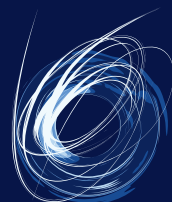




Lighting the way for C2 Connecting Communities

SOCIAL IMPACT VALUATION OF THE BEACON PROJECT 1995-2001 | MAY 2016

Daniel Fujiwara | Ulrike Hotopp | Ricky Lawton



C2 | Connecting
Communities

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■ Foreword #1

When you look at the amazing results from this report it is clear why this study, along with other academic research and newspaper articles all looked at the events and actions in a small council estate in Cornwall between 1997 and 2005.

Here we have empirical evidence that involving residents and tenants not only adds real value but delivers the long term change needed to turnaround even the most challenging communities.

I was lucky to be the first Beacon Community Manager and worked and supported the project until I moved to South Wales in 2012. At the heart the Beacon Partnership was the power sharing, initially between the local housing authority and the tenants and residents. Then this extended to a real collaboration between the community and all of the major agencies, health, police, schools and the council, but with tenants and residents always in a majority.

The evidence in this report backs up what we knew was happening as we witnessed the transformation of a community. In fact I think the figures slightly under estimate the success. On low demand estates like the Beacon, the allocation process continues to influence the overall employment rates. When I worked on the estate many people who found jobs did move out and of course a number of people in the community inevitably died, and in virtually every case the allocations process resulted in an additional household moving in to the area who were not in work. The data is no longer available to adjust for these events but I cannot recall housing a single family who were in employment during my period at the local office.

Hard statistics are necessary but for me some of the real joy was the development of the people involved. Some started in the partnership without employment, they gained confidence and then jobs, several stood for local political office with the skills and political understanding developed through the Partnership. Others took degrees and developed themselves in other directions. It also influenced many of the professionals who worked on the project and who moved on, carrying with them the values of openness and sharing that flourished in the Beacon. I myself am now the Chief Executive of the first mutual housing association owned by tenants and employees in Wales.

The Beacon Partnership was more than just the sum of all the separate parts. It changed lives and people, and it worked!



Michael Owen
Former Senior Housing
Officer, Carrick District
Council



■ Foreword #2

Back in 1995 when Penwerris Tenants and Residents Association was formed, who could have seen what would come from this event? By 1996 we had applied for major government funding, which we received, and by 1997 we started to set up the Beacon Partnership which not only has had a lasting effect on the Penwerris Ward of Falmouth, and in more recent years the whole of this area of Cornwall, but also became the catalyst for a programme which has assisted many neighbourhoods throughout the country.

This programme has changed this estate from one of the area's most troubled estates into one of the safest, friendliest, places to live in Falmouth. Twenty-one years on we are still working, but the job is now one of helping people and not of having to deal with anti social behaviour every day.

Our Welfare Benefit Service has now helped to secure in excess of half a million pounds in unclaimed benefit and continues to work for the residents of Falmouth.

The work of an organisation like the Beacon Partnership will never be complete, due to a transient population which keeps bringing new issues to the estate, so our work continues, but we have, and will, maintain a safe estate for our families to live and work in.

“ We thought we were doing up houses but we were actually doing up lives. ”

Grenville Chappell,
Beacon Partnership
co-ordinator & lifelong
resident



Grenville and June Chappell
Beacon Partnership
Co-ordinator & Chair,
currently Mayor & Mayoress
of Falmouth

■ Preface

As co-founder of C2 Connecting Communities, I welcome you to this report.

It would be understandable initially to wonder about the relevance of a report, measuring in monetary terms, the social impact value of a project that took place in the far South West of England, dating back to the mid 90s.

The simple response, as you'll soon discover, is that this was no ordinary project and the metrics and methodologies needed to accurately measure social impact value, were simply not around then. Also, these are indisputably hard times for those of us living and working in low income communities, so monetary evidence of the cost effectiveness of an approach that simply connects people & providers to work together as equals, has to be good news.

As the title 'Lighting the Way' suggests then, this report sheds new light on the flagship Beacon Project, Falmouth, Cornwall, the learning from which has illuminated a new pathway for many equally challenged communities across the UK over the last two decades.

For many of us, residents and frontline workers alike, who 'walked the walk' with this remarkable community back then, it was life changing as the Forewords will testify, and to witness the spread and influence that Beacon has had in ensuing years has been extraordinary.

The C2 team are therefore delighted that Daniel Fujiwara and his Simetrica colleagues took on the challenge of establishing the true social value in monetary terms of the Beacon Project; with some surprising results.

Daniel is a leading academic in the field of wellbeing valuation and has been principal advisor to DWP, HM Treasury and the Cabinet office.

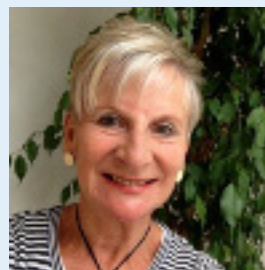
Using valuation methods & metrics fully consistent with HM Treasury's Green Book, this report demonstrates the true value of community driven action and how with no start up funding, residents simply worked alongside the statutory sector to self-generate income and self manage, ultimately reversing their own health & social decline. This has never regressed since, thanks to the tireless Beacon Community Regeneration Partnership, still the beating heart of this community.

We therefore readily acknowledge that an accurate social impact analysis of what was an 'organically grown' community led intervention with incomplete data, back in the mid 90s, was a radical departure for Simetrica. Our

sincere thanks to them. Special thanks too to Ulrike Hotopp for all the phone calls and new insights that her work on this report has given us.

We are also indebted to Sovereign Housing Association for their support in enabling us to carry out what we believe is a groundbreaking report.

We hope you take hope from this report as a resident or provider. We recommend that you read 'Rebirth of a Community' which follows the Foreword, prior to report analysis & results, as the story and context of this work is as important as the findings themselves, in increasing understanding of how this approach worked and continues to work so well in Falmouth, and for many other communities nationally since.



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Sovereign and C2

Sovereign's interest in C2 was sparked when we became involved with communities undertaking the 7-Step process in Devon. We quickly recognised its value as we observed residents organising and leading change across a wide range of issues in their neighbourhoods. We have since taken the approach into a number of new communities and found it to be an excellent way of bringing residents and partners together in a more equal way; informed by the authentic views of the wider community. C2 challenges us [partners] to understand the importance of viewing communities, not as the sum total of their issues, but by the capacity that has yet to be released; this informs the nature of the partnership that is created – where residents are the architects of solutions not the presenters of problems.

Scott Jacobs-Lange
Communities Officer, Sovereign

The Rebirth of a Community

Caroline Thomsett, 2001

“This project has turned around a small estate in Cornwall which was in the grips of strife and fear.”

Tony Blair, Prime Minister,
Nye Bevan Awards, 5 July 1999

A catalyst for change

‘The scale of abuse of all kinds in early life among these families horrified me. I wanted to break that cycle of abuse.’

Hazel Stuteley OBE, Health Visitor

In the mid-1990s, the Beacon and Old Hill Estate in Falmouth in Cornwall was in the depths of despair. Although located in the affluent South West of England, it was nicknamed ‘Beirut’ and among the most deprived areas of Britain. On a spiral of decline, its problems were akin to those of inner cities. In a climate of mistrust between the police and community, violent crime, drug dealing and intimidation were rife. With little central heating, the cold, damp homes had resulted in a sharp rise in childhood asthma and respiratory problems. Largely abandoned by the statutory agencies, it was an estate that had become isolated. Above all, the community had lost its spirit and its people were no longer holding their heads high. Now, it’s been re-born. Its self-esteem has returned, crime has fallen and exam results dramatically improved. They are the fruits of a successful partnership between a team of determined residents, the NHS, the police, the junior school and the district council. A model of regeneration, it received acclaim in 1999 when it was awarded a Nye Bevan Award in 1999 for its contribution to health improvement. A driving force in the reforms, Hazel Stuteley was one of two health visitors who kicked off the project. She’s since been seconded to the Department of Health to spread the Beacon Story and champion similar regeneration schemes. In recognition of her work, she was awarded an OBE in the 2001 New Year’s Honours List.

The estate prior to 1995

‘The whole estate was rapidly spiralling out of control and appeared to be attaining ghetto status. A sea of grey, it was deeply depressing.’

Hazel Stuteley

‘When I came here, the community and the school were at a low ebb. There were many despondent people.’

*Richard Carter, Head teacher,
Beacon Junior School*

‘There was an attitude among the police and others that everybody living on the estate was a criminal. There was no exchange of information. The community didn’t trust us and we didn’t trust them.’

