

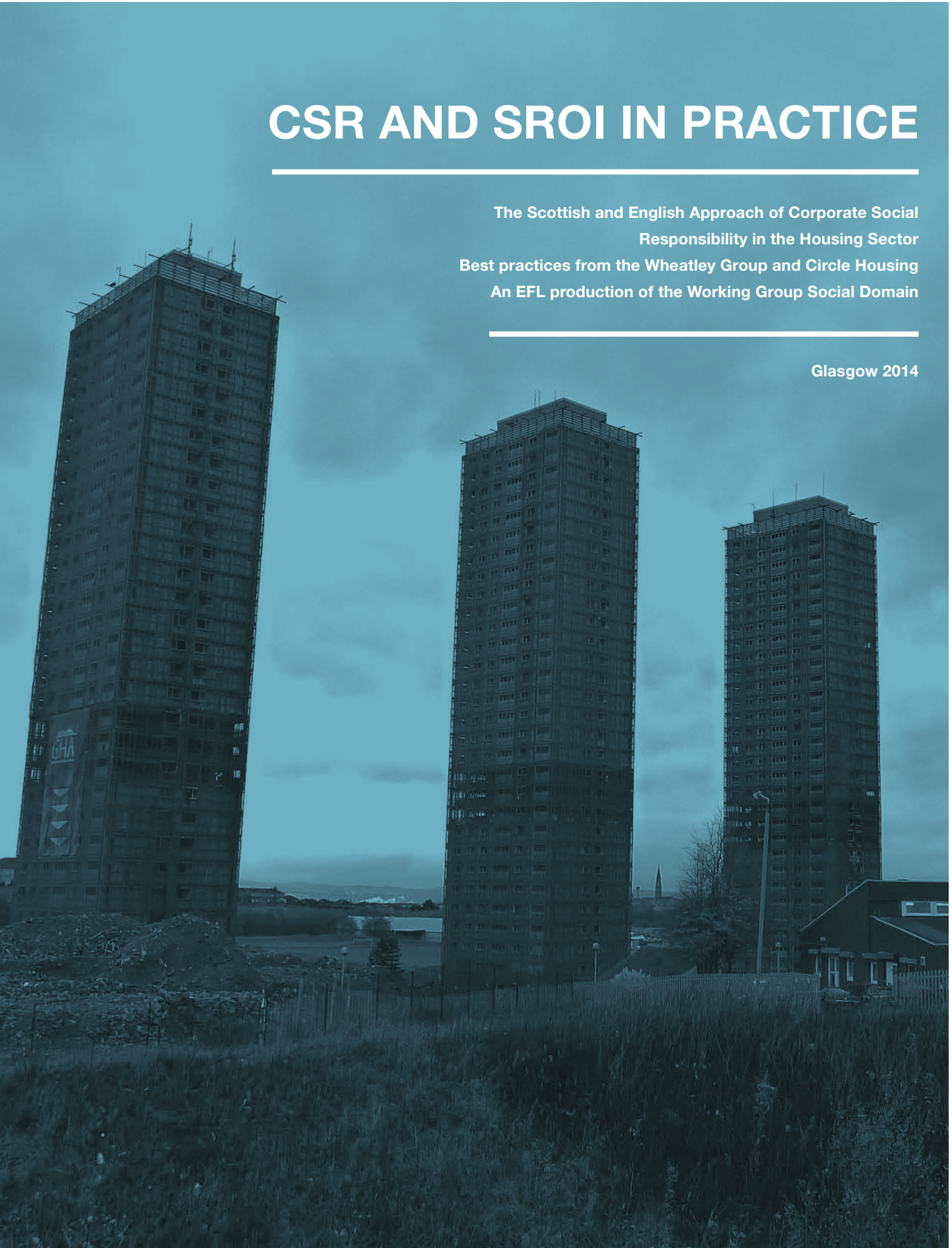


EFL
EUROPEAN FEDERATION
FOR LIVING

CSR AND SROI IN PRACTICE

The Scottish and English Approach of Corporate Social
Responsibility in the Housing Sector
Best practices from the Wheatley Group and Circle Housing
An EFL production of the Working Group Social Domain

Glasgow 2014



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COLOPHON:

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Housing Association Wheatley Group from Glasgow hosted on 6 and 7 November 2014 a two days working group meeting Social Domain for the members of EFL and Eurhonet.

