



Social Return on Investment for Whizz-Kidz' services

An evaluation

March 2011

SUMMARY: Whizz-Kidz generates between £10 and £65 for every £1 invested

Social Return on Investment (SROI) is an emerging approach to measure and articulate a broad concept of value. It incorporates social, environmental and economic costs and benefits. It encompasses both quantitative and qualitative measures of costs and benefits.

We focus here on the quantitative impacts of Whizz-Kidz' work with the NHS. A longer, more detailed study could examine these and wider qualitative impacts in more detail and examine equipment provided using money from donors to Whizz-Kidz.

The impact of Whizz-Kidz depends mainly on: the age at which a child comes into contact with them; that child's previous experiences; complexity of their needs; and their own motivation. Combining these factors would result in a large number of scenarios and different SROIs. This analysis examines three representative life-stories and uses them to calculate the SROI.

Costs of investment are calculated based on the costs of getting a child into a wheelchair. That includes the cost of procuring the chair and all the processes around assessing the child and getting them into the appropriate chair.

Benefits exist for a wide range of stakeholders: the child themselves, their family, local and central government, schools and the NHS. We calculate the major streams of benefits until the child reaches 25.

	Counterfactual		With Whizz-Kidz	Impact
1	No impact on employment - Eve	Children and family are welfare dependent and unemployed	Reduces need for assistance at school and reduces health costs	£10 for every £1 invested
2	Average return scenario - Charlie	Children and family are welfare dependent and unemployed	Children and family in part time employment at ½ median salary	£25 for every £1 invested
3	High return scenario - Lucy	Children and family work part time at ½ the median salary	Children and family in full time employment at median salary	£65 for every £1 invested

- **Introduction**
- **Analysis and results**
- **Overall conclusion**
- **Annexes**

Whizz-Kidz provides young people with the mobility equipment they need to lead fun and active childhoods and productive adulthoods

There are about 70,000 young people in the UK who could benefit from improved mobility equipment, including wheelchairs.



Whizz-Kidz provides mobility equipment that is more appropriate to the child's needs, in less time, more cheaply and for more children within a given budget.

Whizz-kidz
move a life forward

In doing so, Whizz-Kidz allows children and their families to reach their full potential, generating savings in services and welfare support and increasing their contribution to society.



By providing the right equipment, Whizz-Kidz makes a real difference to both children and their families

My wheelchair helped me a lot to get my freedom. I can go everywhere without help. At school I can do every task at my class without help.

The manual wheelchair [from Whizz-Kidz] has dramatically changed my son's life, he can be more social and has much more freedom...his confidence has improved significantly

Having a powered wheelchair is certainly helping my daughter be more independent. She doesn't have to rely on people to push her around anymore.

Harrison would just like to thank everyone at Whizz-Kidz. His new chair is definitely more age appropriate, friendly and is giving him the opportunity to be more independent.

Given him more confidence at starting senior school. The new wheelchair is very powerful/fast enabling him to keep up with his able bodied friends. Thank you.

My wheelchair has given me more independence because I can use it by myself. Thank you so much!

Source: quotes here and throughout report are from the 2010 Whizz-Kidz Satisfaction Survey

Whizz-Kidz asked Frontier Economics to estimate the Social Return on Investment of its activities

Our advice helps clients make better decisions. That advice blends economics with innovative thinking, hard analysis and common sense.



The approach to, and use of, a Social Return on Investment (SROI) is an evolving area. Government has published a *Guide to Social Return on Investment* and Frontier and others are actively developing tools and thinking for best practice in SROI.

A guide to
Social Return
on Investment



An SROI is intended to help institutions demonstrate the "added social, economic and environmental value" of their activities. This particular analysis, undertaken *pro bono*, focuses on quantifying the return on investment. A full SROI would investigate a wider range of more qualitative returns, costs and benefits that accompany these financial gains.



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Whizz-Kidz asked Frontier to provide an analysis of the social return on investment (SROI) of its activities

Social Return on Investment (SROI) is an analytical tool for measuring and articulating a broad concept of value that incorporates social, environmental and economic costs and benefits. It provides a more complete picture of how value is created.

It is a new area where best practice is still being articulated. The Cabinet Office and others have set out seven principles that an SROI should follow. This analysis follows those principles, while leaving more that could be done in each area in a longer, more detailed study.