*Bob Mears, Police Community Liaison
and Crime Reduction Officer*

‘There was no sense it could be improved.’

Mike Owen, Senior Housing Officer

‘Living in some of those houses, you might just as well have been in a tent on Bodmin Moor.’

*June Chappel, Vice Chairman,
Beacon Regeneration Partnership*

The Beacon estate straddles two electoral wards including Penwerris, one of the most deprived areas in the country. In the most recent national poverty indicator, the Index of Multiple Deprivation 2000, it ranked among the worst ten per cent of wards in the country. In 1996, a Bristol University survey found it was the most deprived ward in Cornwall. According to the Breadline Britain Index, it had the highest proportion of

poor households of the county's 133 wards. More than 30% of households were living in poverty, above the national average. The report *Poverty and Deprivation in West Cornwall in the 1990s* showed it had the largest percentage of children in households with no wage earners, the second highest number of children living with lone parents and more than 50% of the 1,500 homes were without central heating. Its illness rate was 18% above the national average.

When Hazel Stuteley arrived as a health visitor in Falmouth in 1990, her work initially brought her into little contact with the residents of the estate but visually the long rows of terraced housing and low-rise flats made an impact. 'Looking at the estate, it was a sea of grey', she says. 'It was deeply depressing.' A few years later, she moved to a GP practice in the heart of the estate which had received low levels of Health Visitor input and was immediately besieged with an enormous, high priority, caseload. "We encountered a seemingly bottomless pit of need " She and her fellow health visitor Philip Trenoweth only had time to lurch from crisis to crisis. 'We were only putting a sticking plaster on the problems,' she recalls. 'with no time to address the root problems."

The estate's problems were exacerbated by a lack of intervention and little attempt at communication by the statutory agencies. The police admit at the time community policing had disappeared and they only ventured onto the estate when necessary. Bob Mears, the Police Community Liaison and Crime Reduction Officer, says, 'It was a big trouble spot. There was the attitude among us and other people that everybody who lived on the estate was a criminal. That's obviously not true, but there was no exchange of information. There was a sort of them and us. They didn't have any trust in us, and we didn't have any in them.'

At Carrick District Council, opinions too were entrenched. 'There was no sense it could be improved,' says Mike Owen, the senior housing officer at the time. 'The estate was mostly ignored by professional agencies. It was style of government in the 70s and 80s. At the end of the Thatcher era, there was a feeling that people should stand up for themselves.' The housing stock was in a poor state of repair and needed a large injection of both public and private investment but there were heavy constraints on local government borrowing. Living conditions were bleak. Many had little or no heating and inadequate washing facilities. Carolyn Bray, a single mother of two, lived in temporary council accommodation until Hazel's intervention. 'It was very depressing,' she said. 'I didn't have a bath and the children were petrified of the shower. With only one fire, it was very cold in the

winter.' A lack of housing stock meant others were condemned to long periods in bed and breakfast accommodation. One family of four lived for a year in one room.

As health visitors, Mrs Stuteley and Mr Trenoweth began to realise they were in the unique position of having a clear overview of the estate's problems. Frustrated at dealing with the constant treadmill of cases and horrified at the scale of physical and sexual abuse and of escalating violent crime, they believed they could be agents for change. Without reform, Mrs Stuteley feared more trouble was brewing, 'There was a menace about the estate, a tide of intimidation and violence that was getting worse and it felt like it was going to erupt. Children as young as four were stoning each other and mothers were violently fighting other mothers in the streets and on school premises.'

The strategy

'It was like popping a champagne bottle. What was perceived as apathy...you tap into it, you unleash it and all this anger poured out. It was a question of channelling that anger into a positive energy.'

Hazel Stuteley

'There was a sea change of views. In partnership terms, we were massively ahead of our time.'

Mike Owen, former Senior Housing Officer, Carrick District Council

'You need hard working volunteers that want to turn the estate around. The work they put in was phenomenal.'

PC Bob Mears

In the spring of 1995, Hazel and Philip began their quest to reverse the spiral of decline by raising the awareness of the statutory agencies. A series of meetings involving the police, housing and probation officers, social services, local teachers, the probation service, home helps and the NSPCC marked the birth of a crucial partnership. 'It was astonishing,' says Mrs Stuteley. 'There was a collective sigh of relief as all the agencies were feeling just as overwhelmed as we were.'

The timing of the meeting was critical. Across the agencies, personnel had been changing and the effect was to bring many new forces together. Mike Owen recalls, 'There was a sea change of views. In partnership terms, we were massively ahead of our time.'

Knowing the engagement of residents would be crucial to the project's success, the health visitor's next move was to target key tenants and residents throughout the estate who had, what they considered, the necessary qualities to engage their peers. "Looking back" says Hazel, "this was the most effective and powerful key to change. We targeted twenty and five brave souls agreed to join us!" The result was the birth of the first of two tenants' and residents' associations. With only five on board initially, the humble beginnings raised some doubts but the association eventually proved a vehicle for unleashing the estate's anger and reverting it into energy that could be positively channelled. 'When we all got together we didn't look like a very brave crowd that were going to change anything,' remembers Mrs Stuteley, 'but the chemistry between those five was quite incredible. The energy they seemed to create.' The police too recognised their invaluable contribution. 'You need certain ingredients to make a successful project,' said P.C Mears. 'You need hard working volunteers that want to turn the estate around. The work they put in was phenomenal, visiting each and every household and having one to one chats with each family.'

The residents first published a newsletter inviting the community to attend a series of "listening forums" in a local Church hall and for the first time for many years there was renewed dialogue between the tenants and the statutory agencies. Initially poorly attended word got round that there was tea, biscuits and a raffle on offer and your point of view would be heard. At the series of meetings, the residents were urged to confront the officers, the people they perceived as their enemies. 'There was one meeting of nearly one hundred and fifty people,' explains Mrs Stuteley. 'That was the fieriest, the angriest. Once they got going there was no stopping them. They laid into the police, Housing and local government but it was healthy. Nobody had listened to them before. That night, sitting at the back of the hall, I really felt for the first time that things would change.'

Grenville Chappel, the chairman of the Penwerris Tenant's and Resident's Association and project co-ordinator of the subsequent Beacon Community Regeneration Partnership said the fact that the agencies were prepared to glean the views of the people proved vital in resolving the estate's problems. 'You've got to get out there and find out what people want,' he said. 'Not sit around and think you know what people want.'

The establishment of the more formal Regeneration Partnership was a constitutional necessity after a successful bid, led by the Tenant's and Resident's Association, health and Carrick District Council for £1.2m of Government capital challenge funding for energy conservation improvements. Technically, it was not extra cash but permission for the council to increase its borrowing. The council later topped up the figure by a further £1m. 'This was the first step in the community really believing itself,' says Mrs Stuteley. 'Knowing it could achieve something, we were overjoyed!'

The inception of the Regeneration Partnership led to a break in tradition of the workings of local government. Unusually, Carrick District Council agreed to delegate some of its powers, empowering the tenant-led partnership rather than a council committee to make recommendations to the full council on the estate's progress. 'It was quite brave for the authority to extend responsibility to a body controlled by residents,' said Mr Owen.

At the same time, housing officers teamed up with the police to tackle neighbourhood nuisance. Many of the problems they had previously confronted had proved neither criminal nor grounds for eviction. The partnership, which involved visiting homes, marked a departure from the past when joint working would have been seen as detrimental. 'In the mid-1980's, when I worked in housing the police were seen as the enemy. You would never have joined together, believing you would lose the confidence of the residents.' The result was a reduction in anti-social behaviour. Using the stick of the threat of eviction, parents were warned they could be homeless if their children remained a nuisance and if anyone in the household was convicted of drug dealing. Mr Owen insisted, 'The people had to be made to realise that they had to tow the line if they were going to live on the estate.'

Social services too were quick to come on board. For two years, a social worker was seconded to the project, an appointment that eased some of the pressure on the two health visitors. Most of the work was a gatekeeper role, analysing the residents' needs and redirecting to the appropriate agency. 'The on-the-spot presence seemed everything,' says Dave Richards, the Assistant Director of Social Services at Cornwall County Council. 'These were people who were frustrated by bureaucracy. You got a far better hands-on service than you can ever do, trying to negotiate at a higher level.'

Transformation

‘You should think about calling it Rainbow Hill. I look at the colours and it makes me want to smile.’

Elderly Resident, Beacon Estate

‘Three years ago people wanted to leave Old Hill. Now they are queuing to come back.’

*Grenville Chappel, Project Co-ordinator,
Beacon Community Regeneration Partnership*

‘We’ve got rid of the Old Hill mob. The mood is definitely up-tempo.’

