SOCIAL VALUE REPORT
Evaluating Impact & Social Value
Social Return on Investment of Furniture Bank’s Work in 2019
July 2020

SiMPACT.
"I love bringing the furniture back to life and making a family feel warm and cozy with their new gently used furniture pieces."

- Melanie, Furniture Bank Workshop Supervisor, Legup Program Participant
Executive Summary

A High-Impact Charity Program
SIMPACT’s assessment of Furniture Bank’s overall program in 2019 found that for every $1 spent about $12 of benefits accrue to society. This represents $11,244 of total social and environmental value per family through Furniture Bank’s activities in 2019. This is an increase from 2017’s previous result of $10,004 per family.

A Unique, Social Enterprise Powered Delivery Model
Furniture Bank collects and distributes furnishings collected through its social enterprise programs. It offsets the costs of processing and coordinating its free goods program, and its social employment program (Leg Up), with the fees earned from providing transport services, workshop furniture repairs, and back-office support for other furniture reuse organizations.

Triple Bottomline of Social, Economic & Environmental Impacts
Beyond the families directly supported through its furniture programs, Furniture Bank provides social employment benefits through Leg Up, economic savings from extending landfill life in the City of Toronto, environmental benefits, and other benefits for donors, businesses and volunteers that contribute to its programs.

In summary, by combining Furniture Bank internal data, stakeholder interviews with open data and evaluation findings put forward we calculated the net present value of Furniture Bank social impact in 2019 to be $42.7 million. That is the equivalent to every $1 invested into Furniture Bank creates $12.11 in measurable social, environmental, and economic benefits in creating stronger communities.

A few of the key social value metrics for 2019 include:
- By helping 3800 families secured essential furnishing for their empty housing, created $25.4 million in value.
- By preventing 2,900,000 pounds of furniture from ending up in landfills, created $71,000 in value.
- By helping 9410 individuals increase social inclusion in the community, created $15.1 million in value.
- By sourcing good home furnishings from 9764 community donors provided $5 million in value.
- By operating a job-creating social enterprise that purposefully creates job opportunities for adults who have faced and overcome barriers to employment, created $485,000 in value.

This evaluation is intended as a foundation for both internal management and future report back to stakeholders – our clients, donors, students, volunteers, policy makers, and community members – the social and economic gains produced through their time, energy, and commitment to fighting furniture poverty in Canada.
Overview of Evaluation

“Understanding what stakeholders value, is the key to unlocking and reporting social impact and value”

Introduction
Furniture Bank has undertaken an evaluation of its current service to understand their impact in the broader community.

The total cost to deliver the current program is $3.3 million, which annually supports 9,410 low-income individuals in accessing furniture and furnishings for their 3,800 homes and provides employment for 21 participants to develop their employment skills and confidence. Furniture Bank’s funding sources consist of various social enterprise services, government funding and financial donations from businesses and households.

Method
In conducting this evaluation, both direct and indirect stakeholders were consulted and an evaluation was carried out using the principles and methods consistent with Social Return on Investment (SROI), an international standard overseen by Social Value International and Social Value Canada. The objective was to provide an integrated understanding of the broader impacts of Furniture Bank program for social, environmental, and community benefit. This report covers the period of 2019.

Social Value is defined as the direct and indirect, financial and non-financial value created as a result of the services and support provided through Furniture Bank. A Value Map was created that defined the evidenced input, outputs, outcomes and impact of the Furniture Bank program, within the following social themes:

- Health and Well-being
- Social and Community
- Housing
- Employment and Volunteering
- Environment

Key Findings
Furniture Bank is achieving their intended outcomes to offer a supportive service and affordable furniture within the City of Toronto, as well as taking the initial steps in supporting wider access across the Greater Toronto Area, and providing support services to other organisations like Furniture Bank across Canada.

In addition to the home furnishings program, Furniture Bank impacts more widely on other areas such as health and well-being, community and employment. These changes occur as a result of achieving the intended and unintended outcomes.

- Positive impact on mental state and reduced need for social support carry a tangible cost
to local community budgets.
- Sense of safety and settlement is significantly improved for beneficiary families.
- Furniture Bank’s service and community support has notable impact on the wider structure and independence of beneficiary families’ lives.
- The housing sector is being influenced through the secondary impacts of customers feeling more comfortable in their environment, maintaining their homes and reducing household debt.
- Staff and volunteers have created a positive and inclusive culture that, through partnership work, is supportive in addressing a range of social issues, by enabling positive social and community support structures.

Conclusions
In 2019, Furniture Bank operated on a budget of $3.3M. In the course of enabling 9,410 low-income individuals to furnish their 3,800 homes and providing employment for 21 participants, by recycling, collecting and processing the donations from 9,764 donor households, Furniture Bank created $12.11 in value for every dollar invested.

The most significant portion of value created by Furniture Bank stems from providing furniture to households in need. With the gently used furniture made available, Furniture Bank clients begin to enjoy the psychological, physical, and economic benefits of having a furnished home.

