

Valuing empowerment - making the business case

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on behalf of Creating Excellence

Origin and purpose of current study

- Creating Excellence [SW-REP] saw need and set in motion
- Linked to CLG/IDeA network of empowering authorities business case hub
- Longstanding need to examine whether cost-benefit rationale can be applied to investment in empowerment and what it might reveal; and what are the risks of *not* empowering
- ... Heightened by the recession, increasing need for empowerment and increasing need for clarity about the use of resources in social programmes

Audiences

- Focus on LAs /LSPs as key audience
- CLG as home of government empowerment policy
- RIEPs as key regional grouping
- Regional empowerment partnerships
- Front line workers, all relevant agencies
- People in communities/ community organisations

Structure of a business case for empowerment

A business case is a subset of the general case, not the whole general case

Ideally a business case needs to relate six factors:

- **investment** (*money / time / expertise*)
 - **inputs** (*eg staff/ projects/ training*)
 - **processes** (*procedures/ methods*)
 - **outputs** (*events / activities/ projects*)
 - **primary outcomes** (*emp't 'itself'*)
 - **secondary outcomes** (*effect on other issues*)

...but in a different order:

- First we need to be clear what is **empowerment 'itself'** – definition/ intrinsic value
- Secondly how it is **valued in other fields**: health, education, policing, employment...
- These together provide the **objectives**
- ...from which we can identify relevant **investment** and **input**
- ...into **processes** and **outputs**
- ...which should be evaluated to see if they do lead to the intended **outcomes**

Definition of empowerment

- Central government defines as 'the giving of confidence, skills and power to communities to shape and influence what public bodies do for or with them'
- Scottish govt working party defines as: 'a process where people work together to make change happen in their communities by having more power and influence over what happens to them'
- OTS defines its relation to the third sector as 'creating an environment to enable the third sector to thrive'
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Using local govt performance indicators :

Primary outcomes:

NI 4: whether people feel they can influence their localities (official empowerment indicator) ...+?

NI 1: community cohesion

NI 2: belong to neighbourhood

NI 3: equality of civic participation roles

NI 5: overall satisfaction with area

NI 6: regular volunteering

NI 7: environment for thriving third sector

Secondary outcomes

The contribution of primary outcome/s to any of the other indicators 8-198

Effect of choice of **outcomes** on identifying **inputs**

- If NI 4 only, hard to separate out from carrier issues, and open to objection of reducing community life to simply an auxiliary for public services
- If wider, must include the relevant inputs – eg grants, buildings, support for ‘thriving third sector’ (NI 7)
- NI 7 is only one question in a unique survey about many aspects of ‘thriving’
- Identify the community sector within the third sector

Options for identifying inputs

(not mutually exclusive)

There is an inevitable level of crudity/approximation; but this is similar to established practice in the main silos

- (i) **by department / unit/ staff** [*eg best value method re community development depts*]
- (ii) **by initiatives, schemes and projects** [*eg the initiatives listed and supported by govt empowerment policy*]
- (iii) **by methods adopted in other fields** [*eg by engagement/ empowerment training in policing, housing, health*]

Examples /analogues

- Newcastle spends £1m pa on CD, which benefits 42,000 people (£24 per involvement)
- Neighbourhood management in Kendray estate, Barnsley, cost £350K pa and achieved:
increased value of housing, reduction in empty houses, lower crime, reduced costs of building an academy, total value greater than the cost
- Neighbourhood policing saves more than its cost through reduced crime
- ESF 'global grants' achieve employment gains at lower cost than conventional job schemes

But evidence is sparse...

because evaluation doesn't collect the right information for a business case. Common omissions are:

Investment costs

Number of people benefitting

Quantified evidence of primary outcomes

Testimony of secondary outcomes

Imputed monetary value of outcomes

General evaluation would benefit from using a business case model because it asks clearer questions.

Can we move forward?

- Examine the business case retrospectively for existing empowerment programmes
- Design new programmes on a business case model
- Explore the effect of emerging alternative economic paradigm/s on the business case