Trevor Jones, Father, Old Hill

The funding resulted in improvements to 900 properties, 300 of which had central heating installed. Not only were all the homes more comfortable and more energy efficient with new insulation but also new cladding in bright colours from terracotta to turquoise and sage green transformed the grim landscape. The change of environment contributed to the ‘feel-good factor’ that was gradually emerging. ‘I love the colours,’ one elderly resident told Hazel. ‘You should think about calling it Rainbow Hill. I look at the colours and it makes me want to smile.’

Although the investment was overdue, it fell far short of the total needed. Again the council was one step removed from the process with the responsibility for the distribution of the cash resting largely with the residents. After a survey of the housing stock, they determined the priorities. ‘Instead of the council rationing and being exposed,’ says Mr Owen, ‘the residents decided which houses gained and stood up and defended the decisions.’

After years of little change, the building work brought a change of heart on the estate, dispelling the notion that all the efforts were pointless and in turn halting the desire of many to leave. Grenville Chappel, the project co-ordinator of the Beacon Community Regeneration Partnership says, ‘To start with no one took much notice of us, having meetings on cold November nights. Nobody thought it was ever going to get further than plastic models and sketches on the wall.’

As the estate began to turn round and attitudes improved, the crime rate fell. ‘If you live in a rundown estate, people don’t care,’ says PC Bob Mears, ‘but if it’s smartened up, people improve their gardens and their behaviour changes’. With renewed communication between the police and the

community, new measures were introduced, some largely to address the fear of crime. Lighting and CCTV cameras were installed to illuminate a well-trodden footpath and for the first time Neighbourhood Watch schemes sprung up. Although coincidental, the relocation of the police station from Penryn back to Falmouth after several years aided relations.

A raft of community activities followed. The formation of a parent toddler group enabled mothers for the first time to exchange experiences and address their parenting skills. It highlighted the need for many mothers themselves to be taught how to play and led to several training to be crèche leaders and obtaining NVQ qualifications. Hazel Stuteley, who was behind the group, remembers, ‘It was the mums who were the ones doing the finger-painting and the play dough. It was very touching to see. They had never played before.’

The local public house, the Falmouth Tavern too became a focal point for activities and the rebirth of the community spirit. With barely any facilities, basic computer courses were held there and thousands of pounds raised with a host of fundraising events from pig racing to bungee jumping. ‘It’s all down to getting people out of their houses,’ says Dave Wheton, the landlord. ‘With the violence and everything that happens, people just shut their doors’.

As a result, the downward spiral was reversed. Whereas people were queuing up to leave, not wishing to be the only remaining working family on the estate, there was a complete change of heart with people actively wanting and requesting to move there. ‘The result we didn’t expect was the sense of social cohesion,’ says Mr Owen.

With the engagement of the residents and the unfailing energy of a few, the estate’s facilities expanded. From just the youth club prior to 1995, the Regeneration Partnership first shared the Beacon Energy Action Office, a former dog-grooming salon that was opened by Carrick District Council as a base to administer the capital challenge funding. Money from the Nye Bevan Award and a grant from the Cory Environmental Trust later enabled the Partnership to obtain and refurbish its own office. The Beacon Community Resource Centre, as its now named, hosts its own computers course, offers advice on benefits once a week and houses the Cornwall Action Team (CAT), three staff from the Employment Service who provide a range of support to assist the unemployed return to work. CAT’s services range from assistance compiling a CV, to money to help bridge the gap

between benefits and the first pay cheque and the moral support of accompanying people to do a job interview. Sami Littlejohn, the Beacon Project Manager for CAT regards all her clients as new opportunities. ‘They need to build up self-esteem. I’ve had one client for six months. He told me nobody had ever listened to him before. Everybody is an individual. We work with them.’ Since it began in February 2001, forty-one local people from ninety referrals have gained employment.

Initiated by Hazel, who successfully bid for Health Action Zone funding, Carrick Primary Care Trust has since converted the now defunct Beacon Energy Action Office into a one-stop health centre. Among the aims of the Beacon Care Centre is to tackle the high non-attendance rates at traditional NHS settings and the teenage pregnancy rate on the estate. The centre will bolster the existing weekly family planning clinic at the local health centre with a further three nurse led sessions, one on a Saturday morning. ‘The ethos behind the centre is that it’s a first step,’ says Tracey O’Kieffe, the health visitor who took over from Hazel Stuteley. ‘We hope the word will get around that we are open and accessible.’ Other planned services include chiropody for the older members of the estate and counselling by a community psychiatric nurse.

The results

Health

Although difficult to measure as five G.P. practices share patients on the estate, the outcomes of the Beacon project have undoubtedly impacted on the health of this community. Says Hazel Stuteley “In 1999, when the project was shortlisted for Health Improvement Status, I was asked at short notice if I could produce any tangible health outcomes, so I measured what I was actively involved with in my work as a Health Visitor, namely Child Protection registrations and Post Natal Depression rates for the estate.”

In January 1995 there were 19 Child Protection registrations. In January 1999 there were 8 registrations, a reduction of 58%.

From January to December 1995, 18 mothers were actively treated for post-natal depression. From January to December 1999, 4 mothers were actively treated, a reduction of 77%.

Hazel adds, “I was particularly pleased by the drop in post-natal depression, mirrored with the boys improvement in educational attainment tests. This bears out evidence that boys are particularly affected by their Mum’s emotional health.”

Education

‘Now there’s a definite air of we hold our heads up high in the community. Five or six years ago, we were the sink school.’

*Richard Carter, Head teacher,
Beacon Junior School*

There have been significant improvements in examination results since the estate underwent its transformation. The most dramatic were in 1999 when the number of pupils achieving level four in maths in national tests at key stage two rose to 60 per cent, an 18% rise compared to 1997. There was a similar performance in science (see table below), but the most startling was the surge in the performance of boys in English whose poor results had previously dragged down the school’s overall performance. In 1999, 53% attained level four or above compared to almost 26% the year before, a rise of more than 100%. Although such dramatic progress hasn’t been sustained with results falling back slightly in 2000, the children’s results last year still exceeded the schools target for maths and in the future are expected to continue to rise sharply. The head teacher, Richard Carter is confident that its targets of 70.4% in English and 68.8% for maths for 2002 will be met.

Beacon Junior School SATs results

Percentage of girls and boys achieving level four and above in national tests at key stage two.

	1997	1998	1999	2000
English	51%	44%	56%	54%
Maths	42%	43%	60%	42%
Science	54%	49%	72%	60%

Percentage of girls and boys achieving level four and above in national tests at key stage two.

	1997	1998	1999	2000
Boys	36%	26%	53%	46%
Girls	69%	69%	59%	58%

Source: Beacon Junior School

Crime

As the feel-good factor has returned to the estate, there's been sharp drop in a number of crimes on the Beacon estate. In the year April 2000/March 2001, burglaries were down by 34% compared to 1996. Violent crime (excluding common assaults, which since 1998 have to be recorded) also dropped dramatically in the year April 1999/March 2000. It fell by more than 50% compared to three years earlier. It has since risen. However, this may be attributed to the fact that with renewed confidence in the Police, more violent crimes are being reported. Vehicle crime has also fallen. In April 1999/March 2000 it was down by 22% compared to 1996/97.

Recorded Crime on Beacon Estate

	96/97	97/98	98/99	99/00	00/01
Burglary	29	20	22	27	19
Violent crime*	11	9	8	5	11
Vehicle crime	40	42	35	31	35

Source: Force Data Services, Devon & Cornwall Constabulary.

*In 1998 the Home Office extended the range of offences defined as 'crime'. The figures above for violent crime exclude common assault, which is now recorded, and sexual offences that have remained relatively the same over the period.

Unemployment

Penwerris had one of the highest unemployment rates in Cornwall in 1991, ranking 4th among Cornwall wards. According to the 1991 Census, 15.3% of adults were out of work, 6% above the national average. There's no comparable data available at ward level. However, between June 1995-June 2001, the number people out of work and claiming benefit on the Penwerris ward fell by 69%. Although nationally the trend has been sharply downwards, unemployment figures have fallen by a further 10% and are 4% better than the average drop in Carrick.

Unemployment Figures

Number of adults out of work and claiming job seekers allowance in the Penwerris ward.

	June 1995	June 1996	June 1997	June 1998	June 1999	June 2000	June 2001
Women	69	68	48	47	39	34	30
Men	356	241	208	151	172	197	103
Total	425	309	256	198	211	231	133

Source: Office for National Statistics.

The lessons

'The Beacon Project has shown how front-line staff in the NHS can catalyse change in a deprived community.'

