

The GATEWAY Project

Literature Review

**Valuing Integration: a review of possible measures**

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# Valuing Integration: a review of possible measures

## Background | The GATEWAY Project

The GATEWAY project is funded by the European Integration Fund and is managed by Portsmouth Council's Health Improvement and Development Service who collaborate with departments across the local authority and with local charities and voluntary groups.<sup>1</sup> It aims to encourage and support new migrants to become full and active members of UK society by promoting integration and well-being. It is working with new migrants in the Portsmouth area particularly seeking to target groups who are more isolated and have greater barriers to integration including children, women, the elderly, people with a disability and those who are illiterate.

The project aims to support around 500 people to gain access to resources and relationships in order to improve their participation and integration in the local community and to promote well-being. It is doing this by recruiting and training new immigrants from to become volunteer community advisers. These community advisers provide other immigrants with both general friendship, support and referral to relevant community organizations and public services and with additional training they may provide more specialist information and support in fields including: health, education (including ESOL), employability and other. The project aims to identify barriers (both external such as difficulty in accessing services and internal such as lack of confidence) that discourage or prevent new migrants from accessing work and volunteering opportunities and local services and to help immigrants address them.

## Literature Review | Scope

The literature review was commissioned to develop a better understanding of how integration outcomes could be valued. In particular, it was tasked to review how attempts have been made to assign economic value to the social values associated with improved integration outcomes, looking in particular at the literature on 'social capital' development.

The review has covered relevant academic and grey literature on integration and social capital. It has searched for evidence on the rationale used to ascribe values to social capital

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<sup>1</sup> Information for this section taken from GATEWAY Portsmouth project newsletters – November 2012, January 2013, March 2013 - posted on <http://www.migranthealthse.co.uk>.

development. The focus has been on studies relevant to immigrant communities. The review includes a consideration of ‘hard’ indicators - such as language qualifications, education status, as well as ‘soft’ indicators - such as confidence, resilience and trust.

## **Literature Review | Process**

### **Academic literature review**

Searches for articles related to measuring integration and social capital were conducted using two social science academic databases – the Applied Social Sciences Index and Abstracts (ASSIA) database and the International Bibliography of Social Science (IBSS). Annex 2 provides full details of the search terms and numbers of articles returned. All items were reviewed broadly for relevance to the project. In total 60 articles with some relevance were recorded. Abstracts of these articles were annotated and/or key points summarised. Full documents of the most relevant articles were read and more extended summaries written where relevant. In addition, the websites of some key academic departments in UK universities were consulted for publications including: the Migration Research Unit, Department of Geography, UCL; the Migration Observatory, University of Oxford; the Institute for Research into Superdiversity, University of Birmingham and the Institute for Social Change, University of Manchester.

The academic articles provided useful theoretical clarifications and insight into how social capital has been measured. However, the articles included little information on processes of valuation or the particular issue of attributing economic value to specific outcomes. It was decided that instead of searching a third academic database for further articles, more time would be invested in reviewing the grey literature.

Information about particular dimensions of integration and about integration pathways *did* emerge in the academic literature. Examples have been included where there is relevance to the wider concern of how outcomes are valued.

### **Grey Literature review**

A widespread policy focus on integration of immigrants within Europe and beyond has resulted in substantial grey literature on integration. This has focussed at state level and at

more local levels and ranges from country policy documents, to national statistical surveys, to detailed qualitative research and local project evaluations. A search of this literature was undertaken focussing on the use of social capital measures. The review focussed primarily on reports from the UK but also accessed some key literature on integration from Europe and beyond.

For the UK literature, searches were conducted of publications related to integration and social capital through the Home Office website<sup>2</sup>, the ICAR database<sup>3</sup>, the Third Sector Knowledge Portal<sup>4</sup> and Researching Asylum in London database<sup>5</sup>. At a European level, the EC's European Website on Integration resource library<sup>6</sup> was consulted and all reports and articles in English on evaluation, assessment and indicators were reviewed. Searches were also made of the Australia Department of Immigration and Citizenship and the New Zealand Government's Ministry of Business, Innovation and Employment publications on settlement and integration. Relevant reports were collated, including longitudinal studies on migrants and reviewed for their insights about measuring and evaluating integration.

A search was then made of the wider literature on measuring social value, which draws strongly on the social capital literature. This began with the Social Return on Investment (SROI) literature on the SROI Network pages and also covered UK government documents on this topic. Selected literature on well-being related to this was also reviewed because of the overlap of some measures.

## **Key terms** | 'Integration' and 'Social Capital'

'Integration' and 'social capital' are both complex concepts which lack a single definition. They are both composite terms, covering several different dimensions or domains, and different studies have chosen to focus on different dimensions. Both concepts are used at different levels of analysis – spanning individuals and their relationships, to neighbourhoods and districts, to nations and states. Social capital and integration have been studied across several disciplines including economics, sociology, political science, anthropology and public

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<sup>2</sup> <https://www.gov.uk/government/organisations/home-office/about/research>

<sup>3</sup> <http://www.icar.org.uk/>

<sup>4</sup> <http://www.tsrc.ac.uk/Research/KnowledgePortal/tabid/840/Default.aspx>

<sup>5</sup> <http://www.researchasylum.org.uk/>

<sup>6</sup> <http://ec.europa.eu/ewsi/en/resources/index.cfm>

health. The lack of a standard definition and the fact that their use crosses disciplinary boundaries both contribute to the fact that these concepts are contested.