The seven principles of SROI

- 1 Involve stakeholders – to inform what gets measured, how it is measured and interpreted
- 2 Understand what changes – how is incremental change created by the intervention in question
- 3 Value the things that matter – use financial proxies where they are meaningful
- 4 Only include what is material – provide a true and fair picture of the costs and benefits
- 5 Do not over-claim – only claim the value that organisations are creating themselves
- 6 Be transparent – demonstrate the basis for the analysis, report it to and discuss it with stakeholders
- 7 Verify the result – provide for independent assurance

We use three representative situations to articulate Whizz-Kidz' SROI

The analysis focuses on children with locomotion difficulties from birth. These children represent about 90% of all children that Whizz-Kidz sees.

Whizz-Kidz' total impact over the remaining lifetime of a child depends on:

- when that child is put in touch with Whizz-Kidz
- the type of support they have received before being put in touch
- the complexity of their needs
- their own motivation and the effort they put into the opportunities that Whizz-Kidz opens up

Combinations of these four drivers of impact result in a huge number of different returns on investment. There is a different SROI depending on age, previous support, complexity of case and subsequent motivation. Rather than look at every combination, this analysis uses three representative scenarios. The scenarios are based on real data and evidence. The specific child and family in each case is intended to represent a realistic set of circumstances:

- **scenario 1:** Whizz-Kidz involvement helps Eve to reduce need for assistance at school and reduces healthcare costs but has no subsequent impact on employment for her or her family (low return scenario)
- **scenario 2:** Whizz-Kidz involvement helps Charlie and his family to move away from a life of welfare dependency to a situation of stable part time employment (average return scenario)
- **scenario 3:** Whizz-Kidz involvement helps Lucy and her family to move from a path of low paid part time employment to average employment¹ (high return scenario)

The impact has been calculated up to the age of 25 and represents therefore an underestimate of the true potential returns of the investment since those returns would continue over the course of an individual's entire life.

1. Median salary in the UK is £499/week for full time employment, ASHE 2010

Whizz-Kidz adds value by providing equipment that is more appropriate, more quickly, to more children and allowing better use through training

Whizz-Kidz activities generate value by:

To the following stakeholders:

- 1 Providing equipment that is more appropriate to children's needs
- 2 Providing equipment more quickly
- 3 Providing equipment to more children, including children under 5
- 4 Providing training to allow best use of equipment



- Children
- Family members
- Schools
- LAs and PCTs¹
- Central Government²

We examine each of these in turn in the next pages, using data from Whizz-Kidz' longest and most extensive collaboration with the NHS – a multi-year contract it has held with Tower Hamlets PCT.

Whizz-Kidz provides equipment to NHS patients through contracts with Primary Care Trusts. Whizz-Kidz also provides equipment directly to children that is funded from donations to Whizz-Kidz. The analysis in this report focuses on the provision through the NHS rather than through its charitable funding.

1: LAs = Local Authorities; PCTs = Primary Care Trusts; 2: for example in the form of lower benefits payments than otherwise

1 Whizz-Kidz provides equipment that is more appropriate to the needs of children

Lighter

Whizz-Kidz manual chairs tend to be lighter and are specifically designed for children rather than smaller versions of adult chairs

Powered

Whizz-Kidz provides powered wheelchairs to children where appropriate, where the NHS generally provides basic manual chairs

Features

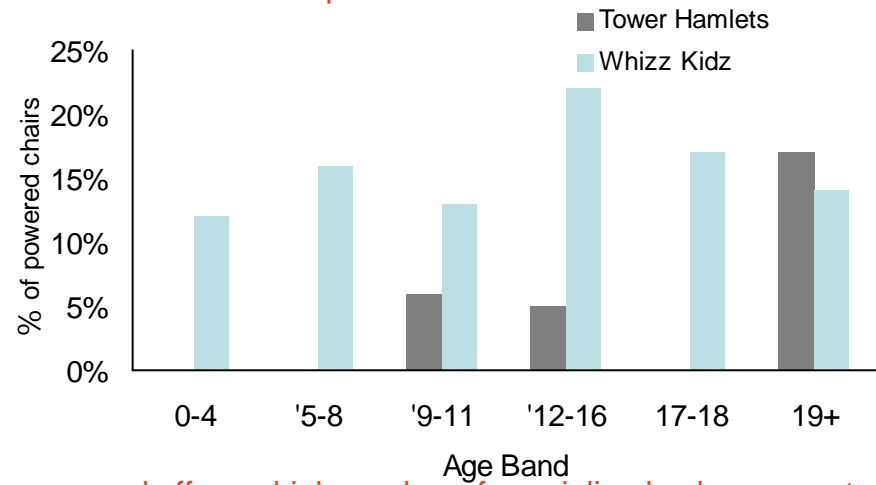
For users with complex needs, Whizz-Kidz provides a more tailored service than the NHS, such as posturing seat, environmental controls, etc

When I received my .. chair, I couldn't believe the amount of independence I gained. It is a very light chair, so I could propel myself. I can go out independently with friends and family and not feel like a baby being pushed around.