Dr Ian Mackenzie, Director of Developments, Cornwall & Isles of Scilly Health Authority

'We built up people's self-esteem through leading from behind. We were the enablers. We only take credit for kick starting it and getting those people to a level of self-confidence and self-belief so that they could carry on and now, nearly two years down the line they have.'

Hazel Stuteley

'The success of partnership is to have partners who work as equals.'

Grenville Chappel

The partnership was clearly critical to the success of the project but the consensus among all the parties involved is that it was essential it was tenant led. From the start, the emphasis was on engaging the residents and gleaning their needs and demands. If one of the agencies had been the linchpin, it is believed the project would have ultimately collapsed. The current thriving community is testimony to the determination and unflinching energy of a hardcore of residents.

As Hazel Stuteley remembers, 'We built up people's self-esteem through leading from behind. We were never leading from in front. We were the enablers. We only take the credit for kick starting it and getting those people to a level of self-confidence and self-belief so that they could carry on and now nearly two years down the line, they have.'

The project bears witness to the untapped value and influence of staff working at the sharp end. The Beacon Project has acted as an inspiration to health and social professionals both within Cornwall and the Isles of Scilly Health Authority and nationally. As a result, Cornwall's Health Action Zone has embraced and promoted the principles of community involvement and partnership and its powerful positive impact on a range of health and social measures has led to similar approaches in other parts of the county. 'The Beacon Project has shown how front-line staff in the NHS can catalyse change in a deprived community,' says Dr Ian Mackenzie, the Authority's Director of Developments. 'There is sound evidence that unemployment, low income, low educational attainment and fear of crime and poor housing lead to poor health. Health visitors

see on a daily basis how the broader determinants of health affect the people and the communities they serve.’

Throughout, the emphasis has been on the community’s needs and wishes. Their desires were paramount. The philosophy of the Beacon Community Regeneration Partnership states, ‘... residents will be at the centre of all decisions that affect the area in which they live’. Grenville Chappel insists that no partnership will succeed on the basis of thinking it knows what people want. The only way is to actively find out and then work together with a common goal. ‘The success of partnership is to have partners who work as equals,’ he says. The chairman, Graham Whitfield, believes having a range of expertise is another vital ingredient but warns that it is difficult to maintain momentum. ‘I’ve got a Partnership of 15 experts – that’s how it works,’ he says enthusiastically. ‘The hardest part is not the Partnership, it’s getting people off their backsides. The more successful we’ve been, the harder that’s become.’

The future

‘I would never dream of leaving this place.’

John Martin, retired businessman

‘It’s still buzzing...’

Graham Whitfield

‘They now want more trees. It’s great to know that they are thinking about the environment around them.’

Grenville Chappel

Several years on since Hazel Stuteley and Philip Trenoweth’s intervention, the Beacon and Old Hill estate is still flourishing. Despite the undisputed rebirth of the estate, the resident’s drive for improvements continues at a pace. The Regeneration Partnership has further consulted with the community via a ‘Planning for Real Day’ whereby residents left suggestions on flags that they scattered across a map of the area. Despite 12,000 bulbs being planted from funding from a £30,000 government grant, the environment still proved to be a major concern. Almost 20% of suggestions focussed on improvements to the landscape, compared to 7% for housing. ‘They stuck flags everywhere, saying they wanted more trees,’ says Mr Chappel. ‘It’s great to know that they are thinking about the environment around them and not their homes.’

More facilities are in the pipeline for the estate’s youth. At the time of writing, a skateboard and rollerblading park was being built and two-year funding had been gained from the John Paul Getty Trust for a summer camp at Falmouth Youth Club. For the older generation, money is to be raised for a gardening and handyman service and for further double-glazing at the flats in Old Hill.

The Beacon and Old Hill estate is now a vibrant community and a location that many wouldn’t dream of leaving. The founder of Martin’s Ice Creams, John Martins, was born and bred in Old Hill. He is now in his 70s and is full of admiration for the work that has been carried out. ‘It’s unbelievable what they’ve done. It’s a pleasure living in Old Hill. I could afford to live anywhere in Falmouth but I would never dream of leaving this place.’





■ Executive Summary

The **Beacon project** provides a powerful example for any **self-driven community** that is no longer willing to accept a perpetual state of deprivation. It serves to demonstrate how joint initiative and action can significantly change wellbeing and economic circumstances on the ground.

Valuing the outcomes for which data was collected, it was found that even under **very strict assumptions for deadweight, attrition and optimism bias** this community created an overall **social and economic net benefit of about £3.9m**. The value of £3.9m is equivalent to 50 police officers or 34 social workers per year and represents a benefit-cost ratio of 1.8. This is well above the outcomes achieved by many formally funded projects. However there are significant gaps in the data so the figures quoted within this report are of necessity, conservative. **Future studies need better data to make more robust and comprehensive claims.**

Most of the benefits secured have come from **reduced unemployment, improved housing** (especially insulation reducing environmental impact and improving health and comfort), and improved **health outcomes for children**. Where possible, values have been generated using the Social Value Bank¹ to reflect not only monetary values, but also improvements in wider wellbeing.

Some of the most significant benefits could not be quantified because of missing data. For example, the **mental health benefits** from reduction in depression and volunteering. We therefore describe these qualitatively.

The cost-benefit analysis applied followed the strict guidance provided by HM-Treasury. Cost estimates included, where possible, time spent by service providers, investment in housing stock, street lighting and other safety provisions. We also applied an optimism bias to the cost figures to avoid an underestimate of the costs. All values were then transposed into 2016 prices.

“The Beacon Project has shown how frontline staff in the NHS can catalyse change in a deprived community.”

Dr Ian Mackenzie,
Director of Developments,
Cornwall & Isles of Scilly Health
Authority, 2001

¹ <http://www.hact.org.uk/social-value-bank>



■ Background and context of the project

The **Beacon project (1995-2001)** provided not only the inspiration for Connecting Communities (C2), but also the evidence base for 2 years of research identifying the transferable principles captured in the **C2 7-steps 'From isolation to Transformation'**. (www.c2connectingcommunities.co.uk)

C2 is a different way of thinking and working that focuses on harnessing the energy and potential of individuals within a community to drive the changes that they want to see. C2 has been successfully deployed in a rising number of communities across the UK, which face complex challenges, including deprivation, under-investment and health inequalities. C2 'People & Provider' partnerships, as Beacon demonstrated, are set up to tackle this.

In 1995 the Beacon estate was very run down with high crime rates, high unemployment and low school achievement rates. Deeply stigmatised, general health standards were low and public services were not engaged in the wellbeing of the residents. This was reversed via the project with **no start up funding**.

Retrospective research identified that the success of the Beacon project to achieve this was due to the **creation of enabling conditions** by service providers, for the community to lead the changes they wanted to see for themselves.

The mechanism that delivered this change was the **resident-led Beacon Community Regeneration Partnership (BCRP)**, which still meets to date.

Regular partnership meetings identified local problems, formulated solutions and co-ordinated police-community engagement efforts, health and social services, and programmes in local schools to focus on what was possible for the children of the estate. The newly set up Penwerris Tenant's and Resident's Association generated Government grants, which were invested in the housing stock to reduce housing-related ill health caused by cold and damp conditions, such as childhood asthma. The Job Centre seconded staff to the estate to support unemployed residents to find work. Mothers self-organised to set up a crèche with the help of professionals, and two subsequently trained to become crèche supervisors. A whole raft of community self-organised social activities, to enhance the lives of all age groups, sprang up simultaneously e.g. a skateboard park and coach outings for the elderly.

The Beacon Estate & C2: enabling long term culture change

C2 mirrors what happened in Beacon by bringing together people and service providers in a community to harness the energy and potential to drive the changes they want to see. Underlying C2 is the concept of **community health creation**. This is defined as 'the enhancement of health & wellbeing that occurs when an individual or community gains a sense of mastery over their own lives and their local environment.'



This means that the C2 approach is not just about culture change within the communities away from a culture of dependency and acceptance of bad conditions, but also culture change in the professional services.

In fact, the Beacon project used an asset or ‘strengths’ based approach long before Asset Based Community Development (ABCD) was introduced from the U.S.A.

The C2 7-Step process captures this and provides a ‘roadmap’ for communities to create the linkages with partners to drive forward a programme of change based on the latent capacity that **exists in all communities**. This process generates ‘capacity release’ by valuing the skills, energy and knowledge held by residents and treating them as equal partners, with the potential, as in Beacon’s case of becoming providers in their own right.

