

Final Report
Economic Impact
Assessment of Faith in the
South East.
South East England Faiths
Forum (SEEFF)

March 2010



WM
enterprise



Final Report

**Economic Impact
Assessment of Faith
SEEFF**

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1. Executive Summary

The South East has the largest population of any region in the country, one of the most successful economies in Europe, high incomes per household and low levels of worklessness. But it features many of the same social pressures as any other region, and shares with other regions the same need for individuals, organisations and institutions that foster well-being, protect the most vulnerable and encourage community cohesion.

In that regard, faith groups make a significant contribution to the South East region – but a contribution that is hard to measure. This research report, commissioned by the South East England Faiths Forum (SEEFF) seeks to provide evidence of what the impact of faith groups is. We have done this in a variety of ways, reflecting both the range of faith group activities and the inherent difficulty in measuring many of their impacts.

Across the South East some 4,500 full time equivalent jobs are likely to be accounted for by places of worship and another 3,200 full time equivalent jobs in other establishments or organizations. These then indirectly support another 2,300 jobs amongst suppliers and other organizations, to give total employment generation in the region of just over 10,000.

The use of places of worship and premises owned by other faith organisations by the community is common. These are generally offered at a subsidised rate, or for free, but their full economic impact is measured by what the commercial revenue would have been if they had been rented out at such a rate. We estimate that £1.2 million is generated each year.

Volunteering is also commonplace among faith groups; some 200,000 people donate at least some of their time for free to faith organisations. Overall, the value of all this time is estimated at some £95 million each year.

Many faith organizations in the South East undertake a range of community-based activities, working directly with individuals and through other community groups. These activities reach considerable numbers of people, with a particular focus on young people, elderly people and those suffering from a range of health or social problems. They generate a number of intangible benefits – such as improving people's self-confidence – as well as more tangible outcomes such as crime prevention or helping people to avoid homelessness

As an example, our survey respondents indicated how many people they helped to avoid homelessness. We assume that only some of those helped will actually have changed their behaviour or circumstances, and that only some of the change was attributable to the faith groups, but even on conservative assumptions, by grossing up our sample to the south East as a whole we arrive at a net economic benefit of £40 million for the region.

Similarly, the value of helping people into paid employment, preventing people from engaging in crime and preventing people from dropping out of education would be £10 million, £4 ½ million and £12 million respectively, on conservative assumptions.

Faith organisations also deliver a range of services on behalf of the public sector. Regionally we estimate faith organisations may be involved in the delivery of contracts worth some £13 million. These contracts are likely to generate slightly over 400 FTE jobs in the South East.

Faith groups also undertake direct expenditure, ranging from stationery, IT equipment and building maintenance to wages, salaries and stipends. Our survey respondents identified £123 million of such expenditure, almost all of it spent within the region. There is a danger that this is an over-estimate, perhaps reflecting double-counting, so we advise treating this estimate with care.

We have identified some 750,000 tourist visits likely to have been generated by the existence of the major places of worship across the region, injecting some £25 million into the regional economy. We estimate a further £1.25 million of revenue is generated directly by faith organisations through the sale of souvenirs or catering for visitors on site. And some £3.1 million is likely to be generated regionally through faith organisations holding one-off events or conferences.

2. Introduction

2.1 Introduction

In September 2009 the South East England Faiths Forum (SEEFF) commissioned West Midlands Enterprise (WME) to undertake an economic impact assessment of faith groups in the region. To do this we developed, through a series of stakeholder consultations, typologies of activity. These are broad thematic areas where faith organisations are generating economic impact. In addition, we commissioned a telephone survey of nearly three hundred faith organisations across the South East. In this report, we:

- Provide some context to the study, by remarking in chapter three on the economic and social position of the South East, and the possible contributions that might be made to the region by faith groups
- Set out our methodology, on a step by step basis, in chapter four. This is included so that the process can be replicated by others, along similar lines
- Chapter five sets out the economic impact generated by the ‘infrastructure of faith’: paid religious leaders or those qualified to carry out religious ceremonies; the use of places of worship or associated facilities by the community; time provided free of charge by volunteers; and an analysis of expenditure within faith organisations
- Chapter six examines the work that faith groups are doing in the community, both with individuals directly, and alongside other organised community groups
- Chapter seven looks at contracted services delivered by faith groups, where these are paid for by the public sector
- Chapter eight examines the direct expenditure of faith groups in the local economy
- Chapter nine sets out an assessment of tourism revenues, through visitors to major religious attractions, conferences and one off events
- Chapter ten provides recommendations

Appendix 1 contains a list of Consultees, while Appendix 2 contains an example of the questionnaire we used for the telephone survey.

3. Faith & the South East

3.1 The South East & the role of Faith

3.1.1 The South East

With 8.3 million inhabitants at the time of the last census, the South East is the largest region by population in the UK. It stretches in an arc around London, from Oxfordshire in the north west around to Kent in the south east. It is also generally, and correctly, regarded as one of the most affluent places in the UK. In 2008 median gross weekly earnings in the South East were, at £523, the second highest in the country after London at £581 a week. The national average wage was £479. Meanwhile the South East's percentage of children living in households without anybody working was, at 10%, the lowest in the UK. The national average was 16%, and the figure for London was 23% - the highest in the country. So although the South East was eclipsed by London in terms of average earnings, it had and continues to have much less inequality and much less widespread deprivation than the capital.

Underlying these statistics is one of the most successful regional economies in Europe. Compared with other regions, the South East economy is particularly advanced, knowledge-driven, highly skilled, and service-orientated. Strong sectors include bio-tech, pharmaceuticals and healthcare, aerospace and defence, financial services, and higher education, with 16 universities as well as a wide number of research establishments scattered across the region.

But it would be quite wrong to imagine that the South East does not share many of the same challenges of modern life as every other region. For example, the number of crimes committed in the region in 2007/8 was 2,658 per 10,000 households, which was almost identical to the national and London figures (2,720 and 2,670 respectively). Similarly, in 2007 the percentage of the population aged under 16, and hence in need of education, support and guidance was, at 19.1 per cent, much the same as the national and London averages (18.9 per cent and 19.3 per cent respectively). And the percentage of people of pensionable age, and so also potentially in need of particular care and support, was much the same as the national average in 2007 (19.6 per cent against 19.0 per cent) and well above the very low London figure (13.8 per cent). Indeed, on a wide variety of indicators the south east shows up as facing similar challenges to many, if not most, other parts of the UK.¹

3.1.2 The role of Faith

In this context there is a very large need, in the south east as in other regions, for activities that foster social well-being and community values, protect the most

¹ Although there are no major conurbations within the region, and over 80% of the land area is rural, almost 80% of the South East's population lives in urban areas, with attendant social pressures on many inhabitants. Indeed, the South East has the third highest concentration of people per square kilometre of any English region, after London and the North West. In addition those in rural communities may face other challenges, such as weaker concentrations of public services.

vulnerable and enhance people's quality of life. Some of that need is currently met by faith groups of varying types, either working on their own or in collaboration with government agencies, local authorities, other non-faith voluntary organisations and charities, businesses and of course individuals. But the extent to which faith groups are contributing towards social well-being has never been properly measured and is therefore poorly understood.

Part of the challenge is that the contributions that faith groups make are very wide ranging. They include (but are not confined to) income support for the needy, help with finding employment, care for the sick and disabled, guidance for the young and vulnerable, education and training, help with housing and accessing public services, and counselling and befriending for those in distress (for example, victims of crime, hospital patients, the chronically sick, and those who are in prison).

But more difficult is the fact that these services are usually provided free to the recipients, and very often provided free by volunteers, so that no monetary value is placed upon them, either as outputs or as inputs. This does not make them any the less important (some would say, quite the reverse) but it does make them hard to measure.

Indeed, in many cases faith groups deliberately seek to offer a more informal, less institutionalised service than agencies operating under statutory supervision. The recording of information for measurement purposes is therefore not necessarily part of their working culture and in some cases may go against their ethos. For some faith groups there may also be religious inhibitions against placing any sort of economic or financial value on the contribution that they make. For these reasons too, assessing the collective contribution of faith groups can be inherently difficult.

There is perhaps a deeper point. Measuring the contribution of faith groups can be understood simply in terms of the resources they bring – volunteers' time, the time of those people paid salaries or receiving stipends, and the value of property available for hire or for free – and the impact they have, such as young people helped away from drugs, or families helped to find homes. But many members of faith groups believe that there is more to their contribution than that. They believe that they make their own particularly effective and strong contribution, through demonstrating ethical or cultural values in the way in which they practice, to the benefit both of individuals and of broader communities.

Faith groups may also claim credit for providing community leadership and promoting capacity building, especially within communities that may regard themselves as marginalised by the more formal structures of government support or by public opinion. These more intangible benefits would not be captured by any quantified measurement approach that regarded faith groups simply as an additional resource, adding extra quantity but no difference in quality, to what might otherwise be available.

A similar remark may be made with regard to valuing the time of those who make contributions, whether on a paid basis or as volunteers. Where wages or stipends are paid, those can be used as a measure of economic contribution, and volunteers' contributions can be measured by the wages that the volunteers concerned might have earned, had they instead spent their time on paid work (a concept known as

‘opportunity cost’). But it is clear from national surveys that the large majority of those who volunteer, whether for faith groups or for other organizations, say that they get great satisfaction from doing so, and feel themselves enriched by the experience. In that sense, faith groups are not just providing a service to outsiders but are also providing a service to their participants, which cannot readily be measured by wages, either paid or foregone.

These remarks aside, there are also some ways in which faith groups make contributions which are relatively easy to measure, at least in principle. We have already mentioned the renting of property, such as meeting spaces. Even when no charge is made, there is a market rental price which the faith group is foregoing, and hence an economic contribution that is being made.

The other contribution that is easy to measure at least in principle is via tourism promotion. Many of the UK’s greatest tourist attractions are religious buildings. The south east has some of these, including Canterbury and Winchester cathedrals and the Oxford colleges (although for the most part these latter are not nowadays primarily faith institutions). They generate revenue for local businesses as well as for themselves and those whom they support.

Even in these cases, however, measurement may still be difficult because the information is not readily available. The problem here is a practical but not a conceptual one – but is none the less potent for that.

3.1.3 What do faith groups contribute to the South East?

The overall assessment must therefore be that to measure the impact of faith in the south east is inherently difficult. We do not even know for sure how many faith groups there are, let alone have a reliable measure of what they do. And although the 2001 census indicated that 76.2 per cent of South East residents associated themselves with an organised religion, we do not know how many of those people were actively involved, nor how their involvement might have changed since then.

Yet anecdotal evidence suggests that the contribution of faith groups to the life of the South East is very significant, and many different organisations and local communities are likely to rely upon the contributions that faith groups make. In subsequent chapters we have attempted to provide some metrics to these contributions, based on a survey of groups and some broad grossing-up assumptions. While this does not give anything like the accuracy of a full census, it does confirm the suspicion that faith groups make a contribution in the south east that is significant, even when attention is focused only on the quantifiable. The overall contribution, by definition, must of course be larger still.