The working group is focussed on the exchange of knowledge and experiences in the field of neighbourhood development, integration and enhancing life chances of people in disadvantaged neighbourhoods. The working group disseminates strategies and best practices of its members, but also creates effective instruments and tools for own use. All information gathered during our meetings is covered in EFL brochures and made available via the EFL website.

Each meeting covers a different subject. The Glasgow meeting was focussed on the practice of Corporate Social Responsibility (CSR) and Social Return On Investment (SROI) as way of measuring results. During the event, several aspects in the framework of CSR or 'social responsible governance' have been discussed. The Wheatley Group demonstrated their own approach and results with CSR in depth. During the first day we had the opportunity to be introduced to a wide variety of programs. Not only by speeches of high motivated staff, also by visiting their projects. Glasgow is famous for their regeneration approach. From the whole of Europe, the largest number of high rise residential buildings have been demolished here.

Three urban regeneration projects (demolition and reconstruction) have been shown, besides that also the project "Home Comforts" (furniture for poor people) and the project Click & Connect, focussed on connecting people and improvement of their chances via internet. On the second day the participants discussed what has been learnt from the 'Scottish approach' and in general how CSR and SROI can be practiced within their own organisation. ↩

We hope that this brochure gives you new ideas and inspiration for your daily practice.

Bernadette Arends, chairman working group Social Domain
Joost Nieuwenhuijzen, managing director EFL

Stretch your mind

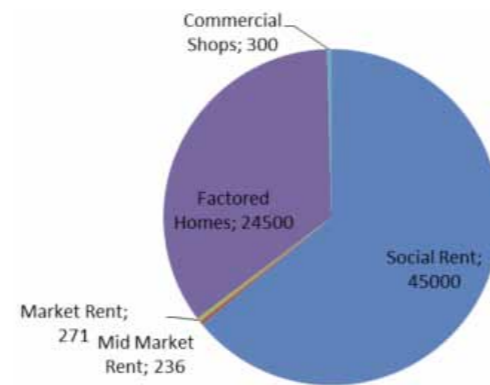
2. INTRODUCTION OF WHEATLEY GROUP

‘Better Homes, Better Lives’ – Alex McGuire, Group Director of Property (2014)

The quote above is a statement that clearly represents Wheatley Groups’ state of mind. Goal is to make lives better, by improvement of housing and social care. The people are at the focus, not the buildings. This is certainly not a usual approach for housing associations, which are normally focussed on providing affordable homes, rather than interfering in the lives of people. To get a better understanding of Wheatley Groups’ organisation, one must take a look at the roots of the organization.

The Wheatley Group is formed by partnerships initially between Social Housing Organisations. Currently, the company comprises four social landlords, a care organisation and two commercial subsidiaries (Wheatley-group.com, 2014). GHA (Glasgow Housing Association), Cube Housing Association, Loretto Housing Association and West Lothian Housing Partnership are the four social landlords; Your Place and Lowther Homes are the two commercial subsidiaries and Loretto Care is the care organisation. Together they provide housing and care for 100.000 customers and own more than 45.000 homes in

Glasgow and across Central Scotland. The circle diagram below shows the number of homes/shops; social, mid market and market rent as factored homes and commercial shops. The big majority of property is social housing (65%).



(Wheatley Goup residential portfolio structure)

Wheatley Group is not only involved in bricks and mortar, but also invests in the wellbeing of people. Wheatley Group takes responsibility in improvement of the community, not only by building and letting of homes, but also by regeneration of neighbourhoods, community homes and giving opportunities to their tenants.

