Colligo Labs

SOCIAL RETURN ON INVESTMENT

The Power of Evidence



Colligo Labs

Why Monetising Value of Care Matters?



Service providers face constant financial pressure due to underfunding, making it difficult to balance costs with high-quality care.

Social Return on Investment (SROI) allows providers to monetise and showcase the full impact of services. The Procurement Act further supports this by requiring local authorities to provide evidence of social value.

HM Treasury's Green Book and the Well-being Supplementary Guide offer a framework widely used by central government to assess financial and social value, providing an established framework for providers to evidence their true value.

This framework monetises:

✓ **SROI (Social Return on Investment)** – Demonstrating cost-effectiveness, cost avoidance and prevention, while highlighting the broader social impact.

✓ **Well-being impact** – Capturing well-being of the person, independence, family and community benefits and long-term outcomes.

✓ **Statutory compliance** – Aligning with the Care Act, Social Value Act, Procurement Act, and Equality Act.

Colligo Labs

The Green Book: A Tool for Smarter Decisions in Social Care

The approach does not focus solely on fee comparisons, it provides a holistic approach to evaluating service options by capturing their full financial, social and economic impact.

✓ Unit costs – Applying recognised public sector cost data to monetise avoided costs, such as reduced hospital admissions and safeguarding interventions.
✓ Well-being valuation – Ensuring funding decisions capture person-centred outcomes, not just cost savings. The right support enhances independence, reduces isolation, improves health, and strengthens family and community connections, leading to better long-term well-being.
✓ Comparative analysis – Benchmarking services against alternative providers and care models to assess long-term value rather than short-term cost differences.

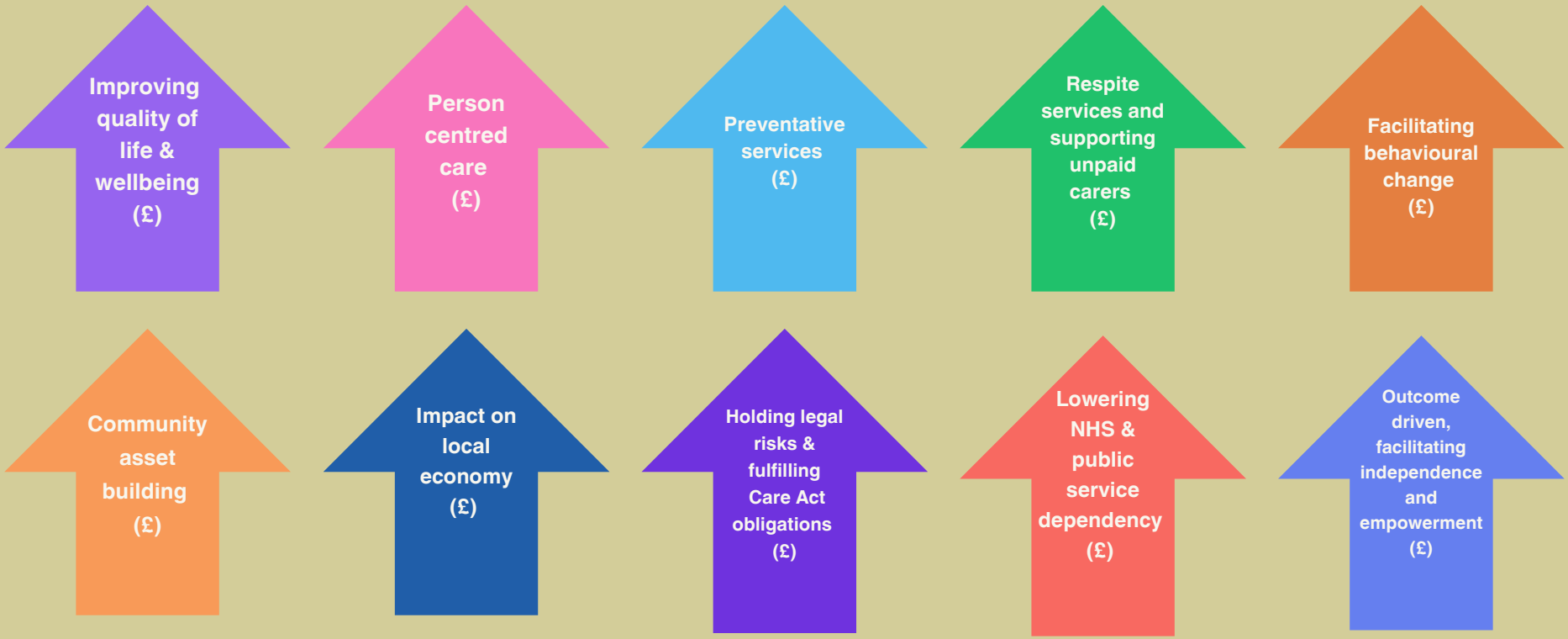
By monetising well-being improvements, providers give commissioners the evidence needed to make funding decisions that reflect public and economic value, not just cost. Without this, commissioners risk failing to uphold their duties under the Procurement Act 2023 and the Public Services (Social Value) Act 2012, which require them to consider wider social impact in commissioning.