Attention to the wider political and social context is necessary for studies of social capital (see Poland and Wakefield 2005, Carpiano 2006, Forbes and Wainwright 2001), in order to assess what a given framework of analysis *omits* as well as what factors are included. Lack of attention to this has been a major critique of approaches to social capital (Schuurman 2003). With regards to integration, similar attention is necessary so that potential conflicting interests of integration policies and practices at local and national levels can be recognised. Integration projects can be promoted at a local level, whilst structural and political barriers are being created at a national level (see Cheong et al. 2009, Mulvey 2010).

For the purpose of this literature review, it is useful to clarify briefly the usage of 'integration' and 'social capital' in relation to the development of the GATEWAY project.

## Integration

The project has taken the *Indicators of Integration Framework* (Ager and Strang 2004) as the basis for its understanding of integration. The framework is divided into domains covering different dimensions of integration: means and markers – employment, housing, education, health; social connections – social bridges, social bonds, social links; facilitators – language and cultural knowledge, safety and stability; foundation – rights and citizenship:

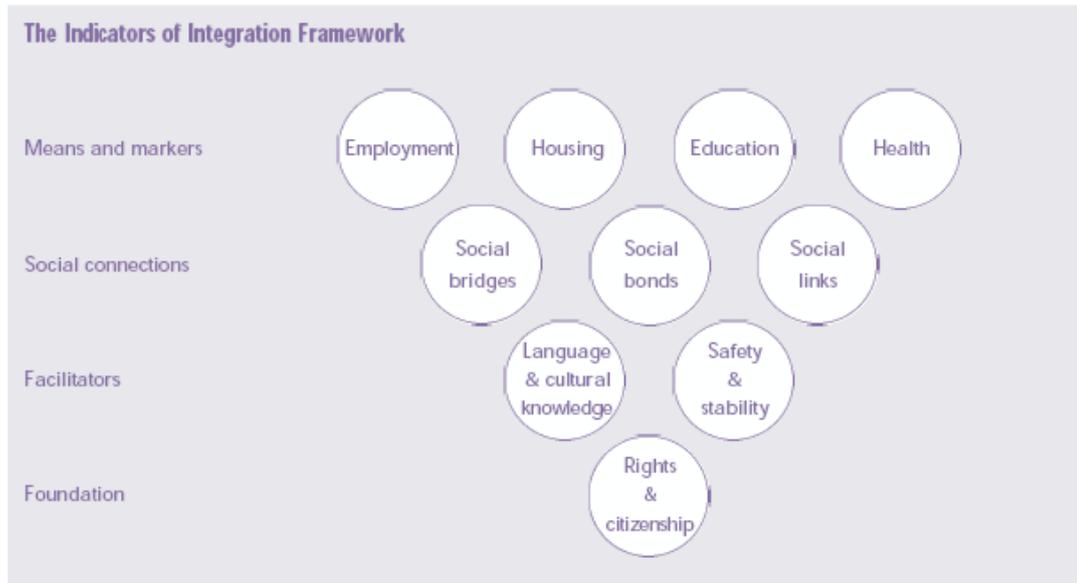


Figure1: Indicators of Integration Framework (Ager and Strang 2004: 3).

Whilst they emphasise that creating a definition of integration was not the aim of their work, Ager and Strang suggest that a working definition is implicit within the framework: “An individual or group is integrated in a society when they”:

- achieve public outcomes within employment, housing, education, health etc. which are equivalent to those achieved by the wider host communities;
- are socially connected with members of a (national, ethnic, cultural, religious or other) community with which they identify, with members of other communities and with relevant services and functions of the state; and
- have sufficient linguistic and cultural knowledge, and a sufficient sense of security and stability, to confidently engage in that society in a manner consistent with shared notions of nationhood and citizenship (2004: 5).

Ager and Strang (2004, 2008) have reiterated that integration is a two-way process and that the framework is to be used flexibly, reflecting the complex multi-dimensional and multi-level nature of integration. A more recent article by Strang and Ager (2010) takes note of Hobfoll's (1998) concept of “resource acquisition spirals” and suggests that this is useful for “effectively conceptualizing the dynamic interplay between factors mapped by the framework in shaping trajectories of integration.” Recent scholarship by Phillimore (2012) on integration has in particular developed these insights about the importance of understanding *integration pathways*.

The Refugee Council/University of Birmingham's 2007 study, 'Refugees' experiences of integration,' focusses in detail on social connections and networks using the classifications of formal and informal, and inclusive and exclusive. It considers the barriers to forming and accessing social networks. It also assesses the benefits and resources a person receives through their connection with social networks in terms of 'functional and immediate needs', 'emotional needs and belonging' and 'equality and empowerment'. This qualitative study drawing directly on refugees' perspectives highlights that integration is not linear process, but rather that it can be fractured and interrupted. It also drew from refugees perceptions of integration to develop understanding of integration pathways and emphasised that integration is a subjective process for the individuals involved.

## Social Capital

Early work on social capital was conducted by the social theorist Bourdieu (1986), the sociologist Coleman (1988) and later by the political scientist Putnam (1993). The concept developed and gained popularity amongst scholars mainly in the US who were interested in its application. It has defied fixed definitions and its components are still debated, as will be discussed in the following sections. However, two oft cited definitions in the literature on social capital are by Putnam and by Kawachi et al.:

- Putnam (2000): 'refers to features of social organisation, such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions'.
- Kawachi et al. (2004): 'the resources available to individuals and communities through their social relationships'.

Reviewing social capital literature there has been a need to clarify continually what exactly is being measured: is a specific measure of social capital being used– e.g. associational membership or trust? Or is a more complex composite measure being employed? Discussions of social capital can often mask these distinctions leading to a lack of clarity. In the review of literature on social capital and on integration, the following questions have been kept in mind to guide the analysis:

- **What definition** is being used or assumed?

