Action for Refugees in Lewisham (AFRIL):

Rainbow Club - Impact Assessment

Method Statement

A Final Report by Regeneris Consulting

August 2017

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1. Economic Impact Assessment – Method Statement

1.1   This statement sets out the methods used to assess the impacts of Rainbow Club during the 2016/17 academic year.

Data Collection

1.2   Regeneris Consulting have worked with Rainbow Club over the last 12 months, aiming to improve the charities' data collection methods to enable more insightful and meaningful analysis and to be able measure the economic impact of the Rainbow Club intervention.

1.3   Whilst working with Rainbow Club the two key initial observations made by Regeneris were the following;

- **Questions asked** – whilst Rainbow Club had been surveying pupils, parents and staff over the past few years; upon review, it was evident that a number of additional questions could be asked to obtain more meaningful data.

- **Frequency** – the frequency of surveys throughout the year has been increased. This provides a longitudinal dimension to the data; better capturing progress made pupils over the academic year.

- **Data collection** – whilst Rainbow Club had been surveying pupils, no centralised system had been created to collect, track and analyse data. This is important given the growing number of students and large amount of longitudinal data to be collected.

1.4   Rainbow Club collates academic data which assesses pupil's achievements in literacy and numeracy. The assessments are based on nationally recognised tests and are graded in accordance with national curriculum levels.

1.5   Staff at Rainbow Club also monitor the social wellbeing of pupils throughout the year. Emotional wellbeing data is collected using the nationally recognised Strengths and Difficulties Questionnaire (SDQ) which is completed by staff members. A pupil self-assessment form is also completed by the child during the academic year.

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Academic Data

1.6   Rainbow Club aims to supplement mainstream education by teaching further literacy and numeracy aligned with the national curriculum.

1.7   The school intends to assess both the literacy and numeracy levels for each child every term, however assessing pupils this frequently is not always possible.

1.8   Withstanding this, overall 90% of pupils were assessed more than once over the academic year, allowing progress to be captured for the majority of pupils attending Rainbow Club. The two types of assessment used were the following;

- **Oxford Writing and Literacy (OWL) Assessments –** These are nationally recognised reading, writing and literacy tests which are issued to the students throughout the year. The children are benchmarked against expected standards for children of their age.

- **Numeracy Assessments –** As with literacy; children are assessed multiple times throughout the year against national curriculum standards for specific year groups.

Wellbeing and Emotional Information

1.9   As well academic support, Rainbow Club also aims to support pupils with their emotional and social wellbeing. Therefore, a pupils' emotional wellbeing is also assessed. Amendments were made to the student enrolment and parent survey to capture greater detail regarding parent and pupil integration. Due to time pressures this data was not collected in 2016/17, however there are intentions to collect this data in 2017/2018.

1.10   Despite the aforementioned data not being collected, Rainbow Club still collect and assess pupil emotional and social wellbeing using the following;

- **Strength and Difficulties Questionnaire (SDQ)** – SDQ is a behavioural screening tool for children aged between the ages of 2 - 17. The SDQ is a nationally recognised method of assessing child behaviour, scoring behaviour differently based on the assessor (i.e. self-assessment, parental assessment or teacher assessment). The Rainbow Club pupils were assessed by their teachers twice throughout the 2016/2017 academic year.

- **Pupil Self-Assessment** – pupils also carried out a self-assessment once during the 2016/17. This is a series of questions (Yes/No) that asked about both their academic and social development throughout 2016/17. The survey asked questions relating

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to; happiness at school, happiness at home, relationship with their teacher and academic achievement.

Volunteering Data

1.11 The Rainbow Club depends on the participation of regular volunteers to deliver services including teaching, running activities and managing operations.

1.12 Volunteers gain the experience and skills necessary for developing their future careers, particularly in teaching. A number of volunteers are refugees which helps with integration in the community and provides valuable work experience. Volunteer hours are recorded throughout the year as well any training received.

Calculating Impact

1.13 Regeneris were asked to quantify the economic value of Rainbow Club and the impacts the charity generated annually.

1.14 The impact assessment was based on the empirical data detailed earlier in this report, secondary research and a number of economic impact assumptions which will be explained further in this section.

