

Outcomes in Advice
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About the authors

This report was prepared by **nef** (the new economics foundation) and Advice UK and funded by the Baring Foundation as part of the BOLD project led by AdviceUK. The report was commissioned by Advice Services Coventry, to inform Coventry City Council's review of advice services.

BOLD is a joint project of AdviceUK, Directory of Social Change, and **nef**, funded by The Baring Foundation to work in Coventry, Manchester, and Nottingham. BOLD aims to strengthen the independence and effectiveness of advice organisations by developing commissioning approaches that place the needs of service users first.

AdviceUK is the largest network of independent advice agencies in the UK. AdviceUK members work in some of the poorest parts of the UK, helping people to solve legal and welfare problems. BOLD builds on the foundations of RADICAL, a previous research project by AdviceUK, which applied a 'systems thinking' approach to advice services and highlighted the potential benefits of designing services from a bottom-up, user perspective.

nef is an independent 'think and do' tank that inspires and demonstrates real economic well-being. Much of **nef**'s recent work around public services has centred on developing frameworks that ensure public spending maximises public benefit. This is based on the recognition that there are limited resources, and so every £1 spent on public services needs to create as much value as possible. The development of the Sustainable Commissioning Model and Social Return on Investment (SROI) are concrete examples of this work.

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Introduction

nef and AdviceUK welcome the opportunity to contribute to the Coventry Advice Services Review. The aim of this report is to assess how advice services can be resourced to deliver better value for money. A key theme of the report is that outcomes matter. By ‘outcomes’ we mean the longer-term changes that advice agencies make in the world. We stress that it is not just outcomes for individuals that matter, but also outcomes for the wider community and outcomes in areas of policy or law.

This report is structured in four main sections. Section 1 introduces value for money and the way in which Advice Services Coventry (ASC) works. Section 2 looks at the outcomes of advice for individuals. This includes understanding the costs of the problems that people face before accessing advice and the extent that these can be linked to failure in other aspects of service delivery. We then look at the value of advice interventions to the individual and economic savings to the state. Section 3 focuses on the contribution of ASC to local priorities and maps how ASC contributes to key priorities of public bodies in Coventry. In Section 4, we make recommendations for ways forward in recognising and measuring outcomes of advice and resourcing advice to achieve real value.

Section 1. Value for money in advice provision

This report comes at a time when the public purse is under extreme pressure. The recession is affecting advice agencies in two ways. First, it is threatening the income streams of some voluntary sector providers.¹ Secondly it has led to massively increased demand for legal aid services. The Bach study reports that Community Legal Advice (CLA) telephone services have experienced unprecedented demand whilst Citizens Advice Bureaux (CAB) in England and Wales have seen daily enquiries relating to redundancy increase by 125 per cent across the service.²

What is 'value for money'?

To understand value for money in the context of advice we first need to consider the services advice providers deliver. ASC is a partnership of a broad range of advice agencies covering both generalist and specialist advice. Some agencies offer specialist legal advice (e.g. Coventry Law Centre); others offer generalist advice linked to a range of community activities (e.g. Holbrooks Community Care Association).

Legal Aid can change people's lives. A lack of access to reliable legal advice can be a factor that contributes to the creation of social exclusion... Early intervention with good advice for problems that arise can prevent the involvement of the courts and can reduce hardship for a large number of people.³

Although advice services are generally funded to deliver a set number of cases of advice, in reality, the provision of advice and legal aid is much more complex as set out by the quote from the Ministry of Justice above. Advice providers in Coventry, and Coventry City Council, both have objectives around reducing social exclusion. Whilst individual case work is important in achieving this it is only one aspect alongside preventative and education work that are all essential to achieving purpose and realising value for money. Thus the trend to fund legal aid on advice 'units', with less emphasis on prevention and early intervention, is a false economy. In more general terms funding on the basis of unit cost alone is not good practice:

Value for money is defined as the optimum combination of whole-of-life costs and quality (or fitness of purpose) of the good or service to meet the

user's requirement. Value for money is not the choice of goods or services based on the lowest cost bid.⁴

If advice agencies are assessed on the number of 'units' of advice, this tells us nothing about the quality of advice or whether the client permanently resolved his or her problem. Indeed AdviceUK has warned that funding advice on 'transactions' can cost more in the long term as there is no incentive for advice agencies to prevent future problems. This contributes to a 'revolving door' scenario where clients experience regular problems but agencies don't have the resources to respond to them in a proactive way.⁵

There are often wide-ranging outcomes from the advice which affect other areas of the client's life and also fit into local and national strategic priorities. These include improvements in health, worklessness, confidence and self esteem. Although these outcomes are sometimes recognised, they are often considered 'nice to have' or 'added value'. nef has argued elsewhere⁶ however, that these should be considered in any commissioning process in order to identify the providers that will create most value for service users across the wider objectives of the commissioning authority.⁷

In Section 3 we use the principles of Social Return on Investment (SROI) to look at the wider social and economic outcomes from advice. SROI is a framework for measuring and accounting for value across a triple bottom line of economic, social and environmental outcomes (more details on SROI can be found on Appendix 3). Good planning of services will mean agencies can achieve multiple outcomes at the same time; wider social and economic benefits can also be achieved at the same time as delivering good quality advice – they complement each other rather than conflict.

One last aspect of value for money is that it includes social costs which don't have an obvious market price. The Treasury makes it clear that 'benefits' should not be restricted to those which already have a market value:

Wider social and environmental costs and benefits for which there is no market price also need to be brought into any assessment. They will often be more difficult to assess but are often important and should not be ignored simply because they cannot easily be costed.⁸

We pick this point up in more detail later on in this report and we use SROI to look at some of the costs and benefits of advice that don't have obvious market prices.

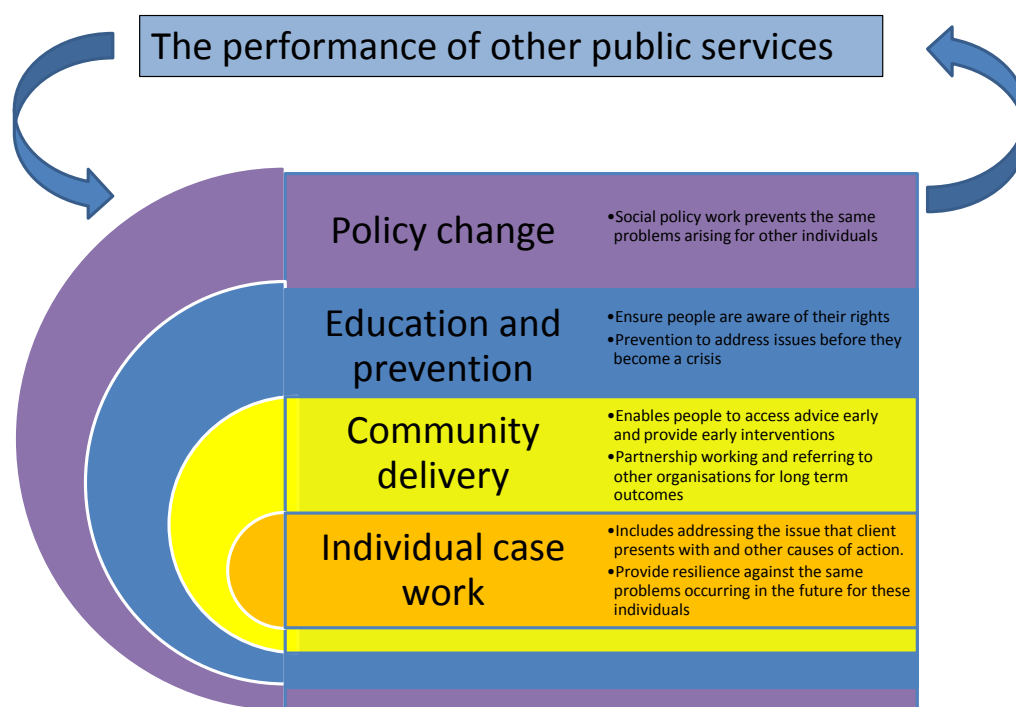
How do advice agencies deliver value for money?

It is important to keep this definition of value for in mind when assessing the outcomes of advice agencies in Coventry. Traditional measures for assessing performance about the quantity of clients tell us nothing about the quality of the advice they have received or how it has led to outcomes (changes) for these clients. At the same time, whilst individual case work is extremely important and forms the backbone of advice agencies' work, to be effective it must be delivered alongside more preventative and policy change work. This is to ensure that a client's issues are solved over the

longer term and that the same issues are prevented from happening to other people.

These different strands of advice work⁹ are summarised in Figure 1, which shows how the different areas interlink and support each other. Advice agencies are independent but often their work is driven by the performance of other public services. The relationship works both ways and the work of advice agencies can support the improvement of public sector delivery. The diagram attempts to capture this intersection between the advice sector and other public services and the relationship is explored more in the next section of this report.

Figure 1. Elements of advice



Individual case work

Individual case work helps people to secure their legal rights and entitlements across many areas, including welfare benefits, debt, asylum and immigration, mental health, community care, housing, and education law.¹⁰ Delivering good quality case work relies on the advisor having sufficient time to build a relationship with the client and establish all the causes of action beyond the issue that is immediately presented. This has been well evidenced by recent research by the Council on Social Action¹¹. A specific example of this comes from the Solihull early intervention pilot in asylum advice, which showed that quality advice depends on early intervention and frontloading the service, with effort concentrated on gathering evidence effectively at the start¹². This reduces the number of cases that go on to require costly appeals.

Example 1: Understanding the causes of action

Nicky¹³ presented at Wood End Advice Centre with debt and housing issues. The advice session revealed that the debt was linked to a range of contracts that her abusive ex-husband had taken out in her name. He also used to take her children randomly and without permission. The advice agency sorted out the debt and housing issues and Nicky is now in a housing association home. They also referred her to a domestic violence agency who helped her get a residency order for her children.

Community delivery

In Coventry there is a mixed economy of advice provision which has been described as an 'ecology of advice provision' where a specified, recognised, and linked group of providers covers the full range of legal advice with some specialising in a particular category or level of advice.¹⁴ This enables providers to specialise in different types and areas of advice. Community-based agencies are better placed to do more outreach work, identify problems earlier, and to keep in contact with clients to sustain outcomes over the longer term, referring clients to specialist advice when necessary.

Example 2: Outreach

Wood End Advice Centre runs outreach sessions at other community organisations in the area including a domestic violence refuge, a teenage parents project and Wood End residents group meetings. Staff report that this is helpful, particularly with more vulnerable client groups, as it makes it easier for them to access advice by taking away the fear of coming to the advice centre. A second example of this is an outreach debt advice service that Coventry Law Centre offers at Norton House, a day centre for rough sleepers.

As well as good partnerships between agencies, there are also important relationships between advice providers and other public services.

Example 3: Partnerships

Coventry Law Centre and Willenhall Advice Centre work in partnership with Whitefriars Housing Group. This relationship has been developed to tackle housing related debt problems. Tenants who have debt problems may also be at risk of losing their tenancy and this joined up approach has been shown to result in fewer evictions.

Education and prevention

There are several important aspects to education and prevention work. The first is ensuring that advice not only provides short-term solutions to the pressing issues faced by people, but also builds people's resilience over the longer term. The second is to carry out campaigning work to ensure that people are aware of their rights and to prevent problems occurring for whole tranches of the population. This can include public campaigns that address issues at a city wide level.

Example 4: Public Legal Education

Coventry Law Centre won the Race Equality Initiative Award from the Law Society and the Commission for Race Equality in recognition of their city wide public legal education campaign. This raised awareness of discrimination in Coventry and the rights that people have if they find they have been discriminated against.

Example 5: Encouraging Early Intervention

The CAB work with Whitefriars Housing Group and other local housing providers to raise awareness and understanding of the services and to increase early interventions. This has included training staff from housing providers to ensure they understand the services offered by the CAB and can refer their tenants to access advice at the earliest opportunity.

Example 6: Building resilience

Holbrooks Community Care Association runs a 'help understanding budgeting' course. This adds to the support given to clients who have had debt problems to provide them with the resilience to tackle these issues on their own in the future.

