



Community Investment by Housing Organisations: Measuring the Impact

HACT Summary Survey Report

March 2012



Summary

This report summarises the results of a telephone survey commissioned by HACT from TSRC on housing providers' current approaches to measuring the social impact of their community investment work. A full version of the TSRC survey report by Vanessa Wilkes and David Mullins '*Community investment by Social Housing Organisations: Measuring the Impact*' is available at www.hact.org.uk/economic-and-social-impact.

The survey is based on telephone conversations with 34 social housing providers currently using or exploring the use of social impact tools to measure their community investment activities. It concludes that there is considerable impetus amongst housing providers to measure the impact of their community investment. But to date there is little standardisation of metrics or practice, and considerable scope for improving understanding of the impact and outcomes of community investment approaches.

Of the 34 housing providers surveyed, no more than 4 used the same tool and/or approach.

This report and the survey results are published ahead of the launch this summer of a new programme of work by HACT focusing on the role of housing providers in communities and neighbourhoods. This includes current work with a group of interested housing providers, exploring the potential for developing a common framework for strategic approaches to their community activity, and the scope for developing associated metrics, due to report during summer 2012.

Further details on new HACT projects for 2012-13 can be obtained from info@hact.org.uk and <http://hact.org.uk/projects-2012>

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Introduction and background

The telephone survey was commissioned by HACT and undertaken by the University of Birmingham as part of a longer term partnership exploring the community investment¹ role of housing organisations². The survey was not intended to be statistically representative, but rather to:

- Establish an up-to-date picture of the use of impact measurement tools by housing organisations;
- Determine which community investment activities are being measured and why (the research did not consider measurement of core services);
- Identify differences in approach between neighbourhood, project and organisational levels of measurement;
- Question the future direction of impact measurement; and
- Provide information in an accessible form to assist housing provider members and others to help them decide which tools and approaches are available for them to use.

The measurement of social impact is of continued importance to the sector, reflecting a wider interest in impact measurement within the civil society sector. This is also coupled with the apparent growth of 'non-core'³ activity by housing providers and increased resources being made available for community investment by some providers in recent years⁴. Individual housing providers are responding to the increased external demands by funders and their own internal demands to measure and evaluate the impact of these 'non-core' activities including their impact on core business.

A questionnaire was developed by the University of Birmingham and interviews were conducted by telephone between 31st October and 25th November 2011.

¹ Community investment is used here to refer to activities social landlords undertake in addition to basic housing management to build sustainable communities (for example in employment and training and financial inclusion work and by investing in neighbourhood facilities). Definitions and examples are included in Appendix 1 of the survey report and follow those used by the National Housing Federation's neighbourhood Audit 2008 and 2011.

² Community Investment and Community Empowerment: The role of social housing providers in the context of 'localism' and the 'big society'. Consultation Draft June 2011. pp1-55.
<http://tsrc.ac.uk/Research/ServiceDeliverySD/Housing/Communityinvestmentandcommunityempowerment/tabid/813/Default.aspx>

³ The phrase non-core is widely used to describe these activities because they fall outside housing management and development and related support services that have been at the core of social housing regulation. However, as Mullins (2011) highlights many organisations have always considered community investment to be part of their core mission and the uncertainty associated with the current financial and policy contexts is tending to increase connections with core business.

⁴ More certain information will be available on these trends with the publication of the NHF Neighbourhood Audit 2011 later this year.

Why housing providers measure social impact

Housing organisations were asked why their organisation had started to measure social impact. The responses can mainly be divided between those concerned with accountability and those focusing on the effectiveness of projects.