1.15 The types of benefit have been broken down under the following;

- **Immediate Benefits:** these are benefits that are realised currently within the year which include;

    - **Pupil Emotional & Social Wellbeing**

    - **Volunteer Wellbeing**

    - **Savings to the Exchequer**

- **Potential Future Benefits:** these are projected benefits which could be realised as a result of receiving supplementary education at Rainbow Club, such as;

    - **Future Earnings**

1.16 The assumptions and research that was used to estimate each of the impacts mentioned above are explored in more detail in this section.

1.17 To test the robustness of the economic impact assumptions, we have considered the impact of a series of adjustments to the assessment assumptions. These include:

- **Fewer pupils with improved emotional and social wellbeing;**

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- **Reduction in the number of volunteers;**

- **Fewer pupils with improved mainstream school attendance, and;**

- **Fewer pupils with improved academic performance.**

Limitations

1.18 Whilst data collection is a priority for Rainbow Club and is something that Regeneris and Rainbow Club have been working together to improve there are a number of limitations with the data which include;

- **Counterfactual analysis:** attempts were made to access academic data (via the DfE National Pupil Database) for both refugee and non-refugee children who do not attend supplementary school. Data is restricted to academic staff and education providers and Rainbow Club were unable to access this information.

- **Availability of primary data:** whilst improvements have been made in the collection of data within Rainbow Club, there are gaps in the data. Data over 2016/17 academic year is more comprehensive that in recent years, therefore 2016/17 can only be looked at in isolation. Economic impacts relating to parents could have also been assessed however the necessary data was not collect during 2016/17.

- **Availability of research:** whilst a number of research papers have been used to inform this assessment, the overall availability of secondary research is limited. Assumptions and estimates have been made based on the research that is available.

Pupil Emotional & Social Wellbeing

1.19 Supporting the emotional and social wellbeing of pupils is a key objective of the Rainbow Club and takes as much a precedence as academic support.

1.20 The HACT Social Value Bank[1] estimates the social value of certain facets of social and emotional wellbeing. As part of this assessment, two elements of a pupil's emotional and social wellbeing were looked at, which included;

- **Improvements in confidence (youth)**

- **Relief from depression/anxiety (youth)**

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[1] HACT and Daniel Fujiwara; Community Investment Values from the Social Value Bank.

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1.21   Whilst the HACT Social Value Bank identifies specific questions[2] that should be asked to be able ascertain improvements in confidence and relief from depression and anxiety, similar questions that were asked as part of the self-assessment were used, these included;

- **My teacher helps with problems/worries** – proxy for relief from depression and anxiety

- **I have improved at English/Maths/Art this year** - proxy for improvements in confidence

1.22   The answers to these questions were either *Yes* or *No;* there was no sliding scale to gauge the extent in which a teacher helps with problems/worries or how they have improved academically since attending Rainbow Club.

1.23   The HACT tool suggests that evidence of improved confidence and relief from depression has a social value benefit, due to improvements in wellbeing.

1.24   Based on the HACT Social Value Bank, the estimated social value for the aforementioned improvements in social wellbeing are as follows;

- **Improvements in confidence (under 25 years old)**: £5,844 per annum / £4,266 per annum (minus deadweight[3] @ 27%)

- **Relief from depression (under 25 years old)**: £11,570 per annum / £8,446 per annum (minus deadweight @ 27%)

1.25   The values were derived based on questions asked as part of the pupil self-assessment survey. Unfortunately, the survey was only taken once during the academic year therefore it is not possible to detect how these elements of wellbeing changed over 2016/17 academic year.

1.26   The breakdown of responses and estimated social value for both improvements in confidence and relief from depression is detailed in the table below.

Table 1.1 Estimated Value of Improved Wellbeing				
Outcome	**Estimated Value*** **(£) per person p.a.**	**Total Responses**	**Positive Responses**	**Total Value (£) p.a.**
Improvements in confidence	4,266	34	32 (94%)	136,500

[2] Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy? (Relief from depression/anxiety) / I never feel useless (Improvements in Confidence)

[3] HACT Social Value Bank, uses a ready-reckoner for deadweight based on HCA Additionality Guide 2014, Fourth Edition; Estimated Deadweight for Health Interventions.