While Leg Up Program participants earn an income, and develop both job and soft skills essential to long-term employment, Furniture Bank has continued to expand its measurement systems to isolate the impact of the Leg Up program with the support of other sector experts.

Environmental value is created through reducing the amount of reusable furniture going to landfill and associated carbon offsets. In 2019, more than 1,347 tonnes of furniture were diverted from landfill.

Furniture Bank is well placed and connected to offer expanded housing and community support to vulnerable client groups in the Greater Toronto Area, as well as supporting other organisations in Canada to support their own furniture bank program.

The organisation has a good understanding of the fundamental issues that affect social value for their stakeholders and demonstrate changes to programming to support greater social value.

Looking Forward
Furniture Bank has a vision to share its model across Canada and North America. By the end of 2020, Furniture Bank expects to be supporting a national platform that permits like-minded furniture banks (arm’s length) to leverage the well-established solution operating in Toronto. This will include cloud-based capabilities for the program and the associated social value measurement systems. Furniture Bank has been very progressive in working with Social Value Canada, LIFT Partners, Sametrica and Common Approach to Impact Measurement to shape a sustainable, practical, and scalable measurement framework that supports the principles of social value.

Opportunities
As significant an impact as Furniture Bank has, there are areas that management has identified that require additional resources to broaden or deepen the organisation’s social value measurement work. These areas include:

1– Longitudinal research documenting the impact of beneficiary families receiving furniture and furnishings for their homes.
2– Product-specific research that builds off the work in the UK around the social value of individual elements of a home (beds, sofas, dining room tables, etc.)
3– Expanded use of baseline interviews, follow-up surveys and agency stakeholder involvement in gathering data on the short-, medium- and long-term impacts of Furniture Bank’s programs and services.
4– Applying this measurement model for communities operating on the Furniture Bank national platform, to provide a wider data set on the social value of ending furniture poverty across Canada.
5– Other opportunities outlined on Page 26.

Because I was leaving a hostile environment and the hostility towards me continued after the separation, having furniture wasn’t just a luxury, it was a necessity. I had to prove that I had a home that was suitable for my child and her well being. I needed furniture - and the Furniture Bank - so that I would be able to have a bed for my child and a dresser drawer to store her clothes.

– Sandra, Former Program Beneficiary
Social value is the quantification of the relative importance that people place on the changes they experience in their lives. Some, but not all of this value is captured in market prices. It is important to consider and measure this social value from the perspective of those affected by an organisation's work.

Examples of social value might be the value we experience from increasing our confidence, or from living next to a community park. These things are important to us, but are not commonly expressed or measured in the same way that financial value is.

At Social Value Canada, and SiMPACT, believe that social value has a huge potential to help us change the way we understand the world around us, and make decisions about where to invest resources. By changing the way we account for value, we believe that we will end up with a world with more equality and a more sustainable environment.

The complete journey to the development of Social Value is defined below:

**Social Outputs:** The activities that the organisation delivers (number and frequency)

**Social Outcomes:** The benefits that the activities (outputs) have on all organisational stakeholders

**Social Indicators:** How you know (what indicates) that the outcomes are being achieved

**Social Impact:** The difference that an organisation makes that benefits an individual, stakeholder, community, and society as a whole

**Social Value:** The financial and non-financial value to society that the impact makes

**Social Worth:** The financial and non-financial legacy to stakeholders

For this report, Social Value is defined as the direct and indirect, financial, and non-financial value, created as a result of the service and support provided through Furniture Bank.

Program Beneficiary waiting for furniture selection opportunity

Furniture Showroom for selection of items - 15,000 sq ft
Methodology

This report was a follow up to the evaluation from 2017. SiMPACT was hired to assess whether government investment into 11 intermediaries across the Province had resulted in growth and expansion of the social enterprise sector across Ontario. Furniture Bank had been working on an expansion plan with one of the 11 intermediaries. It was selected one of four case studies to assess whether Ontario investment into the intermediary had enabled it (the intermediary) to do more with Furniture Bank, therefore to assess whether more impact and social value creation had been created within the Province, than what would have been created had this intermediary investment not gone forward. The method underpinning this study was to do an SROI analysis of the results linked to the Province’s investment into the increasing capability of the intermediary.

The original 2017 project was designed to assess whether Furniture Bank’s work with the intermediary resulted in the Furniture Bank’s increased ability to create impact across its stakeholder groups. The progress included identifying outcomes experienced by Furniture Bank beneficiary families before the intermediary-linked expansions, and then the results following Furniture Bank’s work with the intermediary. Fortunately, Furniture Bank had been tracking useful data before the intermediary project.

In 2020 SiMPACT was contracted to follow up to assess if impact identified in the previous report held up and methodology was repeated with a longer time frame. Furniture Bank had continued with its data collection approach expanding it in certain areas where resources permitted – specifically around additional environmental impacts. The resulting model provided a multi-year assessment of the value creation that results from the delivery of Furniture Bank programs. It also highlights priorities and next steps for evaluation.