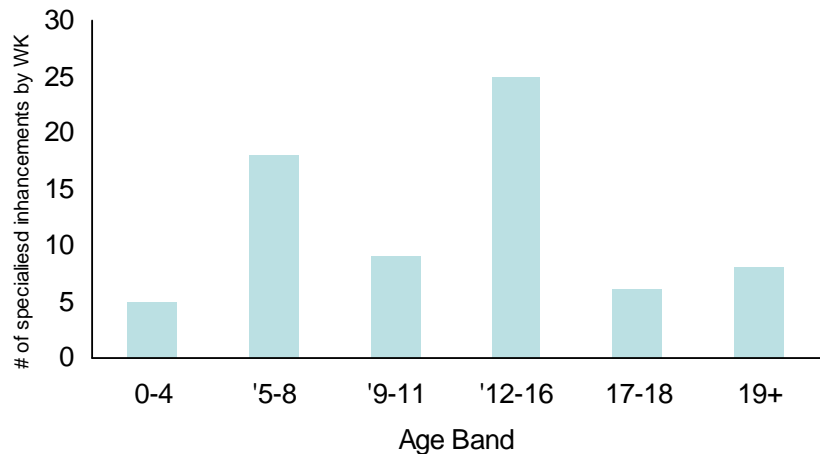
This allows children to live a more independent childhood and improves their future life chances.

Sources and notes: 1. Tower Hamlets data, including only manual and powered chairs, 2008 to date. "Specialised enhancements" include things like "e motion" (power assisted) wheels, seat risers and more complex control systems.

Whizz-Kidz delivers a high proportion of powered chairs compared to the standard PCT¹...



...and offers a high number of specialised enhancements that are not part of the standard NHS services¹



2

Whizz-Kidz provides equipment faster

Whizz-Kidz' processes are geared to make "a child in a chair in a day" possible

Referral

Whizz-Kidz collects as much data as possible about the child during the referral period, including information about their entire life circumstances

Assessment

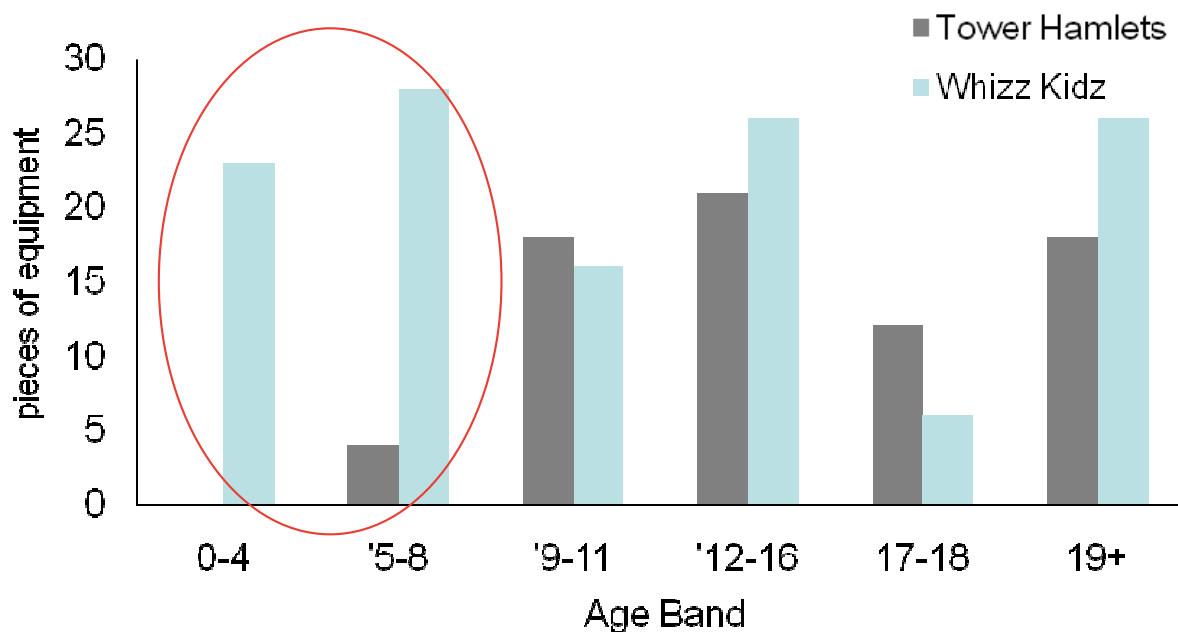
The collection of information during the referral stages means that Whizz-Kidz has a good idea of what chair is required when the child arrives for their assessment. Whizz-Kidz has specific paediatric expertise in the clinic on the day of the final assessment