This report provides a quantified evaluation of the impact of the Beacon project. It uses standard Cost Benefit Analysis practice combined with more innovative work on social impact evaluation.

Why value social impact?

Lives, and within them wellbeing, matter.

Outcomes of charitable activities and policies (local, regional and national) often impact greatly on peoples’ lives and wellbeing. This means that outcomes improving wellbeing & welfare are worthwhile objectives to aim for.

However, resources such as police time, teachers, and nurses are scarce. Measuring where they have most impact helps to focus their use, to ensure that individuals across society get the most benefits for the resources invested. It supports the decision-making process for those who are allocating resources, and who need information to ensure the best possible results are achieved. This way we can ensure that what matters gets measured (and *vice versa*).

Showing which type of intervention leads to positive outcomes and improves people’s lives is important to avoid wasting of money elsewhere, recognising what people have achieved, and encouraging evaluation and learning.

Whilst we can’t measure and monetise everything, we can make sure that where money is spent this is done to achieve the best outcomes for people. This provides a strong justification to try and measure the social value of what C2 does and therefore the Beacon project, which provided the evidence base for C2.



■ Methodology

Cost-benefit analysis

There are a number of different methods to assess social value. For this project we apply a modified Cost-Benefit Analysis (CBA) method. CBA is the recommended approach to policy evaluation and social impact measurement as set out by the HM Treasury Green Book guidelines. It is also the recommended approach as set out by a number of international organisations, such as the Organisation for Economic Co-operation and Development (OECD), the United Nations, and the World Health Organisation. CBA provides a good indication for value for money by looking at the social benefits and costs of an intervention.

CBA is a *welfarist* approach to policy evaluation, whereby a policy intervention is judged in terms of whether it leads to an overall increase in the welfare of the people in society. This is achieved by defining the set of outcomes related to the intervention, and then attaching monetary values to the outcomes (benefits for positive outcomes and costs for negative outcomes). Monetising outcomes permits the comparison of benefits versus costs on the same metric and so all types of outcomes can be included and compared in CBA.

In CBA, benefits and costs are assessed in terms of changes in welfare; that is a positive monetary amount represents an improvement in wellbeing and a negative monetary amount represents a decrease in wellbeing. In this framework, therefore, we are interested not just in changes in a person's income, but also in their overall quality of life and well-being² and so this will include outcomes like being free of fear of crime, having a warm and safe home, a supply of nutritious food, a pleasant area around their homes etc. All of these are factors that mattered for people in the Beacon Estate and which

were targeted for improvement through community driven collaborative working.

There are a number of methods that can be used to value outcomes including stated preference valuation, revealed preference valuation, revealed behaviour valuation and wellbeing valuation. All of these methods are included in HM Treasury and OECD guidelines and are used in the academic literature for valuing outcomes. We use the wellbeing valuation (WV) method in this study.

WV assesses how an outcome impacts on people's self-reported wellbeing (usually their reported levels of life satisfaction) and attaches a monetary value to that by assessing how much money an individual would need to be compensated to have the same impact on their wellbeing. This provides a monetary equivalent value of the change in wellbeing due to the outcome.

In this study we focus on the following key outcomes associated with the Beacon project:

- **Employment outcomes** (including an assessment of the multiplier effect) – this captures the value of people moving into full-time or part-time employment and the wider impact of this on individuals and the local area.
- **Health outcomes** – this captures the value of people experiencing an improvement in their overall mental or physical health (including relief from depression).
- **Crime outcomes** – this captures the value to the local area of a reduction in burglaries, violent crime, vehicle crime.
- **Environmental outcomes** – these include values for reduced use of energy in combination with increased comfort at home.



- **Volunteering regularly and being active in a residents' group** – this captures the value of local individuals volunteering and driving change within their community.

PRIMARY AND SECONDARY BENEFIT VALUES

We will measure both the primary benefits to individuals through improvement in their wellbeing, and secondary benefits which fall to the whole of society. However, it is noted that there are gaps in the data, which lead to gaps in these assessments. The methodology section sets out clearly what we have been able to evaluate using the data available.

Primary benefits are the benefits that directly accrue to the individual in terms of improvements in quality of life; for these benefits we value outcomes using the WV approach. The values for the relevant outcomes have been pre-estimated and come from the Simetrica Social Value Bank. The Social Value Bank is the largest set of primary benefit values in the world derived using a consistent methodology. It takes average reports of peoples' wellbeing associated with changes in a range of outcomes, including employment, community engagement, and health. It then calculates the equivalent amount of money that would bring an individual that same level of wellbeing, holding all other factors equal. The WV methodology used in the Social Value Bank and a full description of the values can be found here: <http://www.hact.org.uk/social-value-bank>

Secondary benefits are benefits that accrue to society more widely, for example Exchequer savings, which may be an indirect benefit to the individual now or at some stage in the future. Calculations of secondary benefits are performed through the analysis of a number of UK unit cost databases, which provide estimates of fiscal savings associated with different outcomes.

We highlight that any given outcome has the potential to produce both primary and secondary benefits. For example, in the case of an improvement in health this leads to a direct improvement in the individual's wellbeing (primary benefit) and will also have a positive value to society more widely in the form of reductions in health care expenditures (secondary benefits).

CBA considers where possible the long-term impact and addresses the fact that people and society as a whole have a preference for benefits now rather than in the future (known as discounting). This factor is applied using the discount rate recommended by HM Treasury.³

One element of CBA is the **costs**. C2 Connecting Communities mainly uses existing service providers in the time they would usually spend in these communities. To reflect that police officers, nurses and others could have spent their time differently (for instance in walking the beat or performing home nursing visits) we use an opportunity cost approach. This means that we use average wages (plus non-wage labour costs) to reflect the opportunity costs associated with different professions. Where appropriate we use room rental costs to reflect the use of facilities like meeting spaces, electricity costs etc employed as part of the Beacon project.

Unfortunately, detailed data was not collected during the Beacon project, as for the project administrators the urgent need for change was clearly paramount. The physical state of the estate and the people within it, and changing external attitudes towards them, was sufficient evidence for them to act and work with people on the estate to change things. However, this means that we do not have an ideal set of data to conduct a full CBA. To address this we had to make a number of adjustments to the CBA methodology and to make some key assumptions.

³ HMT Green Book



It is, therefore, important to note that this study should be seen as an initial attempt to apply CBA to C2 initiatives using the best available (although limited) data and future programmes should collect a much more detailed set of data to allow for full CBA. This will allow us to get a much clearer and more robust picture of the overall benefits and costs of C2 programmes going forward.

Where quantification of benefits and costs is not possible, we describe outcomes qualitatively and attach indicative values to them.

Whilst the Beacon estate community work is context-specific, and driven by the need to give the people of the estate the opportunity to improve their quality of life, this study provides those who wish to achieve similar outcomes for their own communities an insight into the potential benefits which can be achieved.

DATA

The primary benefit values come from the Social Value Bank, which is based on a number of national datasets but predominantly the British Household Panel Survey (BHPS).

To estimate secondary benefit values we have chosen the most robust data sources available, such as data from the Office for National Statistics or the Energy Savings Trust.

These values are attached to the outcomes of the Beacon project. C2 provided us with a range of outcomes, which had been identified based on the needs of the community and feedback from regular community meetings. They also reflect those areas that have most impact on people's lives from a health and well-being perspective.

The C2 data allows us in some places to observe the trends in outcomes over time. But this does not signify a *causal impact* of the Beacon project on these outcomes because there are a whole host of other factors that could have driven these outcomes around the same time (this issue is known as a history effect). Other problems with this type of data are that trends in the data could also be explained by people just performing better over time anyway (known as a maturation effect) or by the fact that people's outcomes are simply reverting back to some underlying average trend (known as regression to the mean effects).

History effects, maturation effects, and regression to the mean effects are all factors that can explain a positive trend in some outcome over time separately from the impacts of an intervention. In other words, these factors can lead to improvements in outcomes even without the intervention.

The standard approach to dealing with these issues such that robust causal effects can be estimated is to use random assignment of the intervention in a controlled experimental setting. In the case of Beacon this is not possible, as the project has already taken place. The second best option is therefore to try and control for these factors through the use of a control group. If we can find a similar control group which didn't partake in the Beacon project then their trends in outcomes capture factors such as history effects, maturation effects, and regression to the mean effects and we can therefore account for (subtract) the effects of these factors from the trends we observe in the Beacon project group through methods such as difference-in-difference (DiD) analysis.

Table 1 on the next page summarises the outcomes of the Beacon project (for which we have data) and the trends in these outcomes over time.