- **What level of analysis** is the article/report focussed at? For example, is the article/report discussing social capital measures at a regional level or access to social capital resources at an individual level?
- **What assumptions are being made?** Are these justifiable?

Within the literature on immigrants and integration it is the *bonding* and *bridging* dimensions of social capital that are repeatedly emphasised. These are also the core dimensions of social capital that the GATEWAY project has been utilising. The IOI framework draws particularly on the social capital concepts of bridging, bonding and linking relationships in its social connections dimensions. These describe the networking relationships that provide access to different kinds of resources, from social and emotional support, to practical assistance and training.

## **Summary of Academic Literature on Social Capital and Integration**

In total 60 articles were selected from the searches of the academic literature on measuring integration and social capital, to review either in brief (reading the abstract) or in full (reading the full article) depending on their relevance. A simple breakdown of the topics covered indicated that: 17 studies social capital as it related to employment, 5 as it related to health (including mental health), 1 as it related to education, 3 as it related to language acquisition, 1 as it related to citizenship/rights, 9 as it related to well-being, 10 to the bonding, bridging or linking aspects of social capital and 14 to more theoretical issues about measuring social capital and integration. A small number of additional scholarly articles are included that emerged through the course of the review. The majority of the articles provided descriptive analysis, whilst some studied statistical correlations or calculated more complex statistical relationships and multiple dimensions. More information about tracing the patterns of integration pathways, and how the different domains of integration interrelate, also emerged.

### **Measuring social capital: theoretical and empirical issues**

Some research has attempted to create a combined overall measure of social capital, whilst other research has taken one or two dimensions of social capital and used these as proxy indicators for the concept. This has created a considerable range of approaches. Those attempting to create a composite measure have noted the need to include a range of measures at a sufficient level of detail in order to develop increasingly valid and reliable measures of social capital. The following discussion presents a review of literature about how measurements have been developed and about some of the theoretical critiques and challenges.

A detailed review of social capital measurements through the dominant method of surveys is given in Stone (2001). She sets out a very clear rationale for developing a theoretically informed framework for researching social capital in family and community life. This is, necessarily, multi-dimensional and aims for measurements that can give more detailed evidence on how different dimensions of integration relate, for example how relations within different networks relate to trust with these networks. Stone highlights conceptual and theoretical problems with how some studies have been conducted, particularly those which have used a particular proxy indicator and equated this to a measurement of 'social capital'.

Critically, she demonstrates how social capital can be studied more directly and empirically. In order to do this she reviews some of the major survey style studies of social capital in detail, including the World Bank's Social Capital Assessment Tool (Krishna and Shrader, 1999), the UK Voluntary Survey 1991, the World Values Survey 1991 and the pioneering Australian studies Onyx and Bullen (1997), Baum et al. (1998), Stewart Weeks and Richardson (eds.1998). Stone discusses and compares the items from these surveys which relate to the key aspects of social capital in her conceptual framework, firstly 'the structure of social relations: networks' including: network types; network size and capacity; the scale of networks; open and closed networks; dense and sparse networks; homogenous and heterogenous networks; vertical and horizontal network relations. Secondly, items related to the 'quality of social relations: norms' including: norms of trust; and norms of reciprocity. Her review ends with a series of insightful guiding principles for measuring social capital (2001: 34-35) , the first of which are:

- *Empirical recognition that social capital is a multidimensional concept comprising networks of social relations characterised by norms of trust and reciprocity;*
- *An understanding that each of these dimensions must be measured in a comprehensive and valid investigation of social capital;*
- *A conceptual and empirical distinction between social capital and its outcomes, facilitating unambiguous research design which may properly inform upon the relationship between social capital and other factors;*
- *Avoidance, therefore of the common practice of mistaking a range of factors/outcomes which may be related to social capital for measures of social capital itself.*

Another study by Narayan and Cassidy (2001) conducted around the same time as part of the development and piloting of the World Bank's Global Social Capital survey, also reviewed surveys on social capital, specifically: the World Values Survey 1995, Onyx and Bullen's (1997) five community study in New South Wales, Sudarsky's study in Colombia (1999) and the US's Index of National Civic Health. The main aim of their paper was to set out recommended and suggested measures for different dimensions for a multidimensional measure of social capital. The annex to their article includes these in detail covering the following categories: group characteristics, generalized norms, togetherness, everyday sociability, neighbourhood connections, volunteerism, trust. A set of further measures are outline to measure what they describe as 'Determinant Measures' - pride and identity and

communication; and 'Outcome Measures' – quality of government, honesty and corruption, competency, peace, crime and safety, political engagement (2001: 93-101).

A useful summary of conceptual developments in the measurement of social capital is presented by Sherreib et al. (2010) in their review of the measurement of capacities for community resilience. They detail how Kawachi and Berkman (2000) defined social capital “as the set of actual or potential resources linked to one’s social networks,” and emphasised the need to measure social capital at an aggregate level. They highlight that it was Uphoff (1999) who identified two distinct categories of social capital: firstly, *structural* social capital - referring to “the forms and varieties of social organizations and networks that are thought to contribute to the development of social capital,” which can be measured by aggregating existing secondary data; secondly, *cognitive* social capital referring to “the mental processes and perceptions resulting from norms, values, attitudes, and beliefs that foster mutually cooperative behaviors” for example “trust, cooperation, and reciprocity” which usually require interviews or more detailed surveys collecting qualitative data. Sherrieib et al. also refer to Grootaert (2002), who (contrary to Stone 2001) recommended the use of proxy indicators because of the challenges faced if attempting to measuring social capital directly and comprehensively. He suggested indicators that represent a broad measure of social capital included: “memberships in associations and networks based on density of organizations and incidence of membership; indicators of trust and adherence to norms referring to cognitive social capital and measured through surveys; and indicators of collective action, identified as the provision of services.”