A blended approach has been used, including the principles of:

- (SROI) Social Return on Investment
- Qualitative review of beneficiary and social employment narratives.

Measuring social value can be ambiguous and challenging due to the difficulties in clearly defining the actual social change and difference an organisation makes to stakeholders. The trust and legitimacy of any social impact claim must be balanced against a set of value guiding principles. These guiding principles are used in all research, measurement, calculations, and stakeholder engagements.

- Research is designed, reviewed, and undertaken to ensure integrity, quality and transparency can be externally verified.
- The confidentiality of the information supplied by research participants and the anonymity of respondents will be respected.
- Research participants must take part voluntarily, free from any coercion.
- All research must be clear and any conflicts of interest or partiality must be explicit.
- Clearly define who stakeholders are and only measure what our stakeholders’ value.
- Consider the effect of external influences, i.e. other organisations, partners, local initiatives, and self-help.
- Report financial and non-financial value.
- Use only legitimate sources of data.
- Report negative as well as a positive social value.
- The financial and non-financial impacts which enable Furniture Bank to operate have been reviewed and the connecting frequency and type of activities have been considered (outputs).
- The outcomes (changes made) have been reviewed, and supporting evidence researched (indicators).
- Impacts (differences made because of the change) have been researched and evaluated to be aligned to current evidence base and value proxies.
- The financial and non-financial value has been recorded and, where possible, a financial value/cost saving has been allocated.
- The level of influence that others have on the delivery and support provided by Furniture Bank has been considered and where suitable and necessary, the effects on the financial and non-financial values have been noted and reduced.

We created a Social Value Map that defines the input, outputs, outcomes, and impact because of Furniture Bank service and considered how outcomes and impact are created within the following social themes:

- Health and Well-being
- Social and Community
- Employment and Volunteering
- Environment

These themes have been identified and categorised from direct stakeholder consultation and align with the Social Return on Investment methodology. We attribute financial value to the impact where possible and define the intangible impact through case studies and testimonials.

“Being homeless doesn’t make you less of a person. But you’re treated differently. That’s why when you’re treated like a human being it really makes an impression. You feel it in your bones. That’s how the people at Furniture Bank treated us. Like we were just regular people. I don’t know where we’d be without the furniture people donate to Furniture Bank. There’s kindness out there. We’re living proof. Our daughter is having surgery in a few days. Instead of worrying about trying to tough it out in shelters or on the street, this furniture allows her to focus on her recovery in a home.”

- Patrick and Vanessa, Program Beneficiary
About FURNITURE BANK

“the right of every individual to his or her basic needs for sustainable living by providing furniture, fixtures, and related good to poor and needy persons” (Source: Furniture Bank Charitable Objects)

Furniture Bank in 2019
Furniture Bank was founded 22 years ago to help people in poverty to access quality furniture to establish a safe and healthy home. The organisation continues to raise awareness of Furniture Poverty in Canada and the ways in which we physically get furniture into the homes of people who would otherwise be without the basic items they need to succeed. People moving into empty housing need basic items of furniture and the reality is that people who need furniture either go without it for a period of time or find other ways to gain credit to purchase goods. Sadly, this often involves money lending, or leasing furniture weekly at rental stores which often leads back to the streets.

Furniture Bank’s vision is of a Canada where those unable to afford to furnish can obtain good quality furniture without experiencing the devastating impacts of furniture poverty – no bed to sleep on or unmanageable debts. Our mission is to reduce and ultimately eradicate furniture poverty across Canada. Furniture Bank operates social enterprises that create financial resources and opportunities to change the lives of people living in poverty and unemployment.

All Furniture Bank beneficiary families are living on a severely limited income and are experiencing furniture poverty. As a result of the Furniture Bank program, they can access high-quality, clean used furniture at no cost. They select the pieces that appeal to their taste, building a home that meets many different needs.

In addition to furnishing nearly 4,000 low-income households a year, Furniture Bank employs individuals that face barriers to employment. The Leg Up Skills Training and Employment Program (Leg Up) has been a part of Furniture Bank operations since 2013 creating social employment opportunities embedded within the operations of the overall social enterprise charity work.

From the beginning, the objective of Leg Up has been to confront barriers to employment. Participants are offered both employability and life skills training. This builds confidence and prepares each person for employment in a broader way. Annually, Leg Up employs 25-30 individuals at Furniture Bank.

In 2019 Furniture Bank began piloting how to provide a “Black Office as a Service” by extending their cloud based platform, processes, and social enterprise model to 3rd party charities outside of Toronto. Piloted successfully in Barrie, Ontario this model has received interest from across Canada and will be a new supporting social enterprise program in 2021.

72 Hour Cycle time on donation processing

What is Furniture Poverty?
Families referred to Furniture Bank will have just secured access to some form of affordable housing. In Canada, housing does not come furnished and these families lack the financial resources to purchase furnishings and home goods to transform their new housing into a home. Research shows a one-bedroom apartment would require a minimum of $4000 to pay to furnish an empty housing unit (into a furnished established home). Any person or a family without these financial means to make their housing into a home is said to be living in Furniture Poverty.