Table 1: Outcomes for the Beacon Estate Community

Outcome	Indicator	1995	2001
Reduction in unemployment*	Those claiming JSA in the Penwerris ward (this ward only covers the Beacon estate)	425	133
Health		1995	2001
Breast feeding, 28 mothers in total per year	Number of women breastfeeding**	7	11
Child Protection registrations down***	Number of children on the child protection register	19	8
Crime		1996/97	2000/01
Recorded number of burglaries	Number of reported crimes****	28	18
Recorded number of violent crimes	Number of reported crimes	11	11
Recorded number of vehicle crimes	Number of reported crimes	40	35
Environmental outcomes			
Loft insulation	Number of houses		349
External cladding	Number of houses		700
Cavity Wall Insulation	Number of houses		199
Educational outcomes			
Improved attainment in English at key stage two – girls*****	Percentage of girls achieving level four and above in ENGLISH in national tests at key stage two	68%	67%
Improved attainment in English at key stage two – boys*****	centage of boys achieving level four and above in ENGLISH in national tests at key stage two	35%	45%
Improved attainment in English at key stage two – girls and boys*****	Percentage of girls and boys achieving level four and above in national tests at key stage two	51%	53%
Improved attainment in Maths at key stage two – girls and boys*****	Percentage of girls and boys achieving level four and above in national tests at key stage two	42%	42%
Improved attainment in Science at key stage two – girls and boy*****	Percentage of girls and boys achieving level four and above in national tests at key stage two	53%	60%

Source: Beacon Estate Project Lead and Caroline Thomsett

* Source for UK data: ONS

** For national figures: Infant Feeding Survey, Chapter 2, Health and Social Care Information Centre, 2012

*** For Cornwall figures: earliest statistics for children on register is 1997, data for Cornwall from:
<http://webarchive.nationalarchives.gov.uk/20130401151655/http://media.education.gov.uk/assets/files/xls/cpr98mergedxls.xls>

**** National Crime Survey <http://webarchive.nationalarchives.gov.uk/20110220105210/http://rds.homeoffice.gov.uk/rds/pdfs/06/hosb1206.pdf>

***** National Archive, Department for Education, Percentage of pupils achieving level 4 or above in Key Stage 2



The outcomes data were collected from a report produced by Caroline Thomsett and via phone conversations by a Simetrica researcher with representatives from C2.

There are a few very short time series data for recorded crime and child school performance. However, neither of these outcomes were included in the analysis. We mainly use before and after comparisons of two point estimates, for example number of mothers who are breast-feeding in 1995 compared to 2001. In many cases including this one, we have to make very strong assumptions, such as that there have been the same number of births (ie the same number of mothers who could have been faced with the decision how to feed their babies). We also assumed that other characteristics of the population of new mothers have not changed. Their age profile for example could have an impact on their propensity to breast-feed.

Impact analysis

To account for issues such as history effects and maturation effects we use a number of methods. Where data is available we look at national trends in the same outcomes for other groups that were not part of the Beacon project. This method, known as contrast group analysis, can provide an indication of what would have happened anyway without the Beacon project for the people living in Beacon (known as the counterfactual outcomes). Although this is not ideal because we are not comparing like for like (i.e. we are not able to compare trends for a very similar group to the Beacon population), subtracting the trends for the contrast group provides a better estimate of causality than just looking at the trends in outcomes for the Beacon group.

Where contrast group analysis is not possible we use standard calibrating factors, which account for the counterfactual to some degree. These factors include a deadweight factor which is based on a large meta-

analysis of projects to estimate how outcomes trend in the counterfactual and they can be subtracted the Beacon trends estimates.

We note that there have been general improvements in performance in schools, NHS delivery, and methods of policing across the country. We need to take these changes into account. We have estimated counterfactual trends in the outcome variables for the estate to estimate what the outcomes would have looked like had the initiative not taken place.

We have undertaken sensitivity analysis to account for deadweight and optimism bias needed to address some of the uncertainties.

It is important to note that neither the contrast group or calibration factor methods provide ideal approaches to estimating the counterfactual outcomes. In absence of an experiment the counterfactual outcomes should be assessed through a robust control group that was assessed and monitored at the same time as the intervention. This did not happen for the Beacon project and so these are the only options available. This method is common in other evaluations and indeed is the subject of HM Treasury endorsed guidelines on additionality. However, it does not give us a robust estimate of causality and given the nature of the interventions and the way in which data was originally collected from Beacon residents, in all likelihood the estimates of impact will be over-stated even after using contrast group analysis or the calibration factor method. The estimates in this report must, therefore, be seen as upper end estimates of impact and social value.

Calibrating factors

The term additionality summarises a number of causes for potential overestimation of a policy or intervention impact. It includes deadweight, optimism bias, displacement, leakage and substitution. Because of the



lack of data we have estimated the potential deadweight and optimism bias.

Deadweight: This addresses the fact that overall outcomes for people may have improved over the time of the project, regardless of the Beacon project. Increased spending on education, police and the health service, different approaches to neighbourhood development and technological change will have led to some changes in the quality of life of people living on the estate. These improvements are not caused by the project.

To assess the size of the changes in the Beacon Estate we need to construct counterfactual scenarios. To do this we use national, or where available regional averages, and assume that the same would have happened on the Beacon Estate without the C2 work. We subtract the counterfactual from the total impact. For example, unemployment fell by 34% in the country as a whole between 1995 and 2001. In the Beacon Estate it fell by 68%. We therefore assign half of the reduction in unemployment to the work done in the estate and the other half to the overall national trend in unemployment. We have not included in the final valuation areas where the national improvement has been better than in the Beacon Estate. Change in crime is one example. In this case crime reduction across the UK has been greater than in the Beacon Estate. The particular circumstances of the estate would not have justified to include this difference as a negative outcome. **Table 2** summarises these counterfactual scenarios.

In general central government assumes a deadweight of about 20%⁴. However this is mainly used in policy appraisal, ie assessment of the effect before the policy is introduced or other areas of policy where the actual facts are not clear. The counterfactual we used here to determine the deadweight reflects what has happened across the country. We therefore concluded that it was appropriate to use the available figures and not to calculate a separate deadweight.

Optimism bias: A number of the data were collected via recall. A researcher from Simetrica spoke to the person at C2 who had initiated the change and worked with the community. It is a well-documented fact that memory may be incorrect or overstate the positive. To address this and the potential for a dying down of the effects we have used an optimism bias of 50 and 70%. ie the first set of results in the summary table in the annex assumes that the benefits are overestimated by 50%; the second that they are overestimated by 70%. In addition, we assumed that costs were underestimated by 10 and 20%. In the case of costs this reflects the fact that we do not have data on a number of cost items. There is specific guidance on the use of optimism bias in policy evaluation⁵. The proposed values lie between 4% for standard buildings and 200% for capital expenditure on equipment development⁶. Neither of these categories appear to fit very well to the context of the Beacon Estate. The values chosen here however are within this very wide interval of potential values for optimism bias.

Attrition: Social impacts such as behavioural learning, cleaner streets, even street lighting are all subject to reduction over time. However, we do not have evidence to assume a particular rate of decline in the impacts. Given the very strong assumptions about optimism bias on the benefit and the cost side we have not assumed further reductions over time. Instead the results achieved in 2001 were simply taken forward across the years to 2016. This also means that the calculations are easy to follow and do not hide any potential impacts. The optimism bias will also address some issues of attrition and ensure we are able to avoid an overestimation of the benefits.

Discounting: All values are discounted to 2016 to take into account the social time preference. This is recommended in the HM Treasury guidance on appraisal and evaluation, the Green Book⁷.

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/191511/Additionality_Guide_0.pdf

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf

⁶ Green Book, Supplementary Guidance on Optimism Bias, HMT 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220541/green_book_complete.pdf



Measuring benefits and costs

We used a number of robust national databases to quantify the impact of the work in the Beacon Estate.

BENEFITS:

- **Reduction in unemployment:** This has a strong positive effect on subjective wellbeing: as people gain purpose in life, their self-confidence and feelings of worth improve. In addition, they earn a wage and pay taxes and national insurance contribution. To ensure that we do not overestimate the results we have assumed that newly employed individuals would earn the national minimum wage (NMW) and remain at this wage level for the duration of the time between them finding work and now. To account for the different NMW rates (youth rate, adult rate etc.) we have averaged the NMW rate for the time between the measurement in 2001 and 2016 and multiplied them by those who have gained employment⁸. There is a risk that some individuals may have subsequently become unemployed. This is addressed by the use of a 70% optimism bias. In addition, there is an upside risk to the figure because some individuals may have higher wages than the NMW.
- **Increase in breastfeeding:** There are a number of benefits to breastfeeding for the mother and the child. For example, some evidence indicates benefits to the mother in the form of reduced risk to develop breast cancer. We have not found clearly quantified evidence for these health benefits and have therefore not included them in the study. Benefits for children include a reduction in the risk of becoming obese in adulthood, which has been previously estimated around 25%. We have included a value for the reduced NHS costs due to a reduction in obesity by 25%⁹.

