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COMMUNITY CULTIVATING FARMING

THEORY OF CHANGE

Completed By
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Theory of Change (ToC)



The theory of change (similar to a logic model) demonstrates the importance of trying to monetise at an outcome level.

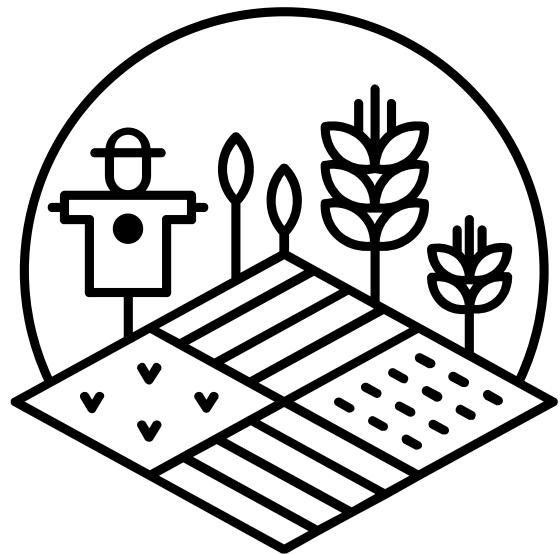
A ToC model is the connection between inputs and impacts and looks at the relationships between each element.



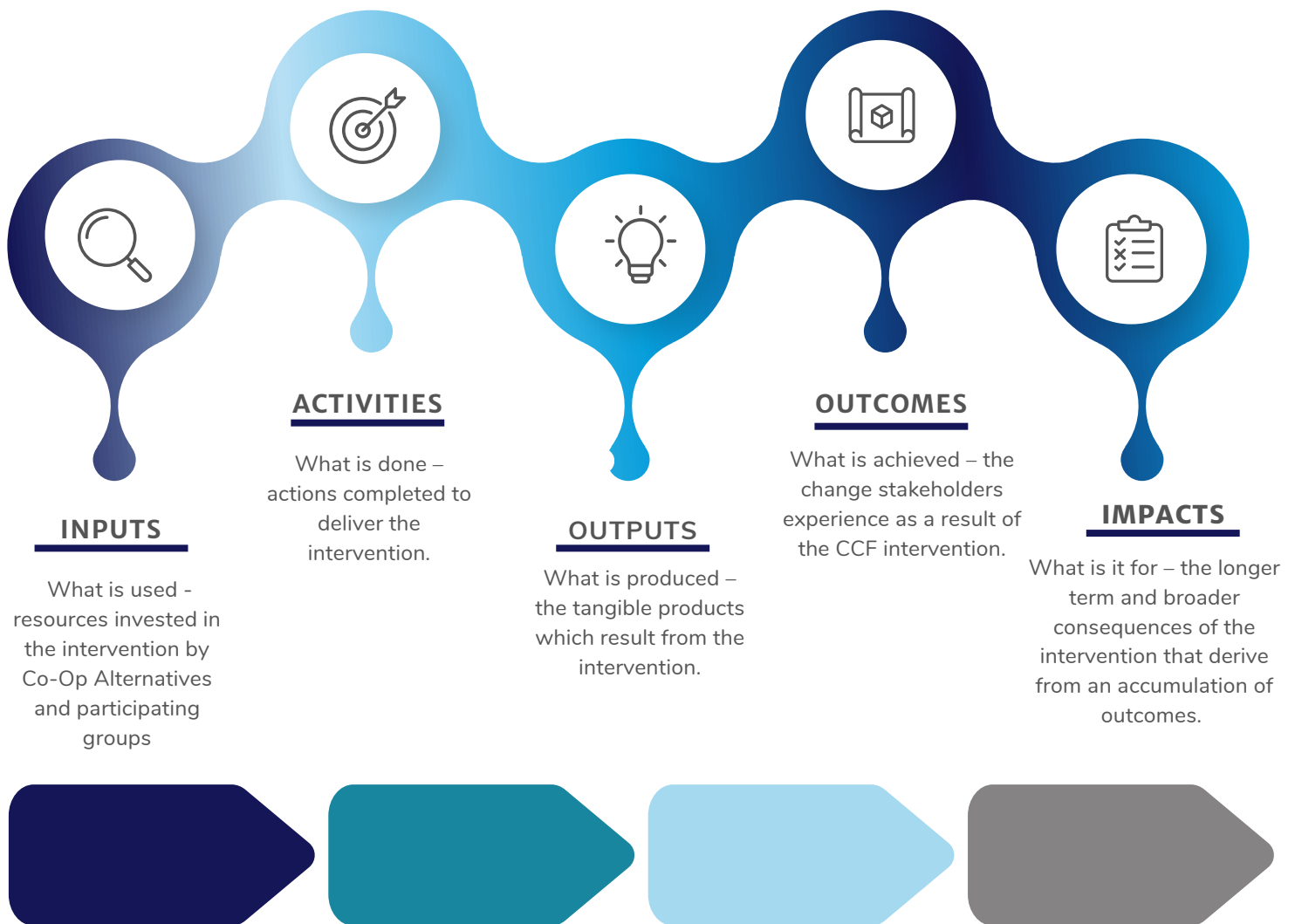
Where this cannot be achieved robustly, input or output values can be used but are often limited to just equating costs to benefits at a one-to-one ratio. The National Social Value Standard has managed to monetise the vast majority of its values at the outcome or impact stage