Policy change

Policy change can range from taking on test cases to identifying failures in other areas of service delivery. Because of the nature of advice work, agencies are well placed to monitor the impact of national policy and local services across a broad spectrum of areas and essentially 'pick up the pieces' when individuals fall through gaps in the system. If people accessing advice services experience frequent and avoidable problems, advice agencies can gather evidence on what is going wrong and work constructively with statutory agencies to find a solution. This can generate significant savings in the longer term.

Example 7: Systems Thinking

Recently ASC has applied systems thinking methodology to map the process of making a homeless application. This identified gaps and weaknesses in the system. A meeting was arranged to discuss the findings with the homelessness service. It was agreed that a joint working group would work together to re-design a service that meets statutory duty and client need.

Understanding advice as part of a wider system of public services

Advice services help individuals to exercise their rights and entitlements, and to understand their responsibilities. As such, the work of advice

services is to a large degree driven by the performance of public services that deliver to citizens.

AdviceUK has pioneered the application of *Systems Thinking* to advice services. *Systems Thinking* grew out of the work of Dr W Edwards Deming in the 1960s, which was instrumental in the Japanese industrial revolution and has been adapted for use in public service organisations in the UK by Vanguard Consulting. *Systems Thinking* provides a method for:

- understanding demand for services in the customer's own terms;
- using the data to map how work 'flows' through the organisation; and
- identifying 'value work', which benefits the customer and 'failure demand', which are the things agencies do, which do not add value to what the client wants.

Examples of failure demand might include the steps put in place by organisations to manage queues by rationing access to the service, steps taken 'because that's how we do it', or work which the organisation wouldn't have to do if it – or any external body – had got it right for that customer in the first place.

Not all failure demand is preventable. For example, meeting the monitoring requirements of a funder, regulator or external auditor may add nothing to the customer experience, but may be necessary for the organisation to exist. The aim of *Systems Thinking* is to enable organisations to identify preventable waste and concentrate on removing it from the flow of work, to release capacity to do more value work.

Advice Services in Coventry have also used *Systems Thinking* to review services. In response to the local authority's concerns that multiple provision leads to duplication, ASC mapped the work flow in individual organisations and across the partnership, from the client's perspective.

Much of the failure demand that impacts on advice services stems from the failure of bodies to get something right for the customer. A recent analysis by AdviceUK in Nottingham demonstrated that 31% of all demand for advice services was caused by public bodies getting something wrong, 25% of which stemmed from the Department for Work and Pensions and 22% from local authority sources.

As the case studies in this report demonstrate, without advice intervention, the impact of these errors can be catastrophic for individuals. For example, an error in processing Job-Seekers Allowance by DWP can result in Housing Benefit being suspended, leading to rent arrears, collection action, and ultimately possession proceedings. The cost to the individual and the state of these actions is significant, but can be prevented by advice intervention.

More importantly, by working with advice services to make use of the evidence they gather in their work, preventable failures can be identified and addressed. This would stop the problem happening for other customers, would reduce demand for advice and release capacity, and would improve the quality and efficiency of the public service.

Section 2. Individual case studies

This section picks up the themes identified in Section 1 and shows how they apply to real-life, individual case studies. It has three aims:

1. To understand the outcomes or changes advice agencies make in a small number of case studies.
2. To look at the value of these outcomes in terms of economic benefit to the state and social benefits to the individuals and their families.
3. To look at the costs accrued before the advice intervention. This includes the cost of other statutory services the individual has accessed, and the social costs to the individual.

Methodology

These case studies were selected after a series of in depth interviews with staff and clients at ASC. Some of the interviews were prearranged with clients whose cases had closed, and others were randomly selected after a client had accessed a drop-in appointment. A full list of interviews is set out in appendix 1 and the interview topic guide in appendix 2.

Whilst these case studies are not a representative sample of all advice cases, they highlight how outcomes, and the value of these outcomes, can be different according to the complexity of the case, the social exclusion factors of the client, and whether the client accessed advice early or late.

We have used some of the principles of SROI to apply a value to the costs of the background problems and the outcomes of advice. This builds on the recommendations in Treasury guidance that values that don't have a market price should be included in evaluation. The principles of SROI are set out in Appendix 3.

Understanding outcomes

Our approach (based on SROI) has focused on trying to understand the *outcomes* of the advice. By this we mean what actually changes for the stakeholder as a result.¹⁵ For example instead of looking at whether a client applied for bankruptcy, we look at how this affected the client's ability to manage his or her finances over the longer term. We used stakeholder research to inform what these outcomes are. We have included three stakeholders in our valuation – the individual clients, their families (where

material), and the state. Outcomes to clients and to their families have been grouped as 'social costs'.

The value of advice

We used the principles of the SROI methodology to value all the outcomes from the advice using financial proxies. This builds on our definition of value for money set out in Section 1 and allows the full range of benefits from advice to be brought onto the balance sheet. In arriving at a value for the impact of advice we need to qualify how much of the change came from the advice intervention and what might have happened anyway and how other organisations could have contributed to the change. We do this by subtracting the effects of deadweight (what would have happened anyway), attribution (the role of other organisations and factors) and displacement (if the outcome has displaced other outcomes). More information on this can be found in Appendix 4.

The cost of the problem

We have analysed what we have called the 'cost of the problem'. This means instead of looking solely at the outcomes of the advice session, we have also looked at some of the events and issues that led up to the client seeking advice at the stage that they did. These costs are primarily composed of two elements. Firstly those costs which accumulate to the state by the individual accessing other services such as temporary accommodation or health care. Secondly there are social costs which are those which are faced by the individual in terms of stress or related family problems.

There are several reasons for taking this approach:

1. It makes it more obvious where the background issues leading up to the client accessing advice links to (or has impacts on) other areas of service delivery.
2. The social exclusion factors faced by clients and their starting point are vital to understand the value of the advice intervention.
3. It highlights the difference that can be made if clients access advice at an earlier stage and the factors that make people seek advice earlier.
4. It gives an indication of the value of preventative work. Although we have based the research on problems that were *not* prevented, it allows us to put forward potential savings if policies were changed to eliminate these problems for other people.

Case Study 1: Debt – late intervention

The problem

Eleanor¹⁶ accessed advice with a longstanding debt of eight years. The debt had affected many aspects of her life and that of her family. She admitted feeling suicidal because of the debts and was off sick from work with depression. She even tried moving out of Coventry to avoid the debt. The debt overlaps with some related family issues – her partner has some gambling issues and her children have had to move schools a lot.

I'd had the debts for several years but unfortunately I was a bit naïve and had kind of runaway from them... and then all of a sudden they must have found me and they were just all coming through the door, bills, and people I'd owed money to... there were times when I wouldn't even open the mail, just push it in a drawer... there were just forever more debts coming through the door and it just got to the stage where I couldn't actually go to work anymore because I was just actually feeling physically sick, depressed, and everything.

Eleanor accessed advice extremely late with a large build-up of problems which we estimate that in total cost around £10,000 to the state in other services accessed and nearly £20,000 in social costs. These costs are broken down in appendix 4, and a full technical appendix is available on request.

How the advice helped

Given that Eleanor's debt problem had a long history, it took some time to establish exactly how much was owed and to whom. The advisor built up a good relationship with Eleanor and presented her with clear options. Eleanor applied for bankruptcy.

I think that because she was so helpful and she was always on the end of the phone, and things like that made it much easier for me. I used to think, well, that lady's going to put herself out, so I've got to make the effort and get to the appointment.

In the short term, the outcomes identified were the ability to manage her money better as a result of the bankruptcy and improved self-confidence. In the longer term, Eleanor continues to manage her money well and has avoided getting into further debt. The threat of eviction has been removed and her family life has stabilised (this has outcomes for the children). She also reports improved well-being and feeling better about herself.

I feel much happier in myself, I'm doing things that I wanted to do before but I didn't have the motivation... like going to the gym, and getting myself healthy and things, and slightly getting my confidence back.

We have made conservative assumptions about the value of the savings that would accrue to the state over the year following the advice intervention. The total value of the outcomes to the state is £10,000 but to attribute all of this to the advice agency would be overclaiming. Using the principles of SROI to take into account deadweight and attribution we

calculate the overall impact of the advice session to be around £1,685 to the state. The sum of the value of advice for one year is £8,607. If we assume a relatively high level of input for this case¹⁷ this gives an indicative figure of a Social Return on Investment of over £9 for every pound spent on advice.

Table 2.1: The cost of the problem

Event or help received	Social cost	Cost to state
High level of indebtedness Pays back a range of creditors with interest	-£8,446	-
Increased stress Suffers mental health problems, such as depression and anxiety	-£2,940	-£2,085
Worklessness Reports losing job due to stress of debts	-£4,061	-£3,775
Disruptive family life Reports that youngest child has education disrupted	-£3,761	-£3,651
Total	-£19,207	-£9,511
Total Costs		-£28,718

Table 2.2: The value of advice

Short-term outcomes	Social value	Savings to state
Money management Increased income in the short term from bankruptcy	£3,213	
Improved Confidence	£162	
Long term outcomes	Social Value	Savings to State
Money management Able to manage finances and avoid getting into future debt.	£1,188	
Living arrangements become stable and the threat of eviction is removed	£1,325	£1,000
Health and well-being: Sustained improvement in mental health	£735	£521.25
More stable environment for children	£300	£163
Total	£6,922	£1,685
Grand Total of Benefits		£8,607

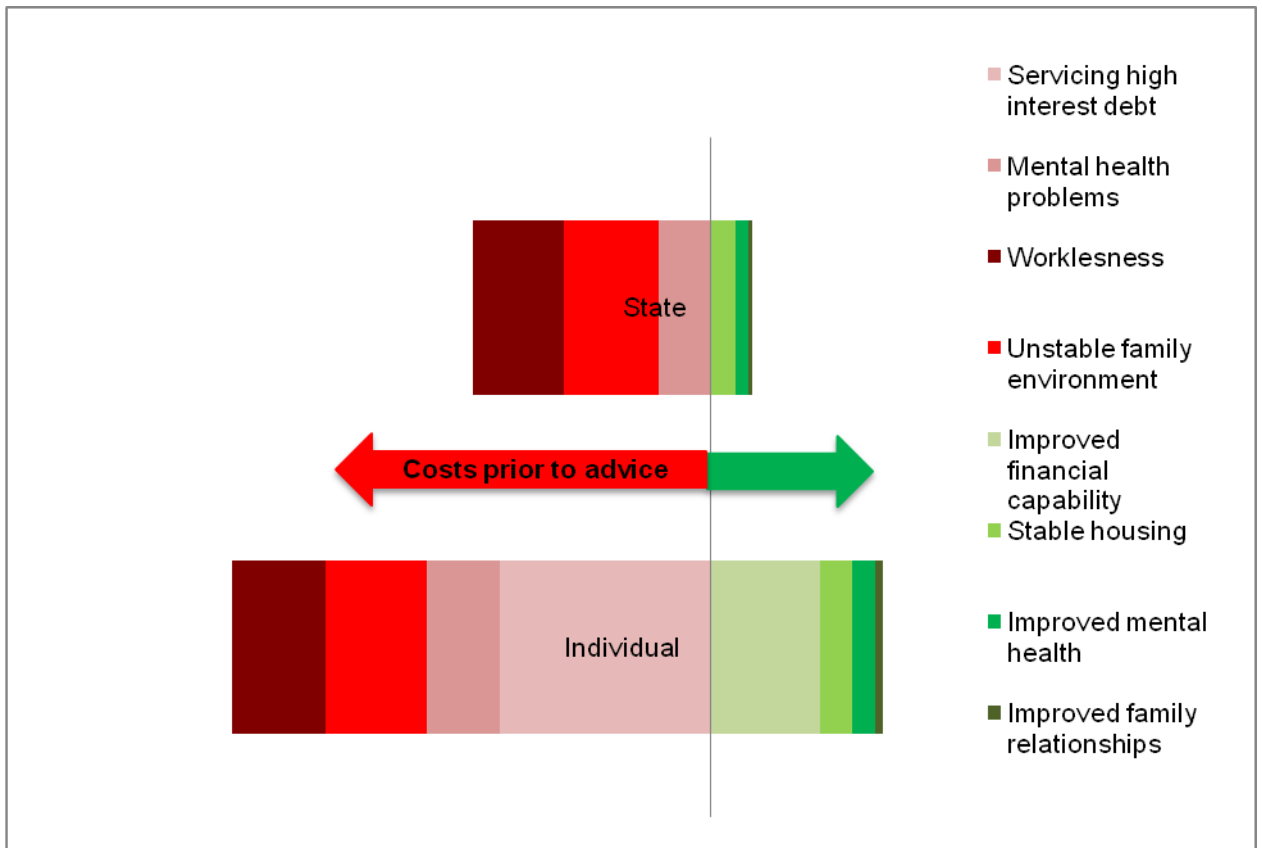
The lessons from this case study

The one-to-one relationship with the advisor was clearly very important in this case. It took time to build up this relationship but gaining this trust meant the advisor was able to deal with the bankruptcy effectively and provide support.