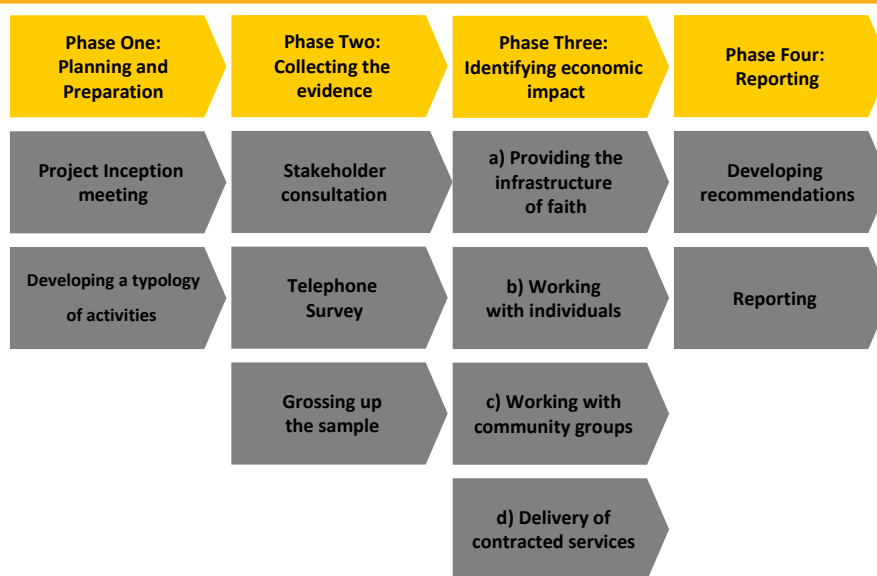
4. Methodology

4.1 Our approach

Policy-makers have long claimed that they recognise the role and importance of the third sector in delivering services, contributing to stable and cohesive communities and reaching out to vulnerable members of society. But many faith groups have been concerned that their particular contribution has been overlooked or undervalued. This was acknowledged by the government in its 2004 report *Working Together: Cooperation between Government and Faith Communities*. Unfortunately, the *Third Sector Review*, published in 2007, suggested that faith groups felt that little progress had been made since 2004.² As a result a number of attempts have been made since then to assess the direct and indirect contributions of faith groups to economic and social outcomes. This report seeks to build on those attempts.

The diagram below (figure 4.1) sets out the approach that we have used in this study and the four stages of our research. Key elements are explained in the remainder of the chapter. Links to guidance documents, that might support faith organisations undertaking similar assessments, are provided in the footnotes.

Figure 4.1: Approach



4.2 The types of activities undertaken by faith groups

One of our first tasks was to develop a typology of activities undertaken by the various faith based groups in the region, so that we could then collect data on those

² Working Together: Co-operation between Government and Faith Communities, Home Office, February 2004; "Working Together": Co-operation between government and faith Communities' progress report, Home Office, August 2005; The future role of the third sector in social and economic regeneration: final report, HM Treasury and Cabinet Office, July 2007, p.21.

activities and seek to assess their impact. Our intention was to fully reflect the diverse work that faith organisations are involved in across the South East, while at the same time organising activities under broad but meaningful headings.

In figure 4.2 we set out five such broad categories of activity, and the more detailed activities that fall under each. In undertaking our survey (see below) we used the more detailed headings to enquire about what particular faith groups do, and then aggregated up the responses to the broader headings.

4.3 Stakeholder consultations

This part of the project involved identifying a series of key stakeholders across the region, chosen for the diversity of work that they are involved in and the extent of their local knowledge, and then conducting detailed interviews, to explore in depth their perspectives on the contribution of faith to the economic and social well-being of the region. These interviews covered:

- The range of activities undertaken by the interviewee's organisation
- The number and type of people who had benefited from these activities
- The direct and indirect economic impact of this work
- The scale and nature of any direct expenditure and income

A list of those we consulted is provided in Appendix 1.

4.4 Telephone survey

To gain a greater breadth of knowledge we conducted a telephone survey of 275 faith groups from across the South East. This was carried out by a specialist market research company, Research and Marketing Plus (RMP), augmented by additional interviews by our own consultants. The telephone survey consisted of a series of open and closed questions. We invited over 1,000 faith organisations to participate, of which 28% did so. This level of response is typical for a survey of this type. We sourced the telephone numbers from the SEEFF membership database, boosted with details of faith groups located in the South East taken from the Religions in the UK Directory 2007-10 which is available from the University of Derby. We also included a small number of additional contacts which we obtained through our information gathering and stakeholder interviews.

Our telephone survey was undertaken at various times of the day, with some evening and weekend phone calls, to maximise response rates. It was undertaken according to the Market Research Society (MRS) guidelines. We were able to obtain a good cross-section of faiths, so as to identify the full contribution made by the faith community across the region. The religious affiliations of those we interviewed are set out in figure 4.3, along with the affiliations of the population of the South East, as identified in the 2001 census. For reference, the survey questionnaire is attached as Appendix 2.

Figure 4.2: Typology of activity

Type of activity	Nature of activity/impact
1. Providing the Infrastructure of faith	<ul style="list-style-type: none"> • Provision of paid or unpaid religious leaders or those qualified to administer religious ceremonies (direct and indirect employment) • Ownership and /or management of voluntary aided/faith schools, housing, other assets • Collection, administration and dissemination of income/donations and grants • Volunteers • The use of places of worship and other premises by the community at a reduced rate or for free.
2. Working with individuals	<ul style="list-style-type: none"> • Dedicated advice/support, e.g. debt advice, coping with illnesses/ bereavement or mental health issues, or counselling services • Signposting of individuals to specialist advice, e.g. financial support/advice within the faith community and provided for free. • Free/subsidised accommodation for the homeless and/or vulnerable people • Other drop in centres/night shelters • Community based projects where the beneficiaries include those with mental health problems (including loneliness and depression); adult prisoners; young offenders; those excluded from school; the homeless; the unemployed; victims of domestic violence; the disabled; NEETS (<i>not in education employment or training</i>); victims of abuse; older people; substance abusers; other groups. • Mother and toddler groups, parenting courses, adoption or fostering support, lunch clubs • Youth clubs and other youth outreach work • Provision of other persons providing guidance and support, for example Chaplains in Prisons/Hospitals and Universities
3. Working with community groups	<ul style="list-style-type: none"> • Provision of community ‘consultants’ (e.g. those provided by Liveability) or community development workers • Management or administration of social enterprises (e.g. community cafés) • Provision of training days, subject based meetings/discussions/community planning • Other specific or dedicated training events • Support and advice in the preparation and submission of funding grants • Dissemination of specialist advice and local information • After hours groups at Community/voluntary aided schools • Domiciliary services with age concern
4. Delivering of contracted services	<ul style="list-style-type: none"> • Delivery of service level agreements for statutory bodies, Princes Trust etc • Including, Delivery of diversity workshops for statutory bodies, Appropriate adult service, ‘Goal setting’ /partnership agreements, evaluation of services and programmes; and Establishing and managing community projects
5. Tourism offer	<ul style="list-style-type: none"> • Dedicated visits and associated expenditure to places of worship that generate expenditure • Faith based events, such as tent week or similar that generate visits and associated expenditure • Conferences & other ad hoc events

Figure 4.3: Religious affiliations of the survey sample & the total population

	South East population	%	Groups in our survey	%
All People	8,000,645	100.0	275	100
Christian	5,823,025	72.8	140	51
Buddhist	22,005	0.3	20	7
Hindu	44,575	0.6	8	3
Jewish	19,037	0.2	13	5
Muslim	108,725	1.4	32	12
Sikh	37,735	0.5	9	3
Any other religion	28,668	0.4	53	19
No religion	1,319,979	16.5	0	0
Religion not stated	596,896	7.5	0	0

Source: 2001 Census/WME. In our survey 'any other religion' includes interfaith groups, which explains its apparent over-representation.

4.5 Grossing up the sample

Our survey provided us with information on the economic impact of a sample of faith groups in the region. It does not show the total regional economic impact of faith groups. To do this we must gross up the results of our survey sample, which requires in turn a reasonable estimate of the number of faith groups across the South East. Unfortunately, this is far from simple.

A number of data sources are available to help with this, and these are summarised in figure 4.4.

Figure 4.4: Estimated number of faith groups in the South East

Study	Faith groups identified	Geographical area studied	Population of geographical area	Faith groups per 10,000 population
SEEFF	3,000	South East	8,380,100	3.6
NCVO	13,300	United Kingdom	61,383,200	2.2
University of Coventry (preliminary results)	500	Oxfordshire	639,800	7.8
			Mean:	4.5

Source: WME

- Based on their interfaith membership and work with Local Strategic partnership faith links, SEEFF estimates the total number of faith groups in the region to be some 3,000. This would suggest a ratio of 3.6 groups per 10,000 people.
- The National Council for Voluntary Organisations (NCVO) in their Civil Society Almanac 2009, estimate there to be 13,300 faith groups in the UK, or 2.2 per 10,000 people (number 3). That would imply a total for the South East of approximately 1,850 groups.
- The Diocese of Oxfordshire has commissioned a faith group mapping exercise, which is being undertaken by the University of Coventry. This study is a detailed assessment of all faith group activity across the County. While the results of this study are not yet available, we understand that some 500 faith groups have been identified in total through this work, or 7.8 faith organisations per 10,000 people. If the county figures apply across the region, they would suggest that there would be a total for the South East of approximately 6,500.

The work in Oxfordshire is the most detailed and most likely to identify the majority of organisations which exist. It is therefore a useful source of information. However, the presence of the University of Oxford may result in a higher number of faith organisation than would have otherwise been the case, since each College has its own chapel, for example, and there are many faith groups associated with both individual colleges and the university as a whole. On this basis, the Oxfordshire number may be higher than for the region as a whole.

The SEEFF estimate is taken from their *Connecting Faith in the South East* programme. It is an estimate, but an informed one, drawing on extensive knowledge of the regional faith network.

The NCVO estimate is taken from the 2009 *Civil Society Almanac*. This number has been identified through the charity commission register and includes only those faith organisations which are registered as charities. This number is therefore likely to be lower than the actual number of faith groups in the region.

In the absence of a definitive number we have used an average of the three sources. **This gives an estimated total of just under 3,800 faith groups in the South East.** On that basis our survey covers 7% of faith groups in the region. If our survey of 275 is broadly equivalent to a random sample from the 3,800, then we have a confidence level of 95% and a confidence interval of 5.69, which implies that grossing up from our sample to the total population is a statistically robust exercise.³

To calculate our estimates of regional impact, we have therefore grossed up the results of our sample to apply them across the region. This implies a scaling factor of 13.8. Throughout our study, unless indicated otherwise, we have used this scaling factor to estimate regional impact.

³ The confidence interval is a plus or minus figure and indicates the degree of accuracy of a survey sample. For example our confidence interval of 5.7 means that we can be sure our findings accurately reflect the entire population – within plus or minus 5.7 percentage points. The confidence level is essentially how sure we can be the results are accurate. The larger the sample size the lower the confidence interval; i.e. we can be more confident that the answer given by the sample, are true of the population as a whole.

Displacement, net additionality and leakage

In estimating economic impact the concept of displacement or net-additionality is also commonly considered. This means, for example, that if faith groups are undertaking activity that would have been undertaken by another group or organisation, then the impact is not additional to (i.e. doesn't add to) the economy.

Our view is that in the overwhelming majority of cases it is reasonable to assume that the work of, and impact associated with, faith groups is a net addition to the economy. Without faith groups, the extra support would not be available. Not everybody would agree with this view – some might argue that if faith groups were not providing a contribution then other agencies would be forced to make up the difference. But even if that was true, the fact would remain that faith groups are making a contribution, even if it is possible that in an alternative social and political structure, others might make the same contribution through different routes. In addition, faith groups might argue that their contribution has special qualities, over and above the mere provision of resources. We discuss this in the main text.

It is also likely that some of the impact of the region's faith groups leaks out of the South East. For example, people may travel across regional borders to participate in social groups, and hospital chaplains may give comfort to patients who reside outside the region. We consider these effects are likely to be small and balanced by flows in the other direction, so we do not adjust for them.