Another review considered the orthodoxies and controversies of measuring social capital, focussing more specifically on research strategies and empirical approaches (Van Deth 2002). Whilst Van Deth briefly and concisely reviewed major measures used (see figure p83 and table p85), the main part of his article drew attention to a series of pitfalls in existing studies. He suggested that these pitfalls were: using proxies from existing data sets, using perceptions rather than observations, using aggregate measures for collective phenomenon, using inverse measure as proxies, using identical indicators in different settings and using single indicators instead of composite measures. Van Deth argues, “What is urgently needed, then, is the use of multi-method and multi-level strategies in order to strengthen the role of empirical evidence in debates on social capital and citizenship” (2003: 89).

Others have emphasised that the challenges in measuring social capital are because social capital is in fact describing processes within relationships and cannot be reduced to the ability to access certain fixed resources. Cheong et al. (2009) in their abstract state: “the concept of social capital is episodic, socially constructed and value-based, depending on the prevailing ideological climate”. They add: “Considerations of social capital as a public policy tool to achieve social cohesion need to incorporate an appreciation of alternative conceptions of social capital rooted in a textured understanding of immigrant processes and migration contexts.” Bankston and Zhou (2002) highlight that social capital “does not consist of resources that are held by individuals or by groups but of processes of social interaction leading to constructive outcomes.” They explain:

*The confusion over the meaning of this term, then, is a consequence of a metaphorical confusion of a substantive quantity (capital) and a process that takes place through stages (embedded, goal-directed social relations). Locating and defining social capital is further complicated by the variability, contextuality, and conditionality of the process. Stages of social relations that lead to constructive outcomes for one group of people or in one situation may not lead to constructive outcomes for another group or in another situation. (2002: 285)*

Furthermore, they also observe that social capital is not located at one level, but emerges across levels of analysis.

The literature highlights the need for economic status and local context to be incorporated into analysis of social capital. Poland and Wakefield (2005) note that social capital cannot be considered separately from economic and political structures, a point which is particularly relevant when working with immigrant groups who are often marginalised within these structures. They note that this “*runs counter to many current policy discourses, which focus on the importance of connection and cohesion without addressing fundamental inequities in access to resources*” (2005: 2819). The importance of a more detailed study of the the resources accessed themselves, rather than simply the relationship connections within social networks, was argued by Carpiano (2006). He also drew attention to scholarship on the potentially negative aspects of social capital and issues of power (2006: 166-7). Forbes and Wainwright (2001) have also highlighted the need to situate studies of social capital within wider assessment of context of inequalities in their review of health research.

Further to this, the literature has suggested that interventions aiming to support the development of social capital may not work with marginalised communities. Fitzpatrick et al.

(2007) studied social capital and suicide ideation amongst homeless people. Their research suggested caution on the wide application of social capital benefits without a consideration of context, because they found “social capital's much touted benefits for personal well-being may not apply to disadvantaged populations.” If social capital is embedded in networks of relations, it is logical that projects that target only one group without addressing the relations between groups may not work. Similarly, Zetter et al. (2005) in their work on RCOs have also concluded: “From a structural perspective, the formation of social capital, under conditions of exclusion and marginality, is questioned” (2005: 170). This is a critical issue in relation to working with immigrant groups.

### Calculating the economic value of social capital: an example

The academic articles provided very little evidence about how economic value could be attributed to different measures of social capital. Only one article by Groot et al. (2006), 'Analysing social capital, well-being and compensating income variations' attempted to link economic value to social capital outcomes. They used secondary data, analysing a survey administered through Dutch daily newspapers to look at three aspects of social capital: the size of social network, extent of the social safety net and membership of trade unions/special interest groups. The survey also measured overall life satisfaction (OLS). Groot et al. studied how this related to the social capital indicators and studied differentials by age, gender, employment status and a number of other factors. They note the limitation of the survey as it does not represent non-daily newspaper readers and under represents ethnic minorities, but they otherwise believe that, despite a low response rate, the survey is adequately representative of the Dutch population.

Using the data in the survey, Groot et al. calculated an equivalence scale. From this the compensating income variation for the three different social capital indicators was measured, by relating this to the average population income (2006: 202-3). This study is interesting methodologically firstly for its attempt to combine an analysis of social capital and of well-being, and secondly for the step it then takes to calculate a value for compensating income variation. Further analysis of the statistical approach used would be required to assess the possibility for its adaptation.

Whilst this was the only article reviewed in detail that attempted to calculate the economic value of social capital, interest in the relationship between social capital and the economy

have been central to the stream of social capital research following Putnam's (1993) seminal study of the differences in social capital and wealth in different Italian regions. Much of this has been at a national level, for example Knack and Keefer's (1997) cross-country review who found a significant positive correlation between economic growth and trust, but interestingly not between economic growth and Putnam's much used measure of organisational membership.

## Linking integration domains and pathways with social capital

### **Health**

There has been increasing interest about the impacts of social influences on health, and many studies have used different measures of social capital. Harpham et al. (2002) reviewed a wide range of these studies. They noted that the measures of social capital most commonly used in key studies were by Kawachi et al. (1997) and Sampson et al. (1997). They have argued the need for a comprehensive composite measure of social capital and suggested the Adapted Social Capital Assessment Tool (A-SCAT) which they developed (based on the World Bank's SCAT tool) could be used. This tool covers both structural and cognitive dimensions of social capital, but they acknowledge it does not cover adequately the important distinction between bonding and bridging social capital and call for further development to address this.