Provision

Whizz-Kidz has looked closely at the supply chain and their processes to improve how wheelchairs are sourced. Over the last 3 years, Whizz-Kidz has worked closely with dealers and suppliers to ensure an efficient provision

Whizz-Kidz provides equipment to more children, specially the very young

Whizz-Kidz generally provides more equipment and reaches children at an earlier age¹



Joshua's buggy is fantastic! It is easy to use, safe and big enough to sit comfortably. He and his sister can now walk to school safely and access the local playground and duck pond.

Overall, provision of chairs improved drastically during the first years of Whizz-Kidz operation in Tower Hamlets, with around 51 more pieces of equipment delivered on average since operation in Tower Hamlets started

A total of 23 extra pieces of equipment were delivered to the under 5s, which standard PCTs fail to reach. The majority of equipment for the under 5s was buggies (15 pieces, 73% of total, excluding others), but both powered chairs and manual chairs were also provided

All equipment provided by Tower Hamlets to the 5-8 year old group were pushchairs

Sources: 1. Tower Hamlets data, including manual, powered chairs, buggies and others. Figures for Whizz-Kidz show an annual average based on 2008-09 and 2009-10 data

Whizz-Kidz provides training to allow better use of the equipment

Whizz-Kidz aims to provide every child with support and training to gain the maximum independence possible from their new equipment:

- Whizz-Kidz' therapists will provide one-to-one training to the individual child as they first learn how to get around in their new wheelchair
- in many areas the therapists have strong links with local schools and will hold clinics and handover sessions in school premises
- parents and carers are given guidance on supporting a young person to develop their wheelchair skills at home and when outdoors

Whizz-Kidz offers a range of beginner, intermediate and advanced wheelchair skills courses to all the young people supported by the charity. The courses cover:

- spatial awareness
- picking up and carrying things
- travelling in different directions and around obstacles
- dance
- planning safe routes and road safety
- negotiating different surfaces and kerbs
- getting through doorways and up and down ramps
- how to look after your wheelchair

Since these are offered through the charitable donations to Whizz-Kidz their impact is not specifically included on our analysis but it may contribute to some of the wider effects that we discuss later.

Comparing the typical service offered to children and young adults suggests that Whizz-Kidz' services are overall about 60% cheaper than a comparable PCT

Calculation of the SROI requires calculating the cost of the investment and its return. We first examine the cost. The table below sets out the cost of providing a wheelchair for a typical PCT and for Whizz-Kidz. It is based on an earlier report by Frontier Economics for Whizz-Kidz which is available on request.

	0-2	3-4	5-8	9-11	12-16	17-18	19-25	Estimated costs (NPV) ¹
Standard PCT route	N/A	Services may be available, but no equipment provided to this age group	Usually pushchairs provided until the age of 8	Often inappropriate chair provided; standard heavy manual chair	Chair replaced typically every 4 years. Frequently continues to be inappropriate for child's needs	Adult wheelchair provided, typically, standard heavy manual chair	Chair is replaced typically every 4 years. Limited maintenance required	£11,600
Whizz-Kidz route	N/A	Full range of equipment according to needs. Training provided for efficient use of equipment	Chair provided appropriate to child's needs. Training, maintenance and replacement provided	Chair replaced typically every 3 years, adapted to changing needs	Chair typically replaced every 3 years, adapted to changing needs	Adult wheelchair provided, according to changing needs	Chair replaced again before age of 25	£8,200