5. The infrastructure of faith

Headline Findings

- Across the South East some 4,500 full time equivalent jobs are likely to be accounted for by places of worship and another 3,200 full time equivalent jobs in other establishments or organizations. These then indirectly support another 2,300 jobs amongst suppliers and other organizations, to give total employment generation in the region of just over 10,000.
- The use of places of worship and premises owned by other faith organisations by the community is common. These are commonly offered at a subsidised rate, or for free, but their full economic impact is measured by what the commercial revenue would have been if they had been rented out at such a rate. We estimate that £1.2 million is generated each year.
- Volunteering is commonplace among faith groups; some 200,000 people donate at least some of their time for free to faith organisations. We can use what people would have been paid to estimate the economic impact. Overall, the value of all this time is estimated at some £95 million each year.

5.1 The infrastructure of faith – places of worship

In our survey we asked respondents to describe their organisation. Of the sample, 113 (41% of the total), identified themselves as working within, or being responsible for, places of worship (figure 5.1). This high figure is not, of course, surprising given the purpose and rationale of a large proportion of faith groups.

Figure 5.1: The infrastructure of faith: places of worship

	Frequency	Percent of survey sample
A place of worship which seldom receives tourist visitors	66	24
A place of worship or other destination which often receives tourist visitors	47	17
Total in survey	113	41

Source: WME/RMP.

We have sought to measure the economic impact of places of worship in various ways. These include the impact of spending, of volunteering, and the impact of tourists' expenditure. But we start with two other impacts:

- First, employment generation, both in terms of full time and part time staff (for example, paid religious leaders and those trained to carry out or assist with religious ceremonies, or provide more general support in a variety of ways).
- Second, their use by the community for meetings or other events. The faith groups may receive income from this, perhaps in the form of donations or by charging at reduced rates, but often they allow the facilities to be used for free. The direct economic impact is the same whether it is paid or free – the difference is merely where the cost falls.

5.1.1 Employment effects

Of places of worship, 84 (74%) employed paid staff, either on a full time or part time basis, whereas 29 (26%) did not employ any paid staff (Figure 5.2).

Figure 5.2: Paid Employees in Places of Worship

Type of faith organization	Q8. Does your organisation employ any paid staff locally?		
	Yes	No	Total
A place of worship which seldom receives tourist visitors	47	19	66
A place of worship or other destination which often receives	37	10	47
Total	84	29	113

Source: WME/RMP

Our survey indicates that places of worship that regularly receive tourist visitors employ a larger number of people (on average 4 Full Time Equivalents) than those that don't receive visitors. These employ on average, half that. We have assumed the number of hours worked by part time staff to be similar to other sectors of the economy in each case, and therefore assumed each part time job equates to 0.3 of a FTE – see text box. This provides us with a total of 325 FTE jobs in places of worship, amongst survey respondents.

Estimating full time equivalent (FTE) jobs

To estimate impact, various economic (as opposed to purely statistical) assumptions are required.

For example, in examining employment within faith organisations we have to make adjustments for the fact that some people work full time and some work part time. And in either case the hours involved can vary radically. So assumptions are needed about how many part time jobs equal one full time job, to generate Full Time Equivalent Jobs (FTEs).

On the basis of anecdotal evidence we have assumed that the part time staff in faith groups work a reasonably short number of hours per week, on a paid basis, but that they are likely to contribute a larger amount of time, essentially outside of their contract hours, on a voluntary basis. So for paid employment we have assumed that each part time job equates to 0.3 of a FTE. This is consistent both with standard national practice (as used for example by developers in estimating the space and land needs of different employment numbers) and the advice given to us by consultees. However, a different assumption would clearly alter the evidence significantly.

Identifying economic impact – multipliers

The use of economic multipliers is fundamental to economic impact assessments. Multipliers quantify the further ‘knock-on’ impact of any particular activity. For example, some of the wages paid to staff employed by faith groups will be spent in local shops, restaurants, and on purchasing local services, and that will pay for salaries in those businesses, and hence stimulate further local spending. This expenditure will help generate further jobs and further expenditure, and that activity will itself generate further local jobs and spending – hence the term ‘multiplier’. Clearly however, some of the expenditure will be ‘lost’, paying bills or buying services from national or even international suppliers, for example (see previous text box on displacement, net additionality and leakages).

Two types of multiplier are most common:

- **An income multiplier** (sometimes called the induced multiplier) associated with local expenditure as a result of those who receive income from the direct and supply chain linkages of faith groups. For example, this will include the local expenditure of those directly employed by the faith group.
- **A supply linkage multiplier** (sometimes called the indirect multiplier) due to purchases made through the direct expenditure of faith groups and further purchases along the supply chain of the group. For example, this will include expenditure of a community café on food and drink that they have bought locally and then sell.

The size that we assign to these multipliers has an important impact on our estimates of economic impact. Our assumptions have been derived, in part, from the results of our survey. But we have also referred to the wealth of publicly available data on local economic multipliers, to produce a composite measure.⁴ Our value for the multiplier is 1.3, so that every pound spent directly in the region generates an extra 30 pence and every ten people in work generate 3 more jobs for other people.

Based on these findings and using a scaling factor of 13.8, we estimate that across the South East some 4,500 direct full time equivalent paid jobs are directly provided by places of worship.

⁴ For those seeking more technical guidance, please see, *Additionality Guide – a standard approach to assessing the impact of interventions*. Third Edition. English Partnerships October 2008.

Figure 5.3: Employment in Places of Worship in the South East

	Number of Full Time Staff	Number of Part Time Staff	FTE	Scaling Factor	Regional Employment Estimate
Place of worship which seldom receives tourist visitors	98	116	133		*4,500
Place of worship or other destination which often receives visitors	120	240	192	13.77	
Total	218	356	325		

Source: WME/RMP. *Note: Regional Estimate Rounded.

These employees then support further jobs in the economy through expenditure on goods and services. In addition, places of worship purchase goods and services to enable them to serve their religious function. This expenditure generates further economic activity, both in the region and beyond. We can quantify the extent of these 'multiplier' effects through using an economic multiplier, described in the text box.

Our assumption is that the large majority of employees we have identified reside and shop within the region, so that a high proportion of expenditure is spent locally. As a result we have used a combined or composite multiplier of 1.3 to quantify the 'spin off' employment at the regional level. This means that for every full time job, 0.3 of an FTE will be generated eventually through spin off economic activity. This would suggest a further 1,350 indirect jobs across the South East; and hence a combined total of some 5,800 direct and indirect jobs across the region.

5.1.2 The use of places of worship by the community

In addition to their primary role for religious services, places of worship (or parts of them specially designated for such use) play an important role locally, as meeting rooms, places to hold workshops, lunch clubs etc. Indeed, the contribution made by these spaces is clearly identified in the Government's framework for partnership in a multi faith society, *Face to Face and Side by Side*. In this document the second of three core building blocks is identified as 'shared space for interaction and social action'.

Figure 5.4 shows that just over half (51%) of the physical premises used by faith organizations contained rooms used by the community for this purpose.

Figure 5.4: Use of place of worship or centre by other community groups

	Frequency	Per cent
Yes	140	51
No	135	49
Total	275	100

Source: WME/RMP

We investigated what if any income was generated through these premises. Figure 5.5 shows the number of places of worship, taken from our survey results, which charged commercial rents for their premises, and the proportion which provided premises for free or at a subsidised rate. Almost half of those that answered 'other' (18 places of worship) responded that sometimes they charge (with the rates

varying) and sometimes they provide the premises for free, depending on who was using the accommodation. It is also common that faith organisations will seek only to cover their direct costs, or will ask for donations.

Figure 5.5: Income received from the use of accommodation

	Rent charged at commercial rate	Rent charged but subsidised	Free	Other	Total
A place of worship which seldom receives tourist visitors	9	10	8	20	47
A place of worship or other destination which often receives visitors	5	6	3	18	32
Total	14	16	11	38	79

Source: WME/RMP

Regionally, this suggests there are about 1,000 places of worship across the region being used in some way by other community groups. It is likely that only a small proportion of these always generate income at commercial rates. Of those that do, this money is likely to be used for general upkeep, used to support community interventions or to support the provision of religious leaders, i.e. reinvested in the local community.

If we conservatively assume that all of these 1,000 premises are used at least twice a month, this would suggest in the region of 26,000 meetings/events or workshops are held for a variety of purposes throughout the region, in places of worship each year. Again, conservatively, if we assume that the market rate for the use of premises for meeting hire is £12.50 per hour and on each occasion the hire period is just two hours, then this would generate some £650,000 revenue; which in effect is a substantial community resource.⁵

5.2 The infrastructure of faith – other than places of worship

The remaining 59% of our sample were not directly associated with a place of worship. We have divided these into those working with individuals in the community or with community groups and those who administer or support other faith groups (such as for example a diocese office).⁶

⁵ A desktop survey of community centres, village halls etc indicated that average costs are between £17.50 and £7.50 per hour. We have averaged these and consider £12.50 an hour reasonable.

⁶ Those employees sustained by their organisation delivering contracted services, for payment are considered separately in chapter seven.

Figure 5.6: The infrastructure of faith: other than places of worship

	Frequency	Percent of survey sample
Any other organisation mainly working directly with individuals	42	15
Any other organisation mainly working with organised community groups	33	12
An organisation that administers or supports other faith organizations	3	1
Other	22	8
Any other organisation mainly working directly with individuals	62	23
Total	162	59

Source: WME/RMP

As with places of worship, we have sought to measure economic impact in two ways: through employment generation and through the use of premises.

5.2.1 Employment effects

Within these groups, paid employment is slightly less common than for places of worship, but still widespread. Indeed, around half employed paid staff (figure 5.7).

Figure 5.7: Employment by type of organisation

Type of faith organization	Q8. Does your organisation employ any paid staff locally?		
	Yes	No	Total
Any other organisation mainly working directly with individuals	17	25	42
Any other organisation mainly working with organised community groups	17	16	33
An organisation that administers or supports other faith organizations	14	8	22
Other	40	22	62
Total	88 (55%)	71 (45%)	159

Source: WME/RMP.

From those that did employ paid staff we were able to identify 180 full time and 180 part time employees (figure 5.8). Using the same FTE calculation as for places of worship, we estimate that some 235 FTE employees are employed in our sample. Grossing that number up suggests in turn that some 3,200 FTE jobs are generated in faith organisations, outside of places of worship.

Figure 5.8: Employment FTEs by type of organisation

	Number of Full Time Staff	Number of Part Time Staff	FTE	Scaling Factor	Regional Employment Estimate
Organisation mainly working directly with individuals in the community	44	45	58		3,200**
Organisation mainly working with organised community groups	71	95	100	13.77	
Organisation that administer or supports other faith organizations	65	40	77		
Total	180	180	234		

Source: WME/RMP. ** A small number of large employers have been excluded from the grossing up stage as it was considered these are likely to be 'one offs' not likely to be found elsewhere across the South East. These include regional subsidiaries of national faith organisations, and a large international faith centre. Those organisations which stated they were not one of the above categories have also been excluded. These organisations displayed similar number of average FTEs but grossing up this population would result in double counting. The figure above also excludes those employed through contracted delivery services, which is considered separately, in chapter 7.

Again if we include indirect and induced employment as a result of further spin off activity in the economy as a result of these employees, and using the same 1.3 multiplier as above, a further 950 direct and induced employees may be generated across the region through such activity.

5.2.2 The use of premises, other than places of worship

Figure 5.9 examines the use of non places of worship, such as community centres or offices, that are used for meetings, workshops etc by community groups and others.