Furniture Poverty affects millions of low income people in Canada, many of whom are formerly homeless, women and children escaping abusive situations and newcomer families and refugees.

Furniture Poverty was coined in the United Kingdom by the FRC Group in 2017. Furniture poverty is defined as the inability to afford or access basic furniture and furnishings, including domestic appliances, that provide a household with a decent quality of life and the ability to participate in the norms of society.

This definition of furniture poverty is about more than just physical needs. It is a relative definition that considers how inequalities affect people’s mental health, confidence, participation in society, and general well-being.

Furthermore, furniture poverty is a continuum, as described in the following diagram:

- **Furniture Insecurity**: A household has the items they need for now. If something essential breaks or needs replacing, they do not have the means to do so. These households are often moving from one crisis to another.
- **Furniture Poverty**: A household does not have all of the essential items they need or are using expensive credit to afford them and are potentially going without other essentials such as food and heating to pay for furniture.
- **Furniture Destitution**: Where a household has none or very few of the basic items needed.

“A furnished home to me means that it’s one less hurdle to jump when trying to overcome all the obstacles I face as an Aboriginal single mom who just relocated to a different city to finish school.”

– Mallory, Program Beneficiary

“With a furnished home my life has stability now. My self-confidence has grown and this has had a great impact in my professional and personal growth.”

– Lucinda, Program Beneficiary

Furniture Poverty: the inability to afford or access basic furniture and furnishings, including domestic appliances, that provide a household with a decent quality of life and the ability to participate in the norms of society.

Furniture Insecurity

Furniture Poverty

Furniture Destitution
**What is the value of home?**

Furniture Bank has received dozens of testimonials from families indicating that the furnishing provided through Furniture Bank years previously had been pivotal in their future successes and had a positive impact on many areas of their lives. From safety, comfort, dignity, security and belonging these indicators of well-being needed to be measured and impact assessed. Furniture Bank wanted to get a deeper understanding of this impact and began assessing SROI methods with academics as far back as 2014 looking at targeted stakeholders.

Furniture Bank has continued to slowly develop their internal capacity for using SROI appropriately. This includes both helping to improve their internal performance, as well as providing a social valuation process built along international and national standards for impact measurement. Benefits Furniture Bank has seen working with SROI include:

- Improved decision-making and learning
- Improved relations with stakeholders
- Increased employee cohesion /communication
- Understanding which pilots to invest
- Identify improvements that are viable with current resources available.
- Clarify where to invest when new resources become available.

**Direct Stakeholders**

These stakeholders are considered to be those who have power, legitimacy and influence over Furniture Bank’s services. The valuation process has engaged with a selected range of direct stakeholders, these are beneficiaries, agencies of the beneficiaries, volunteers, staff and in-kind donors.

**Indirect Stakeholders**

These are the groups and organisations that are indirectly impacted by the organisation. They can be categorised into the previously mentioned social themes. A stakeholder mapping summarise the range of Indirect Stakeholders that are affected and influenced by the strategic and operational development and delivery of the Furniture Bank program, some of whom we engaged with to understand the program value.

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**Health and Well-being**

- Local government
- Social Service Agencies
- Beneficiary families
- Community Mental Health Agencies
- Agency Case Workers
- Community Health Care Providers

**Employment and Volunteering**

- Volunteers
- Corporate Volunteers
- Social employment participants
- Leg Up Participants

**Social and Community**

- Family & friends of beneficiaries
- Social Service Agencies
- Refugee Supports Services
- Women’s Shelters

**Housing**

- Housing Case Workers
- Housing Landlords
- Housing Government Departments
- Other Nonprofit Support Services
- Neighbours
- Building maintenance

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"Most of our families do not have access to furniture due to circumstances beyond their control and if it wasn’t for Furniture Bank they would not be able to resettle back into the community. Furniture Bank provides a critical service for the most vulnerable in our society creating conditions for the mental and physical health of our agencies families.

This week Furniture Bank provided a sofa and sleep sets for a single mum and her son who previously had been sitting on garden chairs, and using clothing to nest on the floor."

- Social Agency Case Worker
Input activities have been broken down into financial and non-financial. The total cost needed to deliver the current Furniture Bank program in 2019 is $3.3 million. This funding needed for this program is made up through generating funds from social enterprises (furniture removal, delivery, repair, & support services); charitable gifts from Sprott Foundation, RBC Foundation, Mackenzie Foundation and service contracts with the City of Toronto for example.

The non-financial input relates to the volunteer time, partnerships, goodwill and staff experience that have been developed over the years, without which Furniture Bank would not have the same trusted reputation and wider social impact.