1. Costs over the period 0-25 years of age calculated based on Frontier Economics estimates of the unit costs of the provision of wheelchairs in Tower Hamlets prior to Whizz-Kidz involvement (£2,542 per wheelchair issued) and after Whizz-Kidz involvement (£1,171 per wheelchair issued)

We calculate the impact of two alternate paths on the costs and benefits to the kids themselves, their wider family and society

Incremental Benefits	<i>per unit of</i>	Investment Costs	<i>equals</i>	Impact
To child: greater independence, happier childhood then impact on future ability to work		Assessing needs of child		
To family: frees up time from caring for full or part-time work		Buying right equipment		
To school: reduces need for support from a teaching assistant, classroom adaptation		Adjusting and making ready equipment on the day		
To healthcare: reduced need for treatment (of child and carer) for conditions arising from poorly designed chair		Changing equipment when needed		

We calculate everything in real terms up until the age of 25. In practice some benefits will continue beyond 25 and so our approach is conservative. Our calculations focus on Whizz-Kidz' NHS contracts, we do not calculate the impact of equipment provided thanks to contributions from donors – although we would expect a similar range of impacts. We focus on quantitative benefits but the benefits from happier more fulfilled childhoods go beyond what it is possible to quantify.

Scenarios 1: Access to the right equipment helps Eve and her family to reduce the need for wider support...

	0-4	5-8	9-11	12-16	17-18	19-25
PCT Route	Impact on child	Requires parents or carers for all basic activities	Continues to require support for all basic activities. Fails to develop independence	Continues to require support for all basic activities, cannot keep up with peers and does not develop basic social skills	Drops from education and is assessed for Employment Support Allowance (ESA)	Continues to receive ESA, remains removed from the labour market
	Impact on family	At least one member of family stays at home, unable for work. Receives a range of welfare payments, including income support, housing and council tax benefits, child benefit and child tax credits			Does not engage with the labour market. Continues to claim a range of benefits	
	Impact on school		Fully dedicated teaching assistant. Basic school adaptations required	Part-time teaching assistant and one desk adaptation required on average per year		
	Impact on Health services		Child and key carer seen by GP and specialist for inappropriate use of equipment	Child treated for shoulder problems associated with inappropriate use of equipment and key carer for back problems		

	0-4	5-8	9-11	12-16	17-18	19-25
Whizz-Kidz Route	Impact on child	Requires parents or carers for all basic activities	Continues to require support for all basic activities. Fails to develop independence	Continues to require support for all basic activities, cannot keep up with peers and does not develop basic social skills	Drops from education and is assessed for Employment Support Allowance (ESA)	Continues to receive ESA, remains removed from the labour market
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	Impact on school		Part-time teaching assistant. Basic school adaptations required	No part-time teaching assistant required, no desk adaptations required		
	Impact on Health services		Child and key carer do not need treatment related to inappropriate use of equipment			

... and generates a value of **£10 for every £1 invested**

Scenarios 2: Access to the right equipment helps Charlie and his family to move away from a life of welfare dependency...

		0-4	5-8	9-11	12-16	17-18	19-25
PCT Route	Impact on child	Requires parents or carers for all basic activities	Continues to require support for all basic activities. Fails to develop independence	Continues to require support for all basic activities, cannot keep up with peers and does not develop basic social skills		Drops from education and is assessed for Employment Support Allowance (ESA)	Continues to receive ESA, remains removed from the labour market
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		0-4	5-8	9-11	12-16	17-18	19-25
Whizz-Kidz Route	Impact on child	Child develops some independency from the age of 3, in line with peers	Child able to develop relative independence and keep up with peers and develops basic social skills		Requires little support from parents or carers and acts independently in line with peers	Receives support from Employment Support Allowance	Moves into part time work at low pay. Receives Working Tax Credits ¹
	Impact on family	At least one member of family stays at home, unable for work. Receives a range of welfare payments, including income support, housing and council tax benefits, child benefit and child tax credits		Member of family previously out of work goes back part time at low pay. receive a range of benefits, including housing and council tax benefits, child benefit, child tax credits and working tax credits			Continues to
	Impact on school		Part-time teaching assistant. Basic school adaptations required	No part-time teaching assistant required, no desk adaptations required			
	Impact on Health services	Child and key carer do not need treatment related to inappropriate use of equipment					

... and generates a value of **£25 for every £1 invested**

Scenario 3: Access to the right equipment helps Lucy and her family to develop in line with their peers...