Figure 5.9: The use of premises (excluding places of worship)

	Rent charged at commercial rate	Rent charged but subsidised	Free	Other	Total
Organisation mainly working directly with individuals	1	4	4	4	13
Organisation mainly working with organised community	0	3	4	4	11
Organisation that administers or supports other faith org	1	1	3	2	7
Other	3	4	8	15	30
Total	5	12	19	25	61 (22% of sample)

Source: WME/RMP

A much smaller number of premises were identified in this group; the use of places of worship in this manner appears to be more common. Overall, while it is difficult to assign an exact value to this aspect of faith groups' economic contribution, our findings would suggest that, after grossing up, there may be some 850 premises owned by faith groups that are regularly used by the community. Of these, the evidence suggests a relatively small number of groups are likely to charge commercial or market rates for these premises. A high proportion, on the evidence available, will provide premises free of charge.

Case Study: An interfaith organisation in Milton Keynes

The organisation undertakes interfaith work, encouraging and enabling dialogue and community cohesion, and non-violent conflict resolution. On site the organisation has a conference centre, with training facilities for Local Authorities and welfare organisations dealing with sensitive topics. Regional groups are also hosted. There is a rolling programme of events, seminars and retreats – which attract about 20-30 people on average, from the South East region. Volunteers run the library and come in to help run events. They are shortly to develop an interfaith consultancy for statutory bodies.

As with places of worship, if we conservatively assume that all of the 850 premises are used at least twice a month, this would suggest in the region of 20,000 meetings/events or workshops are held for a variety of purposes throughout the region, each year, in premises of faith groups that are not themselves places of worship. Again, conservatively, if we assume that the market rate for the use of premises for meeting hire is £12.50 per hour and on each occasion the hire period is just two hours. This would generate some £510,000 revenue.⁷

5.3 The contribution of volunteers to the infrastructure of faith

In the faith sector an enormous amount of activity is carried out or supported by volunteers. In our survey, 91% (249) of all organisations were supported by regular volunteers. For what is a reasonably small number of faith groups, the survey identifies a large body of volunteers. Some 13,000 volunteers are associated with the 275 faith organizations, each of them donating at least some time for free on a regular basis (identified as at least once a month).

A further 19,500 volunteers were associated with a small number of groups. These include a large international faith centre and the regional arm of a large national faith group. To avoid the danger of distorting the overall numbers we excluded this large body of volunteers from our grossing up stage – and simply added these to the regional total of volunteers after grossing up. This process suggests that some 201,000 people across the region volunteer at least some time to faith groups on a regular basis.

We asked survey respondents to estimate how many hours on average each volunteer donates per month. This was six hours – or approximately one and half hours per week. The generally accepted way to value the benefit of this volunteering is on the basis of what those people would have earned, if instead of volunteering they were working at whatever their actual or most likely job would be. The household satellite accounts, from the Office of National Statistics, indicate that we

⁷ A desktop survey of community centres, village halls etc indicated that average costs are between £17.50 and £7.50 per hour. We have averaged these and consider £13 an hour reasonable.

should apply an average wage of £6.55 per hour for this time.⁸ On this basis, the body of volunteers we have identified in the South East donates time for free to the value of £94.7 million each year to support the work of faith groups. Figure 5.10 summarises the argument.

Figure 5.10: Value of volunteers in the South East

Volunteers in our survey	13,166
Volunteers with 'one off organizations' (excluded from grossing up)	19,500
Number of Volunteers in the Region (Scaling Factor 13.77)	201,000
Average number of hours volunteered per month	6
Average hours per year	72
Average wage per hour	£6.55
Estimated economic value of volunteer time	£94,700,000*

Source: WME/RMP Note: Numbers rounded.

Case Study: A Diocese Board for Social Responsibility

The Diocese acts in an advisory capacity to the clergy in the diocese. Each staff member runs a programme of resourcing/awareness raising and capacity building; examples include sessions providing guidance on how to work in deprived areas, and support for community workers.

Their programmes include providing support in particular themes – namely supporting people in rural areas, or interfaith work.

Their objective is to make parishes better at delivering their services, and helping their communities. The board has links to other organisations in the area such as PACT – Parents and Children Together – which is a faith based social action group organising adoption and fostering.

⁸ The Household satellite Accounts are part of a series of experimental statistics available from National Statistics. They quantify the volume and value of unpaid activity. In terms of voluntary organisations this value has been estimated using an input approach, i.e. measuring the hours provided by households, rather than the outputs produced by volunteers.

6. Working with individuals and with community groups

Headline Findings

- Most faith organizations in the South East undertake a range of community-based activities, working directly with individuals and through other community groups
- These activities reach considerable numbers of people, with a particular focus on young people, elderly people and those suffering from a range of health or social problems
- Community-based activities generate a number of intangible benefits – such as improving people’s self-confidence – as well as more tangible outcomes such as crime prevention or helping people to avoid homelessness
- As an example, our survey respondents indicated how many people they helped to avoid homelessness. We assume that only some of those helped will actually have changed their behaviour or circumstances, and that only some of the change was attributable to the faith groups, but even on conservative assumptions, by grossing up our sample to the south East as a whole we arrive at a net economic benefit of £40 million for the region.
- Similarly, the value of helping people into paid employment, preventing people from engaging in crime and preventing people from dropping out of education would be £10 million, £4.7 million, £12 million respectively, on conservative assumptions.

6.1 Faith groups working with individuals

In addition to the direct and indirect economic impacts generated by the existence of faith organisations and related infrastructure, employing people and providing meeting space, faith groups clearly undertake a considerable amount of work in the community, thus generating social benefit that in principle we can convert into economic value.

Clearly the range of individuals that faith groups work with in the region is as broad as the range of the region’s population. We have divided people into broad categories, as shown in Figure 6.1, and allocated beneficiaries into these groups as best we are able. A number of projects are aimed at more than one type of person, and many respondents described types of individuals they work with in very general terms, such as ‘the disadvantaged’, or defined them in terms of their faith. In addition, a number of specific types of individuals were identified, supported by a small number of organisations in each case.

Figure 6.1: Types of individuals supported by faith organisations

Type of individual	Number of faith groups
Young people	24
Elderly	14
People in local community	10
Members of religion	9
Disadvantaged	8
People with poor health	6
Homeless	5
Prisoners	5
Parents and children	5
Women	2

Source: RMP/ WME, 2009

The support the groups provided also ranged widely but typically fell under three headings:

- The provision of dedicated **advice/support**. This includes a broad range of activity, tailored to particular local needs and circumstances. For example, this includes workshops to support those who have been made redundant, to support those in debt, to help those with mental health issues or to cope with other illnesses, or bereavement counselling services. Elements might include the direct provision of support and also signposting individuals to specialist advice (e.g. financial support /advice. Much of this is provided for free.
- Free/subsidised **accommodation** for the homeless and/or vulnerable people or the provision of drop in centres / night shelters etc.
- **Community based projects** where the beneficiaries include those with mental health problems (including loneliness and depression); adult prisoners; young offenders; those excluded from school; homeless people; unemployed people; victims of domestic violence; disabled people; NEETS (young people not in education employment or training); victims of abuse; older people; or substance abusers.

We asked respondents to estimate how many people they supported in an average month. Nine of the 58 identified projects supported more than 1,000 people every month, but most said that their impact was smaller than that. Projects or interventions that helped between 100 and 499 people a month were the most common, followed by projects that helped fewer than 50 people a month (see Figure 6.2).

Figure 6.2: Number of individuals helped/supported in one month

	Number of faith groups
1-49	11
50-99	8
100-499	19
500-999	5
1000-5000	9
Over 5000	1
Don't know	5
Total	58

Source: RMP/ WME, 2009

Case Study: A local YMCA

The YMCA is a sizable operation which delivers work in a number of the areas covered in this study. Its primary function is the provision of accommodation – it has 120 bedrooms in total. Forty of these are provided for local homeless people, the remainder for students and paying guests, which in part funds their community work.

The organisation is maintained by a number of income sources, which include sizeable contracts from the public sector. These include work with young people who are not in education employment or training (NEET), a range of conferences and events, and donations generated both through voluntary fundraising and from Churches in the region.

As part of their operation, the YMCA provides a free Counselling service, run by volunteers. Around 90 young people access this service each year. All volunteer counsellors are trained to professional standards. The impact of this service is considerable. Many young service users have complex needs and the YMCA focuses on providing individual tailored support.

YMCA's work with young people who are Not in Education, Employment and Training (NEET) is significant – they estimate that around 85% of NEET young people who engage with YMCA projects secure education, training and employment in some form after receiving support. Young people in supported housing are offered informal employment advice and support to find their own accommodation.

These estimates suggest, assuming a normal distribution across size ranges, and assuming that all those whom the groups engaged with benefited to a meaningful extent, that the number of people benefiting each month from support provided by the surveyed faith groups was approximately 44,000.

Figure 6.3 sets out a list of benefits that the survey respondents felt their work would have for the recipients, and then implies the score for each benefit to the estimated total number of beneficiaries. The most common benefit was enhanced confidence; other benefits mentioned frequently included the strengthening of local communities, the provision of mental well-being or assurance and the provision of opportunities for people to volunteer in the local community. By definition much of this is intangible; but survey respondents also mentioned more tangible benefits, such as finding paid employment and helping people to avoid becoming homeless, although these were less common.

Figure 6.3: Perceived benefits for individual recipients

	Number	Implied number of beneficiaries
Enhanced confidence	54	5,604
Strengthened local communities	51	5,292
Provided mental well being or reassurance	49	5,085
Provided opportunities to volunteer in the local community	46	4,774
Assisted in delivering support to their community	44	4,566
Supported families living together	34	3,528
Supported independent living	32	3,321
Prevented engaging in crime or disorder	28	2,906
Prevented people dropping out of education	25	2,594
Provided transferable skills or qualifications	23	2,387
Prevented people from becoming homeless	20	2,075
Assisted in finding paid employment	18	1,868
Total		44,000

Source: RMP/ WME, 2009

6.2 Faith groups working with other community groups

Our stakeholder consultations identified a number of common areas of work that faith groups are involved in through working with other organised community groups. These include:

- Provision of community development workers who work with other faith groups,, other community groups and public sector partners to deliver a range of support. Examples include diversity training, capacity building, and identifying and applying for funding. The delivery might include the direct provision of training days, subject based meetings, discussions and community planning events.
- Provision of specialist people, often priests, providing guidance and support, for example chaplains in prisons, hospitals or universities.
- After-hours groups at community/voluntary aided schools. This also includes some pre-school education, mother and toddler groups, parenting courses, adoption or fostering support, lunch clubs etc.
- Domiciliary services to the elderly, supporting independent living, often in conjunction with groups such as Age Concern.
- Youth clubs and other youth outreach work.
- Management or administration of social enterprises (e.g. community cafés).

Case Study: An Interfaith Network in the South of England.

The Network has 96 members, about 50% individuals and 50% organisations including the Borough Council and non-faith organisations such as charities and the Fire Service. The organisation works sub-regionally with a programme of monthly events. Key areas of work are community cohesion and school education (general studies and RE) including at a local College. They also provide workshops to statutory organisations – specifically providing diversity training to the local Borough Council. The organisation employs a development worker funded by the government to tackle local mistrust and radicalism. In addition, the network runs an interfaith garden (with a team of volunteers). Indirect economic impacts include: skills training, community cohesion, education, engagement with minority groups, encouraging social interaction between faiths, and conquering the mistrust stemming from extremism.