The Cost to Deliver a Home
Looking a little more deeply into the cost to deliver a home for beneficiary families is determined by four main factors:

1. Costs of securing donated goods, including communication materials, systems for handling donor calls and capturing furniture donation detail and paid labour.
2. Processing costs of inbound goods from the community, including warehouse sorting and processing, recycling activities, repair & refurbishment activities, coordination systems for working with agencies and their families, and paid labour
3. Transport costs for collection and delivery of furniture and home goods – which includes truck leases, insurance, gas, repairs, licenses and paid labour
4. Furniture Bank’s program administration & overhead costs

As part of this study SIMPACT determined that from 2011 through 2014, the average cost to furnish a home was $841. This was calculated by assessing the 18,600 families supported during this time. Within this cost, research noted that during 2017–2019 the cost of expanded program activities aimed at new national support framework to support new communities across Canada were are included in these which amount to $40 per home during these times.

In 2019 Furniture Bank had annual capacity to support 3800 distinct beneficiary families with furniture and outreach to community agencies. An additional 25 people are supported through the Social Employment Leg Up program.

Both services were made possible utilising the following resources:
• 44 full time staff, 25 of which are part of the Leg Up social employment program.
• 50 volunteers delivering 13,000 support hours
• All 3800 beneficiary families came to the program through 200 agency organisations referrals as cases which enabled them access to free furniture to alleviate the financial and emotional burden of creating or maintaining a safe, comfortable home life during distress or transitioning from crisis.
• In the last year, Furniture Bank received donations from 9,764 donors who provided 75,131 items of furniture and home goods diverting 1347 tonnes of furnishing from the landfill.
• This reuse of furniture instead of landfill is equated to 4700 tonnes of carbon that was saved.

“I volunteer at the Furniture Bank because I can see the direct impact we can make in people’s lives. I love that I can make a small difference every shift, and every shift gives me a different perspective on the many challenges people face in this prosperous city.
Furniture Bank has turned a simple, everyday problem for some - getting rid of furniture and household goods - into a life-changing benefit for those in need.
The staff are well organized and committed to make the volunteers feel like they are part of the team and making a difference.”
– Lia Gordon, Volunteer
Outcomes

It is the journey from outcome to impact that provides an in-depth picture of change and progress achieved by a service or intervention. It is vital to first understand the outcome in order to map the impact.

Furniture Bank’s program activities aim to create a range of short and long term outcomes:

For Beneficiary Families
- Improved quality of life as a result of having a home with furniture (comfort, dignity, warmth, security, stability)
- Increased social inclusion/Avoidance of social exclusion

For Economy & Environment
- Increased tax revenue from the Leg Up participants
- Reduction in waste and pollution
- Cost savings from landfill life extension.
- Abated Carbon from reused vs land filled goods

There are significant environmental outputs associated with the recycling and reusing of household furniture. The most significant being the amount of waste diverted from landfill. Over the last year Furniture Bank has recorded over 74,000 items collected from the community with a total weight of 1347 tonnes. This is furniture that would otherwise be discarded to local community transfer stations and taken to landfill locations. There are further positive benefits relating to the reduction of CO2 and transport costs/emissions having to move discarded items from households.

The challenge for this study was identifying financial proxies that could speak to this impact. An opportunity for future reports.

For Leg Up Social Employees
- Sustainable livelihood (Participants obtain long-term employment within or outside of Furniture Bank and they continue to be financially resilient)
- Increased confidence and self-esteem
- Improved mental health
- Decreased social isolation
- Improved physical health
- Increased participation and contribution to the community
- Satisfaction and feeling good about having donated furniture to families in need (all staff)

Indicators represent what is evident if the outcomes were achieved. Detailed below are indicators that are evident from the primary and secondary data.

1) Health and Well-being
- Feeling settled in the home
- Positive change to mental health for beneficiary families
- Increased support network
- Reduced stress and worry
- Improved mental health
- Improved physical health

2) Social and Community
- Enabling independent living
- Increased social activity in the community
- Housing into furnished home
- Able to move into own apartment quicker
- Progressing with other aspects of life
- Satisfaction and feeling good about having donated furniture to families in need (all staff)

3) Employment and Volunteering
- Volunteers regularly providing their time unpaid
- Experiencing working environment and following procedures
- Expressions of future plans/next steps/optimism
- Improved confidence and self-esteem
- Improved mental health & physical health
- Decreased social isolation

4) Environment
- Waste diverted from landfill
- Carbon abated from reuse of furnishings

Indicators

“*You know what you brought me, right? You might think you brought me furniture. But no. No, today you brought me a chance. With nothing in it, this room used to feel like a cell. Now I’m allowed to say I have a home.*”

- Robert - Leg Up Participant

“I love bringing the furniture back to life and making a family feel warm and cozy with their new gently used furniture pieces. I wanted to work in Finishing Carpentry and I couldn’t have been put in a better place. Giving me this opportunity has opened up my creative self, but also to learn how to run my own business.”

- Melanie - Leg Up Participant
Impact

The impact is considered to be the difference that the outcome (change) has/is making to stakeholders, either directly or indirectly.