	0-4	5-8	9-11	12-16	17-18	19-25
PCT Route	Impact on child	Requires parents or carers for all basic activities, but starts to develop some independence	Child able to develop relative independence and keep up with peers and develops basic social skills	Requires limited support from parents or carers and acts independently in line with peers	Receives support from Employment Support Allowance	Moves into part time work at low pay
	Impact on family	At least one member of family stays at home, unable for work. Receives a range of welfare payments, including income support, housing and council tax benefits, child benefit and child tax credits		Member of family previously out of work goes back part time at low pay. Continues to receive a range of benefits, including housing and council tax credits and working tax credits	housing and council tax benefits, child benefit, child	
	Impact on school		Fully dedicated teaching assistant. Basic school adaptations required	Part time teaching assistant and one desk adaptation required on average per year		
	Impact on Health services		Child and key carer seen by GP and specialist for inappropriate use of equipment	Child treated for shoulder problems associated with inappropriate use of equipment and key carer for back problems		

	0-4	5-8	9-11	12-16	17-18	19-25
Whizz-Kidz Route	Impact on child	Child develops independency from the age of 3, in line with peers	Develops independence from parents or carers and social skills in line with peers		Moves into Further Education	Moves into full time employment at average salary. Pays taxes and NI contributions
	Impact on family	At least one member of family stays at home, unable for work. Receives a range of welfare payments, including income support, housing and council tax benefits, child benefit and child tax credits		Member of family previously out of work goes back full-time at average salary. Continues to receive some benefits, including child benefit, child tax credits and working tax credits. Pays taxes and NI contributions		
	Impact on school		Part-time teaching assistant. Basic school adaptations required	No part-time teaching assistant required, no desk adaptations required		
	Impact on Health services	Child and key carer do not need treatment related to inappropriate use of equipment				

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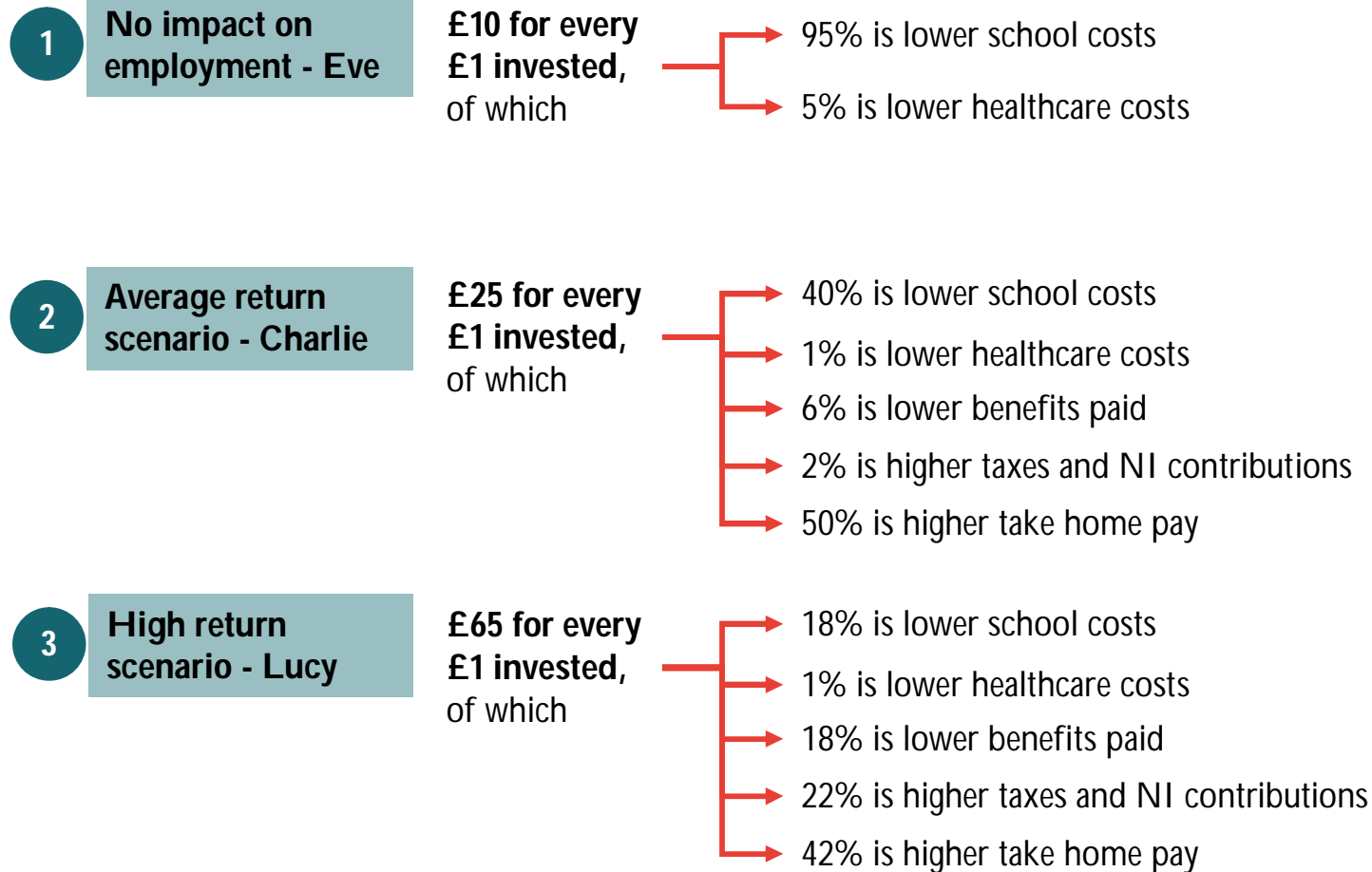
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Benefits exist for a wide range of stakeholders: the child themselves, their family, local and central government, schools and the NHS. We calculate the major streams of benefits until the child reaches 25.