This brings us to the next subject: the meaning of CRS (Corporate Social Responsibility) and definition of SROI (Social Return On Investment). On the next pages the meaning of both terms is explained and the way of dealing with them within Wheatley Group.

3. THE DEFINITIONS OF CSR AND SROI

Corporate Social Responsibility (CSR)

Social responsibility: the idea that a company should be interested in and willing to help society and the environment as well as be concerned about the products and profits it makes (Cambridge dictionary)

“SROI is an approach to understanding and managing the value of the social, economic and environmental outcomes created by an activity or an organization. It is based on a set of principles that are applied within a framework.” according to the SROI network .

Corporate Social Responsibility has clearly a social basis: it is not what an organisation does for its own benefit, but what it does for the society and environment. CSR within housing associations means, in most of the cases, doing more than building and managing homes. This gives a variety of possible activities: from providing tenants work opportunities till creating more green in areas.

Social Return On Investment can be seen as a way of measuring and assessing the outcome of the CSR activities. Applying SROI will generate an overview of the costs and revenues of organisations. These revenues are not always monetized in terms of financial revenues, but are also likely to create other values: a social value for the local or national society.

4. SOCIAL POLICY AND PRACTICES WITHIN WHEATLEY

Wheatley Group deploys a range of programs and activities that contribute to improving life chances of people. In the first place, cooperation with other organisations (or stakeholders) will be discussed. The second part describes the projects that Wheatley Group executes for the wellbeing of their tenants.

Community Improvement Partnerships



Best Practice

During 2000 research carried out in Glasgow to determine the cause of house fires, it became clear that people living in Social Housing were more at risk of a house fire than other tenures. Cooperation between the landlord (housing association), care organisation and fire brigade was non-existent at the time of the research. To solve this problem, the Wheatley group initiated a closer cooperation with afore mentioned organisations.

Within the scope of ‘Community Improvement Partnerships’ partnerships are carried out by three different parties: Wheatley Group, Scottish Fire and Rescue Service and Police Scotland. The partnership was a result of the Cristie Commission Report 2011, that stated “Concentrating the efforts of all services on delivering integrated services that deliver results”. Integral cooperation as the solution for managing the problem. The reason for the partnership was quite obvious: there were cases that could have been prevented if one of the parties knew about the circumstances of individual people. The different parties didn’t have wrong intentions, but the communication was just not existing or inefficient. Luckily the three parties mentioned above joined their forces!

As a result of the partnership a couple of things have been changed. They improved the policy of tracking anti social behaviour (ASB) to recognise vulnerability, they now proactive capture and manage information to identify and react to issues, furthermore they created a Central Support system which holds an overview within the partnership. Finally they use the partnership, so they can focus more on using joint resources for solutions.

All this resulted in 56.6% decrease in secondary fires, a decrease of 21.5% in accidental dwelling fires and an overall reduction of 26.2% in ASB (Anti-Social Behaviour). As it has been proven, the partnership is a great success!

5. CSR POLICIES BY WHEATLEY GROUP

Below we present an overview of CSR projects executed by Wheatley Group. They are meant to improve the social and environmental conditions in their Glasgow portfolio and across Central Scotland.



1. Sustainable Communities & Fuel Poverty

In order to contribute to a better environment, Wheatley Group invests in sustainable communities. For example: 500 homes are put in a program for retrofitting with Solar PV power. Another program focuses on the realisation of 265 new Green homes with a low or no carbon output. With Cube Wyndford they own the largest number of houses connected with a Combined Heat and Power (CHP) system, contributing to the aim to reduce energy consumption within the existing housing stock. Furthermore, they help their tenants in the fight against fuel poverty with 6 fuel advisors. Fuel poverty is an UK used term to describe the poverty as result of high energy bills. These advisors give advice how to reduce fuel costs, behaviour change and energy costs. The company also has a partnership with SSE (Scottish and Southern Energy) & Scottish Power considering the debts of tenants of Wheatley Group and energy deliverance at reduced rates in certain circumstances.