By identifying these cause-and-effect elements it improves the effectiveness of measuring and evaluating the impact interventions and changes have.

Therefore, monetising the outcome or impact is preferable to the input or output as it leads to a greater representation of the full consequences of the intervention.

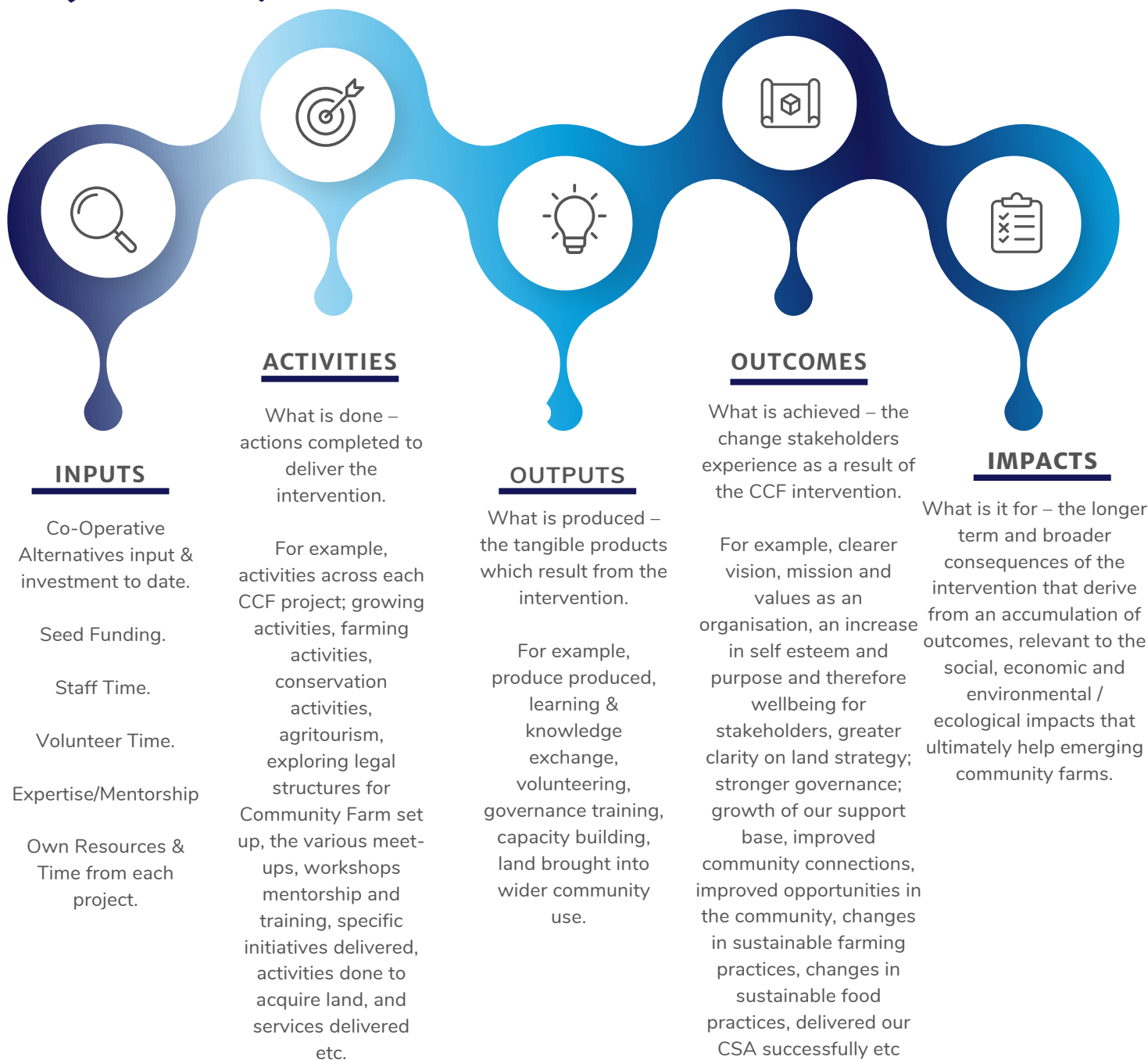


Example Theory of Change (ToC)



Overleaf we have developed an example Theory of Change model for the Cultivating Community Farming initiative, which summarises specifically the inputs, activities, outputs, outcomes to date of the CCF programme.