	Counterfactual		With Whizz-Kidz	Impact
1	No impact on employment - Eve	Children and family are welfare dependent and unemployed	Reduces need for assistance at school and reduces health costs	£10 for every £1 invested
2	Average return scenario - Charlie	Children and family are welfare dependent and unemployed	Children and family in part-time employment at ½ median salary	£25 for every £1 invested
3	High return scenario - Lucy	Children and family work part time at ½ the median salary	Children and family in full-time employment at median salary	£65 for every £1 invested

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Annex A. Composition of benefits in each scenario



Annex B.1. Benefits claimed, Scenario 1 (low impact), no change in employment circumstances of either the child or family members

	Counterfactual	...with Whizz-Kidz
Child		
Employment Support Allowance	Yes (from age 16 onwards)	Yes (for 1 year only)
DLA care component	Highest	Highest
DLA mobility component	Higher	Higher
Working Tax Credits	No	No
Family		
Housing and Council Tax Benefit	Yes	Yes
Income support (including carers and disability child premium)	Yes (until age 16)	Yes (until age 16)
Child Benefit	Yes	Yes
Child Tax Credit	Yes	Yes
Working Tax Credit	No	No
Difference in NPV of benefits (0-25 years)	No change	

Annex B.2. Benefits claimed, Scenario 2 (average impact), moving from welfare dependency to part time work at below average salary

	Counterfactual	...with Whizz-Kidz
Child		
Employment Support Allowance	Yes (from age 16 onwards)	Yes (for 1 year only)
DLA care component	Highest	Middle
DLA mobility component	Higher	Higher
Working Tax Credits	No	Yes (from age 18)
Family		
Housing and Council Tax Benefit	Yes	Yes
Income support (including carers and disability child premium)	Yes (until age 16)	Yes (until age 7)
Child Benefit	Yes	Yes
Child Tax Credit	Yes	Yes
Working Tax Credit	No	Yes (from age 8)
Difference in NPV of benefits (0-25 years)	£ 19,000 less under WK	

Annex B.3. Benefits claimed, Scenario 3 (high impact) – from part time employment at below average earnings to full time employment at average earnings

	Counterfactual	...with Whizz-Kidz
Child		
Employment Support Allowance	Yes (for 1 year only)	no
DLA care component	Middle	Middle
DLA mobility component	Higher	Higher
Working Tax Credits	Yes (from age 18)	No
Family		
Housing and Council Tax Benefit	Yes	Yes
Income support (including carers and disability child premium)	Yes (until age 7)	Yes (until age 7)
Child Benefit	Yes	Yes
Child Tax Credit	Yes	Yes
Working Tax Credit	Yes (from age 8)	No
Difference in NPV of benefits (0-25 years)	£ 40,000 less under WK	



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