Secondly, at the time of our interview Eleanor's case was closed and we have looked at the outcomes that occurred in the year following advice. Whilst in this instance we have not projected value forward beyond a year there are some good indicators that there has been long term change and that Eleanor has broken out of the 'debt-cycle' and developed personal resilience to manage her money better over the longer term. She has set up an account with the credit union, reports feeling more in control of her finances, and is making progress towards getting back to work.

Given the number of debts that Eleanor owed, this was not a straightforward case and the fact that the advice intervention appears to have made a difference over the longer term and tackled some of the underlying causes behind this debt problem is extremely important. However, it is obvious that if Eleanor had accessed advice earlier, then it would have been a lot simpler and would have taken the advisor less time. More importantly, it would have prevented a lot of social costs to Eleanor and associated costs to the state. This is also useful for understanding the value of some of the preventative and education based work that advice agencies do.

Figure 2.1 Breakdown of costs before advice intervention, and outcomes following advice.



Case Study 2: Debt – early intervention

The problem

Ruth¹⁸ received a letter declaring that she had a housing benefits overpayment of nearly £4,000. She has had severe problems with debt in the past and had previously been declared bankrupt. However she felt that she now had her finances under control. The letter about the overpayment caused her a lot of stress and worry; it looked as if she was back where she started, but this time without understanding why. She also had physical and mental health problems and felt the issue ‘knocked these back’. She was really concerned about losing the family home. After accessing advice at a community advice centre, the advisor looked into the case and followed up on her behalf. The amount of payment was recalculated and the amount she had to pay was reduced.

The effects of Ruth’s health were significant, but because she accessed advice early there wasn’t a large build-up of background issues. We estimate the costs to the state are around £521 and to Ruth around £368.

How the advice helped

The advisor built up a trusted relationship with the client and investigated the problem, as well as looking at other causes of action. She is still in contact with the Ruth and is applying for a charitable grant for her to get an orthopaedic mattress.

In the short term, Ruth felt immediate relief from having someone to share the problem, and the overpayment was recalculated.

It took a lot of the pressure off... we were happy every time we left here – they would always do what they could. Having someone to listen was wonderful.

In the longer term, Ruth’s tenancy was protected and she was able to maintain a stable living environment for her family. She also felt that justice had been done and that her rights had been upheld. She reported having a clearer understanding of how her benefits payments worked and having the confidence to make basic phone calls to the housing benefits office (although she would access advice again if the situation was more complex). We estimate the value of the advice is over £8,000.

Our name has been cleared. We are not those dodgers who owed six years of rent.

As in the previous example we have only calculated the value of the outcomes that were evidenced in the year since the case had been closed. The sum of the outcomes is around £9,000. This gives an indicative figure of a social return of over £10 for every pound spent on the advice intervention.¹⁹

Table 2.3: The cost of the problem

Event or help received	Social cost	Cost to state
Increased stress Exacerbated mental health problems, such as depression and anxiety	-£368	-£521
Total	-£368	-£521
Grand Total of Cost		-£889

Table 2.3: The value of advice

Short-term outcomes	Social value	Savings to state
Improved confidence	£162	
Money management Increased income in the short term as does not have to make repayments	£2,227	
Rights and justice Feels that justice has been done	£2,109	
Long-term outcomes	Social value	Savings to state
Money management More confident managing money	£1,188	
Living arrangements become stable and the threat of eviction is removed	£1,325	£1,000
Health and well-being Sustained improvement in mental health	£753	£521
Total	£7,746	£1,521
Grand Total of Benefits	£9,267	

The lessons from this case study

This advice intervention was delivered early in a small community advice centre. Even though she has a walking disability, Ruth found it easy to get to the centre as she lives nearby. Although the situation was stressful for Ruth, the early intervention meant the issue could be dealt with before significant costs accrued to her and to the state.

Although this was an effective intervention with important outcomes, the whole issue could have been prevented. It would be categorised as a 'failure demand' that arose because of a mistake by a statutory agency. Understanding the costs of this failure demand goes beyond the cost of staff time at the advice centre and the cost of correcting the administrative error. They must include the social costs experienced by the client. In this case, the costs were small because Ruth got advice before the problem escalated. Thus more work to improve the operation of the benefits system could generate huge savings.

Figure 2.2 Breakdown of costs before advice intervention, and outcomes following advice.



Case Study 3: Housing advice – late intervention

The problem

Sara²⁰ accessed advice about an eviction from a private tenancy. She had been having ongoing issues with her landlord and when she accessed advice she had been issued with an eviction notice but had been unable to apply for social housing because the eviction was not considered legal. She is hoping to be able to find a property in the same area, as her son has good friends on the same street. She is also taking the landlord to court, although the advice centre isn't able to represent her because of funding restrictions.

The costs associated with the problem

This was not the first time that Sara had accessed legal advice and also not the first issue she has had with her landlord. The previous advice issue was around an overpayment of benefits which she wanted to appeal against but it was valid so she was still paying this back. She still had some money management issues and was paying off six loans. She also had prior experience of being homeless when she gave up a tenancy to stay with a friend who then kicked her out. She was housed in a B & B temporarily which she found very difficult to manage with her two children. Her son has learning difficulties and she receives carer's allowance. She also mentioned that she had moved around a lot when she was a child and she has bad memories of this. She felt like she was doing the same to her own children

Given the complexity of the background issues, we estimate the cumulative cost at approximately £15,000 in total.

How the advice helped

In the short term, the advice is very likely to lead to positive outcomes for Sara as it has enabled her to be accepted as homeless under the terms of the Housing Act and therefore subject to a statutory duty to be rehoused. This means it is likely that she will receive social housing and this *may* prevent her needing to be placed in emergency accommodation or a B&B (again). The advisor is also helping her to draft court proceedings against the landlord, although the centre will be unable to represent her in court. Sara doesn't seem to view the situation positively, she is extremely worried about moving house and about the court case.

Given the complexity of the issue and her longstanding problems with the landlord, Sara does not feel that she is getting closer to her long-term goals of maintaining a stable tenancy for her family. Although it is possible that she will be able to move to social housing near where she currently lives, she has a lot of outstanding debt and seems to have limited money management skills. There are clearly some issues that need to be resolved to enable her to achieve her long-term goals.

Table 2.5: The cost of the problem

Events	Social cost	Cost to state
High level of indebtedness Paying back six loans (many of them from catalogues)	-£3,313	-
Previous homelessness Moved out of a friend's house into temporary accommodation	-£956	-£793
Increased stress Reports increased stress due to upcoming eviction	-£625	-£213
Worklessness Not in work but disruption to IT training course	-£182	-£629
Disruptive family life	-£3,761	-£3,651
Total	-£8,837	-£5,287
Grand Total of Costs	-£14,124	

The lessons from this case study

Although advice can limit the damage caused by the eviction and support Sara in finding a property, because of her situation, to some extent the eviction seems inevitable. If she had had more support at the time of her previous eviction then this whole situation could have been avoided. Although this case isn't strictly 'failure demand', the background issues that Sara has faced come from a multitude of failings of other statutory services. She has experienced homelessness before and yet isn't accessing other family support services and her relationship with social services seems to have completely broken down.

If the situation had been addressed earlier, then the potential outcomes would be significantly different. We have not valued the outcomes of advice in this case (nor in case study 4) because the case is still open and although we can make predictions about what the outcomes will be we can't determine them with certainty. Also at the time of our interview Sara was concerned about the upcoming court case and the outcome of this may be important in our valuation of the advice.

Case Study 4: Housing advice – early intervention

Prakesh ²¹ has been homeless for six weeks. His son supported him to come over to the UK five years ago but since then his relationship with his family has broken down and he was asked by his family to leave their house. He has been living temporarily in a religious establishment and was found by an outreach worker at an advice centre based in the centre of Coventry. His physical and mental health have suffered through being homeless; not having any means to support himself has caused him to feel depressed and have low self-esteem. He doesn't speak any English. Prakesh was unaware of his benefits entitlement and the advisor is supporting him to apply for benefits.

On one level, this advice has come late, after Prakesh became homeless. Becoming homeless has had serious consequences on his mental health and well being. However the situation could have conceivably got a lot worse and he has been homeless for a relatively short period of time. Also because he has been supported by another charity he has not accessed statutory services which explains why the background costs are much lower than may be expected. This type of case is likely to be the exception rather than the rule.

How the advice helped

In the short term, Prakesh has felt immediate relief from understanding that he has rights and can gain support for housing. In the longer term it is likely he will get access to housing and pension credit. Gradually he can work towards improving his quality of life and building independence and respect. Although we don't have information on the outcomes achieved by Prakesh, the advisor has examples of similar cases where clients have been able to rebuild relationships with their families after they have been rehoused. As in Case 3, as the case is not yet closed and we don't have evidence of whether these outcomes have been achieved and therefore we have not applied the SROI methodology to this example.

Table 2.6: The cost of the problem

Event or help received	Social cost	Cost to state
Poor mental health Reports depression and low self esteem	-£735	
Family relationships broken down	-£781	
Total	-£1,516	

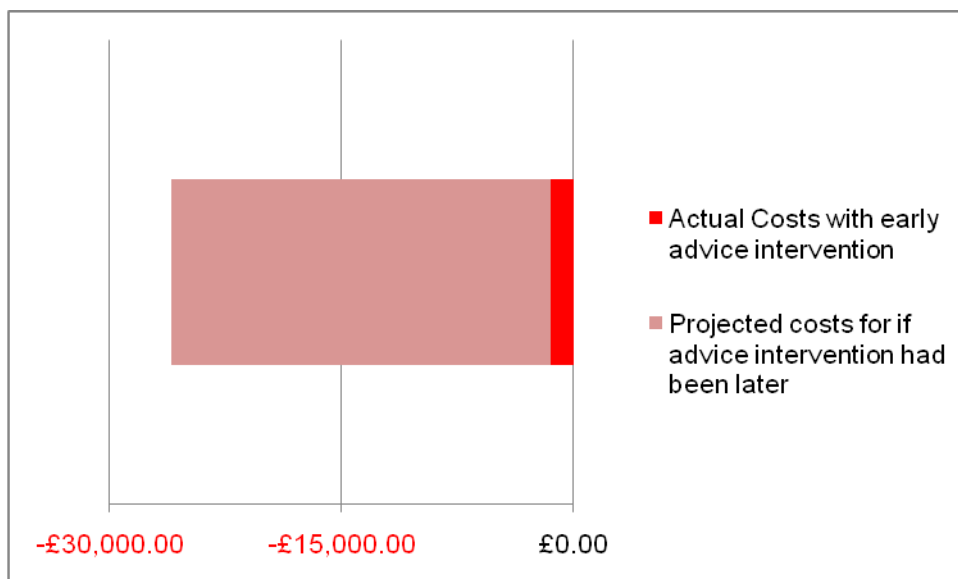
The lessons from this case study

If Prakesh had not accessed advice, it is likely that significant background costs would have built up, with an impact on Prakesh and for the state. Research clearly links homelessness with increased risk of experiencing crime and serious physical and mental health issues which are very costly over the longer term. Estimates of the cost of a single homeless person to the state over the course of one year range from £4,500 to £72,000.²²

The outreach work done by the advisor was crucial to the case being identified early. Research shows that some older members of black minority ethnic (BME) communities lack knowledge about advice services or experience language barriers when accessing advice. Many prefer to access advice through local, community settings.²³ This advice was in a mainstream setting but the agency has access to a range of BME groups through an extensive outreach programme, supported by volunteers who also speak a range of different languages. Indeed, in this case, volunteers enable the service to be run more effectively, and bring new languages and skills. It is also often the case that people who have benefited from advice go on to volunteer when their case has been closed. This can provide a way to sustain outcomes and improve their confidence and self esteem as well as being a route back into paid employment.