In our survey we asked our faith groups about such work. Out of the total, 163 said that they were involved in community based projects/interventions in partnership with other community groups. Figure 6.4 below sets out the type of groups that faith groups, as represented by our survey sample, typically work with. There was significant diversity amongst responses, but working alongside or through other faith groups and young people's groups were the most common responses.

Figure 6.4: Types of groups that have been supported

Type of group	Number of organisations
Faith groups	44
Youth groups	43
Members of local community	29
Elderly	22
Families	17
Schools	15
Vulnerable people	14
Homeless	11
Disabled	9
People with poor health	8
Ethnic minorities	6
Charities	5
Bereaved	5

Source: RMP/ WME, 2009

We asked interviewees how many people were being supported by such work. Figure 6.5 highlights that, as with the individual intervention, in the majority of cases only relatively small numbers of people received support in each intervention, although the overall impact when added together is substantial.

Figure 6.5: Number of people helped/supported each month

	Number of organisations
1-49	36
50-99	22
100-499	43
500-999	12
1000-5000	10
Over 5000	4
Don't know	36
Total	163

Source: RMP/ WME, 2009

In total, assuming a normal distribution, we estimate the number of people that faith groups cite as benefiting from their project or intervention to be approximately 185,000. Figure 6.6 shows the kind of support that was provided. Again, it tended to be intangible – strengthening local communities coming top, followed by enhanced confidence, with assisting in finding paid employment coming at the bottom of the list.

Figure 6.6: Possible benefits for groups

	Number of organisations	Implied number of beneficiaries
Strengthened local communities	154	22,700
Enhanced confidence	147	21,700
Provided opportunities to volunteer in the local community	145	21,370
Assisted in delivering support to their community	137	20,200
Provided mental well being or reassurance	133	19,600
Supported families living together	106	15,620
Prevented engaging in crime or disorder	97	14,300
Supported independent living	76	11,200
Provided transferable skills or qualifications	75	11,050
Prevented people dropping out of education	73	10,760
Prevented people from becoming homeless	63	9,300
Assisted in finding paid employment	49	7,200
Total		185,000

Source: RMP/ WME, 2009

Case Study: A Charitable Company in the Eastern Sub Region: South Coast

The faith charity run 'First Byte' centres in Kent, providing government funded training in IT and computer skills – run by volunteers. They also run the Holy Trinity church centre in Margate which has a café, mothers and toddlers groups, parenting classes, youth workers etc. This sort of activity is common throughout the region.

The Charity have employees and volunteers addressing dementia, deafness, community development and other themes.

6.3 Estimating the economic impact of such interventions: examples

Our preferred technique for evaluating the impact of any intervention would be to ask those involved to offer a value – either the people providing the intervention, or the beneficiaries. The responses are then averaged, and then grossed up from the survey to the population as a whole.

However it would not be realistic to expect survey respondents to place values on enhancing confidence, strengthening communities, or the other very qualitative impacts that came top of our list of benefits. Even with the more tangible outcomes from lower down the lists there are difficulties with attribution: in other words we need to be able to assess the extent to which a particular outcome (e.g. improved health, reduced crime) can be attributed to the intervention of a specific faith organisation as opposed to (say) health practitioners, the police service or indeed other voluntary/faith organisations. And to make an assessment of net impact or ‘social return on investment’ (SROI) we also need to be able to assess how many resources the organisation itself put into the intervention, and hence how effective it was, as well as getting the **beneficiaries’** assessment of the value of the support they received.

We did not think it realistic to ask our survey respondents to place values on the impact of their work, or to make an assessment of how many of those they worked with actually had a successful outcome, or how much their faith group contributed to this outcome. However, for some kinds of interventions there is independent evidence available for the financial benefits of a successful intervention. We can therefore say that **for any given assumptions** about numbers of beneficiaries and the share of success attributed to the faith groups, we can estimate the benefits attributable to the groups in our survey. Grossing up, as in the previous sections, then gives an indication of what the same assumptions would apply for faith groups across the region.

As part of that we need to make a judgement about the extent to which the intervention of faith groups really alters behaviour. Many of the people that the groups work with will not in fact change their behaviour; some who do change would have done so anyway; and in some cases the contribution of the faith groups, though real, will be quite small.

This is a standard problem in any evaluation, and researchers normally like to have direct information on these complications in order to make informed judgements. In this case we do not have such information, so all we can do is make our own assumptions and hence generate scenarios.

In the following sections we therefore assume that only 10% of those individuals with whom the faith groups work (directly as individuals or indirectly via other groups) really do change their behaviour and that only 10% of that behaviour change is due to the faith group (as opposed to the individual themselves or some other agency).

We then use these assumptions to make some estimates of the impact of faith groups. Although these estimates are merely scenarios, they suggest that even on

fairly cautious assumptions, the impact of faith groups on the lives of people across the region and on the economy of the region is quite large.

We have looked at four examples: preventing people from becoming homeless; helping people into paid employment; preventing people from engaging in crime and disorder; and preventing people dropping out of education. In each case we would suggest the economic benefits to the region are likely to be based on fairly narrow assumptions. It is much more likely that we are under-estimating than over-estimating the benefits.

It's also important to note that these are gross estimates – that is to say we do not deduct the cost to the faith groups or their volunteers of the interventions from the overall figure. And as discussed in the text box on *Displacement, Net Additionality and Leverages*, we assume that if the faith group did not act then nobody else would fill its place. We believe that this is methodologically correct, since it is in the nature of such interventions that they are intended to be net additions, provided without cost and often where other agencies are unable to fully meet an identifiable need.

6.3.1 Preventing people from becoming homeless

Of the various types of intervention, reducing homelessness has one of the clearest economic benefits. It currently costs the Government around £26,000 per year to support a homeless person who is unable to work as a result of their homelessness.⁹ These costs include benefit payments, tax and national insurance forgone, health and social care costs.

As indicated above, we assume that the faith groups in our survey help 1,125 people to avoid homelessness (ie 10% of the 11,250 that the groups themselves claim, made up of 1,750 helped directly plus 9,500 helped via collaboration with other groups – see Tables 6.3 and 6.6). And we assume that for each of those individuals the contribution of the faith group was worth only 10% of the total behaviour change. Multiplying that through by £26,000 gives a saving of £2,925,000. Grossing that up for the south east as a whole implies a benefit to the region, under our assumptions, of some £40 million.

6.3.2 Helping people into paid employment

The estimated cost to the exchequer of a person being unemployed is £8,000¹⁰. Our survey respondents suggested that they supported just over 9,000 people to search for work. Grossing these up for the region as a whole, and then adjusting down the total in line with the assumptions that only in one in ten cases are the interventions successful and only one tenth of the success can be attributed to the faith groups, gives a total impact of some £10 million.

⁹ Source: Making Work, Work, Business Action on Homelessness, 2009

¹⁰ Source: University of Bristol: School of Economics Finance and management – this figure includes lost tax revenues as well as the direct costs of unemployment, benefits etc.

6.3.3 Preventing people engaging in crime and disorder

The cost of crime to society varies widely, depending on the crime involved. For example, in a report produced by the Home Office, homicide is given a cost estimate of at least £1million per incident, sexual offences £31,000 per incident, burglaries from homes an average of £3,300 and attempted vehicle theft £500 per incident – see Figure 6.7.¹¹

Figure 6.7: The Costs of crime

Crime	Average cost (2003)
Violence against the person	£10,407
• Homicide	£1,458,975
• Serious wounding	£21,422
• Other wounding	£8,056
Sexual offences	£31,438
Common assault	£1,440
Robbery	£7,282
Burglary in a dwelling	£3,268
Theft	£844
Not vehicle	£634
Of a vehicle	£4,138
From a vehicle	£858
Attempted vehicle theft	£510
Criminal damage	£866

Source: The economic and social costs of crime against individuals and households 2003/2004, Home Office, 2005

The overall impact of this is clearly very large. Drug-trafficking, handling stolen goods, public order offences and summary and non-summary motoring offences are not included in the Home Office research, but even without those, the report estimates the total cost of crime in England & Wales to be £60 billion in 2003. Similarly, a 2004 report by the home office examined the cost of anti-social behaviour, defined as behaviour which causes, or is likely to cause harassment, alarm or distress to one or more persons not in the same household as him/herself¹². This includes some low-level crime, but mainly refers to offences that would not normally lead to criminal charges. The report estimates that the daily cost of anti-social behaviour in England and Wales is £3.4 billion a year.

There is also evidence which suggests that anti-social behaviour leads to fear of crime more than actual criminal activity. Fear of crime can impose a cost both through health consequences (increased stress and anxiety), and changing behaviour to avoid becoming a victim of crime (taking a taxi rather than walking, for example).¹³

We have no information on the type of crime that faith groups help people to steer away from. We have assumed an average figure for the crimes avoided of £2,000. For a claimed 17,200 people engaged with, and assuming 10% impact on 10% of

¹¹ Home Office Research, Development and Statistics Directorate, The economic and social costs of crime against individuals and households 2003/04, 2005,

¹² Home Office, 2004, Defining and measuring anti-social behaviour

¹³ Dolan and Peasgood, (2007) Estimating the economic and social costs of the fear of crime, *British Journal of Criminology*

those people, that gives an impact for survey participants of £345,000. Grossing that up across the region implies a net economic benefit of some £4.74 million.

Faith groups can also contribute to crime reduction in other, more indirect ways. Higher levels of social integration can lead to communities sharing the same values and goals. One of the main ways in which this can benefit communities is through reduced crime. A report by the Home office identified five key factors of community cohesion: sense of community; similar life opportunities; respect for diversity; political trust; and sense of belonging.¹⁴ The sense of community factor was found to have an impact on crime, with a 3 per cent fall in the overall crime rate arising from a one unit increase in the sense of community factor. This factor captured aspects of community control such as levels of cooperation to improve the community, as well as other measures of cohesion such as pride in the community.

6.3.4 Preventing people dropping out of education

Compared to those with no formal qualifications, workers with a level 3 qualification earn on average £6,400 more a year, which amounts to around £200,000 over the course of a career.¹⁵ The same research estimates that the lifetime productivity gain associated with two or more A levels, compared with only reaching level 2, is around £80,000.

If we measure the benefit of helping a person to remain in education to be £6,400, and on the basis that our survey respondents said they engaged with approximately 13,500 such people, then using the same methodology as in the above examples, we calculate an overall benefit to the region's economy of £11.8 million.

¹⁴ Home Office (2006), *Crime and Cohesive Communities*

¹⁵ DCSF analysis using LFS 2008/09 and Jenkins, A. Greenwood, C & Vignoles, A (2007) *The returns to qualifications in England: updating the evidence base on level 2 and level 3 vocational qualifications* Centre for the Economics of Education

7. Delivery of contracted services

Headline Findings

- Faith organizations deliver a range of services for payment on behalf of the public sector. Contracts with a value of some £2 million have been identified.
- Regionally we estimate faith organisations may be involved in the delivery of contracts worth some £12.9 million.
- These contracts are likely to generate some 415 FTEs in the South East.

7.1 Service delivery within the faith community

The previous chapter looked at work which faith groups undertake with local communities, both at the individual level and through working with other groups, but essentially without any formal contracts for service delivery. This is the most common way in which faith groups engage with communities. But some faith groups also play a more formal role and undertake service delivery on a contractual basis, with a public sector or other kind of organisation.