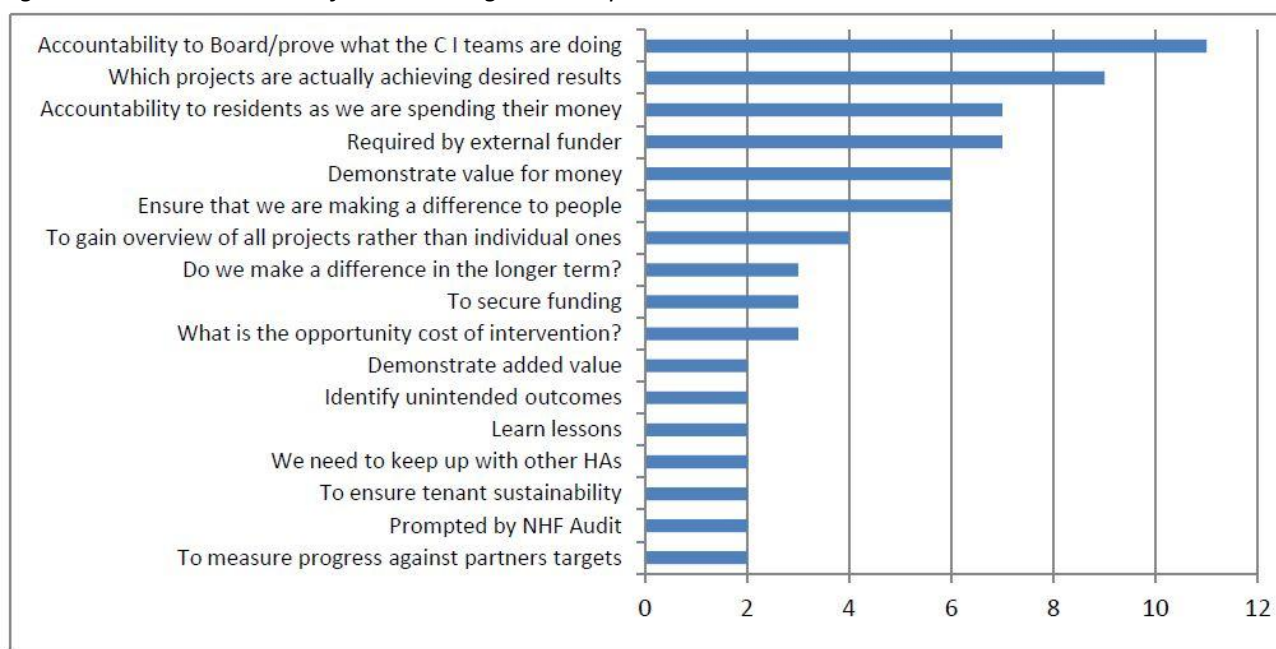
The most frequently cited responses concerned accountability, firstly to the Board with reference to the money which the organisation is investing in community activities, secondly to the residents reflecting the fact that it is their money which is being spent and thirdly, to other project funders.

Many respondents⁵ stated that intuitively they thought what they were doing was right but there was now a need to turn this ‘gut feeling’ into a more robust and watertight argument which could stand up to scrutiny.

The recognition that impact measurement is a growing concern within the sector was also apparent.

The following chart shows the most commonly cited reasons for housing organisations to measure their impact.

Figure 1: The main reasons for measuring social impact



Total responses: 34. Respondents were able to provide more than one reason

⁵ Number of respondents by stock size:

- Small stock level (less than 500 numbers of homes): 0 interviewed
- Medium stock level (500 to 2499 homes): 1 interviewed
- Medium/large stock level (2500 to 4999): 6 interviewed
- Large stock level (5000 to 9999): 8 interviewed
- Large stock level (10,000 to 29,999): 11 interviewed
- Large stock level (30,000 to 49,999): 5 interviewed
- Large stock level (50,000 +): 3 interviewed
- Total number of respondents interviewed: 34

What are they measuring?

The housing providers were asked whether all of their community investment activities were measured through their social impact measurement tool. Of the 27 organisations which had a measurement tool in place, 63% measured all community investment projects.

The research has shown that measurement in its broadest sense is extremely diverse across the

sector, reflecting both inherent differences between the business activities of some providers, and the difficulty of the task. Even those housing organisations who have fairly well established systems have highlighted weaknesses within their approach and areas which need to be improved. Not one housing provider was completely convinced that their current approach was the solution to all of their needs.