Although the advice came relatively early, it is conceivable that if Prakesh and his family had had a greater understanding of their rights and entitlements, it could have been prevented entirely.

Figure 2.3 Comparison of costs with early advice intervention compared to a projected late intervention



Summary of the case studies

The case studies offer four very individual and context specific examples of what advice services do. Whilst it is not possible to generalise from these studies, nor to scale up the valuation elements, there are several points that it is important to highlight.

1. We calculated an indicative figure of the social return on investment for the first two case studies which both came to over £9 for every £1 invested. However these figures can't be taken as the benefits of advice in general but are specific to the support these individuals received in these instances and the evidence we had of long term outcomes. It is possible that if elements of the service were shaved off, e.g. the community based provision, or the support to manage their own finances, the outcomes may not have been achieved.
2. Where cases are more complex or the client has different exclusion factors the case may take longer. However these cases can generate good value for money by stopping the spiral of costs (both to the individual and to the state) associated with some problems. To take a case like Sara, a high quality advice intervention appears to have helped her overcome the 'cycle of debt'.²⁴
3. Whilst we argue that agencies must have the resources to work with the most complex cases, they must also be able to undertake preventative work that enables people to be aware of their rights and access advice at the earliest opportunity. Although we can't make substantive conclusions about how to do this from this piece of work, the location of the advice centre in the community in Case Study 2 helped Ruth access advice early and in Case Study 4 the outreach work enabled Prakesh to get support before the situation got a lot worse. When intervention came late, for example, in Sara's debt case the background costs reached nearly £30,000. If she had accessed advice earlier then the majority of these costs could have been prevented.
4. The ultimate early intervention is preventing the problem occurring in the first place. This can be difficult to conceptualise – how do we value preventing negative outcomes happening? The systems thinking work can help to show how this can happen. As stated earlier in this chapter estimates suggest that around 31% of all demand for advice services may be caused by public bodies getting something wrong. Eleanor's Housing Benefit problem would fit into this group. To prevent these cases occurring does not mean cutting back advice services by 31% but understanding where changes in the system are possible to switch off these problems at source, and free capacity to undertake more value work.

In short although the case studies are very different, it is clear that if advice comes early, the case is much easier to solve and the level of costs – both to the public purse and in social costs incurred by people that access advice – is lower. Going one stage further, many of the problems experienced by those who accessed advice could have been prevented entirely – they are ‘failure demands’.

Section 3. The contribution of independent advice services to the achievement of local priorities

At a time of increasing pressure on public spending, which is predicted to last for several years, it is more important than ever for public bodies to have a true understanding of the value of the services in which they are investing, and the contribution made by those services to the achievement of local priorities. The benefits of independent advice organisations cut across the principal themes of Sustainable Community Strategies and Local Area Agreements and, as such, often risk going unseen. However, as work by AdviceUK²⁵ has shown, the contribution of advice to local priorities is immense and can be evidenced with reference to extensive research.

Methodology and structure

The mapping in this section is the result of reviews of:

- **Coventry: the next twenty years** – The Coventry Sustainable Community Strategy
- **Coventry Local Area Agreement 2008–2011**
- **Relevant LAA Target Action Plans**
- **Coventry City Council Corporate Plan – 2008–2011**
- **Coventry City Council Housing and Homelessness Strategies – 2005–2010**
- **Audit Commission Inspection Report, Strategic Housing Services – 2006**

The principal statement of the vision and aspiration for Coventry is the Sustainable Community Strategy. That vision is for Coventry to be a growing, accessible city where people choose to live, work and be educated and where businesses choose to invest.

This vision is to be delivered through eight key themes and two cross-cutting themes. Each of these themes has been analysed, to identify the potential contribution made by independent advice services. The tables in this section focus only on those themes to which advice makes the most

significant contribution. As a result, the tables are structured around the themes indicated in **bold** below:

1. **A prosperous Coventry with a good choice of jobs and business opportunities for all the city's residents (Table 7).**
2. **People of Coventry living longer, healthier, independent lives (Table 8).**
3. **A safer and more confident Coventry (Table 9).**
4. Making Coventry's streets, neighbourhoods, parks and open spaces attractive and enjoyable places to be.
5. **Ensuring that children and young people are safe and enjoy, achieve and make a positive contribution to Coventry (Table 10)**
6. **A good choice of housing to meet the needs and aspirations of the people of Coventry (Tables 11 and 12).**
7. Making places and services easily accessible for Coventry people.
8. A creative, active and vibrant Coventry.
9. **A more equal Coventry with cohesive communities and neighbourhoods (Table 13).**
10. Improving Coventry's environment and tackling climate change.

The tables are organised as follows:

Column 1: Relevant issues identified – the key issues identified in the SCS, to which advice services make a contribution are listed.

Column 2: Relevant long-term outcomes – the SCS identifies a number of outcomes to be achieved. Those to which advice services contribute are listed.

Column 3: Relevant indicators – the indicators listed are taken from either the SCS or Coventry City Council's Corporate Strategy. Those listed in **bold** appear in both strategies.

Column 4: Contribution of advice services – Advice services in Coventry collectively offer advice at generalist and specialist levels in the main social welfare and related law categories. Whilst the 'bundle' of social welfare law categories defined by the Legal Services Commission has changed over time, the categories include some or all of:

- welfare benefits
- debt
- housing
- employment
- community care
- immigration and asylum

- discrimination
- education law

Whilst we have focused in particular on the core legal functions of advice, we have also highlighted relevant general issues and volunteering.

This section of the tables identifies the ways in which advice services contribute to the achievement of the priorities for that particular theme. There is a vast body of academic and government research that evidences this contribution. We have referenced some of the most accessible research in the endnotes to this report.

Column 5: Added-value advice services – at a workshop held in March 2010, ASC members identified specific ways in which their own services contribute, both individually and collectively, across the consortium.

Table 7. SCS Theme 1 – Economy, Learning, Skills and Employment

Relevant issues identified	Relevant long-term outcomes	Relevant indicators <small>Indicators in bold appear in both SCS and CCC Corporate Strategy</small>	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> • Reduce worklessness • Increase skill levels and encourage lifelong learning • Increase motivation and aspiration of local people 	<ul style="list-style-type: none"> • Economic growth • Increased participation in economic growth through raised skill levels and increased households incomes 	<ul style="list-style-type: none"> • Unemployment rates • Average earnings • Reduce % of people in receipt of Out of Work benefits • Increased qualification levels – Level 2 and above • % of children in poverty 	<ul style="list-style-type: none"> • Welfare benefits – ensuring entitlement to tax credits and in work benefits maximises opportunities for sustainable employment • Debt – multiple debts present a barrier to employment as people find it difficult to meet the cost of taking up employment. Resolution of debts can remove this disincentive • Housing – permanent accommodation and stability of tenure enhance employment options and ability to access training and qualifications • Employment – advice on rights at work, National Minimum Wage, contractual issues promotes quality employment which is more sustainable • Community care – support to access a care assessment includes carers’ circumstances and support needs, which enhances access to opportunities, including employment • Immigration – resolving immigration status to demonstrate eligibility to work • General – research demonstrates that advice interventions reduce stress, enabling clients to gain greater control over their lives • Volunteering – advice services’ involvement of volunteers provides high quality and accredited learning. Improves confidence, skills, experience and qualifications 	<ul style="list-style-type: none"> • Location of generalist advice services in community settings can enhance access to support, which includes referrals on to appropriate training opportunities • ASC members provide over 1,000 hours of volunteer opportunities per year. Volunteers receive quality training and qualifications • National research shows the impact of volunteering on employability and progression to work²⁶

Table 8. SCS Theme 2 – Health, well-being and independence

Relevant issues identified	Relevant long-term outcomes	Relevant indicators Indicators in bold appear in both SCS and CCC Corporate Strategy	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> • Health inequalities • Infant mortality • Teenage conceptions • Sexual/mental health • Obesity • Integrated services, contributing to independent living and individual control • Reduce older people’s hospital admissions • Promote healthy lifestyles (diet, exercise, smoking, drugs, alcohol) 	<ul style="list-style-type: none"> • Healthier citizens • Longer and more independent lives • Reduced health inequalities 	<ul style="list-style-type: none"> • Promote healthy lifestyles – smoking, nutrition, exercise, alcohol drug use – and improve mental health/emotional well-being • Promote and extend choice over health and social care • Reduced hospital admissions and stays for older people • Drug/alcohol services that achieve outcomes 	<ul style="list-style-type: none"> • Well-being and debt – income maximisation, e.g. through take-up campaigns and individual casework, contribute to tackling deprivation and can enhance physical and emotional health²⁷ • Advice for carers to ensure they are in receipt of full income entitlements enhances quality of life and supports independent living • Housing – improving access to secure, quality housing can have a marked impact on health and well-being²⁸ • Community care – securing a full assessment of household needs contributes to independent living • Employment – advice on rights to flexible working, both for disabled people and carers supports independent living • Discrimination – advice enables people to access their rights to goods and services through the Disability Discrimination Act, and so supports independent living • Volunteering – advice services’ involvement of volunteers can improve confidence, skills, experience and qualifications. There is significant evidence of the impact of volunteering on health and wellbeing²⁹. • General – the benefits of advice interventions on emotional health and stress levels are well documented.³⁰ This includes the value of face-to-face advice – an adviser listening empathetically³¹ Advice interventions could support individuals to make the most of personalisation – e.g. income maximisation, potential brokerage support 	<ul style="list-style-type: none"> • Advice services provided in health settings – potential to link hospital discharge and drug / alcohol services to advice, which could support improved outcomes³² • CAB employ an advice worker to work directly with TB sufferers. • CAB has an advice project that links with the Macmillan service. • ASC deliver advice services which are embedded within a broad range of services aimed at improving the well being and independence of older people.