2. Supporting Employment: Community Benefit

Improving and building homes provides a lot of employment, and Wheatley Group wants to support employment within their areas. These two elements generate a good solution: the Community Benefit clauses. Wheatley Group and the contractors (building companies) agree on providing jobs for unemployed community people by the contractors. Within these clauses agreements are made about creation of employment opportunities by a contract: 10% of the contract should be delivered by new entrant employees. From January 2006 till June 2014 2232 new jobs were supported by the clause divided by the following three:



3. Community Janitors

Another project is Community Janitors: in cooperation with Jobs and Businesses Glasgow. The Environmental Employability training programme is a waged training placement for up to 12 months within local neighbourhoods. Together with the environmental staff, the participants have a range of tasks to improve the environment of the neighbourhood. Think of cleaning, gardening, back-court maintenance etc. Nowadays 1841 training places were provided and 941 of them are supported in further employment.

4. Modern Apprenticeship Programme is started in 2009.

The goal is to match young people with funded apprenticeship places and thereby support the employability outside Wheatley Group. The Modern Apprenticeship Programme is a 24 month training, that is CIH accredited (CIH: Chartered Institute of Housing). Currently 70% of the places is for the customers/target group of Wheatley

Group. They target recruitment on: school programmes, customer profile data and partner referrals. Nowadays there are 85 apprentices in the program, 88 have finished it. 86 of the finished ones have got further employment secured and 2 moved into further education.



5. GoWell

GoWell is a 10 year longitudinal study that tracks changes in health & wellbeing in communities of Glasgow as a result of Regeneration; an investigation for the impact of regeneration and housing investments to the individual and household health and wellbeing and the impact on the community.

6. Home Comforts

Home Comforts delivers items to customers in need; from furniture to household goods. To complete this task The Wheatley Group staff collect, re-cycle and distribute unwanted furniture for tenants in need. They also create job opportunities for the project Community Janitor, to work in this service supply.



7. Food Poverty

With partnerships, Wheatley Group tries to help alleviate and prevent food poverty in a sustainable way. They are looking for solutions with supermarkets and food suppliers to help their tenants who have not enough to feed themselves. The Eat Well Pilot Scheme is one of their possible solutions: they try to identify who is in need for support and deliver food packages on a weekly basic. They provide this service for a maximum of 12 weeks, to help the tenants out of their current situation. After that period, people are expected to have found sustainable solutions for feeding themselves.

8. Click&Connect

Click&Connect is a project in partnership with Glasgow Kelvin College that provides free internet accessible for tenants of the Wheatley Group, and the wider community. Click&Connect is also a room for development: in their 25 learning centres there is space available for all kind of courses to achieve better digital skills and meet others. It gets people out of social isolation, improves skills for finding a job and improves life chances in general. [photo 246][photo249] (foto 243)

9. Wheatley Pledge & Wheatley Foundation

The Wheatley Pledge is a commitment from their suppliers to do more for the customers of Wheatley Group. This can be achieved by generating work experience placements, apprenticeships, new job opportunities, general staff time volunteering, cash donations and funding for bursaries. Wheatley Group have committed £1.5m in support of the Pledge.

The Wheatley Foundation is a charitable foundation that uses surpluses from commercial activities of the Wheatley Group. They have a few priorities, namely: tackling poverty & social isolation, education, employability, digital inclusion and sport & art.

The above mentioned projects makes clear that Wheatley Group has a great deal of investment within the community of Glasgow and other areas in central Scotland. They try to support their tenants and communities in different aspects: opportunities for employment, education and developing of environmental homes.

An organisation which means a lot for the citizens of Glasgow and Central Scotland ! <



6. THE GLASGOW EXPERIENCE: REGENERATION BY WHEATLEY GROUP



From 2003, Glasgow Housing Association (part of the Wheatley Group) began an assessment into the future of its housing stock. Homes that were assessed as not having enough demand were scheduled for demolition. These areas were mainly characterized by high rise buildings. Even the tallest residential buildings built in Europe at that time. The 30-storey structures were built in the mid 1960s and the original eight tower blocks housed more than 4,000 people.