Based on the outcome information from samples of beneficiary families, agency caseworkers, and social employment stakeholders, we can reasonably assume that similar outcomes would lead to similar impacts for all groups, and therefore scale up the findings to forecast the total impact of the project.

For the purposes of SROI (Social Return on Investment), these behaviour changes especially focus on changes that involve a health and well-being of families, and the change in behaviours from moving into a furnished home. However, these changes take into consideration the importance of social engagement, community cohesion, independence and social capital development.

SiMPACT understands that not all outcomes lead to an impact and for some people, although they may have experienced a change, it may not necessarily mean that they are doing anything differently. For example, a family may state their increased confidence from an intervention, so there is no impact from that increased confidence.

When caseworkers were asked about the impact of Furniture Bank in general, the top social impacts related to Furniture Bank beneficiary families were:

• Restoring clients’ hope in the future (83%)
• Improving clients’ self-esteem (78%)
• Improving clients’ self-confidence (72%)
• Creating family stability (72%)

For the purposes of SROI (Social Return on Investment), these behaviour changes especially involve the health and well-being of families, and the change in behaviours from moving into a furnished home. However, these changes take into consideration the importance of social engagement, community cohesion, independence and social capital development.

SiMPACT understands that not all outcomes lead to an impact and for some people, although they may have experienced a change, it may not necessarily mean that they are doing anything differently. For example, a family may state their increased confidence from an intervention, however they are not doing anything differently from before gaining the confidence, so there is no impact from that increased confidence.

Rigour and Transparency

For the purposes of this report: Level of rigour is Medium and the level of transparency is Medium.

Rigour

The development of this report is centred on the research and evaluation of (experienced/forecasted) stakeholder impact and the value that can be attributed to it. As a result, this report defines the outcomes, impact and value experienced by stakeholders, together with considering the external influences on the stakeholders.

The approach of the SiMPACT is to ensure the highest trust and legitimacy of the research, evaluation and reporting as possible; and that the budget, scope and timescale will allow:

SiMPACT reporting is categorised into three areas of rigour - Low, Medium and High.

• Low: The research and reporting is a forecast of the impact and value that a service or organisation has. There has been a reliance on secondary research to create an evidence base to support conclusions. In the production of the report, there has also been a dependence on internal data and qualitative experiences provided by the organisation.

• Medium: The research and reporting is either a forecast or evaluation of the impact and value experienced by stakeholders, and there is a mixture of primary and secondary research to support outcomes, impact and value claims. In the production of the report, there has been a balance of the use of internal data verified by external stakeholder engagement.

• High: The research and reporting is an evaluation that has in-depth primary and supporting secondary research, which supports the in-depth direct and indirect stakeholder engagement. This report is an accurate evaluation of outcomes, impact and value that are experienced and created by the intervention or organisation.

Transparency

The SiMPACT believes in ensuring high levels of transparency wherever possible, without breaching confidentiality:

• Low: Only positive outcomes, impact and value have been reported, whereas negative outcomes have been researched, evidenced but not reported.

• Medium: All negative and positive outcomes, impact and value has been researched and accounted for. However lack of resources to measure with confidence the outcomes have been edited to not report these areas.

• High: All negative and positive outcomes, impact and value has been reported in an unedited format to provide an unbiased and independent view of the organisation’s service(s).
External Influence

Throughout the review and evaluation of the impact and value created by Furniture Bank, key considerations have been made as to the influence of others. This includes the Government and its connecting policies and strategies, other local and regional support providers and other individuals. We have also considered whether impact and value are newly created or has just been displaced.

Approach
This has been achieved in three stages:
• Firstly - through researching and analysing local government strategies and previous qualitative and quantitative reports carried out.
• Secondly - by engaging directly with beneficiary families and supported by direct research of delivery and support partners.
• Thirdly - using the knowledge, experience and awareness of the SiMPACT team.

Influence of the organisation
The level of influence that the organisation has on beneficiaries has been considered to support the legitimacy of financial claims within the report. This has been considered using Social Return on Investment (SROI). Deadweight, Displacement and Attribution measures.

Deadweight
A deadweight measure is the scale of outcomes that would have happened even if Furniture Bank services were not being delivered. The current policies and strategies affecting housing and communities in Toronto have been considered. Research with stakeholders identified low deadweight would be observed - 10% and 20% has been used.

Research of the regional strategic policies and local documents vary in priorities. However, those relating to low-income or vulnerable client groups demonstrate a clear focus on health and well-being, supporting people to make positive life choices, and inclusion. Therefore, with existing local investment in outcomes similar to Furniture Bank’s, it can be evidenced that a portion of the outcome and impact will occur anyway.

Attribution
An assessment of how much of the outcomes were caused by the contribution of other organisations or people. This has been considered using the sliding scale below:
• 0% - 50% is associated with individuals who are referred to the organisation and therefore, it is reasonable to assume that the attribution would be lower.
• 51%+ is associated with individuals who have self-referred and therefore, the attribution will be higher as the impact is less likely to have happened.