Of the 275 faith groups that we surveyed, 15% had one or more contracts of that sort, mostly involving working with the community, often helping groups of people who are in a minority or people in great need of help and support. These groups include young people, people who are unemployed, specific ethnic minority groups, people experiencing mental health problems and people with physical disabilities. From our survey and our stakeholder consultation, the following areas were identified as the most common:

- **Youth inclusion:** many faith groups provide services for young people, often receiving funding from local councils to run projects, both in schools and in the community. Often the income received goes towards paying for specialist staff who will work on these youth projects. Such projects typically concentrate on an area where young people may be troubled and hard to reach, and where the support they need is not already provided.

Case Study: Surrey Appropriate Adult Volunteer Scheme (SAAV)

Volunteers with the Surrey Appropriate Adult Volunteer Schemes (SAAV) attend police stations to assist detainees such as a young people, people with disabilities or where there is no available family member. The programme ensures that an appropriate adult can be provided 24 hours a day, seven days a week. A small body of paid staff are supported by some 80 regular volunteers, an estimated 5,000 volunteer hours. The scheme has so far supported 7,000 people from 1995 to 2002. The Scheme is jointly managed by the Diocese of Guildford and the Department for Social Responsibility.

- **Adult education:** is also an area where faith groups provide services, with some groups delivering training and skills improvement projects with the faith groups receiving money to fund the staff needed to carry out these projects. These projects are particularly concentrated in areas that are in need of regeneration, where levels of worklessness need to be addressed and where people have very little help and support but are very much in need of it.
- **Promoting community cohesion:** these services can include direct support to people from minority groups, or working alongside other organisations to assist in the promotion of equality and community cohesion in areas where communities may be segregated, particularly in rural and semi-rural areas.
- **Health care:** Examples of services that faith groups in the South East provide within the NHS are mental health services, the running of community centres and providing a place to stay for patients.
- **Chaplaincy services:** Examples include hospitals and the prison service.

7.2 Employment sustained by service delivery contracts

These contracts generate paid employment opportunities within the groups that deliver them. The jobs which have been identified through our survey are set out below in figure 7.1. The majority were part time and we have scaled these up to full time equivalents (FTEs), and also scaled up from our survey groups to an estimate for the region as a whole of 550 people engaged in service delivery on a contract basis.

Figure 7.1: Employment in Faith groups involved in paid service delivery

	Full Time	Part Time	FTE	Scaling Factor	Regional Employment Estimate
A provider of contracted services, for payment	8	74	30	13.77	415

Source: WME/RMP, 2009

7.3 Value of services provided

We asked the survey respondents to state the yearly value of their service delivery contracts. The results are tabulated below.

Figure 7.2: Value of Contracts

	Frequency	Percent
None	2	5%
Less than £10,000	1	3%
Between £10,000 and £49,000	6	15%
Between £50,000 and £99,000	2	5%
Over £100,000	6	15%
Don't know	20	50%
Refused	3	8%
Total	40	100%

Source: RMP/ WME, 2009

A number of our respondents did not know the value of the service contract which the group held and so these results must be interpreted with particular care. The implication is likely to be an underestimate of the combined value of services being

provided. However, on the information available to us, and assuming that there is a normal distribution of contracts by scale, we estimate the total annual value of the service delivery contracts held by our survey respondents to be just over £2 million.

There are marked differences in the groups providing contracted services, as Figure 7.3 shows. Only one faith group classified themselves specifically as a provider of contracted services, but the value of their contracts was 16% of the total value. Faith groups which mainly work with organised community groups make up 20% of the total with service delivery contracts, but contribute 31% to the total value of the contracts. Faith groups that classed themselves as 'other' contributed the highest amount to the total, with these organisations supplying a third of the total amount. These included those who considered themselves to fall into multiple categories, and included those providing chaplaincy services and contracts with the elderly.

Figure 7.3: Contracts by value and type of organisation

	Number	Percentage	Value	Percentage
A place of worship which seldom receives tourist visitors	5	13%	£0	0%
A place of worship or other destination which often receives tourist visitors	6	15%	£62,000	3%
Any other organisation mainly working directly with individuals in the community	7	18%	£285,000	14%
Any other organisation mainly working with organised community groups	8	20%	£632,000	31%
A provider of contracted services, for payment	1	3%	£323,000	16%
An organisation that administers or supports other faith organisations	4	10%	£55,000	3%
Other	9	23%	£660,000	33%
Total	40	100%	£2,017,000	100%

Source: RMP/ WME, 2009 *Numbers rounded.

The faith groups that are underrepresented in the total value of the contracts are places of worship, both those which often receive tourists and those that rarely do. These make up 15% and 13% of the number of faith groups with service delivery contracts respectively, but only contribute 3% and 0% to the total value. This is probably not surprising, given their specific focus.

Before applying these results to calculate a total value of delivery contracts for the region, it must be noted that we identified a small number of organisations as having 'one-off' delivery contracts, as the value for these was significantly higher than the value of other delivery contracts held by faith groups, generally due to the nature of the organisation. Therefore we excluded this large value of delivery contracts from the grossing up stage – simply adding this to the regional value of delivery contracts. This process suggests that the value of service delivery contracts held by faith groups in the region is some £12,860,000 (Figure 7.4).

Figure 7.4: Estimating the value of service delivery contracts

Sample size	275
Population (Faith groups in the South East)	3,788
Faith groups with service delivery contracts	40
Value of delivery contracts from our survey	£849,000
Value of 'one-off contracts' (excluded from grossing up)	£1,168,000
Scaling factor	13.77
Regional number of faith groups with serviced delivery contracts	551
Total value of service delivery contracts ¹⁶	£12,860,000

Source: RMP/ WME, 2009

¹⁶ Per annum

8. Direct expenditure

Headline Findings

- Faith groups undertake direct expenditure, ranging from stationery, IT equipment and building maintenance to wages, salaries and stipends. Our survey respondents identified £123 million of such expenditure, almost all of it spent within the region. There is a danger that this is an over-estimate, perhaps reflecting double-counting, so we advise treating this estimate with care.

An additional way in which faith groups might have an impact on the regional economy is via their expenditure on items such as office stationery, the maintenance of buildings, IT equipment, and so on, as well as the salaries and stipends of paid workers. Figure 8.1 sets out the total yearly expenditure that has been identified by our sample. Some £123 million of expenditure has been identified from the 275 organisations, or just under £ ½ million each.

It is likely, as we have suggested above, that a large proportion goes to cover overheads, or is effectively ‘recycled’ into the faith community via wages and grants. On this basis, we consider a combined or composite multiplier of 1.3 appropriate. This suggests that some £35 million indirect expenditure could be generated in the local economy in addition to the direct expenditure of £117 million – some £150 million in total. This expenditure covers all types of faith organisation including places of worship and those organisations with delivery contracts. If we use the same scaling factor for the expenditure already identified, this data would suggest that the total regional expenditure of all faith organisations would be in the order of £2 billion.

However, we are concerned that this may be an over-estimate, probably reflecting double counting (because many groups receive funding from other groups, in whole or in part). The fact that many of our respondents were unable to identify even in broad terms what their group’s income was gives a further reason for caution. We therefore advise against drawing inferences from these figures.

The survey also identifies an extremely high proportion (95%) of expenditure that is spent locally (for simplicity, defined in our survey as within the local authority). This is perhaps a reflection of the fact that we are including stipends and salaries in this figure, and perhaps a reflection of purchasing decisions typically being localized rather than nationally coordinated as would typically happen in the corporate sector.

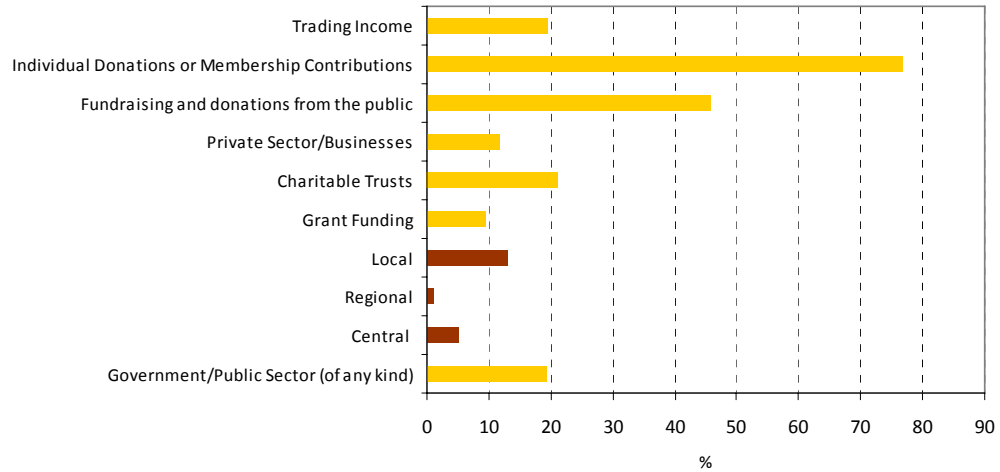
Figure 8.1: Faith Group expenditure (from survey)

Type of expenditure	Value
Expenditure	£123,080,000
Expenditure spent locally	£116,900,000
Proportion of expenditure spent locally	95%

Source: RMP/WME

While it is not our main concern, it is also interesting to look at the main income sources that make this expenditure possible. Figure 8.2 shows this and highlights the importance of goodwill in maintaining and facilitating the activities of faith organisations. Individual (77%) and group (46%) donations are the two most common sources of income in our survey. Donations from within the faith community are particularly common, as one would expect.

Figure 8.2: Income Sources of faith Groups (% of total survey sample)



Source: WME/RMP. Note: The brown columns denote the percentage of faith organisations that received government/public sector funding, at each tier. I.e. 19% received government or public sector funding, of which for 12%, this was from local government.

In terms of other income sources, 19% of the sample received income of some sort from the public sector, with the most common source being Local Authorities.¹⁷

9. Tourism Revenues

Headline Findings

- We have identified some 750,000 tourist visits likely to have been generated by the existence of the major places of worship across the region, injecting some £25 million into the regional economy.
- We estimate a further £1.25 million of revenue is generated directly by faith organisations through the sale of souvenirs or catering for visitors on site.
- Some £3.1 million is likely to be generated regionally through faith organisations holding one-off events or conferences.

9.1 Contribution to tourism in the South East

The tourism industry in the South East plays a significant role in the regional economy. In 2008 Tourism South East suggested that approximately £10.5 billion was generated in visitor expenditure. They suggest that this expenditure contributed to 5% of the region's GVA.¹⁸ Figure 9.1 sets out the volume of visitors and quantifies this expenditure, by type of visit. Most trips are day trips, generating less expenditure per trip than for overnight visitors who require accommodation and who spend less on food and drink than overnight visitors, for example. By calculating a weighted expenditure per tourist trip, we can see that the average expenditure per tourist trip was £49.61.

Figure 9.1: Tourism and Expenditure in the South East.

	Volume	Percentage	Expenditure	Percentage	Expenditure per tourist trip
Domestic overnight trips	16.3 million	7.7%	£2.4 billion	22.9%	£147.24
Inbound overnight trips	4.5 million	2.1%	£1.8 billion	17.1%	£400.00
Tourism day trips	190.0 million	90.1%	£6.3 billion	60.0%	£33.16
Total trips	210.8 million	100%	£10.5 billion	100%	

Source: Regional Tourism Trends Annual Review 2008, Tourism South East and WME calculations, 2009

Faith based tourist attractions play an important role within this large visitor economy, almost entirely due to places of worship. One of the major attractions in the South East, and indeed in the UK, is Canterbury Cathedral. In 2008 the cathedral attracted 1,004,159, visitors, ranking number seven in the list of most visited fee-charging attractions in England, and second in the list for the most visited places of worship, after Westminster Abbey.¹⁹ In addition to Canterbury, other major

¹⁸ Regional Tourism Trends Annual Review 2008 and prospects for 2009, Tourism South East

¹⁹ Visitor Attractions Trends in England 2008, bdrc, 2009

cathedrals in the South East region include Christ Church Cathedral, Oxford and Chichester, Rochester and Winchester Cathedrals - see Figure 9.2.