These neighbourhoods, to be found in all the outskirts of Glasgow, were cases where improvement of the homes was in many instances not enough; it was primarily not the housing quality but the quality of the neighbourhood which determined for many people to refuse to live there. These neighbourhoods were characterized by crime, unemployment low chances, households with anti social behaviour and the like. Many of these flats became homes for

refugees. The urban structure (only housing) and the long distance from the city center played also an important role in the lack of interest to live there.

Therefore they started the largest residential demolition programme in Europe: 16.500 families were re-housed and 71 high rise blocks were demolished. On the same spot new sustainable and vibrant communities are being developed. Areas that are appealing to new and/or current tenants.

The current areas will be developed to areas with different segments of housing; not only social housing but also mid-market homes. The solution is to build the aimed houses in the right areas. Wheatley Group/ Glasgow Housing Association also tends to build not only new homes, but also parks keeping landscape development in mind.



7. EXPERIENCES & OPPORTUNITIES WITH SROI BY CIRCLE HOUSING

The experience of Wheatley Group is very clear: GHA invested one billion pounds, and thereby generated an additional 923 million pounds in benefits to the UK economy. Lorna Wilson explained the method of SROI: "The model judges the success of a project by how it affects people's wellbeing.

Values are provided in relation to: employment, financial inclusion or debt, the neighbourhood and environment, health and social participation. After you have chosen a few measures/outcomes, you will make a survey to get baseline results. After that, you will have another measurement during or after the project to get a final result. If people change positively, you have a positive result. These results are of use for your model; the model will calculate the social impact on the basis of the total cost of the project and the number of positive results."

They found that relief from depression or anxiety is the largest value, which means that improvement of those aspects has also the greatest impact on wellbeing.

The experiences of Wheatley don't stand alone. Also Circle Housing, an EFL member -housing association from London, has thorough experiences with CSR policy and measurement of results via SROI.

Vision of Circle Housing (London) on SROI

The London based Housing Association 'Circle', assesses already several years the returns on their CSR approach. Deployment of 'social instruments' to improve the living

conditions of their tenants and the effects on neighbourhoods must show results. Their company slogan is 'helping to enhance life chances for customers and people'.

The used system to prove the value of CSR is called "Social Return on Investment" (SROI).

Why measuring efforts in the social domain according to Circle ?

1. To understand how we are trading financial value for social value
2. Ensuring that we are delivering good Value for Money
3. Focussing resources on the right things
4. Tell your story to stakeholders, including investors

Reasons for SROI

1. The Public Services (Social Value) Act 2012 marked an important change to commissioning and procurement
2. The Act requires all commissioners and procurers of public service contracts to consider the social benefits of their contracts
3. We act both as procuring authorities and potential competitors for contracts
4. Some Local Authorities have fully integrated this into their commissioning strategy
5. Collecting data and measuring social value puts us in a strong position to respond to future demands from partners through procuring for new services