Almedom (2005) conducted a review of evidence of the links between social capital and mental health a few years later and he too highlighted the need for the further development of measures, emphasising that there should be multi-disciplinary studies that included both qualitative and quantitative components in order to determine the mechanisms involved in influencing mental health. His study also showed the importance of bonding and bridging types of social capital to mental health.

Also studying the impacts of social capital on mental health of adults in Australia, Phongsaven et al. (2006) measured three different constructs of social capital at the individual level: feelings of trust and safety; community participation; and neighbourhood connections and reciprocity. These dimensions relate closely to the safety and security, bonding and bridging domains of the Indicators of Integration framework. Their study concluded that trusting people, feeling safe in one's community and engaging in social reciprocity were the most relevant dimensions of social capital in accounting for psychological distress. It did not find a statistically significant association between community participation and mental

distress, which led them to conclude “that focusing on the social and contextual features of the community rather than its structural elements in the first instance might have substantial practical relevance” (2006: 2558). This is an important finding given that social capital measures have tended to focus on structural elements because these are easier to measure.

D'Hombres et al. (2009) examined self-reported health in eight transition countries using the measures of trust, social isolation and membership in local organisations. They found that whilst there was a significant positive correlation between trust and health and a significant negative relationship between social isolation and health, again there was no significant relationship between organisational membership and health. Reiterating the findings of the above study. In another study, Wouter (2012) used data from the 2007 and 2009 Citizenships Survey in England to explore more specifically the relationship between measures of social capital, community resilience and health. His results showed that “most indicators of bonding, bridging, and linking social capital were significantly associated with neighbourhood deprivation and self-reported health”. They did not, however, support the hypothesis that developing different aspects of social capital can act against the detrimental influences of neighbourhood deprivation. This is important, because it suggests that actions to increase social capital will not necessarily have impact on health outcomes if underlying issues of deprivation are not addressed.

### **Education**

One article in the search related to the integration domain of education. Ramsden and Tabet (2013) conducted a qualitative study of Somali families resettling in Australia. They showed how children's education was a vehicle for whole families to reconstruct lives because it generated optimism and hope for the future within these families. They argued that bringing parents and teachers together was a means for building bridging social capital, and that this focus and new relationships could be beneficial for families coping with trauma and loss. This gives evidence of the wider impact children's education can have on a family's pathway towards settling and integrating in a new community.

### **Employment status**

Articles related to employment status and work were the most frequently occurring amongst those reviewed. Economic integration is of primary interest to policy-makers interested in immigrant integration. For immigrants themselves, work and employment are often one of the

priority personal goals, being critical as a means to accessing an income and material resources and important for increasing other forms of social capital.

Behtoui and Neergaard (2010) studied the relationship between immigrants' access to social capital through their networks and their employment prospects. They suggested that “immigrant workers are embedded in social networks that constrain their ability to acquire valuable social resources or are excluded from social networks with valuable resources” (2010: 761). They also observed that the effects of access to social capital were distinct from a person's human capital when analysing the disparity in wages between immigrants and the native-born population. Other studies, however, have challenged this hypothesis that the bonding capital of immigrant community networks can limit access to greater social capital resources, as will be detailed below. Allen's (2009) study of a population of refugees and immigrants in Portland, Maine has a well developed methodology and presents a detailed review of the literature on the links between employment status and earnings and immigrants' ethnic network connections.

Bask (2011) studied cumulative disadvantage and welfare problems amongst immigrants in Sweden. Her study gave evidence of clustering of disadvantages and welfare problems. Her conclusion emphasized the importance of labor market participation for integration policy (2011: 462). Another Swedish study by Aaslund and Johansson (2011) evaluating a pilot programme to introduce disadvantaged migrants to the workplace, reported results of “increased transitions from unemployment to work experience schemes and improved future employment probabilities.” They calculated the costs of the scheme at roughly Euro 30,000 per job year created.

Lancee (2012) uses longitudinal panel data from Germany to analyse the separate effects of bridging and bonding social capital on employment and occupational status of first generation immigrant men. The results show that bridging social capital is positively related to economic position, but bonding social capital does not have an effect. An earlier study (2010) he conducted using data from the Netherlands reported the same result. A similar study, using the Longitudinal Survey of Immigrants to Canada, considers labour market outcomes of recent immigrants (Grenier and Xue 2011). In particular it studies actual occupation with intended occupation and the duration of time it takes for an immigrant to find employment in their intended occupation. They found that “the initial year in Canada is critical for an immigrant to land a job in the intended field” and “that education, English language ability,

Canadian work experience, and friend networks facilitate access to the intended occupation” (2011: 275).

Another Dutch study, Tubergen (2011) considered how refugees searched for jobs in the Netherlands, using data from a large-scale survey. It showed that the majority found work through an employment agency and less than 20% found jobs through personal contacts. Furthermore, higher skilled refugees more often used formal methods to search for jobs. Whilst, “some evidence exists that refugees who maintain close contacts with native-born Dutch (bridging social capital) were more likely to search via their personal network” (2011: 179). This provides important context for exploring how social capital influences employment opportunities, emphasising the importance of formal routes and schemes beyond social connections.

### **Language and Cultural knowledge**

Being able to communicate confidently in the language of host country repeatedly emerges in the literature as a critical step towards integration – e.g for education, employment and also feelings of belonging (Nawyyn et al 2012; Dustmann and Fabbri, 2003; Esser 2006). One specific example is given by Delander et al. (2005) who evaluated a pilot scheme in Sweden that targeted unemployed immigrants with training that combined “work-oriented language teaching” and “practical training” for a particular workplace. Those participating in the pilot scheme took up employment, training, or education more quickly than those who participated in the standard training, indicating the importance of targeted language training for those week in host-country language.