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Relief from depression	8,446	36	32 (89%)	270,300
			Total	**406,800**

Sensitivity Testing

1.27 To demonstrate the potential variations in improved wellbeing a number of sensitivity tests have been carried out, which include;

- **Sensitivity Test 1** – Number of pupils who have experienced confidence and relieved from depression reduced by **90%.**

- **Sensitivity Test 2** – Number of pupils who have experienced confidence and relieved from depression reduced to **75%.**

- **Sensitivity Test 3** – Number of pupils who have experienced confidence and relieved from depression reduced to **50%.**

Table 1.2 Estimated Value of Improved Wellbeing (Sensitivity Test 1: 10%)				
Outcome	**Estimated Value*** **(£) per person p.a.**	**Total** **Responses**	**Positive** **Responses**	**Total Value** **(£) p.a.**
Improvements in confidence	4,266	34	3 (10%)	13,000
Relief from depression	8,446	36	4 (10%)	33,800
			Total	**46,800**

Table 1.3 Estimated Value of Improved Wellbeing (Sensitivity Test 2: 25%)				
Outcome	**Estimated Value*** **(£) per person p.a.**	**Total** **Responses**	**Positive** **Responses**	**Total Value** **(£) p.a.**
Improvements in confidence	4,266	34	9 (25%)	38,400
Relief from depression	8,446	36	9 (25%)	76,000
			Total	**114,400**

Table 1.4 Estimated Value of Improved Wellbeing (Sensitivity Testing: 50%)				
Outcome	**Estimated Value*** **(£) per person p.a.**	**Total** **Responses**	**Positive** **Responses**	**Total Value** **(£) p.a.**
Improvements in confidence	4,266	34	17 (50%)	72,500
Relief from depression	8,446	36	18 (50%)	152,000
			Total	**224,500**

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1.28   Based on the sensitivity testing the results show that the wellbeing benefits could range from **£46,800** to **£224,500**.

Volunteer Wellbeing

1.29   The HACT Social Value Bank also estimates that volunteering on a regular basis has a social wellbeing value for an individual.

1.30   During 2016/17 academic year there were 41 volunteers who regularly attended[4] Rainbow Club and support the operation of the charity.

1.31   The volunteering occurs over a 10-month period from September until July. Each volunteer spends 4.5 hours each Saturday (during term time) at Rainbow Club. Based on volunteer attendance records and consultation with the Rainbow Club manager, a conservative estimate assumes that most volunteers attend around 80% (30 out of 36) of all sessions throughout the academic year.

1.32   This level of volunteering equates to 135 hours per annum equates to 11.3 hours per month, which is in-line with the national average[5] and satisfies the criteria set by the HACT Social Value Bank.

1.33   It also estimated that there is social value generated from individuals receiving vocational training. Along with the on the job training that volunteers receive, volunteers receive at least 7 external training sessions per year.

1.34   The social value of the volunteering and associated training activity which took place during 2016/2017 is set out in the table below;

Table 1.5 Estimated Value of Volunteering & Training			
Outcome	Total Regular Volunteers	Estimated Value* (£) per person p.a.	Total Value (£) p.a.
Regular volunteering	41	3,249	125,300
Training Received	41	1,124	62,700
		Total	**188,000**

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[4] HACT Social Value Bank stipulates that volunteering needs to occur once per month over a two-month period before it can be counted as generating social value.

[5] The National Council for Voluntary Organisations (NCVO), 2017, UK Civil Society Almanac; average volunteers = 11.6 hours per month

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Sensitivity Testing

1.35   To demonstrate the potential variations in improved wellbeing a number of sensitivity tests have been carried out, which include;

- **Sensitivity Test 1** – Number of regular volunteers reduced by **90%**

- **Sensitivity Test 2** – Number of regular volunteers reduced by **75%**

- **Sensitivity Test 3** – Number of regular volunteers reduced by **50%**

Table 1.6 Estimated Value of Volunteering & Training (Sensitivity Test 1: 10%)			
Outcome	Total Regular Volunteers	Estimated Value* (£) per person p.a.	Total Value (£) p.a.
Regular volunteering	4	3,249	13,000
Training Received	4	1,124	4,500
		Total	17,500

