interesting, and could lead to alternative funding sources: charitable fund and State agencies from other arenas.</p>
Brand premium profits	<p>The factors within brand, or personality, that drive demand, and hence brand premium are those that:</p> <ol style="list-style-type: none"> <li>1. Secure renewal and funding of the ongoing contract, or</li> <li>2. Draw service users into an active involvement with it, and so maximise its effectiveness (in SI terms)</li> </ol> <p>These factors are as follows:</p> <ul style="list-style-type: none"> <li>• Staff attitude</li> <li>• Cohesive service with access to a wide range of partner services</li> <li>• Ability to encourage women to feel right about the eservice and its delivery</li> <li>• Meeting them where they are, both physically, and socially</li> <li>• Offering an all female environment</li> <li>• Thence....effectiveness of engagement and continued involvement of service users</li> </ul>	<p>These points are clear, and it is clear why they work for the service users, and hence the effectiveness of the service. They really come down to:</p> <ul style="list-style-type: none"> <li>• Staff attitude and engagement</li> <li>• Location – accessible and all female</li> <li>• Links to other services</li> </ul>

**Category and Brand strength analysis:**

**Category useful life**

Longevity	<p>The service style is still relatively new Nationally, and data has yet to be collected as to its effectiveness, and the number of users that could benefit from it.</p> <p>The views of stakeholders, however, reflect those in the various reports on other projects, and the wider material available about women offenders (particularly Corston (2007) and Fawcett (2007))</p>	<p>Potentially very large demand.</p> <p>The possibility of the need expiring within the foreseeable future (say fifty years) is remote.</p> <p>The key issue of longevity is the failure of funding, which is discussed further below in the section on vulnerability.</p>
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BK evaluation element	Interview responses	Interview comment
	<p>that there is a huge need, and a significant proportion of the women offenders population who could benefit from it.</p> <p>The drivers for this need are seen to be:</p> <ul style="list-style-type: none"><li>• The social and environmental factors that drive women to offend, which are likely to continue to be present in the wider population. These include:<ul style="list-style-type: none"><li>• Finance</li><li>• Housing</li><li>• Children</li><li>• Abusive relationships</li></ul></li><li>• The difficulties in accessing other available provision for women who for whom lack of knowledge, chaotic lifestyles, and personal views and beliefs get in the way</li></ul>	
Leadership	<p>The women’s centre projects are each unique to their local area, so do not have much competition as such.</p> <p>Some other services (e.g. Elizabeth Fry in Reading) offer overlapping services, but do not have the strong all-around focus, and the profile with the Court and probation services that the Women’s Centres do.</p>	Unique and central position, offering market leadership in this service arena.
Barriers and churn	<p>The competitors would be other women’s centre operators, current or potential. Key aspects which will determine ongoing fundability from whatever source are becoming:</p> <ul style="list-style-type: none"><li>• Existing success and profile (often around a brand other than that of the third sector operator)</li><li>• Existing reputation with the Court and probation services</li><li>• Existing community of service users</li><li>• Capability and buy-in of staff, whose dedication to the particular project and service user base creates its own cohesion</li><li>• The existing network of links to other partner organisations</li></ul>	Limited churn, and significant barriers for a service provider that: <ul style="list-style-type: none"><li>• Is successful,</li><li>• Is engaged with the local Court and probation services</li><li>• Can secure ongoing funding</li></ul>
Vulnerability	<p>The political and social focus seems to be sympathetic to this type of project. This is exemplified by:</p> <ul style="list-style-type: none"><li>• A concern about dysfunctional and chaotic families and their effect on the children within them</li><li>• A concern about the prison population and the limited capacity of prisons</li><li>• An awareness of the social factors driving</li></ul>	<p>Key vulnerability is in securing ongoing funding from Government or alternative sources.</p> <p>Logically, with the very high impact and the buy-in from agencies, referrers and users, if presented appropriately it does not seem credible that this service should not be funded on an ongoing basis.</p>

**BK evaluation element**

**Interview responses**

**Interview comment**

women to offend

The key vulnerability of the project is in the difficulty in securing ongoing Government funding for it.