Table 9. SCS Theme 3 – Community safety

Relevant issues identified	Relevant long-term outcomes	Relevant indicators <small>Indicators in bold appear in both SCS and CCC Corporate Strategy</small>	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> • Reduce overall crime • Address causes of violent crime, including hate crime/domestic violence • Positive action to address (re)offending • Reduce fear of crime • Improve access to treatment for substance misuse 	<ul style="list-style-type: none"> • Lower crime rates make people feel safer and more confident • Less harm is caused by drugs / alcohol • Reduced violent crime including domestic violence • Less environmental crime 	<ul style="list-style-type: none"> • Crime rates • Offenders/young offenders in education/employment/training • Repeat incidents of domestic violence 	<ul style="list-style-type: none"> • Housing – Advice on housing rights for victims of domestic violence can help families stay in their homes. Where relocation is essential, securing accommodation that is appropriately located is a key element of secure resettlement, which can help prevent reoccurrence of violence • Welfare benefits – Assisting victims of domestic violence to resolve benefit claims, ensuring maximisation of benefits, can be a key element of secure resettlement • Debt – assisting victims of domestic violence to resolve complex multiple debts, including rent arrears from previous tenancies, can be a key element of secure resettlement • Immigration – immigration status can have a major impact on the options available to victims of domestic violence. Support to secure independent immigration status enables victims to escape violence • Discrimination – advice on rights helps prevent and tackle hate crimes, avoiding harassment escalating to criminal activity • General – access to advice for prisoners on release contributes to lower recidivism rates³³ Advice agencies' intervention often identifies cases of domestic violence and enables victims to access appropriate support and specialist legal intervention 	<ul style="list-style-type: none"> • ASC members provide outreach through domestic violence agencies • Location of generalist advice services in community settings can enhance access to specialist legal advice for victims of domestic violence as well as access to support services • Potential link to treatment services for people who use drugs and alcohol (e.g. through DAAT) – addressing practical issues, e.g. debts, benefits, housing will support sustainable treatment and recovery

Table 10. SCS Theme 5 – Children and young people

Relevant issues identified	Relevant long-term outcomes	Relevant indicators <small>Indicators in bold appear in both SCS and CCC Corporate Strategy</small>	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> • <i>Every Child Matters</i> outcomes – focus on sexual / mental health, obesity, outcomes for looked-after children, pre-school foundations and reducing levels of NEETs • Participation of young people in service design • Better support for families, including emotional and practical support and advice 	<ul style="list-style-type: none"> • Better outcomes for children • Increased aspiration • Supportive families • Greater participation by children and families in the design of services / strategies 	<ul style="list-style-type: none"> • Health indicators • Child protection • Children’s contribution and achievements recognised • Educational attendance and attainment • Proportion of children in poverty • Levels of NEETs 	<ul style="list-style-type: none"> • Housing – Homelessness including disrepair and temporary accommodation have a dramatic negative impact on children’s ability to achieve.³⁴ Advice for young people to access secure independent accommodation enhances training and employment options, helping address NEET levels • Welfare benefits – advice on benefit entitlement, including in-work benefits and tax credits helps address child poverty and supports public bodies to meet their statutory obligations • Debt – debt advice includes income maximisation as well as stabilising household family circumstances. As well as the financial benefit, this is shown to reduce family stress • Employment – advice on rights at work, National Minimum Wage and contractual issues promotes quality employment which is more sustainable, increasing household incomes. Positive impact on child poverty • Education – support regarding school entrance, behavioural, disciplinary or bullying issues can have an impact on educational outcomes for young people • General – research demonstrates that advice intervention reduces stress, enabling clients to gain greater control over their lives, with a positive impact on children and other family members 	<ul style="list-style-type: none"> • Parenting Together - joint family support project involving CAB, Law Centre and Coventry & Warks Family Mediation • ASC members provide outreach in Children’s Centres and other accessible locations – e.g. teenage parents project • Coventry University Student Union – give advice and support to students and people considering entering higher education.

Table 11. SCS Theme 6 – Housing

Relevant issues identified	Relevant long-term outcomes	Relevant indicators Indicators in bold appear in both SCS and CCC Corporate Strategy	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> Increasing housing supply and diversity of provision Improving quality of existing stock to prevent climate change and promote independence 	<ul style="list-style-type: none"> Relate principally to housing supply, therefore only indirectly relevant to advice services 	<ul style="list-style-type: none"> Changes in Housing Benefit / Council Tax Benefit Time taken to process HB / CTB Tackling fuel poverty Vulnerable groups in settled accommodation 	<ul style="list-style-type: none"> Housing – advice on housing options can contribute to successful management of housing stock. Housing advice interventions prevent evictions and homelessness presentation³⁵ Welfare benefits and debt – income maximisation/ debt advice prevent evictions and homelessness presentation, and address fuel poverty General – access to energy efficiency/insulation schemes and grants for heating costs Advice organisations’ evidence of administrative and payment problems can inform improvements in management of HB/CTB/homelessness services 	<ul style="list-style-type: none"> Law Centre referral scheme – City Council Housing Advisers refer clients facing possession action for independent advice Law Centre run a debt advice service at Norton House day Centre, for rough sleepers. Willenhall Advice work with Whitefriar tenants in the South East of the city to reduce evictions and abandonments of tenancies.

The SCS theme on housing is primarily targeted at increasing the level, quality and diversity of housing supply in the city, on which the advice sector has little direct impact, though it can support the achievement of some of the desired outcomes. We therefore undertook an analysis of Coventry City Council's Housing and Homelessness Strategies (2005 – 2010) This additional analysis was included because:

- the relationship between the authority's Strategic Housing Service and the independent advice sector was highlighted in the 2006 Audit Commission inspection report;
- some steps have been taken to integrate independent advice services more effectively with housing services, which could be seen as a model for other service areas; and
- the Housing and Homelessness Strategies are due for renewal in 2010, so there is an opportunity to use the advice sector's experience to inform this process and to more fully integrate the independent advice sector in future thinking and provision.

In its inspection report on Strategic Housing Services in 2006, the Audit Commission highlighted a number of weaknesses, in particular in relation to the authority's homelessness service provision at that time.

The Council is now developing a more structured approach to the prevention of homelessness in partnership with other relevant advice agencies. An advice review has recently been set up to develop a more formalised referral system and to better co-ordinate advice activity and track referrals, advice and assistance provided... There has been no audit of these services and no directory ... is available³⁶.

The inspection report identifies weaknesses in customer care, especially for victims of domestic violence, and the lack of a comprehensive approach to engaging feedback from customers. It is encouraging that stronger links are now being made between the authority's housing service and ASC, as there are a number of ways in which advice services can support the authority to meet its aspirations to deliver high quality housing and homelessness services.

Table 12. Coventry City Council Housing/Homelessness Strategies

Relevant issues identified	Relevant objectives	Contribution of advice services	Added-value advice services
<p>Housing Strategy Independent Living</p> <ul style="list-style-type: none"> • Older people • Domestic violence • Learning disabilities • Physical disabilities • Substance misuse • Ex offenders 	<ul style="list-style-type: none"> • Improve housing provision / support • Provide additional support to enable vulnerable people to remain in their own homes • Fulfil homelessness duties in ways that minimise distress, disruption and discomfort • Better understanding of the needs of BME communities 	<ul style="list-style-type: none"> • Housing – Homelessness advice supports individuals and enables the LA to discharge its duties with minimum distress. Referral to advice on housing options can contribute to successful management of housing stock • Debt – debt advice interventions support income maximisation, encourage prioritisation of debts to prevent homelessness, and enable chaotic multiple debt to be managed effectively • Welfare benefits – income maximisation contributes to a number of objectives, including independent living • Community care – securing a full assessment of household needs contributes to independent living 	<ul style="list-style-type: none"> • Advice organisations’ evidence of administrative and payment problems can inform improvements in management of HB/CTB / homelessness services • ASC works closely with migrant and community groups to improve access to advice. Also potential route to information on community need
<p>Neighbourhood Renewal and Social Inclusion</p>	<ul style="list-style-type: none"> • Regenerate former LA estates • Prevent & tackle crime / ASB • Alleviate fuel poverty, reduce health inequalities and deprivation • Promote training and employment opportunities 	<ul style="list-style-type: none"> • Debt – debt advice interventions support income maximisation and enable multiple debt to be managed effectively • Welfare benefits – income maximisation contributes to a number of objectives, including the elimination of fuel poverty • General - access to energy efficiency / insulation schemes and grants for heating costs 	<ul style="list-style-type: none"> • Location of generalist advice services in community settings can enhance access to support and training, including referral e.g. to a credit union • Volunteers receive quality training and qualifications • Presence of Wood End advice has played a key role supporting the NDC programme. • HCCA provide advice in a setting which encourages people to take up training.

Relevant issues identified	Relevant objectives	Contribution of advice services	Added-value advice services
<p>Homelessness Strategy</p> <ul style="list-style-type: none"> • Prevention • Advice • Information-sharing 	<ul style="list-style-type: none"> • Enhance preventative focus of homelessness service • Develop advice/sign-posting packages • Support tenants with literacy problems • Improve information sharing among agencies 	<ul style="list-style-type: none"> • Housing – quality advice on housing and homelessness can contribute to better outcomes • Debt – debt advice interventions support income maximisation, encourage prioritisation of debts to prevent homelessness, and enable multiple debt to be managed effectively • General – ASC members provide an effective network for referral and information sharing, including access to customers for feedback on service provision 	<ul style="list-style-type: none"> • Housing Department referrals to Law Centre – prevent evictions and reduce costs³⁷ • Advice organisations’ evidence of administrative and payment problems can inform improvements in management of HB/CTB/homelessness services • Law Centre provide a duty solicitor at housing possession hearings at Coventry County Court.

Table 13. SCS Theme 9 – Equality of opportunity and involved, cohesive communities and neighbourhoods

Relevant issues identified	Relevant long-term outcomes	Relevant indicators <small>Indicators in bold appear in both SCS and CCC Corporate Strategy</small>	Contribution of advice services	Added-value advice services
<ul style="list-style-type: none"> • Community cohesion • Community involvement in service development including neighbourhood management • Compact and third sector involvement 	<ul style="list-style-type: none"> • More inclusive, cohesive city • Equality of opportunity • Improvements to quality of life in priority communities 	<ul style="list-style-type: none"> • People get on well together • People influence local decision-making • Participation in volunteering • Environment for a thriving third sector • Fair treatment by local services and satisfaction with local services 	<ul style="list-style-type: none"> • Advice services are accessed disproportionately by priority communities.³⁸ • Rights-based approach to legal issues ensures fair treatment. Awareness of rights prevents problems arising and avoids enforcement actions • Social policy activity supports improved service planning and delivery, and enhances access to, and satisfaction with local services • Stabilisation of individual circumstances contributes to quality of life and increases individual capacity for community involvement • Involvement in quality volunteering opportunities with training and access to qualifications • Services embedded in communities and networked with other local agencies – relationships with wardens, etc • Sustainability of third sector advice organisations 	<ul style="list-style-type: none"> • ASC works closely with migrant and community groups supporting access to advice and information on rights and responsibilities • ASC members are value-driven voluntary and community organisations that actively consult service users and ensure their perspectives are reflected in service planning and governance structures • Holbrooks CCA – volunteer role seen to carry status, as well as route to other options, e.g. training / employment • Law Centre provide discrimination advice, casework, awareness and training. • Access to specialist legal advice in a range of community languages, paid for by Legal Aid

-
- Age Concern Coventry deliver a BME advice service
-

The contribution of independent advice to efficiency and effectiveness in public service delivery

The new coalition government has identified deficit reduction as its primary objective. Reducing the cost of public services through efficiency savings, whilst at the same time maintaining and even improving the quality of delivery will be the key challenge facing local authorities and other local partners. As such, working collaboratively to deliver more effectively will be essential.

Advice services deal with the problems that arise when public service delivery has fallen short of the standards required by service users. For example, recent research in Nottingham by AdviceUK has identified that over 30 per cent of the demand for advice is generated by the failure of public services to get something right for customers or to clearly explain their decision. As we have seen in the case studies in Section 2, intervention by an independent advice service will often prevent problems escalating into major crises, resulting in significant savings to the public purse. Through dealing with these issues, advice services also gain an understanding of predictable system failures, which they could be used systematically to improve public service quality and effectiveness, reducing waste and cost.

Advice services undertake social policy work to ensure that client experience of the impact of public policy and practice is used to improve services. In Coventry, ASC members now undertake this work collectively. In addition, ASC members have undertaken a *Systems Thinking* review of their own services, which provides an evidence-based methodology for service improvement based on customer demand. This includes evidence of external service failures that impact on clients and so drive demand for advice. This evidence could be used to support the operational effectiveness of services such as benefits administration, housing or homelessness services.

Alongside our review of Coventry's Sustainable Community Strategy and City Council Corporate Plan priorities, we have also analysed the City Council's objectives in terms of improving its performance, which focus on:

- **Money** – maximising resources and sound financial management
- **Improving the way we work and deliver value for money** – quality, access, effectiveness and improving safeguarding
- **People** – workforce and elected members.

Table 14 demonstrates some of the ways in which advice services in Coventry could contribute to potential improvements in public service efficiency and effectiveness and gives an example, relating to homelessness, of how this currently works in practice.