- **Cases of children on the child protection register:** Assessing children for the child protection register and monitoring them uses up officials' time. We have used these costs to value the reduction in the number of children on the register. According to a database commissioned by the Cabinet Office it costs £1,151 per child to assess and add a child to the register¹⁰.

- **Environmental benefits:** The work on the Beacon estate included significant work on the housing stock, especially improved energy efficiency of the houses. Reduction in air drafts and overall improvement in warmth and humidity levels has a generally positive effect on people's wellbeing. We have focussed here on the reduction in heating costs due to the improvements in the housing stock¹¹. We have not included a value for the reduction in CO2 emissions. These would have been included in the Government's assessment of the impact of the grants it provided to homeowners and landlords to increase energy efficiency.

COSTS

Because of the nature of the intervention the cost data are patchy. Residents did not record the time they spent engaged in this process and we do not have data on the rooms used for various activities.

Costs include the time of service providers such as police and health workers on the estate. In some cases this is not additional time or even time that would otherwise not have been spent on the estate, but simply an alternative work approach. Where this time is additional – even if still within the working hours of the service providers – it has to be counted as an opportunity cost because other communities will not have been served. Where the time is simply spent in a different way and with different attitudes, it is not counted as a cost. We have made assumptions with this respect to the time used.

⁸ For detailed data see: <https://www.gov.uk/national-minimum-wage-rates>

⁹ Infant Feeding Survey, Chapter 2, Health and Social Care Information Centre, 2012 and Wang et al, Health and Economic Burden of the projected obesity trends in the UK and the USA, The Lancet, August 2011.

¹⁰ Manchester New Economy data set for the cost data. Child protection register data for the number of children on the child protection register in Cornwall.

¹¹ Source: Energy Savings Trust.



- **Wage costs:** There is some information in the paper by Caroline Thomsett about additional capacity of social workers, a nurse, and a psychiatric nurse some of them on a part time basis. To assess the costs for these professionals we have used the national average hourly pay multiplied by average part-time annual hours. In addition, we have assumed that police officers attended monthly meetings with residents. The report by Caroline Thomsett also provides information on staff from the Job Centre being placed in the estate to support unemployed residents for two years. These were valued at the equivalent civil service pay¹².
- **Two mothers trained to become crèche leaders.** Their wages and improved wellbeing are included in the benefits. There is also a cost associated with the training¹³.
- **One-off capital investment:** Costs include a one off investment by central Government and the Council in the housing stock on the estate of £2.2m in 1999, additional social workers and nurses for a restricted time period, and a small number of awards and grants which allowed refurbishment of communal space. This category also includes investment in street lighting and CCTV.

Table 2: Counterfactual scenarios and sources

Outcome	Indicator	Beacon Estate 1995 – 2001	National change (contrast group) 1995 – 2001
Reduction in unemployment*	Those claiming JSA in the Penwerris ward (this ward only covers the Beacon estate)	68.7%	34.6%
Breast feeding, 28 mothers in total per year	Number of women breastfeeding**	57.1%	6%
Child Protection registrations***	Number of children on the child protection register	-57%	29.1%
Recorded number of burglaries	Number of reported crimes****	-35.7%	-40.2%
Recorded number of violent crimes	Number of reported crimes	0	-29.8%
Recorded number of vehicle crimes	Number of reported crimes	-12.5%	-28.9%
Improved attainment in English at key stage two – girls and boys*****	Percentage of girls and boys achieving level four and above in national tests at key stage two	3.9%	19%
Improved attainment in Maths at key stage two – girls and boys*****	Percentage of girls and boys achieving level four and above in national tests at key stage two	0	16%

* Source for UK data: ONS

** For national figures: Infant Feeding Survey, Chapter 2, Health and Social Care Information Centre, 2012

*** For Cornwall figures: earliest statistics for children on register is 1997, data for Cornwall from: <http://webarchive.nationalarchives.gov.uk/20130401151655/http://media.education.gov.uk/assets/files/xls/cpr98merged.xls>

**** National Crime Survey <http://webarchive.nationalarchives.gov.uk/20110220105210/http://rds.homeoffice.gov.uk/rds/pdfs/06/hosb1206.pdf>

***** National Archive, Department for Education, Percentage of pupils achieving level 4 or above in Key Stage 2

¹² Costs of Job Centre staff: <https://www.glassdoor.co.uk/Salary/Jobcentre-Plus-Salaries-E237511.htm>, 2016

¹³ <http://www.cwtcov.co.uk/Qualifications/childrenscare/> in 2016. This is the cost of a private provider of training and likely to overestimate the costs.



■ Results

Quantified benefits

The figures in table 2 were used to calculate the primary and secondary benefits. We have not included negative values where the change in the Estate was below the national average. This is likely to have been caused by factors very specific to the Estate. Crime had been very high in the Estate and prior to bringing police and community together there had not been significant intervention in the Estate to reduce crime¹⁴. The cultural change is likely to take longer than the period of observation. The true counterfactual is therefore likely to be a scenario with lower reductions than the national average. However, we do not know what this would be and have therefore not included this in the calculations. The same applies for the figures on school attainment.

The total quantified benefits including deadweight and optimism bias have been estimated to be £10.28m in 2016 prices. As stated above due to the constraints on the data this should be seen as **an upper bound estimate** and with better data collected from control groups the estimate of benefits generated may be less. Some of the benefits are likely to continue in addition to changes that would have occurred anyway, but we have not quantified these. A usual CBA conducted for government programmes includes benefits over 10 years, and more where impacts are expected to last for longer, such as infrastructure investments¹⁵. **Table 3** on the next page set out the contributions of the individual elements of the quantified benefits. It combines primary and secondary benefits. Detailed results are provided in the annex.

Qualitative analysis

We did not have data for all the benefits and costs associated with the Beacon project. In some cases where data were available, such as the figures for improved rates in postnatal depression, we were not able to find either comparable national averages or monetised values. **Table 4** on the next page summarises the non-monetised benefits.

Table 4 shows that there may have been significant improvements in wellbeing in the estate, which have not been included in the monetised Cost Benefit Analysis. This is particularly the case for the occurrence of post-natal depression and the increase in volunteering. Being free from depression has a very high value on a person's wellbeing. According to the Simetrica Social Value Bank this is in excess of £36,000 per person per annum. Note that this value relates only to the benefits to the individual freed from depression and does not include the benefits to children whose mothers have suffered from post-natal depression.

Benefits from volunteering are also often underestimated. The feeling of being empowered and able to change circumstances in one's own community, as well as making friends and being in a more social environment, is of great benefit to people's individual well-being. Simetrica's research in the Social Value Bank values these benefits at around £2,912 per person per annum.

Despite the fact that there are no figures that can provide an assessment of the overall benefits in these areas, their overall contribution has to be included in this report.



Table 3: Primary and secondary benefits – Quantified results

C2 Outcome (by project)	Estimated outcome improvement	Value*
Employment		
Increase in employment	292 fewer people unemployed	£9,657,778
Health		
Increased breast feeding rates up 50%	4 more mothers breastfeeding	£24,471.81
Child Protection registrations down 60%	11 fewer cases of children on the child protection register	£3,165.25
Environmental outcomes		
Loft insulation	349 houses	£43,239.30
Cavity wall insulation	199 houses	£73,965.21
External cladding (solid wall insulation)	700 houses	£479,545.90
Total quantifiable benefits		£10,282,165

* All values after application of deadweight and optimism bias at 70%, all values in 2016 prices.

Table 4: Non-monetised benefits

Outcome	Reason for exclusion from this study	Qualitative valuation
Health		
Post-natal depression	No national comparison data available	Not suffering from depression improves subjective wellbeing by an equivalent of £36,766 per person. C2 estimates that there were 14 people fewer with post-natal depression due to the intervention.
Childhood accident rates	No data provided	
Days at school lost due to asthma	No data provided	
Education		
Improved attainment for girls and boys at key stage 2	Number of children improving relative to a national average not available	Improved behaviours and future employment prospect can be valued at £438 pa per score and person.
Volunteering		
Increased number of people volunteering on the estate	Number of people who got involved in the project not available	Improved subjective wellbeing due to volunteering estimated at £2,912 per person.