**Brand Knowledge Structure**

**Awareness**

The view of service users (as reported by PACT management and referrers) and referrer agencies themselves is that the following characteristics are present and are key:

- Very responsive to service users' needs
- An awareness of how the client feels about the service and their relation to it

Key stages of engagement, and the drivers for it, are:

- Initially getting through the door: largely driven by Court orders and probation service requirements
- Buy-in on initial encounter:
  - welcoming;
  - all together with no pressure from men (all-female environment)
  - staff factor (see below)
- Continued attendance and engagement:
  - Staff qualities
  - Clear expectations of service users
  - Clear boundaries for them
  - Non-judgmental
  - Service users feel that staff and others understand their issues: "nothing's a big deal..."
  - Consistent message from all staff
  - Success – they make things happen with no fuss....which comes from drive, knowledge, and links to other service providers
  - Variety of services can be accessed through this one-stop-shop

The staff factor is key and has the following characteristics:

Staff.....

- have chosen to be there
- Are Non-judgmental
- Are accepting
- Have the relevant expertise

Strong, and effective awareness of the Alana House brand and profile, in all of the key deliverable areas, and in developing the service range.

Having secured the effective delivery of the core model, and a reputation for doing so, agency stakeholders are keen to see Alana House expanding its service range and outreach, and believe that they will be very effective in doing so.



**BK evaluation element**

**Interview responses**

**Interview comment**

- Are very supportive
- Focused on holistic team work

Views of PACT's Alana House service from agencies:

- "amazing"
- "Professional"
- "Do it well – they deliver"
- "Innovative"
- "Total commitment" (by all staff)
- "Life-changing "

Associations

"Alana House" is the key front-facing brand. "PACT" causes confusion with another similarly-acronymed charity that works in prison with offenders.

This brand reputation needs further publicity to continue to attain and retain its place as the hub in alternative services for potential offenders, and women's engagement with the Court service.

Staff and management have worked hard to create local profile and reputation, despite the relatively short time that Alana House has been open. The "brand" is seen locally as:

- Effective
- Caring without being soft
- Safe and focussed on the needs of service users
- Informed, knowledgeable, and capable of making things happen
- A key part of the local establishment
- A delivery of the model to the highest standards as an example to others (and other adjoining areas now want one)

1.6 The overall conclusion from the feedback is that Alana House is highly effective, and exemplifies the best standards in the delivery of the Women's Community Project support envisaged in Corston. The key elements within this that stand out are:

- the engagement, capabilities and other qualities of the staff
- the delivery of services through an environment that not only is safe, but also feels safe (generally through being female only)
- that engagement with other services is arranged at the centre (to avoid the chaos of multiple meetings and locations) and organised and supported by Alana House staff.

1.7 The totality of the focus interviews covered all three PACT projects, but the similarity in feedback across these was striking. The following appeared in the summary report of that broader research<sup>V</sup>:

Cultural and presentational service delivery points transcending the project boundaries:

- Understanding, empathic, non-judgmental
- Informed, knowledgeable, professional
- Caring for you, the individual, and reaching out to you
- Located conveniently – coming to the need, not waiting for it to come to PACT
- Creating a self-supporting community of peer support and strongly facilitating that
- Effective – getting the job done with a strong bias towards the long-term and sustainable

Key quotes about PACT and its services, selecting those which mirrored themes from several interviewees across the service lines:

- “...stunning in what they do.....”
- “...helps you hang on in there when things are really, really tough.....”
- “...amazing.....”
- “...do it well – they deliver.....”
- “...total commitment.....”
- “...life-changing.....”

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<sup>V</sup> Clifford J, (2010). *The Evaluative Triangle: Foundation Model for an Evaluative Protocol for Transactional Decisions in the Third Sector*. Unpub. Available from the author at [jim.clifford@bakertilly.co.uk](mailto:jim.clifford@bakertilly.co.uk)

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