In addition to these major attractions a number of other churches and cathedrals also attract tourist visitors. We have identified over 100,000 further visits to large churches or cathedrals across the UK. These figures exclude any non Christian places of worship, for which visitor numbers were not available. Therefore these numbers are likely to be conservative estimates and the true value of tourism expenditure generated by places of worship in the South East is likely to be higher.

Figure 9.2: Major Churches and Visitor Numbers 2008.

Place of Worship	Number of visitors (2008)	Importance of place of worship in generating tourist trip
Canterbury Cathedral	1,004,159	High (0.5)
Christ Church, Oxford	277,238	Medium (0.3)
Chichester Cathedral	194,000	Medium (0.3)
Rochester Cathedral, Medway	150,000	Medium (0.3)
Winchester Cathedral	109,906	Medium (0.3)
Guildford Cathedral	39,219	Low (0.2)
St Bartholomews Church, Brighton	31,200	Low (0.2)
St Paul's Church, Brighton	20,000	Low (0.2)
St Michael's Church, Basingstoke	14,086	Low (0.2)
St George's Church, Brighton	7,500	Low (0.2)
Albury St. Peter & St. Paul Church, Guildford	2,938	Low (0.2)
St Mary Magdalene, Oxfordshire	500	Low (0.2)
Total	1,850,746	750,000*

Source: Visitor attractions trends in England, bdrc, 2009. Visits to places of worship. *Note: Figure rounded. These include all places of worship identified in the study, with the exception of Sandham Memorial Chapel which as a National Trust Gallery, has ancillary attractions beyond its role as a place of worship.

Of course places of worship are only part of the attraction to visitors of the locations in question, and it would be inappropriate to attribute all of the tourism revenue earned in those locations to the places of worship. Despite this, it is reasonable that the larger Cathedrals are intrinsic to the development of the visitor economy in those particular locations. Without them, the number of visitors to these places would be much less. We have assumed that the major attraction in the region, Canterbury Cathedral, plays a particularly important role. We have assumed that 50% of the visitors to the Cathedral would not have gone to Canterbury in the absence of the Cathedral. For the other places of worship, we have assumed a lesser influence.

Not all of the places of worship charge an admission fee, but by merely attracting tourists to the area they are generating economic impact through the visitors' expenditure in local restaurants, shops and hotels. Indeed, for the average UK tourist making a day trip, only 7% of expenditure is spent on admission charges.²⁰ Of the remaining expenditure, food and drink account for the highest proportion (32%), followed by the purchase of gifts/souvenirs/other local products (14%) and travel

²⁰ England Leisure Visits – Report of 2005 Survey

costs (11%). Based on the importance of the place of worship in generating visits to its locality, and using an average expenditure per visitor of £33.16²¹, we estimate that the 750,000 day visits to major places of worship in the South East, generate revenue of some £25 million.²²

9.2 Direct revenue received

Some of the revenue discussed in the previous section accrues directly to the faith groups themselves. Of the respondents who took part in the survey, 19% received revenue via a shop, a café or through the sale of refreshments and souvenirs to visitors. The total amount of annual revenue raised by these additional sources was reported as being £91,000 – most of it generated by large places of worship which also attract visitors (figure 9.3).

Figure 9.3: Revenue generated through shops/café/selling souvenirs.

	Revenue generated	Percentage of total revenue
A place of worship which seldom receives tourist visitors	£10,150	11%
A place of worship or other destination which often receives tourist visitors	£76,900	85%
An organisation that administers or supports other faith organisations	£200	0%
Other	£3,600	4%
Total	£90,850	100%

Source: RMP/ WME, 2009 *Figures rounded.

These findings can be used to calculate the estimated total revenue per annum raised by faith groups through the means of a shop, café or the selling of refreshments and other goods, using our standard rounding factor. That generates an estimate of total revenue of £1,250,000. Where this revenue comes from tourists (as opposed to local residents dropping in, for example) it will be part of and not additional to the £25 million described in the previous section.

9.3 The impact of events held by faith groups

Of the 275 faith groups who completed the survey, 79% of them said that as well as holding meetings directly related to their worship, they also held additional one-off events such as conferences, concerts and lectures. Of these, 21% said that the events raised revenue for them. The amount raised varied for the type of event held. Some were held simply to raise public awareness, or to improve social relations in the local area, while others were run at least in part for revenue raising purposes.

²¹ We are assuming that tourists visiting places of worship are all day visitors. While this is likely to be conservative, we have no data on what proportions of these visitors are overnight visitors.

The total amount of revenue raised was some £230,000. Again, we have examined the type of organisation which have held these events, and the amount of revenue generated by each (figure 9.4).

Figure 9.4: Revenue generated by one off events and conferences - by type of organisation

	Revenue generated	Percentage of total revenue
A place of worship which seldom receives tourist visitors	£14,000	6%
A place of worship or other destination which often receives tourist visitors	£200,600	88%
Any other organisation mainly working with organised community groups	£3,000	1%
An organisation that administers or supports other faith organisations	£5,700	2%
Other	£5,000	2%
Total	£230,000	100%

Source: WME/RMP, 2009 *Numbers rounded.

The large majority of the revenue (88%) was raised by the faith groups that are classed as ‘a place of worship or other destination which often receives tourist visitors’. The second highest proportion (6%) comes from faith groups that are classed as places of worship which rarely receive tourists, so that places of worship account for 94% of the total revenue raised from additional events. This is not surprising: places of worship are most likely to have the facilities available to hold events, whereas faith groups that are classed as organisations may not necessarily have the appropriate amenities required.

These findings can be used to calculate the impact regionally (Figure 9.5), using the same scaling calculation used in earlier sections. On that basis the total revenue raised by faith groups in the South East of England through additional events per annum is likely to be some £3 million.

Figure 9.5: One-off events or conferences

Sample	275
Population	3,788
Reported revenue raised from additional events	£228,300
Scaling factor	13.77
Total revenue raised from additional events	£3,100,000

Source: RMP/WME calculations, 2009.

10. Recommendations

Our recommendations fall under four headings.

10.1 Registering what faith groups exist, and building networks of awareness

If it is important to measure the impact of faith groups in the South East, then a starting point must be to know what groups actually exist, and ideally what they do and on what scale. At present this information is only partially available.

The most obvious approach is to build on the SEEFF database, refining it and extending it as far as possible to groups not currently included. However, there are at least three challenges here:

- The resources necessary to do it
- The appetite of groups to become engaged
- The difficulties involved in differentiating between groups that overlap (for example, a local parish, but also a mothers and babies group run by that parish)

Experience suggests that databases that are effectively static, used only rarely by a centralised body, and offering no obvious benefits to the groups that appear on the databases, quickly become out of date, so that their value deteriorates.

Part of the way forward may therefore be the development of an online community, linked into the existing SEEFF website but also using social networking sites/methods, with the following characteristics:

- Encouraging groups to bring forward their own details by registering online so that they don't need to be approached, thus sharply reducing costs
- Doing that by offering services. These might be services that SEEFF provides (for example assistance with identifying and winning funding opportunities and grants), but also help from one group to another through forums, building on what already happens on the SEEFF website. Networking should be the central theme
- Encouraging groups to recruit other groups into the community, as happens with social networking sites, and encouraging them to lay out their own networks of relationships (are they part of a larger group and if so, who else is) and also their resources (rooms for hire, paid staff, unpaid volunteers, specialist skills etc).

It should be clear that the quality of the database would be only one of the benefits of such an approach to maintaining it: that the process of building networks of faith groups across the region would be at least as useful. Even so, the database would serve as a practical unifying mechanism.

10.2 Engaging with local authorities and Local Strategic Partnerships

The second step is to build awareness of faith groups amongst external partners. Our impression is that at the moment this awareness is often on a bilateral basis and does not always give full credit to the depth and breadth of the work that faith

groups undertake. Many faith groups are ‘under the radar’, and their work goes unnoticed even by those who are literally close to them.

There may also sometimes be misunderstandings or differences of principle between faith and non-faith groups that it would be useful to talk through, so that the beneficial impact of faith groups can be more easily recognized, along with the fact that much of the work of faith groups is undertaken to a high professional standard, and should not be seen as essentially a low cost alternative to the work of statutory organisations, and instead plays a distinctive role in its own right.

The obvious way forward here is through collaboration and networking with local authorities and local strategic partnerships (LSPs). We understand that the Local Government Association is currently undertaking research into the engagement of local authorities with the faith network. The results are not yet available, but at the earliest opportunity SEEFF should engage with the LGA to identify a model approach under which SEEFF’s local and sub regional networks can engage with local authorities and LSPs.

A likely element would be for each local authority to appoint an officer to coordinate the network of contacts across the region, working through the LSP. We understand that many have already created such posts but that others have not. Such a step would be a key part of the overall bridging process, as the LSP provides links to the PCT, Crime and Disorder Reduction Partnership, education, training agencies, community relations etc. As part of this, any specific concerns on the part of public sector and secular organisations about engaging with the faith community should be addressed, not least by drawing attention to the substantial impact of faith groups and their economic and social contributions. SEEFF and its faith partners can facilitate understanding in these areas, and ways can be found to promote cooperation even when full alignment of thinking is not immediately possible.

The development of a comprehensive database of faith groups would clearly be useful in this context too, since it would draw attention to the scale and diversity of faith groups and their impacts, both locally and also regionally. The database would encourage local authorities and other agencies to think of faith groups as potential partners, as well as drawing attention to their scale, seriousness of purpose and professionalism. So this second recommendation builds on our first.

10.3 Using this research to establish seriousness and significance

Our third recommendation similarly builds on our second, and is for faith groups to use this piece of research, individually and collectively, to demonstrate to local and regional partners the scale and scope of their impact. Essentially this would involve articulating the *Face to Face, Side by Side* agenda of the Department of Communities and Local Government. The executive summary sets out what we regard as the key messages of this research.

10.4 Undertaking additional research

Our fourth recommendation is to undertake additional research. But the approach should be for SEEFF to provide guidance to faith groups on how they can measure the return on their activities, with a view to building up a library of case study

evidence. One approach uses a multi-stage process that starts from the perspective of the client group – ie individuals and organisations who have changed or been affected as a result of the intervention – then places their journeys at the core of the assessment, but also brings to bear outside information to tell the narrative of how interventions result through a series of identifiable stages in specific changes that are measurable.

An example might be:

Cost	Volunteers' time, valued per hour
Engagement	Intervention with disaffected young people
Activity	Young people participating in a volunteering project
Output	Number of participants and duration
Outcome	Reduction in antisocial behaviour
Indicator	Reduction in number of ASBOs issued/police time taken up
Benefit	Cost of ASBOs and police time saved

This process enables the calculation of a ratio that identifies the relationship between pre-defined benefits and costs e.g. a ratio of 5:1 indicates that an expenditure of £1 delivers £5 in value. The benefits accrue to society at large (money does not have to be spent on ASBOs and police time can be spent elsewhere) while the outcomes relate to those who have been engaged (disaffected young people and their neighbourhoods). The approach might also involve measuring residents' concerns regarding anti-social behaviour in their neighbourhoods, and the extent to which residents feel their quality of life has been improved. Involving agencies such as the police, and independent witnesses such as local residents, increases the credibility of the entire assessment exercise.

Clearly, the ratio alone does not express the total social value, but it gives an estimate for just part of the benefit, which even on its own is likely to show a strong return on the initial outlay.