MONETISING BENEFITS TIIPS THE SCALE TOWARDS TRUE VALUE

Colligo Labs

Monetising the Value of Care for Your Services



Your service creates impact every day. We help you identify, monetise and evidence it, providing the analysis needed to secure funding and strengthen your position.

Colligo Labs

How We Calculate Impact: A Structured Approach

Monetise cost avoidance using unit costs.
(£)

Comparative analysis with alternative services.
(£)

Monetising well-being valuation.
(£)

Statutory & Procurement Act compliance.
(Legal Costs £)

Colligo Labs

Case Study: Colligo Labs Evaluation for LD Services

This case study, conducted by Colligo Labs, assesses the impact of a community provider delivering supported living for individuals with learning disabilities. Commissioned to support fee negotiations, the analysis addressed the local authority's reluctance to pay above the standard LA benchmark, despite the provider offering a higher-quality care model.



The findings were used to demonstrate that:

✓ The provider's fee was higher than the LA competitor but delivered greater long-term value through cost avoidance and better outcomes.

✓ The individual's inability to advocate for themselves, combined with the distress and well-being impact on their family, made it critical to consider wider economic and social benefits rather than cost alone.

✓ This methodology can be applied across social care, including residential care, specialist and community services, to assess financial and social value beyond fee comparisons.

✓ This methodology can be applied for services and individual packages.

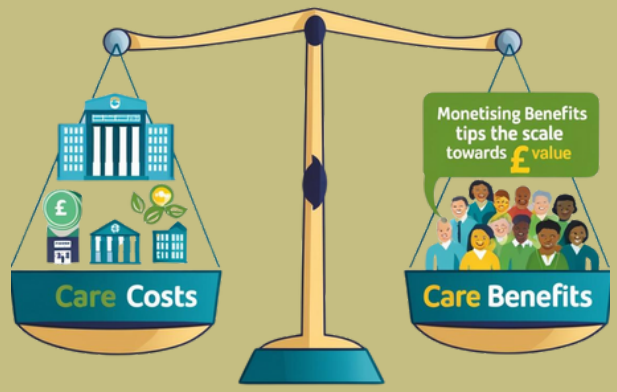
Colligo Labs

Case Study: Monetised Social Return on Investment

A community provider was at risk due to a higher hourly rate (£4 per hour, £20,800 annually). The local authority benchmarked it against a lower-cost provider but did not account for service quality, risk reduction, and long-term savings. This report was used in fee negotiations to demonstrate financial impact and justify investment in high-quality care.

✓ Financial: The local authority realised a net annual cashable saving of **£13,700** per person, despite a higher fee. Recorded savings were driven by reduced crisis interventions (£17,500), avoided placement breakdowns (£15,000) and lower emergency service use (£2,000).

✓ Well-being: Care records show reduced stress, improved social integration and enhanced autonomy. PRN (as-needed) medication use was significantly reduced, supporting the STOMP initiative. Incident severity improved, contributing to a net well-being gain of **£39,000** per person annually.



Colligo Labs

Case Study: Economic and Legislative Impact



✓ Legislative: Fully aligned with statutory duties under the Care Act 2014 (Section 1: Promoting Well-being), the Social Value Act 2012, and the Equality Act 2010, ensuring compliance while promoting choice, dignity and independence.

✓ Economic: Operating in a high-deprivation area, the provider successfully retained its workforce, avoiding £50,000 in agency costs annually. With staff turnover under 5%, rehiring and training costs were reduced by £12,000 per year. A wage premium of £2 per hour helped retain skilled staff, contributing £58,500 in wage premium benefits and £497,250 in total local employment impact, which includes the creation of 15 new jobs, calculated using the ONS methodology.

✓ **Key Takeaway:** This service was at risk due to its higher hourly rate but proved to deliver significant cost avoidance, well-being improvements and economic benefits. The report was successfully used in fee negotiations, demonstrating that funding decisions must consider long-term value, not just cost per hour.

Colligo Labs

Who We Are?

You're committed to making a difference in the social care sector and so are we.

Colligo Labs is a social enterprise, empowering organisations in the social care sector to achieve their full potential, multiplying their impact.

By leveraging our expertise in data, technology, and human-centred design, we create solutions that are not only effective but also sustainable, ensuring long-term success for our partners and the communities they serve.

In short, we are:

✓ data-driven
✓ human-centred
✓ future-focused

Get in Touch:
hina.choksy-evans@colligolabs.co.uk
paul.hainsworth@colligolabs.co.uk



Colligo Labs

Thank You



"Social care is the foundation of a stronger society. It is time to measure its impact, prove its value and invest in what truly works." Colligo Labs

Colligo Labs

SOCIAL RETURN ON INVESTMENT

The Power of Evidence