Self-assessment of measurement tools

All organisations using a measurement tool were questioned about the effectiveness of the tools that they were currently using or investigating in providing them with the data and information which their organisation required.

Housing providers responding to the survey used a range of tools developed both internally (35%) and externally to the organisations (41%), 9% of organisations used a mix of both.

Only small numbers of survey respondents used the same tools or approaches. This limits the extent to which direct comparisons of effectiveness and usability can be made.

Satisfaction levels appeared to be considerably higher with those tools which had been developed externally although many respondents acknowledge that they are probably not using them to their full functionality. The need to improve or change systems was more frequently

cited by those organisations with systems which have been developed internally. While the limited ability to benchmark with and learn from other organisations is clearly a limitation of most internally developed tools, this was not specifically mentioned by survey respondents.

Nearly 60% of respondents using externally developed tools did not envisage any change to them in the next 12 months. This is a startling contrast to those respondents using internally developed systems. Over 65% of these are considering changing their tools within the next 12 months.

Details of the external tools used and their perceived effectiveness based on the survey responses are contained within the full report. Appendix 2 to the report provides further information on additional tools not currently used by respondents and where to find out more about these tools.

Joint working on impact measurement

The majority of organisations were in favour of housing providers combining efforts and working jointly on indicators, particularly where they were collaborating with other organisations on neighbourhood partnerships. This is significant since few respondents were currently involved in

joint impact tools, yet such tools are available. However, a few organisations were sceptical as to how this information may be used and some organisations are wary of the level of resources required.

Recommendations for housing organisations

Moving towards adopting a tool or suite of tools

Drawing on the TSRC survey findings and based on roundtable conversations with the sector, HACT suggests the following outline guidance to housing organisations. It is intended to develop more detailed advice based on work with the sector over the coming months (see Future Work on p8).

➤ Development of outcome measures

A consistent theme throughout the research was the challenges faced in developing effective outcome measures of social impact. Those organisations that had developed outcome measures acknowledged their limitations and the need to revisit and improve them.

There is a clear need for outcome measures to be developed that are as meaningful as possible. There are many approaches and outcome banks available from which to build from.

To minimise confusion, there is a need to ensure that everyone involved in the process and within the organisation has the same understanding of the terminology used. Each term should be clearly defined and used consistently.

Developing a 'theory of change' may also help in the development of indicators. By outlining what the project is designed to achieve, measurements can be developed which reflect that. This may help to clarify understanding and expectations.

➤ Accept limitations of the tool(s)

There is unlikely to be one single tool which can provide all of the data or information that is required by a team, an organisation or the sector. There are strengths and weaknesses in any one tool and their limitations should be acknowledged. This allows the limitations to be addressed through other complimentary tools that measure different types of outcome (e.g. individual 'distance travelled' or project level goals).

➤ Accept limitations of measurement

Decisions need to be made about what will and will not be measured. All evaluation and measurement should be proportionate to the size of the project.

There is a debate that impact measurement may not be appropriate for all initiatives, particularly those where an organisation has very little control over the outcomes and impact. In reaching a conclusion there should be a clear

justification as to what an organisation is going to measure, what it is not going to measure, and why.

➤ **Do not over complicate it**

Where housing organisations have tried to adapt existing tools to collect a whole range of information, they have realised that it could become overly complicated. This reiterates the point that one tool may not be appropriate for all requirements and a suite of tools or approaches may be more appropriate and workable. There is a need for clear and transparent statements of what the measurement tool is trying to achieve so that expectations can be managed.

Using the tools and resulting data

➤ **Gain or develop analytical skills**

Any tool will provide a wealth and range of data. The key is then how that is used. Firstly, analysis of the data is essential for judgements to be made and for it to be presented in the most meaningful and powerful way. All this requires analytical skills which may, or may not be available within the organisation. This is especially important as most tools and approaches require judgments to be made concerning the extent of the impact. Individuals need the skills to know which data to draw upon and which linkages can be made.

Secondly, the way in which the resulting data is used within the organisation is key. It is essential that it is adequately used by the organisation to justify the time and resources used to collect and analyse it.