During the research, between 50% and 70% of the sample group mentioned that they received support from one or more other agencies. Therefore, the model will attribute 50% of the remaining value to ‘other partner organisations or individuals’ in order to create a more accurate picture of impact.

Displacement
Displacement is centred on the number of positive outcomes and impacts that are being created in one location, i.e. the negative outcome and related impacts being moved to another area. Due to the nature of the support and engagement and the integrated partnership and referral approach, the displacement effect is minimum. In this case, as we are only calculating value for one year, we will not be considering displacement.

Drop off
To finalise the financial claims, the drop off period has been considered (i.e. the length of time the impact can be expected to last) using the above methods. Research showed that furniture provided can be expected to be in use for a minimum of three years before it is replaced.

Other outcomes assumed a single year drop off.

Financial Value Attachment
Each outcome and supporting impact has been allocated a financial proxy (cost). The proxy is based on the financial investment needed to achieve the same impact, or the cost saving that the impact is or will make. To calculate these figures, a range of government, academic and leading social accounting research documents have been consulted to legitimise the claims and increase the rigour.

Discount Rate
In order to calculate the net present value (NPV) of the costs and benefits paid or received in different time periods need to be added up. In order that these costs and benefits are comparable a process called discounting is used. SiMPACT has applied a recommended discount rate of 11.15% to the SROI analysis.
**Financial Value**

Following the analysis and evaluation of the outputs, outcomes, indicators and impact, it is possible to assign financial values to the tangible impact of Furniture Bank.

1. **VALUE IS CREATED AS A RESULT OF IMPACT BEING EXPERIENCED BY INDIVIDUALS AND ORGANISATIONS.**

2. **FINANCIAL VALUE RELATES TO THE POTENTIAL AND EVIDENCE BASED SAVINGS THAT WILL BE EXPERIENCED BY THE PUBLIC SECTOR.**

3. **NON-FINANCIAL VALUE RELATES TO THE INTANGIBLE VALUE THAT IS FELT BY PEOPLE EMOTIONALLY, PSYCHOLOGICALLY, OR PHYSICALLY.**

Where assigning financial value against impacts has been possible, and legitimate references have been used, a triangulated approach has been adopted, i.e. government financial costs have been the primary sources, supported by Academia/ social value banks and further supported by interviews and research within the relevant sector.

### SROI Calculation

<table>
<thead>
<tr>
<th>Total Present Value (TPV)</th>
<th>$46,577,925</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input</td>
<td>$3,847,779</td>
</tr>
<tr>
<td>Net Present Value (TPV minus Input)</td>
<td>$42,730,146</td>
</tr>
</tbody>
</table>

**Funding Year 3 SROI Ratio (TPV/Input)**

12.11 : 1

In summary, by combining Furniture Bank internal data, stakeholder interviews with open data and evaluation findings put forward we calculated the value of Furniture Bank social impact in 2019 to be $46.6 million. That is the equivalent to every $1 invested into Furniture Bank creates $12.11 in measurable social, environmental, and economic benefits in creating stronger communities.

A few of the key social value metrics for 2019 include:

- By helping 3800 families secure essential furnishing for housing, created $25.4 million in value.
- By preventing 2,900,000 pounds of furniture from ending up in landfills, created $71,000 in value.
- By helping 9410 individuals increase social inclusion in the community, created $15.1 million in value.
- By sourcing good home furnishings from 9764 community donors provided $5 million in value.
- By operating a job-creating social enterprise (Leg Up) that purposefully creates job opportunities for adults who have faced and overcome barriers to employment, created $485,000 in value.

### Table: Financial Value

<table>
<thead>
<tr>
<th>FURNITURE BANK STAKEHOLDER GROUP</th>
<th>OUTCOMES</th>
<th>FINANCIAL VALUE (Present Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiary Families (Receiving Furniture)</td>
<td>• Improved physical and mental health (quality of life) as a result of having a home with furniture (comfort, dignity, security, stability) • Increased social inclusion/avoidance of social exclusion</td>
<td>$25,310,277</td>
</tr>
<tr>
<td>Leg Up Program Participants (Social Employment)</td>
<td>• Sustainable livelihood achieved • Increased confidence and self-esteem • Improved mental health • Decreased social isolation • Improved physical health • Increased community engagement</td>
<td>$485,461</td>
</tr>
<tr>
<td>Volunteers</td>
<td>• Increased feeling of contributing to the community through supporting program</td>
<td>$583,955</td>
</tr>
<tr>
<td>Furniture Donors</td>
<td>• Satisfaction and feeling good about donating furniture to families in need</td>
<td>$5,003,838</td>
</tr>
<tr>
<td>Government (Provincial &amp; Federal)</td>
<td>• Increase in tax revenues from Leg Up Program participants’ income taxes</td>
<td>$69,405</td>
</tr>
<tr>
<td>Environment</td>
<td>• Reduction in waste and pollution • Abated Carbon from reused goods (vs released carbon in landfill)</td>
<td>$71,255</td>
</tr>
</tbody>
</table>

The overall social and financial value developed $46,577,925
Areas for Improvement

SiMPACT has recommendations for future reports that could support deeper and broader social value measurement.