Table 1.7 Estimated Value of Volunteering & Training (Sensitivity Test 2: 25%)			
Outcome	Total Regular Volunteers	Estimated Value* (£) per person p.a.	Total Value (£) p.a.
Regular volunteering	10	3,249	32,500
Training Received	10	1,124	11,200
		Total	43,700

Table 1.8 Estimated Value of Volunteering & Training (Sensitivity Test 3: 50%)			
Outcome	Total Regular Volunteers	Estimated Value* (£) per person p.a.	Total Value (£) p.a.
Regular volunteering	20	3,249	65,000
Training Received	20	1,124	22,500
		Total	87,500

1.36   Based on the sensitivity testing the results show that the volunteering benefits could range from **£17,500** to **£87,500**.

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Savings to the Exchequer

1.37 In addition to the social value generated by Rainbow Club, there is also estimated value in the form of savings to the exchequer which can be attributed to supplementary education.

1.38 In 2005, New Philanthropy Capital published "Misspent Youth, The costs of truancy and exclusion: A guide for donors and funders". This report quantified the cost of truancy for the government, which is estimated at £14,300[6] per child during their school lifetime.

1.39 Other research, such as "The Education Development Trust, Raising Achievement Among KS2 Bangladeshi Children in Small Heath: An Action Research Project" (2005) found that the that mainstream school attendance amongst Bangladeshi students improved following enrolment and attendance at supplementary schools.

1.40 The study found that regular school attendance amongst pupils receiving supplementary education improved from 80% to 95%.

1.41 Applying this method to the pupils who attended Rainbow Club in 2016/17 would equate to £148,000 over the school lifetime of a child, however this was worked out on a per annum basis to reflect the 2016/17 academic year.

Table 1.9 Cost of Truancy to the Exchequer (current prices)		
Service	Cost per truant* (£)	Cost per truant (p.a.) (£)
Education	1,600	145
Health	1,100	100
Crime	9,300	845
Social Services	2,300	209
Total	**14,400**	**1,300**

Source: New Philanthropy Capital. Regeneris Consulting. This is based over an 11-year period, as per the New Philanthropy Capital research.

Table 1.10 Cost of Truancy to the Exchequer (current prices)					
Total Pupils 2016/17	80% Regular Attendance (pupils)	95% Regular Attendance (pupils)	Difference/ Uplift (pupils)	Cost per truant p.a. (£)	Total savings p.a. (based on uplift) (£)
66	53	63	10	1,300	13,000

[6] Based on current prices.

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Sensitivity Testing

1.42   To demonstrate the potential variations in improved wellbeing a number of sensitivity tests have been carried out, which include;

- **Sensitivity Test 1** – Increase in baseline attendance 80% to 92.5%

- **Sensitivity Test 2** – Increase in baseline attendance from 80% to 90%

- **Sensitivity Test 3** – Increase in baseline attendance from 80% to 85%

Table 1.11 Cost of Truancy to the Exchequer (current prices) (Sensitivity Test 1: 92.5%)					
Total Pupils 2016/17	92.5% Regular Attendance (pupils)	95% Regular Attendance (pupils)	Difference/ Uplift (pupils)	Cost per truant p.a. (£)	Total savings p.a. based on uplift) (£)
66	61	63	2	1,300	2,600

Table 1.12 Cost of Truancy to the Exchequer (current prices) (Sensitivity Test 2: 90%)					
Total Pupils 2016/17	90% Regular Attendance (pupils)	95% Regular Attendance (pupils)	Difference/ Uplift (pupils)	Cost per truant p.a. (£)	Total savings p.a. (based on uplift) (£)
66	60	63	3	1,300	3,900

Table 1.13 Cost of Truancy to the Exchequer (current prices) (Sensitivity Test 2: 85%)					
Total Pupils 2016/17	85% Regular Attendance (pupils)	95% Regular Attendance (pupils)	Difference/ Uplift (pupils)	Cost per truant p.a. (£)	Total savings p.a. (based on uplift) (£)
66	56	63	7	1,300	9,100

1.43   Based on the sensitivity testing the results show that the truancy benefits could range from **£2,600** to **£9,100.**

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Summary of Sensitivity Testing

1.44   The sensitivity analysis shows that under a number of more pessimistic scenarios could generate between **£66,900** to **£321,000** in economic impact per year.