Cultivating Community Farming Theory of Change (ToC)



Outcomes

Outcomes to Measure

Research has been carried out via site visits, surveys and consultation with Co-Operative Alternatives to identify the social, ecological/environmental and economic outcomes of the CCF interventions and the changes that have occurred (as summarised in the Theory of Change Model overleaf).

Understanding how the CCF project creates change is central to impact measurement and SROI analysis. In impact measurement & SROI, stakeholders are defined as individuals, groups or organisations that are impacted (positively or negatively) by an activity or service. This study through a theory of change and impact map must articulate clearly how and to what extent the CCF activities create change for stakeholders.

The CCF outcomes framework sets out a range of high-level programme outcomes aligned to outcome indicators identified during the research carried out, and service level outcome measures to capture the difference that it's intervention is making to the lives of beneficiaries / stakeholders.

The high level outcomes illustrated below are yet to be agreed with Co-Operative Alternatives, but for now sets out the desired outcomes at a high level for those stakeholders who were deemed to be material to this study (following our site visits & survey responses).

High Level Outcomes

Improved Health & Wellbeing

Reduced Isolation & Loneliness

Improved Community Relations, Connections and Engagement

Improved Organisational/Service Sustainability

Improved Quality of Service Delivered

Improved Diversity of Services

Achieving and Making a Positive Contribution

Improved Reputation in the VCSE Sectors & Community Farming Community

More Cohesive & Resilient Projects / Organisations

Reduced Health Issues (Physical & Mental)

Enhanced Knowledge, Skills and Experience

Increased Opportunities

Improved Economic Impacts

Improved Sustainable Practices

Outcomes

Specific Outcomes

More specifically, the following refined outcomes have been identified relevant to the overall CCF initiative:

- 1. Increased fresh and nutritious produce:** Improved community health by increasing access to fresh, locally grown fruits and vegetables, which can lead to better nutrition and reduced diet-related health issues.
- 2. Improved Sustainable Agriculture Practices:** Improved environmentally friendly and sustainable farming methods that preserve soil health, conserve water, and minimize the use of synthetic chemicals.
- 3. Enhanced Economic Empowerment:** Improvements to the financial well-being of local projects / farmers and participating organizations by creating income-generating opportunities through farming activities / CSA.
- 4. Improved Community Involvement / Engagement:** Developed a sense of belonging and social cohesion within the community by involving the community / residents and diverse groups in farming activities and decision-making processes / Co-Design of space.
- 5. Improved Education and Skill Development:** Through training & educational resources that have enhanced community farming knowledge and skills, and organisation structures/governance.
- 6. More Biodiversity Conservation:** Through the promotion of the cultivation of diverse crops to support local ecosystems.
- 7. Better Health:** Improved health by increasing access to land, activities, exercise and meeting others which can lead to better all round physical and mental health, and reduced diet-related health issues.
- 8. Reduced Carbon Footprint:** Minimize the carbon footprint associated with food production and traditional farming by promoting local, environmentally sustainable agriculture practices.
- 9. Better Collaboration & Networks:** Strengthened relationships and collaborations among the 9 participating groups, creating a network for sharing resources and expertise.
- 10. Improved Market Access:** Creating opportunities for farmers to access broader markets, supply chains and potentially leading to increased income and economic stability.
- 11. Improved Agri-Tourism:** Projects developed in a way that attracts tourists and visitors, generating income for the community and increasing awareness about sustainable agriculture.
- 12. Waste Reduction:** Practices Implemented which minimize food waste and promote composting or recycling of organic materials.
- 13. Policy Advocacy:** Advocate for policies at the local and regional levels that support sustainable agriculture and community farming initiatives in the future.
- 14. Research and Innovation:** Encourage research initiatives to develop innovative sustainable farming practices, techniques and sustainable food practices for the local community/environment.
- 15. Increased Organisational Resilience:** Enhanced the Organisations ability to withstand environmental and economic challenges through diversified farming practices and income streams.
- 16. Community-Owned Assets:** The project's assets, such as land and infrastructure, are collectively owned and managed by the community to maintain long-term sustainability.
- 17. Measurable Impact:** Improved data collection systems to track the project's impact on the community's well-being, environment, and economy longer term.