### **Bonding, bridging and linking**

Ravenera and Rajulton (2010) cited an article by Stone and Hughes (2002: 2) which described bonding, bridging and linking network relations in more detail:

- a) bonding - informal ties with kin, families, friends, neighbours, and workmates;*
- b) bridging - generalized relationships with local people, people in civic groups, and people in general; and,*
- c) relationships through institutions.*

They also identified important aspects to measure including: “size and extensiveness (for example, number of neighbours personally known), density and closure (that is, whether network members know each other), and diversity (ethnic, education, and cultural mix of networks)” (2002: 2 cited in Ravenera and Rajulton 2010: 65).

Patulney et al. (2007) conducted a broad review of the literature on bridging and bonding social capital across different social science fields studying both qualitative and quantitative studies. They noted that whilst *bridging* social capital is regarded as positive; *bonding* social capital can be either positive or negative. A German study suggested that whilst contact with family, friends, neighbours and volunteering had no significant effect on employment; having contacts with Germans did, highlighting specifically the importance of 'linking' social capital to employment outcomes (Kanas et al. 2011). Kazemipur (2006) has also concluded that immigrant communities' social networks have less impact, offering fewer resources.

However, it is important to recognise that studies have suggested that these different kinds of social network relationship are valued differently depending on gender (Goodson and Phillimore 2008) and on position within family relations (Ravenera and Rajulton 2010). It is also important to note that several articles across the different topic domains note that trust has significant positive correlations with integration outcomes.

A Danish study by Nannestad et al. (2006) about integration of non-Western immigrants into Western welfare states also focussed specifically on bridging and bonding social capital. Their results indicated a positive relationship between bridging and bonding capital and that "bonding social capital in the immigrant group does not seem to impede the establishment of the bridging social capital needed for integration", counter to what other studies have suggested (see Behtoui and Neergaard, 2010 above). Ryan (2011) questions the simplistic dichotomy between bonding and bridging social capital and suggests that attention needs to be given to "the actual resources flowing between these ties or the kinds of relationship developing between the actors involved".

Zetter et al. (2005) have studied the role of refugee community organisations (RCOs) which have often been thought to play an important 'bonding' role for those who have newly arrived. They describe how within policy frames RCOs have been widely involved in delivery of integration projects for this reason. However, Zetter et al. note that their role has also been more varied and conflictual, post-dispersal having to give more attention to securing basic security and well-being for refugees in the face of harsher government policies, than on building up local capacities.

Two other issues raised in relation to bonding, bridging, and linking capital were the importance of religion (Karner and Parker, 2008: 39) and mentoring/exchange schemes between new comers and host communities (e.g. LETS scheme discussed by Smets and Kate 2008: 45).

## Key learning | Measuring and Valuing Integration Outcomes

- Many reports have emphasised that social capital, in particular a consideration of the social bonding and bridging capital, is important to the analysis of integration.
- The literature also highlights the need to consider in detail the quality of relationships and resources within networks, not simply network structures and connections.
- It has highlighted that social capital development is a process, paralleling the pathways people trace towards fuller integration and well-being.

# Developments in Measuring Social Value and Well-being

## Measuring Social Capital in the UK

The first attempts to collate and standardise measurements on social capital in the UK nationally were made by the Office of National Statistics (ONS) in 2002. They produced the *Social Capital Question Bank*<sup>7</sup> based on surveying the social capital measures that have been used in 21 government and non-government surveys, including major health and citizenships surveys (Harper and Kelly, 2003: 5). The Social Capital Harmonised Question Set was developed from this and published a year later, along with an accompanying guide.<sup>8</sup> The framework for the Harmonised Question Set included the following main dimensions:

- Social participation
- Civic participation
- Social networks and support
- Reciprocity and trust
- Views of the local area

The full set of questions is given in the report. The ONS have also produced a list of longitudinal and times series data sources for social capital data.<sup>9</sup>

## Accounting for Social Value

There has been increased interest within the UK Government over recent years about methods for more accurately accounting for social value in a way that would register in economic accounting processes. The Treasury's *Green Book* (2003 updated 2011)<sup>10</sup> set out suggested methodologies for how non-economic value could be assessed within projects. It acknowledged that this was a developing field, and the proposals given were initial

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<sup>7</sup> *The Social Capital Question Bank, 2002, ONS* <http://www.ons.gov.uk/ons/guide-method/user-guidance/social-capital-guide/the-question-bank/index.html>

<sup>8</sup> *Measuring Social Capital, 2003, Harper and Kelly, ONS* <http://www.ons.gov.uk/ons/guide-method/user-guidance/social-capital-guide/the-social-capital-project/harmonised-question-set.pdf> and *Social Capital Harmonised Data Questions guide* <http://www.ons.gov.uk/ons/guide-method/user-guidance/social-capital-guide/the-social-capital-project/annoted-version-of-the-harmonised-question-set.pdf>

<sup>9</sup> *Social Capital: Longitudinal and Time Series Data Sources* <http://www.ons.gov.uk/ons/guide-method/user-guidance/social-capital-guide/the-social-capital-project/social-capital-longitudinal-time-series-data.pdf>

<sup>10</sup> HM Treasury 2003 (update 2011) *THE GREEN BOOK : Appraisal and Evaluation in Central Government* [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/179349/green\\_book\\_complete.pdf.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/179349/green_book_complete.pdf.pdf)

suggestions. Box 10 on valuation techniques (p23) outlines possible methods for valuing costs and benefits where there is no direct market value – e.g. for social, environmental or health impacts;

- 'Willingness to pay' measures can be used if they can be directly inferred by observing consumer behaviour – a 'revealed preference measure'.
- If this is not possible, people can be *asked* what they would be willing to pay for a particular benefit – a 'state preference' measure.
- In the case of a cost, people can be asked instead how much compensation they would demand – a 'willingness to accept' measure.'