Table 1.14 Sensitivity Analysis Summary Table				
Benefit	**Test 1 (£)**	**Test 2 (£)**	**Test 3 (£)**	**Range (£)**
Improvements in confidence	13,000	38,400	72,500	13,000 – 72,500
Relief from depression	33,800	76,000	152,000	33,800 - 152,000
Regular volunteering	13,000	32,500	65,000	13,000 - 65,000
Training Received	4,500	11,200	22,500	4,500 - 22,500
Exchequer Savings	2,600	3,900	9,100	2,600 - 9,100
Total	**66,900**	**162,000**	**321,100**	**66,900 - 321,000**

Potential Future Benefits

1.45   Along with the benefits that can be realised in the immediacy there are also potential benefits that could be realised in the future.

Future Earnings

1.46   The pupils who attend the Rainbow Club are often struggling with mainstream education and underperforming compared with national averages. Unfortunately, mainstream education for each pupil data was unavailable for this report, therefore the assessments taken at Rainbow Club throughout the 2016/17 academic year have been used.

1.47   The future benefits which have been estimated for this report are related to potential educational attainment at GCSE level and related future earnings.

1.48   ONS[7] (2011) published a report that suggested that the hourly wage of someone with GCSEs (£8.68) is 25% more than those without (£6.93), these figures have been adjusted to reflect current prices (£9.72 and £7.76 respectively).

1.49   Once extrapolated, these hourly figures equate to a FTE annual salary of £19,000 per annum (with GCSEs) and £15,000 per annum (no qualifications)

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[7] Office for National Statistics, 2011; Earnings by
Qualification.http://www.nationalarchives.gov.uk/documents/f0048492-office-of-national-statistics-report.pdf

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1.50 Based on these findings we have assumed what the potential future benefits could be for Rainbow Club pupils who go on to achieve GCSEs and go into work.

1.51 There is limited research available, which demonstrates the likelihood of primary school children progressing and achieving GCSEs, based on their primary school academic attainment.

1.52 Therefore, these assumptions are hypothetical and illustrative, used to demonstrate the potential future economic value of Rainbow Club.

1.53 To reflect how the uplift in wages (based on GCSEs gained compared to no qualifications) related to gross value added (GVA), wider research was considered. The UK average wage in the ONS Annual Survey of Hours & Earnings (2016) of £27,100 is 55 percent of the ONS National Accounts estimates of £48,800 per filled job; and wage share analysis by the TUC.

1.54 Withstanding this information, we made the following estimates, as detailed in the table below.

Table 1.15 Estimated GVA Uplift from GCSE attainment						
% of pupils	No. of pupils	Wages No Qualifications (£)	Wages with GCSEs (£)	Total GVA No Qualifications (£)	Total GVA with GCSES (£)	GVA Uplift (£)
10%	7	99,900	125,100	181,600	227,500	25,200
20%	13	199,800	250,200	363,300	454,900	50,400
33%	22	329,600	412,900	599,300	750,700	83,300
40%	26	399,600	500,500	726,500	910,000	100,900
50%	33	499,500	625,600	908,200	1,137,500	126,100
80%	53	799,100	1,000,900	1,452,900	1,819,800	201,800
100%	66	998,900	1,251,200	1,816,200	2,274,900	252,300

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1.55 The table above demonstrates what levels of gross value added could be generated based on certain proportions of the 2016/17 pupils leaving mainstream education with GCSEs. Based on 10% to 100% of the 2016/17 pupils attaining GCSEs the GVA generated could range from c. £46k to £460k.

1.56 During 2016/17, over 30% of all Rainbow Club pupils progressed from performing *below the expected level* for their age to a *secure* or *advanced* level in literacy. If this level of progress was reflected at GCSE level, this would equate to an uplift in wages of £80k and GVA of £150k.

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