SROI Methodology

How will the SROI monetary values been determined?

CiCo Consulting use the National Social Value Standard (SVS), which is a measurement framework for the appraisal of social value – at the forecasting, monitoring, and evaluation stages. Developed by social value economists via the Loop software system, using the latest government and academic best practice, such as the HM Treasury Green Book. A full guide on the SVS can we found on its website - www.nationalsvs.co.uk.

The purpose of the SVS

Since 2016 the aim of the SVS has been to provide a broad, robust and accessible measurement framework to help drive greater social value, in the right way,

Other framework Alignments

Beyond methodological alignment with guidance such as the HM Treasury Green Book, the metrics are mapped directly to a number of key frameworks. The SVS aims to increasingly become a one-stop shop for users trying to navigate the often-confusing world of endless social value and sustainability frameworks

Frameworks the metrics are currently mapped to:

- The United Nations Sustainable Development Goals (UN SDGs)
- The Four Capitals
- The Social Value Model (PPN 06/20)
- The National Themes, Outcomes and Measures (TOMs)

SVS at a Glance

A broad and versatile scope that can be used across industries and for a wide range of scenarios.

A robust approach to monetisation, mitigating overclaiming and other pitfalls, and focusing on outcomes.

Increasing accessibility to the measurement of social value for all who need it

Helping navigate what can be a confusing area.

Overview of the metrics

The National Social Value Standard framework contains over 800 metrics for users to measure their social value with – 90% of those are also monetised.

The metrics are grouped into five key areas:

- Jobs, apprenticeships and placements
- Workforce wellbeing, training and skills
- Supply chain
- Community, charity and other stakeholders
- Environmental

Definitions

Metrics: a measurement of value, which can be monetised or non-monetised. An alternative way of describing metrics could be "indicator".

Monetised metrics: monetising social value is the process of attaching a proxy financial value to an outcome. That value represents the relative importance of that change to those impacted. It does not show an actual financial return. See the monetisation section below for more details.

Non-monetised metrics: metrics which are quantified but do not have a monetary value attached to them. For instance, the percentage of people from under-represented groups employed in the workforce.

The metrics cover all social, environmental and economic pillars, which form the foundation of social value

Social: these are impacts on individual or community wellbeing. For example, the change in mental health to an individual after moving from unemployment to employment.

Environmental: refers to impacts that directly relate to the environment, such the level of carbon emissions or biodiversity impacts.

Economic: impacts on public spending or economic output and productivity

Monetisation of the metrics

A key strength of the National Social Value Standard measurement framework is its large bank of monetised metrics.

Monetised metrics: monetising social value is the process of attaching a proxy financial value to an outcome. That value represents the relative importance of that change to those impacted. It does not show an actual financial return.

The benefits of monetisation

The actual impact: By using counterfactuals, additionality analysis and economic treatments a truer estimate of the actual impact can be created, compared to stopping at the output stage like ESG and other impact frameworks.

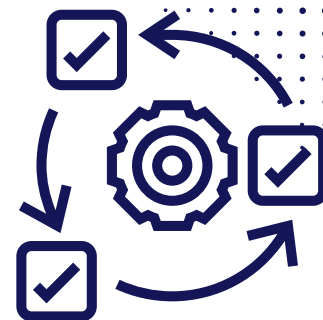
A communication tool: Monetisation creates a common language that local communities, staff, investors, customers, contracting authorities and other stakeholders can understand and get an intuitive sense of scale. It also enables greater discussion, bringing in stakeholders who aren't experts into the conversation and decision-making process.

Improved decision-making: By translating impact into a common unit it is possible to compare like-for-like and therefore maximise social value. • For example, when assessing investment options the holistic value and impact can be compared, with social value put alongside costs and financial returns. • Another example is the comparison and scoring of bids during the procurement process.

Greater accountability: Supports more effective monitoring of initiatives and commitments, and holding both suppliers/contractors and internal operations to account – traditionally a challenging area in social value.

The caveats: If monetisation isn't approached in a robust manner then it can lead to misleading figures and overclaiming. It requires the right expertise and use of the latest best practice guidance and research. This includes accepting that not all impacts can be monetised robustly and that a certain standard of data and methodology is required. It also relies on a number of assumptions about the nature of impacts and those that are impacted, though tailoring to individual's different contexts can be built in.

Monetisation Process



What is the monetisation process for the CCF project? We have adopted a 4 step approach to monetisation.