Quantified costs

The main sources for the cost estimates were taken from the report by Caroline Thomsett, and verbal evidence from C2. All costs are calculated as far as possible in 2016 prices making them comparable to the benefits. The total cost estimate is £5.3m. In order to address issues around lack of data we have applied a 20% optimism bias leading to a cost estimate of £6.35m. **Table A2** in the annex shows the detailed cost analysis.

The main cost elements are the grants received to invest in the housing stock, especially energy conservation. These totalled £2.2m in 1999 and were converted to 2016 prices using a discount rate of 3.5%. Figures were not updated to account for inflation. Other main cost elements are wage costs of social workers, nurses, psychiatric nurses, and job centre staff. These costs represent opportunity costs that arise because these professionals were not working in their previous locations. Finally, we made an estimate for the costs of street lighting and CCTV cameras and their running costs in the form of additional energy use. All costs are summarised in the annex.

Cost-benefit analysis results

The CBA requires a comparison between costs and benefits. Subtracting the costs of £6.346 m from the benefits of £10.282 m leads to a net benefit of £3.935m.

Despite the strong assumptions regarding deadweight and optimism bias for costs and benefits, the cost-benefit analysis shows a clear positive net social benefit resulting from the community driven work on the Beacon Estate of about £3.9m over the 16 year period. This is a considerable success considering the size of the community of about 4000 residents.

The Benefit-Cost Ratio (BCR) is 1.8. The BCR is used in Government Analysis to compare different projects. A BCR of between 1.5 and 2 is considered to represent medium value for money¹⁶. Over the 6 years that the Beacon project it delivered about £650,000 per year in net benefits to the residents.



■ Conclusion

The analysis in this report is based on what could be considered as incomplete data. It compares two points in time, one before and one after the intervention in the Beacon Estate. The data are not based on a scientifically conducted before and after survey with a robust control group, but instead a mixture of anecdotal evidence and general statistics. We have used strong assumptions about deadweight and optimism bias to account for this. Despite the measures we have taken in our analysis, we still wish to remind the reader of the weaknesses in the data. The net benefit value of £3.9m has to be understood as an upper bound to the potential benefits achieved by the project. Any similar evaluation in the future would require more data collected sufficiently close to the project. Data prior to the intervention will also be useful to have a more credible counterfactual against which to compare the results. Conclusions from this analysis should not be generalised for policy advice, but rather be used to gain better understanding of how these outcomes were achieved on the Beacon Estate. However, we recommend that other similar estates or communities should use this report as an example of the kinds of analysis and methods that can be applied to the evaluation of these kinds of interventions (especially if better data were available).

Bearing in mind the caveats above, the benefits delivered by the work of professionals and residents on the Beacon estate are still estimated to be considerable. For instance, the £3.9m net benefits we calculated are equivalent to the cost of 50 police officers or 34 social workers, full time for a year. For the 4,000 residents the estimated improvements achieved are worth just under £900 per person on average.

“The transformation of the Beacon community shows that the resilience and innovation of the residents, supported by caring professionals working differently, can really change people’s lives.”

Dr Jonathan Stead, C2 Founder

Annex: Quantified results

Table A1: Quantified results: benefits

C2 Outcome (by project)	Estimated outcome improvement	Primary benefits	Primary benefits	Secondary benefits	Total benefits	Deadweight	Optimism bias	Optimism bias
		one off	ongoing	ongoing		compared to nat. average	50%	70%
Employment								
Increase in employment	292	£3,143,964	£56,355,525	£4,397,549	£63,897,038	£32,192,593	£16,096,297	£9,657,778
Health								
Increased breast feeding rates up 50%	4		£91,089.51		£91,089.51	£81,572.69	£40,786.35	£24,471.81
Child Protection registrations down 60%	11			£12,661	£12,661	£12,661	£6,330.50	£3,165.25
Environmental outcomes								
Loft insulation 349 houses	349	£172,957.20			£172,957.20	£172,957.20	£86,478.59	£43,239.30
Cavity wall insulation 199 houses	199	£295,860.90			£295,860.90	£295,860.90	£147,930.40	£73,965.21
External cladding to 700 (solid wall insulation)	700	£1,918,183			£1,918,183	£1,918,183	£959,091.70	£479,545.90
Total quantifiable benefits		£5,605,438	£56,446,614	£4,397,549	£66,449,601	£34,673,829	£17,336,914	£10,282,165

Notes: One-off benefits are benefits which occur once, such as moving from unemployment to employment. This one-off event improves the individual's wellbeing once. The wage they earn is also a primary benefit but occurs repeatedly and is therefore ongoing.

Table A2: Quantified results: costs

Outcome – Beacon Estate	Intervention – cost	Background information	Unit cost	Number of units	Duration	Total cost in 2016 prices
Security/crime	Street lighting installation	Estimate of number of installed units based on size of estate, cost estimate 2014 ¹⁷	£2,500	50		£224,334.44
	Street lights running	Depends on type of light, approximate, per night ¹⁸	£0.15	18,250	15 years	£79,802.85
	CCTV	Installation	£1,500	10		£26,920.13
	Community meetings	Held in the church hall, monthly for about 4 hours				
	Police – BAU time*	Police changed the attitude				
	Police – additional time	Any additional time spent by Police on the estate, cost: hourly labour cost ¹⁹	£40	192	2 years	£13,550.06
Health	1 stop health centre	Refurbishment of a community space Nye Bevan Award				N/A
	Additional nurse	Part time nurse for 3 days a week, 2 years, cost: hourly labour cost	£44	2,496		£193,765.87
	Psychiatric nurse	Part time for 2 years cost: hourly labour cost	£44	2,496		£193,765.87
	Social worker	Also on education, 2 years cost: hourly labour cost	£59	3,952		£411,385.48
	Improved housing	Mainly central heating, insulation etc £1.2m Central Government, £1m Council	£2,200,000	1		£3,948,286.21
Education/school attainment	Crèche – room and oversight	Cory Environmental Trust Grant – figure unknown				N/A
	Training crèche	Mothers trained to become crèche leader, costs of training at NVQ 2	£895	2		£3,158.15
Income/employment	Job Centre staff	2 people for 2 years part time on the estate (2 days per week)	£27,432	4		£193,596.49
Total costs						£5,288,565.55
Optimism bias at 10%						£5,817,422.11
Optimism bias at 20%						£6,346,278.66

* BAU stands for Business as Usual and reflects the time the service provider would have spent anyway on the Estate.

■ Annex: The C2 7-Step framework

Step 1

- C2 begins creation of enabling conditions and new relationships needed for community transformation at strategic, frontline service delivery and street levels.
- C2 Strategic Steering Group (SSG) established.
- Target neighbourhood scoped and local C2 secondee appointed.
- 'Key' residents identified to jointly self-assess baseline connectivity, hope & aspiration levels.

Step 2

- Establish C2 Partnership Steering Group (PSG) of front line service providers with key residents, who share a common interest in improving the target neighbourhood.
- Hold connecting workshop and identify team of 6-8 members to attend 2-day C2 '1st wave' Introductory Learning Programme.

Step 3

- PSG plans and hosts Listening Event to identify and prioritise neighbourhood health & well-being issues and produces report on identified issues, which is fed back to residents and SSG a week later.
- Commitment established at feedback event to form and train 'People and Services Partnership' to jointly tackle issues.

Step 4

- Constitute partnership which operates out of easily accessed hub within community setting, opening clear communication channels to the wider community via e.g. newsletter and estate 'walkabouts'.
- Host exchange visits and meetings with other local community groups and strategic organisations.
- Identify '2nd wave' of 6-8 new learners to C2 Experiential Learning Programme.

Step 5

- Monthly partnership meetings, providing continuous positive feedback to residents and SSG.
- Celebration of visible 'wins' e.g. successful funding bids which support community priorities and promote positive media coverage, leading to increased community confidence, volunteering and momentum towards change.
- Partnership training undertaken to further consolidate resident skills.

Step 6

- Community strengthening evidenced by resident self-organization e.g. setting up of new groups for all ages and development of innovative social enterprise.
- Accelerated responses in service delivery leading to increased community trust, co-operation, co-production and local problem solving.

Step 7

- Partnership firmly established and on forward trajectory of improvement and self-renewal.
- Key resident/s employed and funded to co-ordinate activities.
- Measurable outcomes and evidence of visible transformational change, e.g. new play spaces, improved residents' gardens and reduction in ASB, all leading to measurable health improvement and parallel gains for other public services.

C2 – Giving communities back their self-belief by creating hopeful futures