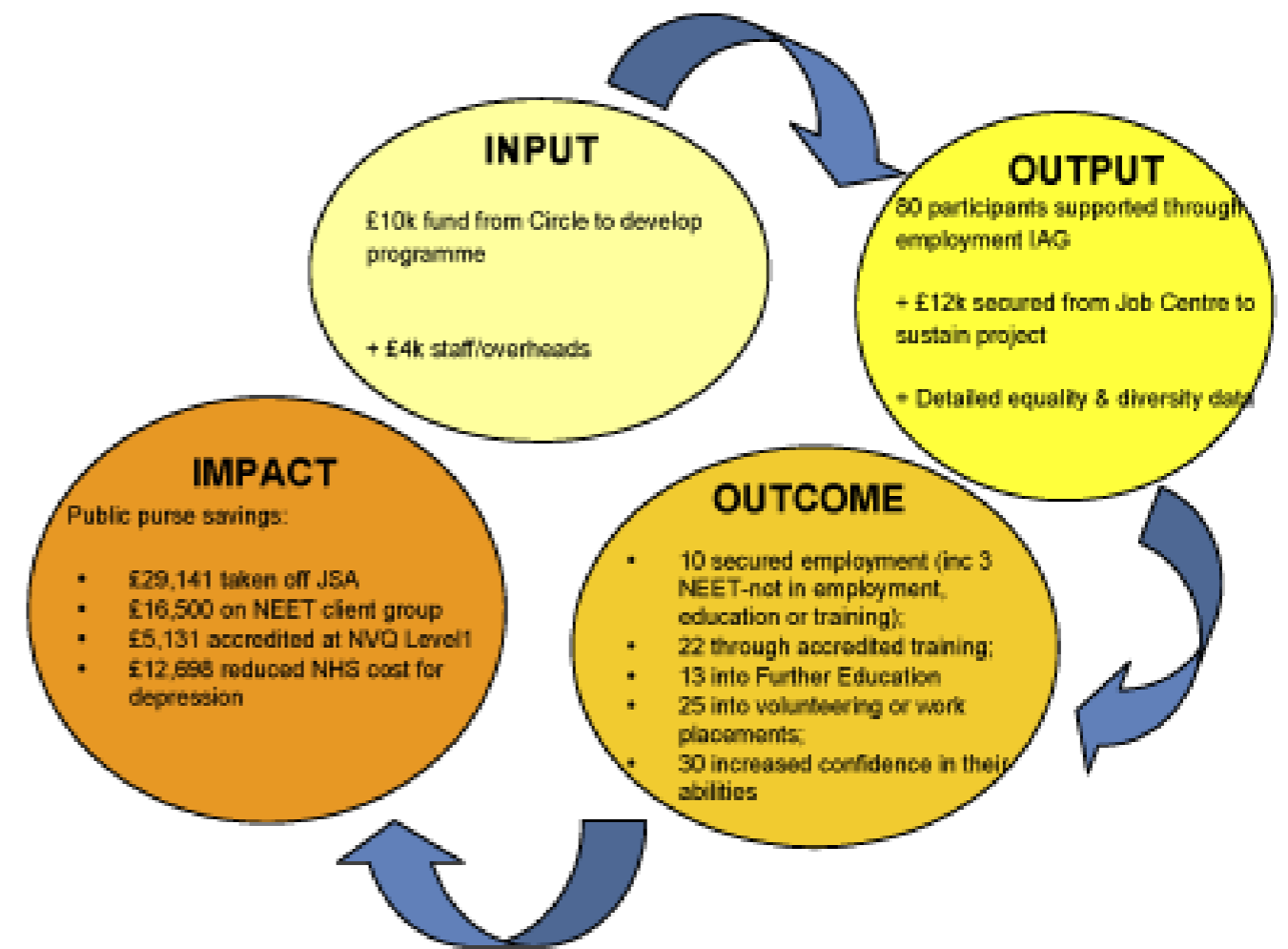
Circle Housing Sustainable Communities

Below table shows the monetary value of CSR:

Total cost incurred (staff/programmes) - £3,000,000
Value obtained in kind through projects - £416,152
Value obtained in external funding through projects - £233,046
Value based on currently valuable interventions - £34,093,893
Total SROI for Sustainable Communities - £34,743,091
For every £1 invested, there is a returned value of £12

(source: Circle Housing)

The model in action:



(source: Circle Housing)

Evidences of adding value to the business by SROI :

1. The Customer has personal increased prospects, support and income
2. If an individual improves their capacity to earn or being more financially secure, will potentially lower arrears and costs incurred around evictions/staff time
3. Improvements in communities is a driver in house prices, which would provide a value to business
4. Fixed term tenancies – stabilising their position
5. Ability to measure impact against reduction in spend
6. Evidences value for external procurement bids
7. More emphasis to take proactive stance on ASB, nuisance, communal areas

Above examples show that CSR can really work and the SROI provides excellent instruments to proof the outcome of social investments.

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