➤ **Gain organisational buy-in**

This was seen as essential. As effective measurement requires resources (both financial

➤ **Be prepared to change and adapt**

It is an exciting time in the field of social impact measurement and new tools and approaches are frequently being developed or tweaked. It is important to stay abreast of new developments and be prepared to change approaches if a more efficient or cost effective way of measuring becomes available.

It is good practice to reflect on how impact measurement is being undertaken: are the tools being used producing the data required? Is the data being collected and analysed at the right time in the right way? It is very rare that a questionnaire or other tool to collect data is correct first time; there is usually room for improvement.

and staff time), there is a need for its use and importance to be understood. As well as needing organisational support for on-going measurement, it will help to ensure that the results are acknowledged and acted upon.

➤ **Designate an impact lead person**

The majority of respondents had one person to oversee the data, ensuring its quality and integration. Those organisations where this was not the case also agreed this was the best approach. It does not necessarily have to be a dedicated post; it could be integrated into another role as long as time was allowed. This person could also then keep abreast of developments in the field and it will also demonstrate that the organisation is committed to the idea.

➤ **Integrate staff knowledge**

There is a need to ensure that all staff understand and appreciate the purpose and limitations of the tools as they may be the ones collecting the data.

The integration of staff knowledge and subsequent training was seen as crucial to the success of the process.

➤ **Practical data issues**

If longitudinal research is something which an organisation wishes to pursue, it is important to ensure that the necessary consents are in place from individuals who may be contacted again in a few weeks or months.

It is also important to be clear about how the data is to be stored. The externally developed tools differ between those which are web based where the data is held on a central server and those where the data stays within an organisation.

Future work

HACT is building a new membership-based network to underpin its project work. This will provide events, resources and networks around key elements of the new housing agenda. This will provide a focus for knowledge sharing, partnership and innovation for housing providers looking to reach beyond a traditional housing role to embrace a wider engagement with and responsibility for neighbourhood and locality.

The network will hold events and seminars, and build active partnerships to facilitate peer-to-peer learning, knowledge sharing, niche-benchmarking and support inter-organisation collaboration and innovation. It will draw on emerging findings from our partnership projects and share them with members.

Network members will benefit from early development of a shared understanding of the changes facing the housing sector, gain

confidence in transforming their businesses to meet customer and neighbourhood needs, and more effectively articulate and evidence their impact. This will build on the experience gained from HACT's Housing and Empowerment Network (HEN), which in the last year has actively involved over 100 housing providers in a range of round tables, knowledge sharing events and conferences.

HACT in its forthcoming action-based projects will build on its work on impact measurement with TSRC and aims to develop work with a group of housing providers so that they can better articulate and evidence their economic and social value. There are a number of useful publications and resources which have been developed to support such a programme and are summarised in Appendix 2 of the full TSRC Survey Report.

A copy of the full report 'Community investment by social housing organisations: measuring the impact'

by Vanessa Wilkes and David Mullins can be downloaded from:

the HACT website: <http://www.hact.org.uk/measuring-impact-reports>

or the TSRC website:

<http://www.tsrc.ac.uk/Research/ServiceDeliverySD/Housing/Measuringimpactofhousingorganisations/tabid/895/Default.aspx>

About HACT

HACT is a national charity that works with the housing sector, government, civil society and communities to develop and share innovative approaches to meeting changing housing need.

HACT believes that the provision of housing must be about more than just bricks and mortar – that housing providers are at their most successful when they value and engage with their communities and actively seek to identify and meet the needs of those at the margins.

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About Third Sector Research Centre (TSRC)

TSRC was established to provide a strong evidence base to inform policy-making and practice. It is funded by the Economic and Social Research Council, Office for Civil Society and the Barrow Cadbury. It is led by the universities of Birmingham and Southampton, with Middlesex University leading on social enterprise research. This project is part of the Service Delivery stream which aims to inform the debate on the way in which service delivery is developing, the potential role of the third sector in commissioning as well as contracting, and the implications of different approaches to service delivery on the overall impact of the third sector.

www.tsrc.ac.uk