Table 14. Coventry City Council management objectives

Relevant issues identified	Relevant Indicators	Contribution of advice services	Added-value advice services
<p>Continue to improve:</p> <ul style="list-style-type: none"> • The quality of our services • Access to services • Efficiency and effectiveness 	<ul style="list-style-type: none"> • Ongoing improvements in CAA score (National Audit Office HB guidance identifies a number of ways in which stakeholders should be involved in supporting service improvement, to achieve high performance) • Changes of circumstances affecting HB/CTB entitlement • Time taken to process HB/CTB new claims and change events • Number of ombudsman complaints • Reducing avoidable contact – minimising the proportion of contact that is of no/limited value to customers • VfM strategy - £10 million target value of cash-releasing money gains 	<ul style="list-style-type: none"> • Advice services undertake social policy work, which collects evidence of the impact of public policy and practice on service users. This has a preventative effect, in using the aggregated learning from individual cases to improve service delivery for all citizens. • ASC members have undertaken a review of advice service demand based on <i>Systems Thinking</i> methodology, which identifies preventable failures, including by other agencies that cause unnecessary demand on advice. Using this evidence would improve practice and efficiency, e.g. in HB/CTB administration • Advice services take a holistic approach to clients' problems, often addressing underlying problems which clients do not present at first. This approach helps clients address a range of issues, improving outcomes and reducing potential impact on services and cost • The intervention of advice services can help minimise avoidable contact and/or resolve potential disputes through explaining the process fully and negotiating with public service providers 	<ul style="list-style-type: none"> • ASC identified difficulties with the homeless service. ASC are now working in conjunction with the LA to re-design the homeless service.

Section 4. How can advice agencies measure outcomes?

The outcomes that advice agencies contribute to are wide ranging and cut across many local partners' strategic priorities. Yet these are not well reflected in the performance measures currently used by advice agencies – these are normally limited to the number of people accessing their services. This is a poor reflection of value. If the performance measurement framework is wrong, it won't accurately demonstrate where organisations deliver most impact. This raises some important questions about how agencies should collect information that more accurately captures the value of the work that they do. Some of the issues related to measuring outcomes are explored in this section.

There are advantages to collecting outcomes data

There are several reasons for collecting outcomes data. Firstly, only outcomes can capture the extent to which a service delivers value for money and it can be important for providers to be able to prove their impact to funders. Secondly it can help to check with clients that their matters are resolved and whether any follow-up work is required.³⁹ Finally outcomes data can also provide feedback to staff and advisors. This can be good for morale and also for improving the way services are delivered. Recently there has been investment in developing outcomes tools for advice services and in general where pilot sites have trialled these tools advice agencies have found them useful.⁴⁰

Advisors frequently express concern that increasing monitoring returns can detract from time spent with clients. This is a real issue and it is important for outcomes monitoring to be integrated in service delivery, evaluation and planning, to minimise additional bureaucracy. The role of funders is crucial and it needs to be recognised that some resources are needed to shift towards a focus on outcomes. After an initial investment, however, outcomes data can be collected in a way that supports effective service delivery, rather than detracting from it. Funders should also engage with advice organisations to agree the outcomes that best demonstrate value and the means through which data will be collected, to ensure the process is relevant and achievable.

Outcome measures need to reflect what matters

Outcome measures need to reflect what matters to the people who use advice services. The majority of the people that we spoke to who had accessed advice had clear ideas about the outcomes they wanted to achieve – a stable family life, better relationships with their family, and improved well-being for their children. However these outcomes aren't always reflected in the way that advice agencies are funded and at worst they can conflict if agencies have to focus on the volume of individual advice transactions rather than the broader concerns of clients. An example of this is with Eleanor, one of our case studies. She wanted support to end her debt problems, and to have a stable family background for her children. Applying for bankruptcy is one step on the way to achieving the outcome, but is not enough in itself. In reality it was all the other things the advisor did, like building up a trusted relationship, arranging an account at the credit union, and empowering Eleanor to take control of her finances and budget, which were key to her not getting into debt again.

It's also important to recognise the complexity of people's problems. Different people have different starting points and are on different pathways to achieving them. Advice should be tailored to individual circumstances. In Eleanor's case, she came to the advice problem with a number of different background issues and needed a lot of support to overcome these and be able to manage her finances on her own. For a different client, perhaps a different approach would have been required.

Think long-term

In the more complex cases with the most vulnerable clients it can take many years for outcomes to be achieved. If the 'distance travelled' towards their outcomes is not measured, there is a danger that only those agencies working with the most straightforward cases will appear effective.

There are several options for assessing outcomes over the long term. The first is collecting outcomes data at intervals during and after the case. A good way to do this is to integrate outcomes measurement within the follow-up with clients.

Where it may not be feasible to maintain long-term relationships with clients, agencies can collect data on distance travelled towards an outcome or indicators that an outcome has been achieved. In Eleanor's case, she reports feeling in better control of her finances, and has maintained her repayment plan over a year; these are good indicators that she is better able to manage her money over the longer term and has resilience against future debt issues. Although collecting indicators can be a good way of capturing outcomes, they should not be treated as outcomes or endpoints in themselves.

Quality is key

Although measuring processes or quality is very different to measuring outcomes, in practice high-quality providers are also those who are likely to

be delivering the best outcomes. There are several elements to good quality advice work.⁴¹ One of the most important is strengthening the one-to-one relationship between advisors and clients as there is overwhelming evidence that this is linked to improved outcomes for clients.⁴²

In general, quality measures for advice services are in a state of flux with some expressing concern that quality measure for the unified contract for LSC outcomes has been set too low and recent changes to the General Help Quality Mark.^{43,44}

Community outcomes count

Advice services contribute to a range of strategic priorities for Coventry City Council. These outcomes are often viewed as added value but in reality they are central to the priorities of the local authority and should be viewed as part of the way advice should be delivered. It is good practice to enable providers to meet multiple outcomes at the same time. For example, where advice agencies involve volunteers in the delivery of services, this not only meets the national indicator around increasing levels of volunteering, but brings a range of new languages and skills into delivery of the service, as well as creating sustainable outcomes for service users who go on to volunteer. If advice agencies are encouraged to focus on community outcomes, this can create a virtuous circle and ensure that every £1 spent creates maximum value for both individual clients and the wider community.

Prevention and policy change are crucial

Although individual case work is important in its own right, it must be viewed within the bigger picture of what advice agencies do. Policy work is crucial to complete the advice services loop and can create substantial savings by 'switching off' at source large elements of the demand that is presented and creating significant savings in the long term. It is more challenging to capture the value created from preventing negative outcomes occurring but these are a crucial part of the service and cannot be omitted.

Section 5. Conclusion and recommendations

This report has highlighted that ASC members contribute to a range of strategic priorities. Investing in quality advice provision delivers cost savings across council budgets, enables vulnerable individuals to uphold their rights and prevents social exclusion.

There are several elements to creating good value advice services and these all sit within a framework that creates the right environment for agencies to achieve maximum value. This means providers do not have targets or a set number of cases to deliver but instead they are able to proactively respond to the problems faced by the people using their services. This means understanding and fostering the dynamic relationships of delivery between individual case work and educative, preventative, and outreach work.

We make several recommendations to achieve this vision:

1. The number of advice transactions that advice agencies deliver is a poor reflection of the value of their work. Agencies should not be set targets on the number of sessions or advice transactions to be delivered. Instead advice agencies should be recognised for achieving *outcomes* for their clients and the wider community.
2. Quality providers deliver better outcomes. Where possible, quality can be assessed by peer review but where this is not possible, the Council should agree with ASC appropriate indicators of good quality advice. These should reflect the complementary value delivered through the 'ecology of provision' embodied by the diverse membership of ASC, and include qualitative measures such as building effective relationships with clients, broadening partnership arrangements with referrals and signposting between agencies, and balancing this with preventative work.
3. Independent advice agencies in Coventry are in an excellent position to feed back constructively how public services are performing. We recommend that this information is used to have the maximum preventative impact possible and specifically that the work on systems thinking should be extended to redesign a service area in collaboration with the city council.

Appendix 1. Stakeholder Audit Trail

Stakeholder	Method of engagement
Service Users	<p>We spoke to a wide range of users of advice services in Coventry, some of these were prearranged interviews but the majority were by attending drop in sessions and speaking to people afterwards. We spoke to users at the following advice agencies:</p> <ul style="list-style-type: none">Wood End (3 interviews)Coventry Law Centre (3 interviews)Age Concern (2 interviews)Holbrooks (3 interviews)Willenhall (2 interviews)Cyrenians (1 interview)Citizens Advice Bureau (4 interviews)
The state	<p>A range of policy documents were consulted which are detailed in Section 3 of the main report.</p>
Staff	<p>We interviewed staff at all of the advice providers listed above. We also carried out telephone interviews with the following:</p> <ul style="list-style-type: none">Midland Heart Housing AssociationCoventry Refugee Centre

Appendix 2. Interview Questions

Introduction

Explain the role of **nef**

Explain the point of the research (looking at the outcomes of independent advice).

Guarantee confidentiality of interview and give out supporting information.
Length of interview – 60 minutes.

Section 1: Background

Can you tell us a bit about when you first got in contact with this advice agency?

How did you hear about the agency and did you receive advice from elsewhere?

Have you been to this agency before for other problems?

Section 2: Focus on Specific Area of Advice.

Ask person about the problem and give them time to explain.

Were there any triggers or other events which led to the problem?

Specific to Housing Benefit:

When did you start claiming housing benefit?

Was it easy to claim housing benefit (prompt – did they fill in the application form themselves, or did they receive help etc).

Section 3: Wider Outcomes of the case.

This section is really important, so where possible encourage interviewees to give specific information and examples (e.g. my health has got worse, I have been to the Dr x times and got medication)

How has the (HB/Housing/Debt) problem affected:

Relationship with friends, family and children:

Their home situation (e.g. services disconnected, repossession, ability to finance themselves)

Employment (relationship with employers; JobCentre Plus)

Education

Health

Prompt if been to GP more often or been diagnosed with any issues.

Relationship with other council service (e.g. Social Services).

Are there any other factors that have not been recorded elsewhere (e.g. caring commitments; drug use; mental health)

Section 4: Resolution of problem?

If appropriate, question if the problem has been solved.

What was the final outcome?

Specific outcomes for housing benefit:

- Successful claim of housing benefit (prompt as to how long this took).
- Receives new or periodical payment of HB
- Client advised and able to plan / manage affairs better
- Other

Specific outcomes for Debt:

- Payment Plan
- Debt written off
- Client represented in court
- Increase in monthly income
- Referral to other advice
- Client becomes bankrupt
- Avoidance of threatened loss of home
- Securing lump sum (including back payment)
- Avoidance of threatened utilities disconnection

Would you say this is a temporary or permanent resolution to your case (e.g. do you see the bills mounting up again?)

Ask about their current (financial – if debt/ HS; or housing) situation

Do you feel able to manage your money better now (signs that able to budget, understand interest rates etc).

What benefits are you claiming?

Section 5: The role of advice and relationship to advice centre

When did you decide to seek advice for your (debt/Housing Benefit/housing or other problem – i.e. how long after they had identified problem).

When you decided to get advice, how long did it take you to get an appointment?

Do you think you could have got help earlier?

What were your experiences of the service?

If this advice centre wasn't here - where would you have gone for advice?

When did you get advice? (prompt: was this when you had indication you might have a problem, or was it prompted by a letter from a creditor; a letter from creditor etc).

What was your motivation in getting advice?

Did you get support or advice from friends or family?

referred to another source of help?

- Their experience of being referred
- Did they keep in contact with the initial advice agency?
- Views about this.

Do you feel there are other places you could go to for advice (this particularly relevant for decisions where challenging the local authority).

What do you feel your own role was in the resolution of the problem?

Section 6: Reflection

If the problem is in the past:

On reflection would you handle the problem in the same way again?

How important is it to receive help in this situation?

Would you get help earlier / later?

How did you feel when the problem was at the worst point?

How do you feel now?

Summary

Ask age

Note down gender

Thank and give out voucher

Appendix 3. What is SROI?

Every day our actions and activities create and destroy value; they change the world around us. Although the value we create goes far beyond what can be captured in financial terms, this is, for the most part, the only type of value that is measured and accounted for. As a result, things that can be bought and sold take on a greater significance and many important things get left out. Decisions made like this may not be as good as they could be as they are based on incomplete information about their full impacts.