01

Identifying outcomes

a. Research to identify the social, environmental or economic outcomes of the CCF intervention and changes. **b.** Most metrics within the Loop system have multiple outcomes grouped together and each of their individual valuations aggregated. **c.** For example, the wellbeing impact on an individual moving from living isolated to volunteering on a CCF project, and then the changes to their wellbeing etc.

02

Assessing methodologies

a. Assessing the most robust valuation methodology for each outcome. **b.** For example, site visits, speaking with participants r.e wellbeing impacts, or a survey to determine quantifiable data for the overall impacts of the project.

03

Finding the Data

a. Collating the best quality data to support each valuation approach. **b.** For example, the Loop system builds in academic studies for WELLBY life satisfaction data, ONS data for income levels, and the GMCA Unit Cost Database for public sector costs. **c.** Lack of quality data can result in a change in valuation methodology or it being judged that an outcome cannot currently be robustly monetised.

04

Conducting additionality analysis & applying economic treatments

a. The Loop system applies a number of additionality factors, multipliers and economic treatments to every valuation, tailoring their levels. **b.** For example, deadweight, attribution, displacement, duration, drop off, discounting, inflation, and marginal utility of income.

Valuation Methodologies

A number of economic valuation techniques are used within the Loop Software, varying case to case based on what is most appropriate for the impact and context, and all aligned to HM Treasury Green Book guidance. They aim to capture the total social, environmental and economic value. Methodologies to measure that value can fall under both Social Cost Benefit Analysis (SCBA) and Social Cost Effectiveness Analysis (SCEA) and include:

Market prices

- Prices from the relevant market or a closely comparable market.
- For example, using transferable prices or public spending.

Revealed preference

- Techniques which involve inferring the implicit value placed on a good by people by examining their behaviour in a similar or related market.
- For example, using hedonic pricing or the travel cost method.

Stated preference

- Research studies using surveys to learn how much people value something, and their willingness to pay for or accept changes.
- For example, using willingness to pay (WTP) or willingness to accept (WTA).

Subjective wellbeing

- Use of direct wellbeing-based responses to estimate relative value of non-market goods.
- For example, life satisfaction data or WELLBYs.

Data Sources

The data sources vary valuation to valuation and can include a combination of the following areas: **Academic literature:** For example, life satisfaction or QALY (quality-adjusted life-year) studies; **Public sector reports:** For example, the Office for National Statistics' (ONS) Index of Multiple Deprivation (IMD), the UK Data Service or the Greater Manchester Combined Authority's (GMCA) Unit Cost Database; **Non-profit and industry research:** For example, WRAP (Waste & Resources Action Programme) or the Centre for Mental Health.

Additionality Analysis

A key step in mitigating overclaiming is conducting robust additionality analysis on every valuation within the metrics in order to isolate what level of change the intervention is actually responsible for. Factors within that include:

Deadweight: Allowing for outcomes that would have taken place without the intervention, comparing with business as usual (BAU) or the 'do nothing' scenario

Attribution: Taking into account the impact other organisations or stakeholders could have had in contributing to the social value generated

Displacement: The degree to which an increase in social value is offset by reductions elsewhere, for example where a volunteering opportunity created in a specific area stops one being created in a neighbouring area

Duration: The duration of the outcomes resulting from interventions, these can be different to the duration of the intervention itself.

Drop-off Where the impact of interventions that last more than one year can reduce over time, for example at 10% a year

Marginal utility of income: Taking into account that the value of an additional pound of income is higher for a low income recipient and lower for a high income recipient

Examples

- Would this person have found employment in any case (deadweight)?
- The business that is hiring new people, how much have they influenced the employment market (attribution)?
- Has that job being created in this area stopped a job from being created in the neighbouring area (displacement)?
- Do the people that receive this increased income from employment gain higher utility per pound of the income received from employment (marginal utility of income)?
- How long will that the benefits of that new job impact that person (duration)?
- If the impacts experienced by that individual extend beyond a year do they start to have less of an effect over time (drop off)?

Economic Treatments

Within the Loop system, the final stage is ensuring the appropriate Green Book recommended economic treatments have been applied to the valuations, and include:

Inflation

Inflation is the impact of the value of money declining over time (on average) and therefore average prices rising. The framework takes account of inflation by adjusting the base prices to the relevant base year of valuation.

Discounting

A technique that converts future values occurring over different periods of time to a present value. The framework uses the relevant discount rates recommended by the HM Treasury Green Book. These Social Time Preference Rates (STPR) account for:

- The human preference for value now rather than later.
- Taking account of the certain catastrophic risks the future brings.
- The growth in the amount of consumption per person expected in the future and how much 'utility' people get out of this increase in consumption