This approach is a slightly amended version of Social Return on Investment. A guide to SROI, commissioned by the Cabinet Office of the Third Sector, was launched in May 2009. It is available from:

http://www.sroi-uk.org/component/option,com_docman/Itemid,38/

This sort of approach can be used in two ways:

Evaluation – conducted retrospectively and based on *actual* outcomes that have already taken place

Forecasting – which *predicts* how much social value will be created if the activities meet their intended outcomes. These estimates can be used to help win grant funding, donations etc.

The approach can be used to identify outputs and outcomes as diverse as capacity building, partnership working, increased take-up of learning and employability services and the development of sustainable communities.

It would clearly be impossible to evaluate all of the region's faith group interventions in this way, but taking a number of examples and applying a consistent methodology across them, and then building up a library of case studies would help to build a cumulative evidence base of the contribution of faith groups. As we indicated, there is merit in encouraging individual groups to undertake the research themselves, raising their own capacity for thinking through in a systematic way how they have an impact on people, places and communities.

10.5 Increasing the professionalism of faith groups

Our fifth and final recommendation is slightly different to the first four. It is to increase the confidence of volunteers, enhance volunteers experience and maximise their impact, by encouraging them to engage with training offered by third-sector providers. This recommendation does not depend directly on our research for its inspiration, but rather reflects the observation that steps to improve knowledge of the beneficial impact of faith groups would be most effective if undertaken alongside measures to increase that impact. Each gives additional impetus to the other. Such steps will be important, if as seems very likely, there are increasing opportunities for third sector organisations, including faith groups, to engage with statutory sector commissioning processes and deliver public services. It might be appropriate for SEEFF to consider the support required by faith groups to compete for such contracts, and how they can be most effectively supported. This should include increasing awareness of commissioning processes amongst relevant faith groups, and supporting faith groups to network with each other and with other large third sector organisations, possibly with a view to entering into consortia to compete for such contracts.

APPENDIX I

List of Consultees

List of Consultees

Steering Group Members

- Canon Chris Rich, Guildford Diocese
- Canon David Tonkinson, Guildford Diocese
- Catherine Wreysford, South East of England Development Agency
- Maggie Fivian, Government Office South East
- Carol Mckinley, RAISE
- Hugh Boulter, Oxford Diocesan Committee for Inter Faith Concerns
- Fiona Cullen, Surrey County Council

Consultees

- Jill Clark, Liveability
- Zafar Ali, Slough Muslim Forum
- Dr Iyad Daoud, Crawley Interfaith Network
- Bede Gerrard, County Ecumenical officer, Churches Together in Oxfordshire
- Alison Webster, Diocese of Oxford
- Rev. Glyn Evans, Diocese of Oxford
- Rev. Colin Griffiths, The Well Centre Interfaith Community
- Jean Grainger, Diocese of Guildford
- Margaret Hill, New Life Church Woking
- Derek Holbird, Diocese of Guildford
- Stephen Marriot, Diocese of Guildford
- Pete Brayne, Guildford YMCA.
- Rev Barry Goodwin, Diocese of Southwark
- David Sparrow, Art Beyond Belief.

APPENDIX II

Questionnaire

Faith EIA Survey - Questionnaire

Telephone Introduction:

Good morning/ afternoon. My name is AgentName and I'm calling on behalf of the South East England Faiths Forum. I am from a research company called R&M. We are undertaking a study into the contribution made by faith groups to the economic and social welfare of the South East Region. The Faith Forum gave us your name and suggested you might be able to help us in our research.

F1 Please can you spend no more than 10 minutes answering some simple questions? Your responses will be kept in complete confidence and your details will not be passed to anyone else. Are you willing to help?

[If necessary make appointment to call back at a more convenient time]

- Yes
 No

If = 2, Prompt interviewee with message 'Make appointment to call back at a more convenient time'

Thank you very much for your assistance.

Our client at SEEFF is Canon Chris Rich who can be contacted on 01483 790353. If you have any questions about our work please contact him or David Tyrer on 0207 096 9924. I will repeat the telephone numbers at the end of the survey.

Part One

Firstly we would like to ask a few questions about the work of your organisation

Q1. What faith is your organisation or institution?

OPEN ENDED QUESTION – SELF CLASSIFIED – RECORD THE FAITH OF THE ORGANISATION NOT THE INDIVIDUAL IF BOTH ARE GIVEN

INTERVIEWERS PLEASE CHECK SPELLING BEFORE PUTTING THROUGH AS COMPLETED INTERVIEW

Q2. Which ONE of the following BEST describes your organization:

PROMPT AND READ OUT THE LIST BELOW - SELECT ONE RESPONSE ONLY

- A place of worship which seldom receives tourist visitors
 A place of worship or other destination which often receives tourist visitors
 Any other organisation mainly working directly with individuals in the community
 Any other organisation mainly working with organised community groups
 A provider of contracted services, for payment
 An organisation that administers or supports other faith organisations
 Other (specify)

Q3. Does your organisation carry out any community based projects or interventions?

MARK ONE BOX ONLY

- Yes

No
If = 2, goto 'Q8'

Q4. Are these mainly with groups or individuals?
MARK ONE BOX ONLY

- Groups
 Individuals

Q5. What kind of groups or individuals do you work with? [PLEASE GIVE DETAILS]
INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE

Q6. Approximately how many people do you support or help through these projects or activities in a typical month? [BROAD ESTIMATES ARE SUFFICIENT]
INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE

Q7. Which of the following benefits, if any, has your organisation had on the groups or individuals you work with?
READ OUT LIST AND MARK A BOX ON EACH ROW
IF 'OTHER' IS STATED PLEASE TYPE FULL RESPONSE UNDER Q7_OTHER ON THE NEXT SCREEN

	Yes	No	Don't know
Enhanced confidence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provided mental well being or reassurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supported independent living	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supported families living together	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prevented people from becoming homeless	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prevented people dropping out of education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prevented engaging in crime or disorder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provided transferable skills or qualifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provided opportunities to volunteer in the local community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assisted in finding paid employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assisted in delivering support to their community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strengthened local communities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anything else? (please specify response on next screen)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please state the 'Other' benefits, your organisation had on the groups or individuals you work with:
INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE

Part Two
Now some questions about how you work

Q8. Does your organisation employ any paid staff locally?

MARK ONE BOX ONLY

- Yes
 No

If = 2, do not ask 'Q9a'

If = 2, do not ask 'Q9b'

Q9a. Approximately how many FULL time paid employees are there?

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

(must be inferior to 999)

Q9b. Approximately how many PART time paid employees are there?

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

(must be inferior to 999)

Q10. Is your organisation supported by volunteers locally?

MARK ONE BOX ONLY

- Yes
 No (NOW GO TO PART THREE AND READ OUT 'PART THREE' TEXT)

If = 2, goto 'Part Three'

Q11. Approximately how many regular volunteers do you have? We've defined regular as those who volunteer at least once a month?

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

Q12. On average, approximately how many hours does each volunteer usually contribute each month?

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

(must be inferior to 999)

Part Three

Next we would like to ask some financial questions – again these will be kept completely confidential...the aim is to help us identify the economic impacts of faith groups. If you do not want to disclose this information you do not need to but it will be a big help if you can. Broad estimates are fine.

Q13. Approximately how much is your organization's total annual income?

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

Q14. Which of the following are your main income sources?

READ OUT LIST AND MARK A BOX ON EACH ROW

IF THE RESPONDENT SAYS YES, PLEASE ASK IF THAT IS CENTRAL, REGIONAL OR LOCAL? AND MARK THE CORRECT BOX BELOW

IF 'OTHER' IS STATED PLEASE TYPE FULL RESPONSE UNDER Q14_OTHER ON THE NEXT SCREEN

	No	Is that Central	Is that Regional	Is that Local
Grant funding such as Big Lottery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Charitable trusts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private sector/Businesses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fundraising & donations from the public	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Individual donations or membership contributions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trading income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anything else? (please specify response on next screen)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please state the 'Other' main income sources indicated:

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

Q15. As a percentage, approximately how much of your total income is spent within the local area (i.e. Local Authority Level?)

INTERVIEWERS PLEASE TYPE IN THE PERCENTAGE

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

(must be inferior to 999)

Q16. Approximately how much is your annual expenditure?

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

Q17. Approximately, what proportion of this is used for the salaries of paid staff? [PROMPT-INTERVIEWER PLEASE OBTAIN A FIGURE OR PERCENTAGE]

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

(must be inferior to 999)

Part Four

Now I would like to ask you about any services you provide on a contracted basis

Q18. Do you currently have any service delivery contracts with public sector or other organisations?

MARK ONE BOX ONLY

- Yes
 No

If = 2, do not ask 'Q19'

If = 2, do not ask 'Q20'

Q19. Please briefly describe what they are?

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

Q20. Approximately what is the yearly value of your contracts [DO NOT PRESS IF UNWILLING TO ANSWER]

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

Part Five

Finally I would like to ask a few questions about your premises and about any visitors you receive

Q21. Do you tend to receive the following visitors?

READ OUT LIST AND MARK ALL THAT APPLY

(3 maximum responses)

- Tourists
 Educational visits/school trips
 Other visitors

Q22. Overall, approximately how many visitors do you get per year?

**INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES
'WORD FOR WORD' DO NOT ABBREVIATE**

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

Q23. Do you have a shop/café and/or sell items to visitors e.g. souvenirs or refreshments?

MARK ONE BOX ONLY

- Yes
 No

If = 2, do not ask 'Q24'

Q24. Approximately how much does that raise each year? [DO NOT PRESS IF UNWILLING TO ANSWER]

INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES 'WORD FOR WORD' DO NOT ABBREVIATE

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

Q25. Does your place of worship or centre include rooms used by other community groups?

MARK ONE BOX ONLY

- Yes
 No

If = 2, do not ask 'Q26'

If = 2, do not ask 'Q26a'

Q26. Do you usually charge rent for these premises or provide them for free? [DO NOT PRESS IF UNWILLING TO ANSWER]

MARK ONE BOX ONLY

- Rent charged at a commercial rate
 Rent charged but subsidised (If so by whom)
 Free

If <> 2, do not ask 'Q26a'

Q26a. Those stating 'Rent charged but subsidised' - If so by whom?

INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES 'WORD FOR WORD' DO NOT ABBREVIATE

Q27. Excluding your meetings directly related to your worship, do you hold 'one off events' or conferences?

MARK ONE BOX ONLY

- Yes
 No

If = 2, goto 'Quality Control'

Q28. On average, approximately how many people attend these events or conferences?

INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES 'WORD FOR WORD' DO NOT ABBREVIATE

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

Q29. Do these events or conferences usually raise revenue for you? [DO NOT PRESS IF UNWILLING TO ANSWER]

MARK ONE BOX ONLY

- Yes (approximately how much a year)
- No they are usually free

If <> 1, do not ask 'Q29a'

Q29a. Those stating 'Yes' - approximately how much a year?

INTERVIEWERS PLEASE TYPE IN EXACTLY WHAT THE RESPONDENT STATES 'WORD FOR WORD' DO NOT ABBREVIATE

IF THE RESPONDENT REFUSES TO STATE TYPE IN 999

IF THE RESPONDENT DOES NOT KNOW TYPE IN 888

Finally, would you be willing to be recontacted for future quality control purposes?

INTERVIEWER NOTE: This will involve an interviewer contacting you and asking you a few brief questions to verify and monitor the quality of this call.

- Yes
- No

Thank you very much for your time

- Communities
- Economies
- Skills
- Enterprise