Social Return on Investment (SROI) is a framework for measuring and accounting for this much broader concept of value; one that seeks to reduce inequality and environmental degradation and improve well-being by incorporating social, environmental, and economic costs and benefits. SROI measures change in ways that are relevant to the people or organisations that experience or contribute to this change. It tells the story of how change is being created by measuring social, environmental, and economic outcomes and uses monetary values to represent them. This enables a ratio of benefits to costs to be calculated.

SROI was developed from social accounting and cost-benefit analysis and is based on seven principles. These principles underpin how SROI should be applied. They are:

1. Involve stakeholders.
2. Understand what changes.
3. Value the things that matter.
4. Only include what is material.
5. Do not over claim.
6. Be transparent.
7. Verify the result.

This study lacked the level of resource required to conduct a full SROI analysis, but we have used the methodology of SROI to calculate the value of the outcomes achieved and the cost to clients and their families (social cost) and to the state, of the problems that faced.

Appendix 4: Determining impact

One of the crucial parts of SROI is estimating and being explicit about the extent to which change can be attributed to the advice intervention and not to other factors. In arriving at a value for the impact of advice, it is necessary to subtract the effects of deadweight (what would have happened anyway), attribution (the role of other organisations and factors) and displacement (if the outcome has displaced other outcomes).

Attribution

It would be overclaiming to state that the outcomes identified in the case studies are solely attributable to advice provision. Indeed in many cases it is effective partnership and collaboration with other statutory services that has the most impact.

Table 5.2. Attribution

Category	Assigned attribution
1. The outcome is completely as a result of the work of the advice organisation	100%
2. The outcome is in small part due to other people or organisations	75%
3. Other organisations and people have a significant role to play in generating the outcome	50%
4. The outcome is mostly due to other people or organisation	25%
5. The outcome is completely as a result of other people or organisations	0%

Deadweight

It is also the case that some of the outcomes may have occurred anyway without the intervention of the advice agency. We estimate the extent to which outcomes would have happened anyway by looking at deadweight.

This can vary depending on the social exclusion factors faced by the clients. People who have stronger family support networks, higher confidence and less social exclusion factors may be less likely to need independent advice. In contrast where a person has a very complex case and is experiencing multiple social deprivation it is less likely that some of the positive outcomes would have occurred without the advice intervention.

Table 5.1 Deadweight

Category	Assigned deadweight
1. The outcome would not have occurred without the advice intervention	100%
2. The outcome would have occurred but only to a limited extent	75%
3. The outcome may have occurred without the advice intervention	50%
4. The outcome was likely to have occurred in a significant part without the advice intervention.	25%
5. The outcome would have definitely occurred in totality with no advice intervention.	0%

Displacement

In some cases an outcome being achieved may displace another outcome. We have included some estimate of displacement for the worklessness outcomes for the benefits that accrue to the state only when looking at the cost of problem. Although there are clear costs to the individual from becoming unemployed, to the state, unless the job vacancy is never filled there has not been a net change in employment. It is likely that someone else will get that job and there will be no overall change to the number of benefits claimants in the economy.

Technical Appendix

Section 1: Calculation of Background Cost of Problems

Case Study 1: debt advice –late intervention

Indebtedness (individual)	Proxy	-£2,111	This proxy captures the social cost of servicing high debts. We have calculated this by modelling a likely 'basket of debts' based on the profile of the debts of clients we interviewed and triangulated with other research studies. Office of Fair Trading (2009) <i>Review of High Cost Credit</i> (London: OFT)
	Duration of proxy	-£8,446	Duration of 4 years based on client interview. This is a conservative estimate given the debt problem was ongoing for 8 years
	Impact	-£8446	Assumed this cost is wholly attributable to the debt.
Increased Stress (individual)	Proxy	-£2,940	The proxy is derived from work done by the based on Sainsbury Centre for Mental Health which estimates the loss of a QALY for a person with a mild mental health issue. Sainsbury Centre for Mental Health (2003) <i>The economics and social costs of mental health</i> .
	Duration of proxy	-£11,760	Duration of 4 years based on client interview. This is a conservative estimate given the debt problem was ongoing for 8 years
	Impact	-£2,940	In the interview Eleanor said she had been diagnosed with depression and implied this was because of the debt but there are likely to be other underlying factors contributing. Therefore we have used medium attribution and medium deadweight.
Increased Stress (state)	Proxy	-£2,085	Average annual cost of treating depression. Kings Fund (2008) <i>Paying the Price</i>
	Duration of proxy	-£11,760	Duration of 4 years based on client interview. This is a conservative estimate given the debt problem was ongoing for 8 years

	Impact	-£2,085	Attribution and deadweight as per individual
Worklessness (individual)	Proxy	-£4,061	Loss of year's income to a person that would earn £13,500 while employed based on the difference in disposable income between being unemployed and having a job that pays £13,500. Knuutila, A (2010) <i>Punishing Costs</i> (London: nef)
	Duration of proxy	-£16,244	Duration of four years based on client interview (although debt problem was ongoing for eight years)
	Impact	-£4061	Medium level of attribution and deadweight.
Worklessness (state)	Proxy	-£10,067	Difference of the costs and tax revenue to the state between an individual being unemployed in comparison to having a job with £13,500 pay. Takes into account indirect taxes such as consumption taxes. Knuutila, A (2010) <i>Op.Cit.</i>
	Duration of proxy	-£40,268	Duration of 4 years based on client interview.
	Impact	-£3,775	We have also included a displacement effect, as it is possible that when the client lost her job, another person would have filled this position (although we do not know if this person would have been a benefit claimant).
Disrupted family life (children)	Proxy	-£15,041	Direct from case study: Escaping the debt had consequences for the children and Eleanor claimed 'I felt bad for that, it's affected them a little bit I think. Especially my youngest, he's settled into the school he's in but I have big regrets because the first school they were in was a brilliant school and I feel like I've messed up my little lad's education a little bit actually.' Shelter research estimates that children living in temporary accommodation miss on average 55 days per year and two-thirds have trouble at school. Shelter (2004) <i>Living in Limbo</i>
	Duration of proxy	-£15,041	One off calculation and we have included for one of her two children.
	Impact	-£3,760	Medium level of attribution and deadweight.
Disrupted family life (state)	Proxy	-£14,604	Based on the estimates outlined above for the social costs we have used a proxy for the state on the cost of truancy from work done by NPC. We have revised the proxy estimate a likely probability of this occurring. We have not assumed this for all of her children, but just her youngest son, for whom she said moving house a lot has had an effect. Brookes M., Goodall E.,

			& Heady L., (2007) <i>Misspent youth: The costs of truancy and exclusion</i> (London: NPC)
	Duration of proxy	-£14,604	One off calculation for one child
	Impact	-3651	Attribution and deadweight as per individual

Case Study 2: debt advice – early intervention

Increased Stress (individual)	Proxy	-£2,940	The proxy is derived from work done by the based on Sainsbury Centre for Mental Health which estimates the loss of a QALY for a person with a mild mental health issue. Sainsbury Centre for Mental Health (2003) <i>Op. Cit</i>
	Duration of Proxy	-£2,940	The case lasted for one year
	Impact	-£368	Although Ruth linked a downturn in her health to the stress of the case there are likely to be other factors involved. Medium level of attribution and deadweight.
Increased Stress (state)	Proxy	-£2,085	Average annual cost of treating depression
	Duration of Proxy	-£2,085	The case lasted for one year
	Impact	-£521	Attribution and deadweight as per individual

Case Study 3: Housing advice – late intervention

High Level of Indebtedness (individual)	Proxy	-£1,964	This proxy captures the social cost of servicing high debts. We have calculated this by modelling a 'basket of debts' based on the debts that the client outlined in the interview. Estimates of interest rates were taken from Office of Fair Trading (2009) <i>Review of High Cost Credit</i> (London: OFT)
	Duration of Proxy	-£5,891	Debt accumulated over a minimum of three years
	Impact	-£3,314	High attribution and deadweight
Previous Homelessness (individual)	Proxy	-£1,700	nef estimate based on costs of storage and a deposit on private flat both of which were mentioned in the interview.
	Duration of Proxy	-£1,700	Calculated as a one off cost
	Impact	-£956.25	High attribution and deadweight
Previous Homelessness (to state)	Proxy	£1,410.00	This is a very conservative estimate based solely on the additional cost of temporary accommodation. We look separately at the likely cost this has on outcomes for her children. Pawson et al (2007) <i>Evaluating Homelessness Prevention</i> London: Communities
	Duration of Proxy	£1,410.00	Calculated as a one off cost
	Impact	-£793.13	High attribution and deadweight
Increased stress (individual)	Proxy	-£2,500	In interview she reports smoking a pack of cigarette a day because of her stress about the eviction. We use the amount spend on cigarettes as a proxy for this stress.
	Duration of Proxy	-£2,500	Calculated as a one off cost
	Impact	-£625	Sara linked the health problems to the stress of the eviction but there may be other factors involved. Medium deadweight and medium attribution
Increased stress (state)	Proxy	-£853	Cost of treating smoking related disease in the short term from http://circ.ahajournals.org/cgi/content/full/circulationaha;96/4/1089
	Duration of Proxy	-£853	Calculated as a one off cost
	Impact	-£213	Attribution and deadweight as per individual

Worklessness (individual)	Proxy	-£1,456	Calculated based on the average difference in earnings between having a GCSE and no qualifications. Income data from Prospects, Graduate, and non-graduate earnings from the Labour Force Survey (2003)
	Duration of Proxy	-£1,456	Calculated as a one off cost
	Impact	-£91	Low attribution and medium deadweight.
Worklessness (state)	Proxy	-£10,067	Difference of the costs and tax revenue to the state between an individual being unemployed in comparison to having a job with £13,500 pay. Takes into account indirect taxes such as consumption taxes. Knuutila, A (2010) <i>Punishing Costs</i> (London: nef)
	Duration of Proxy	-£10,067	Calculated as a one off cost
	Impact	-£629	Although Sara said eviction was linked to her failing to complete computer course, she was not working at the outset so low attribution and medium deadweight. A displacement effect has also been included.
Disrupted family life (individual)	Proxy	£15,041	In interview Sara reported problems her children were having in school. Shelter research links temporary accommodation is associated with low attendance at school for children. The proxy is based on NPC research on the cost of truancy. Brookes M., Goodall E., & Heady L., (2007) <i>Misspent youth: The costs of truancy and exclusion</i> (London: NPC)
	Duration of Proxy	-£15,041	Calculated as a one off cost
	Impact	-£3,761	Low attribution and low deadweight
Disrupted family life (state)	Proxy	-£14,604	Based on the estimates outlined above for the social costs we have used a proxy for the state on the cost of truancy from work done by NPC. Brookes M., Goodall E., & Heady L., (2007) <i>Op. Cit.</i>
	Duration of Proxy	-£14,604	Calculated as a one off cost.
	Impact	-£3,651	Attribution and deadweight as per individual

Case Study 4: Housing advice – early intervention

Poor Mental Health (individual)			The client reported depression and low self worth from housing situation. Research shows that having a mild mental health issue is correlated with reduced wellbeing. The proxy is based on Sainsbury Centre for Mental Health (2003) which estimates the loss of a QALY for a person with a mild mental health issue.
	Proxy	-£2,940	
	Duration of Proxy	-2940	Calculated as an annual cost
	Impact	-£735.00	Medium attribution and deadweight
Family Relationships broken down (individual)			Proxy based on average spend on recreation and culture. ONS Family Spending Survey (2009)
	Proxy	£3,125.00	-
	Duration of Proxy	-£3,125	Calculated as a one off cost.
	Impact	-£781.25	Medium attribution and deadweight