Annex 2 of the report gives further details about these methodologies.

A discussion report related to this, by Fujiwara and Campbell, was published in 2011: *Valuation Techniques for Social Cost-Benefit Analysis: Stated Preference, Revealed Preference and Subjective Well-Being Approaches*. This provides greater detail about these different kinds of measures and a comparison of their strengths and weaknesses, drawing on behavioural economics. It also proposes another alternative for measuring social value by assessing subjective well-being and life satisfaction. The report aims to provide analysis that can help those designing research to develop critically engaged, strongly grounded and rigorous studies. It outlines the economic basis to the different methodologies and provides examples of how these can be worked through.

## Measuring Well-Being

The report by Fujiwara and Campbell (2011), draws together two strands of research - social capital measures and well-being measures - that have developed in parallel over recent years. The Office for National Statistics published the report *Measuring National Well-Being: Life in the UK, 2012*<sup>11</sup> presenting a detailed multi-dimensional framework of indicators and selected statistical measures for each of these. These are presented in summary form in the *National Well-being wheel of measures, November 2012*.<sup>12</sup>

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<sup>11</sup> [www.ons.gov.uk/ons/dcp171766\\_287415.pdf](http://www.ons.gov.uk/ons/dcp171766_287415.pdf)

<sup>12</sup> <http://www.ons.gov.uk/ons/rel/wellbeing/measuring-national-well-being/domains-and-measures---may-2013/national-well-being-wheel-of-measures.pdf>

As part of this project, ONS produced a summary report *Differences in well-being by ethnicity* in April 2013<sup>13</sup>. Four questions related to well-being had been asked:

- Overall, how satisfied are you with your life nowadays?
- Overall, to what extent do you feel the things you do in your life are worthwhile?
- Overall, how happy did you feel yesterday?
- Overall, how anxious did you feel yesterday?

The Black ethnic group, Bangladeshi and Pakistani ethnic groups reported lower mean scores in overall life satisfaction than the white ethnic group. All ethnic groups reported lower average scores in response when asked whether they thought what they did in life was worthwhile. There were differences within ethnic groups by gender, with women reporting higher mean scores on average than men in almost all ethnic groups. A brief interpretation of the disparity in results by ethnicity is given, which notes that Bangladeshi, Pakistani and Black ethnic groups have the highest unemployment rates and Bangladeshi and Pakistani ethnic groups have higher rates of poor health.

Another report which draws together and reviews well-being and social capital measures is the Social Return on Investment (SROI) Network's collaboration with National Philanthropic Capital to produce the *Outcomes Map: Personal and Social Wellbeing* (2013).<sup>14</sup> The following section looks in more detail at the SROI methodology.

## The Social Return on Investment methodology

The Cabinet Office and NEF's collaboration on *A Guide to Social Return on Investment*<sup>15</sup> has set out in detail the methodology for conducting a Social Return on Investment (SROI) evaluation. It highlights seven principles involved in assessing Social Return on Investment:

- Involve stakeholders
- Understand what changes
- Value the things that matter
- Only include what is material
- Do not over-claim
- Be transparent

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<sup>13</sup> *Differences in well-being by ethnicity, 2013*  
[http://www.ons.gov.uk/ons/dcp171766\\_308226.pdf](http://www.ons.gov.uk/ons/dcp171766_308226.pdf)

<sup>14</sup> <http://www.thinknpc.org/publications/outcomes-map-well-being/>

<sup>15</sup> <http://www.neweconomics.org/publications/entry/a-guide-to-social-return-on-investment>

- Verify the result

It is designed to be an engaged, critical process where indicators and outcomes for different stakeholders and collectively established. As such, the *Guidelines* set out the following six steps:

- 1. Establishing scope and identifying key stakeholders. It is important to have clear boundaries about what your SROI analysis will cover, who will be involved in the process and how.*
- 2. Mapping outcomes. Through engaging with your stakeholders you will develop an impact map, or theory of change, which shows the relationship between inputs, outputs and outcomes.*
- 3. Evidencing outcomes and giving them a value. This stage involves finding data to show whether outcomes have happened and then valuing them.*
- 4. Establishing impact. Having collected evidence on outcomes and monetised them, those aspects of change that would have happened anyway or are a result of other factors are eliminated from consideration.*
- 5. Calculating the SROI. This stage involves adding up all the benefits, subtracting any negatives and comparing the result to the investment. This is also where the sensitivity of the results can be tested.*
- 6. Reporting, using and embedding. Easily forgotten, this vital last step involves sharing findings with stakeholders and responding to them, embedding good outcomes processes and verification of the report.*

In order to look in more detail at how some of these steps have been taken, in particular the step of evidencing and valuing outcomes, three strong examples of SROI reports are discussed in more detail below. Some of the proxy indicators and details of the calculations they have made are highlighted:

### **1. Impact Arts: FabPad project evaluation, 2007**

An example of an SROI report which has particularly clear documentation of its methodology in relation to its processes of valuation is the *Impact Arts: FabPad project evaluation* report<sup>16</sup>,

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<sup>16</sup> [www.impactarts.co.uk/files/Craft%20Cafe%20SROI%20Summary.pdf](http://www.impactarts.co.uk/files/Craft%20Cafe%20SROI%20Summary.pdf) or from the SROI Network website: [http://www.thesroinetwork.org/case-studies-not-assured/doc\\_details/10-impact-arts-sroi-report](http://www.thesroinetwork.org/case-studies-not-assured/doc_details/10-impact-arts-sroi-report)

completed in 2007. The report evaluated the FabPad creative projects which were working with vulnerable and marginalised families who were homeless or at risk of homelessness, or who had problems with substance misuse. New migrants were also included in some of their projects. The report uses actual values directly related to those engaged in the project, as well as proxy estimations based on questionnaire responses from project users, to produce detailed estimates and projections of value. The figures are not all easily transferable, but there is useful learning in what kinds of figures were obtained and how these were utilised within the methodology.