As resources permit Furniture Bank should consider:

1. Update next years report with new impact and value data capture processes that leverage the work with current collaboration with LIFT Partners (expanded logic chain, survey methods, and communication tools).

2. Expand the use of family surveys after a baseline is established to benchmark the duration of these impacts. A number of interviews and research suggested using a drop off value of three years may be too low, with some evidence furnishings are used for up to ten years in some cases.

3. Continue to leverage existing technology to further automate and consolidate survey findings. This may include an internally built or an external platform like Sametrica or the CSI Impact Dashboard for communication to stakeholders.

4. Embed post engagement follow up calls into beneficiary family monitoring to provide opportunities for beneficiary declared impacts.

5. Look to map indicators to measurements found in the United Nations Sustainable Development Goals (SDGs)

6. Train volunteers to carry out a baseline monitoring form at point of engagement with all Furniture Bank families and follow up after one month and six months to track impact and situation.

7. Leg Up Social Employment Program is understated with a gap in survey data, and should be prioritised to fully demonstrate the social value of the integrated employment social enterprise Leg Up Program.

8. Leverage the new Social Value Canada and Common Approach to Impact Measurement frameworks to ensure the Furniture Bank SROI model follows Canadian standards for impact measurement.

9. If opportunities allow, integrate research from the UK experience around furniture poverty. A number of UK organisations have advanced impact measurement methods operating and Furniture Bank could support recommendations made above.

10. Consider funding part time internal resources to maintain this ongoing measurement work, collaborating with stakeholders and data collection teams.

Case Study: In Sandra’s Own Words

"I am sure my story is not that uncommon, but at the time I felt very isolated and alone. As a young mother of a 3 year old, I was separating from my husband of five years. Our relationship had become very abusive and unhealthy, and once I left it became increasingly hostile. Luckily, I was able to receive housing on an expedited basis, but I did not have the financial capacity to buy furniture. I didn’t have the work experience to find a job as I had been a stay-at-home mother.

Because I was leaving a hostile environment and the hostility towards me continued after the separation, having furniture wasn’t just a luxury, it was a necessity. I had to prove that I had a home that was suitable for my child and her well being. I needed furniture - and the Furniture Bank - so that I would be able to have a bed for my child and a dresser drawer to store her clothes.

When your parenting is under scrutiny and when you’re trying to provide a stable and warm home for your child, you have to have furniture. It’s one of those things we take for granted until we are sitting in an empty room without it. And for me as a university student, I really needed a desk to study at, a place to store my books. It’s pretty hard to study on a bare floor and I couldn’t just get up and go to the library with a toddler.

It’s been several years since I went to Furniture Bank to receive furniture. I graduated with my Honours Bachelor of Arts, started my Masters, and found a meaningful career. Would I have been able to do that without furniture and the Furniture Bank? Maybe, maybe not... But it sure is nice to have support creating your home, having a bed for your daughter, and the dignity in choosing your own furniture to set you up for the future.”

Sandra is a single mother and currently attends a Canadian Graduate University Program.
There is increasing interest in the Social Return on Investment (SROI) methodology in Canada. As Canada’s leader in SROI training and analysis, SiMPACT Strategy Group is seen as an active contributor to this thriving agenda and important cross-sector conversation. SiMPACT is represented on the international methodology committee organised by Social Value Canada and regularly participates in activities designed to strengthen the international network.

Social finance investors, government and foundations are increasingly seeking to understand social value creation and community organisations are striving to demonstrate the value of their work. Corporations are seeking to value the impact of community investments with 74% of LBG Canada companies expressing a desire to learn more about SROI.

SiMPACT’s work in SROI is a blend of consulting, capacity-building across all sectors, accreditation training for professionals and Social Value Canada. Social Value Canada is a non-profit organisation established to advance the SROI methodology in Canada. Other founding partners include the City of Calgary, Saskatchewan Abilities Council and Social Capital Partners in Toronto.

As the acting Social Value Canada secretariat, SiMPACT manages www.socialvalue-canada.org, promotes discussion on social media, organises accreditation training and manages a database of financial proxies. SROI accreditation courses are regularly held in Toronto, Calgary, Edmonton and Vancouver. Information is available on the Social Value Canada website.

Other Projects by SiMPACT
SiMPACT has been working with the Region of Waterloo to value their STEP Home homelessness initiatives through an SROI lens. We are working with Humewood House in Toronto to use SROI to demonstrate the value of investment in supporting pregnant and parenting teens through their pregnancies, to stabilise their circumstances.

In Alberta, SiMPACT has begun the third year of a project with the Safe Communities Secretariat, Alberta Justice, to integrate the SROI methodology into the evaluation frameworks of 88 crime prevention pilot projects. This large-scale project has involved training of project managers and program staff, ongoing and review of SROI work, research and inter-project coordination in development of financial proxies.