Section 2: Calculation of Outcomes from Advice

Case Study 1: debt advice –late intervention

Increased income (individual)	Proxy	£5,711	nef calculation based on average yearly debt repayment to capture increased income from the bankruptcy.
	Impact	3212.663	High attribution and deadweight.
Improved confidence (individual)	Proxy	£432	The client valued the trusted relationship built up with the advisor. Proxy used as the cost of a counselling course. Kings Fund (2008) <i>Op. Cit.</i>
	Impact	162	High attribution and medium deadweight.
Improved financial capability (individual)	Proxy	£2,111	nef calculation based on the interest payments of a likely bundle of loans over one year.
	Impact	1187.663	High attribution and deadweight.
Stable housing (individual)	Proxy	£5,300	Average annual amount spent on home improvements.
	Impact	1325	Medium attribution and deadweight
Stable housing (state)	Proxy	£4,000	The minimum cost of a housing eviction from a social landlord. This takes into account court hearings and minimum repairs. This is a low estimate based solely on costs to the state such as court hearings and minimum repairs, and not the wider costs of homelessness over the longer term. Pawson et al (2007) <i>Evaluating Homelessness Prevention</i> London: Communities
	Impact	1000	Medium attribution and deadweight
Improved mental health (individual)	Calculation of Proxy	£2,940	The proxy is derived from work done by the based on Sainsbury Centre for Mental Health ⁴⁵ which estimates the loss of a QALY for a person with a mild mental health issue. Sainsbury Centre for Mental Health (2003) <i>Op. Cit.</i>
	Impact	735	medium attribution and deadweight
Improved mental health (individual)	Calculation of Proxy	£2,085	Average annual cost of treating depression. Kings Fund (2008) <i>Paying the Price</i>
	Impact	£521.25	medium attribution and deadweight
Improved family relationships (individual)	Calculation of Proxy	£1,200	average annual loss in earnings due to high levels of truancy. Brookes M., Goodall E., & Heady L. (2007) <i>Op. Cit.</i>
	Impact	300	medium attribution and deadweight
Improved family relationships (individual)	Calculation of Proxy	£655.67	Based on NPC estimate of average cost of social services over a school life time we have derived an average cost per year. Brookes M., Goodall E., & Heady L. (2007) <i>Op. Cit.</i>
	Impact	£163.92	medium attribution and deadweight

Case Study 2: debt advice – early intervention

Improved confidence (individual)	Calculation of Proxy	£432	Proxy used as the cost of a counselling course. Kings Fund (2008) Op. Cit.
	Impact	£162	high attribution and medium deadweight
Increased income (individual)	Calculation of Proxy	£3,960	£3,960 is the value of the overpayment claim. Nef assumption that potentially without the advice intervention she would have paid back.
	Impact	£2,227	medium attribution and deadweight.
Justice (individual)	Calculation of Proxy	£3,750	Cost of 15 hours of solicitor at £250 hour rate (http://www.takelegaladvice.com/news-and-information/legal-guidance/-/What-does-it-cost/)
	Impact	£2,109	high attribution and high deadweight
Improved financial capability (individual)	Calculation of Proxy	£2,111	nef estimate of the interest rate charges that she would have accrued if she had got back into debt
	Impact	£1,188	medium attribution and deadweight
Stable housing (individual)	Calculation of Proxy	£5,300	Amount spent on home improvements
	Impact	£1,325	Medium attribution and deadweight
Stable housing (state)	Calculation of Proxy	£4,000	The minimum cost of a housing eviction from a social landlord. This takes into account court hearings and minimum repairs. This is a low estimate based solely on costs to the state such as court hearings and minimum repairs, and not the wider costs of homelessness over the longer term. Pawson et al (2007) <i>Evaluating Homelessness Prevention</i> London: Communities
	Impact	£1,000	Medium attribution and deadweight
Improved mental health (individual)	Calculation of Proxy	£2,940	As per cost of increased stress as calculated above.
	Impact	£735	Medium attribution and deadweight
Improved mental health (state)	Calculation of Proxy	£2,085	Average annual cost of treating depression , Kings Fund (2008) <i>Op. Cit.</i>
	Impact	£521.25	Medium attribution and medium deadweight

Endnotes

¹ Ministry of Justice (2009) *Study of advice at local level* (London: Ministry of Justice).

² *Ibid.*

³ *Ibid.*

⁴ HM Treasury (2006) *Value for Money Guidance* (London: HMSO).

⁵ Advice UK (2008) *It's the system, stupid! Radically rethinking advice* (London: Advice UK).

⁶ Neitzert E and Ryan-Collins J (2008) *A better return: Setting the foundation for intelligent commissioning to achieve value for money* (London: the National Programme for Third Sector Commissioning).

⁷ This is in line with Treasury Guidance which states *In principle, any appraisal should take account of all benefits to the UK. This means that, as well as taking into account the direct effects of intervention, the wider effects on other areas of the economy should also be considered.* HM Treasury (2003) *Green Book* (London: HMSO).

⁸ *Ibid.*

⁹ Smerdon M (2009) *Rights with meaning: The background and aims of the 2008 STVS – independence programme focusing on advice and advocacy organisations.* (London: STVS independence working paper No. 4).

¹⁰ *Ibid.*

¹¹ Council on Social Action (2009) *Time well-spent: The importance of the one-to-one relationship between advice workers and their clients* (London: Community Links).

¹² ICAR (2010) *Review of Quality Issues in Legal Advice: Measuring and Costing Quality in Asylum Work* (London: Information Centre about Asylum and Refugees).

¹³ Not her real name

¹⁴ Ministry of Justice (2009) *op. cit.*

¹⁵ It is important to note that although there is some overlap between the outcomes we have analysed and those included by the LSC to monitor the unified contract in general, most of the LSC's 'outcomes' would come into our definition of outputs rather than outcomes.

¹⁶ Not her real name.

¹⁷ We do not have accurate estimates on the inputs (such as numbers of hours of advice received) so we have estimated the inputs. A report on the evaluation of the Legal Services Commission's telephone advice pilot put the range of costs of debt advice between £67 and £454, depending on the type of adviser. The higher threshold for debt advice is £453 and we have assumed that the cost of the advice was double this (£906). LSC (2006) *Legal Aid Reform: The way Ahead* (Norwich: TSO)

method of delivery and extent of advice and assistance.

¹⁸ Not her real name.

¹⁹ We do not have accurate estimates on the inputs (such as numbers of hours of advice received) so we have estimated the inputs. A report on the evaluation of the Legal Services Commission's telephone advice pilot put the range of costs of debt advice between £67 and £454, depending on the type of adviser. The higher threshold for debt advice is £453 and we have assumed that the cost of the advice was double this (£906). LSC (2006) *Legal Aid Reform: The way Ahead* (Norwich: TSO)

²⁰ Not her real name.

²¹ Not his real name.

²² Although comparisons must be applied with some caution, the most likely comparable cost profile of a single homeless older man is £24,500 a year. Kenway P and Palmer G (2003) *How many, how much? Single homelessness and the question of numbers and cost* (London: Crisis).

²³ Shelter factsheet (2007) *Older people and housing* (London: Shelter)

²⁴ The idea of a 'cycle of debt' is mentioned in many sources Turley, C. & White, C (Assessing the impact of advice for people with debt problems (LSRC)

²⁵ Advice UK (2010) *Making advice a local priority* Available online at: <http://www.adviceuk.org.uk/projects-and-resources/projects/bold/makingadvicealocalpriority> [12 June 2010].

²⁶ Institute for Volunteering Research *A Gateway to Work* (London, 2009) cites a number of studies

²⁷ Advice Services Alliance (2006) *The case for advice* (London: Advice Services Alliance) quotes research conducted by MORI for Citizens Advice, which shows that income is increased for over one-third of clients. Bristol Debt Advice Centre research estimates this at an average £33.90 per week. The Legal Service Research Council **Causes of Action** report (2006) found that over one-third of civil justice problems led to adverse physical and mental health issues, 27% leading to a stress-related illness. **Income, Poverty and Mental Health**, N Tyneside and Northumberland NHS Mental Health Trust (2003) reinforces this conclusion: 'Money worries [are] the most frequently cited cause of depression.'

²⁸ 'Experience of multiple housing problems increases children's risk of ill-health and disability by up to 25% during childhood and early adulthood.' Shelter (2006) *Chance of a lifetime* (London: Shelter).

²⁹ Clark, S (2003) *Voluntary Work Benefits Mental Health. A Life in The Day* 7(1)
Saving Lives: Our Healthier Nation Department of Health (London 1999) *The National Service Framework for Mental Health* Department of Health (London 1999); House, J, Landis, K and Umberson, D (1998) *Social Relationships and Health Science* 241
Illich, I (1997) *Limits to Medicine. Medical Nemesis: The Expropriation of Health*, Penguin
Luks, A (1991) *The Healing Power of Doing Good. The Health and Spiritual Benefits of Helping Others*. With Payne, P Fawcett Columbine: New York
Royal College of General Practitioners (1998) *Independent Inquiry into Inequalities in Health Report (The Acheson Report)*. Royal College of General Practitioners
Shimitras, L, Fossey, E and Harvey, C (2003) *Time Use of People Living with Schizophrenia in a North London Catchment Area*. *The British Journal of Occupational Therapy* 66(2)
Wilson, J and Musick, M (1999) *The Effects of Volunteering on the Volunteer. Law and Contemporary Problems* 62(4)

³⁰ Advice Services Alliance (2006) *The case for advice* (London: Advice Services Alliance) references a number of studies that make the link to health impacts

³¹ CSA (2009) *Time well spent* (London: Council on Social Action).

³² *Getting Positive Results* research study into the impact of advice services alongside HIV services in Camden. Quoted in *The Impact of Advice*, ASA Briefing (2003).

³³ Citizens Advice Bureau/Kent Probation project, Samuels (2001) – quoted in *The Impact of Advice*

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- ³⁴ Shelter (2006) *Chance of a lifetime* (London: Shelter) references a vast amount of research data on the impact of homelessness and bad housing on children's outcomes against each of the *Every Child Matters* outcomes
- ³⁵ Representation by an adviser at possession proceedings reduces the rate of granting of possession orders from 22% to 4% (Watts, **Legal Action**, 1987) enabling a proactive approach to debt management to be initiated
- ³⁶ Audit Commission (London, 2006) *Inspection Report – Coventry City Council Strategic Housing Services*
- ³⁷ The cumulative cost of an eviction has been calculated as in excess of £34,000. **nef consulting** (2009) *The socio-economic value of law centres* (London: **nef consulting**). Available at: http://www.lawcentres.org.uk/uploads/NEF_Socio-Economic_Benefits_of_Law_Centres.pdf [12 June 2010]
- ³⁸ Pleasance P (2006) *Causes of action: civil law and social justice* (London: LSC). Available at: <http://lsrc.org.uk/publications/cofa2006.pdf> [12 June 2010] found that advice services help a disproportionate number of disabled people and people from a BME background.
- ³⁹ Widdowson *et al.* (2010) *Youth Outcomes Pilot: Youth Access* (London: Evaluation Trust).
- ⁴⁰ For example Youth Access has piloted a Youth Advice Outcomes Toolkit which has been very well received by agencies who took part in the pilot. Agencies found this filled gaps in current monitoring and all but one of the agencies involved in the pilot will continue to use this in the future. Widdowson *et al.* (2010) *op. cit.*
- ⁴¹ ICAR (2010) *op. cit.* has a well developed discussion of quality issues in legal aid work.
- ⁴² Council on Social Action (2009) *Time well-spent: The importance of the one-to-one relationship between advice workers and their clients* (London: Community Links). For example The Solihull pilot found more investment in advice at the initial stage would shorten the time taken for decision-making in asylum cases and lead to greater justice and lower costs. ICAR (2010) *Review of Quality Issues in Legal Advice: Measuring and Costing Quality in Asylum Work* (London: Information Centre about Asylum and Refugees).
- ⁴³ ICAR (2010) *Review of quality issues in legal advice: Measuring and costing quality in asylum work* (London: Information Centre about Asylum and Refugees).
- ⁴⁴ Advice UK (2009) *The General Help Quality Mark: Guidance for AdviceUK members* (London: Advice UK)
- ⁴⁵ Sainsbury Centre for Mental Health (2003) *The economics and social costs of mental health.*