

'Real evidence about the social benefits we deliver'

How Bloomsbury Cyber Junction uses social accounting to show its impact in tackling worklessness

Pioneering charitable enterprise Bloomsbury Cyber Junction (BCJ) was set up in 2000 by local residents in Bloomsbury, Nechells, to provide a centre for computer-based activities and learning and to boost the employment opportunities for local people.

Initially set up primarily for teenagers, BCJ now provides services for adults as well, working with nearly 700 individuals each year to offer training, computer courses, advice and guidance and youth activities. BCJ's services have a strong emphasis on skills development, educational progression, employability and personal development. Its main client groups are unemployed, economically inactive and lone parents from black and minority ethnic groups.

Two things make BCJ different. First, it delivers all its services in a flexible and individually tailored way, making extensive use of outreach activities to engage more effectively with those who most need help and support in order to improve their skills, employability and prospects.

"BCJ's independently verified social accounts enable the organisation to quantify its benefits"

Second, it has adopted the technique of social accounting to help demonstrate how great an impact its services have in the local area. Heidi Harris, who led the company's adoption of social accounting, explains. "Freda, a recent client, benefitted socially

in many ways. Freda was very nervous and quiet when she enrolled on our Level 1 CLAIT computer course, but during the course she gradually became more confident, her self esteem and communication skills improved, and she successfully completed the course.

"Freda is now working part-time in an administration role and is more financially independent."

But as well as these social benefits, BCJ's support for Freda also produced economic benefits – sometimes referred to as social return on investment (SORI). BCJ's independently verified social accounts now enable the organisation to quantify these benefits. The investment in Freda's support and training, for example, was £3,657. But the economic value added was £33,086. Thus, in Freda's



Case study 1: Using social accounting

case, every £1 invested in supporting her generated a social return on investment of £9.¹

For some of BCJ's other services the SROI is far greater – for example, for young people who return to education or gain employment, the SROI is nearly £40 for every £1 invested. Overall for all services, BCJ has a SROI of over £20.

"We have always been convinced of our added value, but social accounting enables us to demonstrate this with facts and figures"

"Getting to grips with social accounting," says CEO Ceciel Harris, "has been a vital step in furnishing our partners, our users, our funders and our customers with real evidence about the social benefits our work delivers. We have always been convinced of our added value, but social accounting enables us to



demonstrate this with facts and figures."

In 2007, 163 out of BCJ's 700 clients gained qualifications, 42 progressed into employment, 83 entered further education and 288 gained improved 'soft' skills of the kind that help individuals prepare for the labour market. 79 were referred to other organisations where they received further support.

BCJ initially became interested in social accounting when it achieved the Matrix Quality Standard for advice and guidance. Involvement in the Birmingham Chamber

of Commerce REALiSE programme, an EU-funded programme that tests the benefits of social enterprises operating in 'clusters', enabled the company to explore social accounting further.

Specialist development agency iSE was able to offer BCJ and a number of other social enterprises intensive support and training in social accounting as part of work funded by Be Birmingham, the Birmingham strategic partnership. The Learning & Skills Council provided support in commissioning the work.

The growing interest in social

¹ This is calculated as follows. Improved 'soft skills' provide savings of £3,310 for an employer through reduced training needs. Improved qualifications improve an individual's earning potential – this is valued at £2,756 per year. The value of obtaining employment is calculated from income, plus additional tax and national insurance contributions received by the state, less tax credits; the resulting figure is reduced by 40% to take into consideration what would happen anyway and the proportion of clients that drop out of employment. Factored over a five year period this gives a total value-added of £33,086, derived from an investment of £3,657. This equals a SORI of £9.00.

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enterprise amongst major institutions such as the LSC, Birmingham Chamber and Be Birmingham is testimony to the sector's increasing economic and social significance. Over 320 social enterprises trade in the sub-region and together they employ over 12,500 staff. About half of these enterprises have turnovers of between £100k and £1m a year, with the largest turning over in excess of £5m. Over 60% have gained sector or industry quality standards.

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Sarah Crawley, chief executive of specialist development agency iSE, believes it is essential to widen adoption of social accounting techniques in the third sector. "The government is increasingly interested in social accounting and similar techniques and wants to see more organisations in the social sector able to evidence the impact of what they do. At the moment, far too few social enterprises can," she says.

"Social accounting really does have huge potential to help third sector organisations evidence the social benefits of what they do."

Social enterprises in Birmingham wishing to learn more about social accounting can be supported by the new Social Enterprise Hub Birmingham – contact iSE.

Useful contacts

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