This report ascribes economic value to 16 of the project's outcomes including some which are directly of interest to the Gateway Project: Value of volunteering to society; Increased employability; Social inclusions gains by participants, Reduced support input from other agencies; Future earned income from qualifications; Homelessness avoided; Welfare benefits savings to state; New tax income to the state. To take a couple of example, a value for 'Social inclusions gains by participants' is established by calculating an hourly rate from their benefits as their 'disposable income' and then multiplying this by the number of 'increased hours of positive activity' and summing this for all the participants over the period in question (44-46). The outcome of 'Increased employability' was approached from the perspective of 'willingness to pay' from the Government's side, and so took unit costs of work schemes. The report surveyed seven published reports on costs for 'job outcomes' and conceptualised a 'journey' towards employment with each step on the journey accounting for a proportion of the overall investment (2007: 53-56).<sup>17</sup>

## **2. The Economic and Social Return of Action for Children's Family Intervention Project, Northamptonshire – 2010<sup>18</sup>**

This report was reviewed and 'assured' by the SROI Network.<sup>19</sup> This report drew proxy indicators from a wide variety of sources including government statistical reports, financial and insurance providers data, and also statistics quoted in newspaper reports. One outcome it attempted to measure was improvements to 'well-being.' It did not attempt to measure this directly at the individual level with the project users, but rather looked for evidence at the family level and used proxy costs such as the *avoidance* of: child protection costs, fostering costs, and violence compensation costs.

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<sup>17</sup> N.B. They note that this method has been updated in other reports in the series.

<sup>18</sup> [http://www.thesroinetwork.org/publications/doc\\_details/209-the-economic-and-social-return-of-action-for-childrens-family-intervention-project](http://www.thesroinetwork.org/publications/doc_details/209-the-economic-and-social-return-of-action-for-childrens-family-intervention-project)

<sup>19</sup> The SROI Network is a membership organisation established to support the SROI methodology <http://www.thesroinetwork.org/>

The proxy indicators it utilised included, for example:

- *Average annual cost of benefits (28yr old) - £248/wk; £12,896/yr* (Source: Dundee City Council. (2001). Evaluation of the Dundee Families Project. Glasgow: Dundee City Council, Scottish Executive, NCH Scotland.

- *Annual cost of child £9,227* (Source: Liverpool Victoria. (2010, Jan). Price tag of raising a child. Retrieved from Liverpool Victoria)<sup>20</sup>.

- *Average cost of stopping a truant £3,529* (Source: The Learning Challenge. (2010).<sup>21</sup>)

- *Household spending costs e.g. communication costs* (Source: ONS. (2009). Family Spending.<sup>22</sup>)

The report also used annual statistics from two key sources: from the Office of National Statistics for *data on wages*; and from PSSRU for *unit costs of health and social care*. It also contained a detail breakdown evaluating the costs of domestic violence - using statistics about criminal injuries compensation and from a Home Office study which had put a figure to the physical and emotional impact of domestic violence; and the costs saved when a child is diverted from care, using data on costs saved from PSSRU and the costs of fostering care.

### **3. National Association of Independent and Non-Maintained Special Schools – Social Impact Evaluation of Independent and Non-Maintained Special Schools using SROI<sup>23</sup>**

This report provides a very detailed fully worked through example of an SROI evaluation with explanations of decisions made to weight certain values according to the particular client group. For example, mental health costs were calculated as follows:

=> Total cost to the UK per annum from costs of treatment and lost productivity due to mental health issues among the population aged 18 to 65 – c£105.2bn. (Source: Centre for Mental Health.<sup>24</sup>)

=> The UK population in this age group is 39.5 million (ONS).

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<sup>20</sup> [http://www.lv.com/media\\_centre/press\\_releases/lv=%20cost%20of%20a%20child](http://www.lv.com/media_centre/press_releases/lv=%20cost%20of%20a%20child)

<sup>21</sup> [www.total-learning.org.uk](http://www.total-learning.org.uk)

<sup>22</sup> [http://www.statistics.gov.uk/downloads/theme\\_social/Family-Spending-2008/FamilySpending2009.pdf](http://www.statistics.gov.uk/downloads/theme_social/Family-Spending-2008/FamilySpending2009.pdf)

<sup>23</sup> [www.nasschools.org.uk/files/SROI%20report%20FINAL.pdf](http://www.nasschools.org.uk/files/SROI%20report%20FINAL.pdf)

<sup>24</sup> [http://www.centreformentalhealth.org.uk/pdfs/Economic\\_and\\_social\\_costs\\_2010.pdf](http://www.centreformentalhealth.org.uk/pdfs/Economic_and_social_costs_2010.pdf)

=> NHS statistics indicate that 25% of the population may be expected to experience some form of mental ill-health at any time.<sup>25</sup>

=> From this an average cost can be estimated at *£10,658 per individual per annum* (i.e.  $£105.2\text{bn} \div 39.5\text{m} \times 25\% = £10,658$ ).

=> An assessment of severity of mental illness affecting the population under consideration is then made, expressed as an estimated percentage of this average figure:

- *Annual cost of mental health issues per person affected-students with learning disabilities £7,994* (adjustment made because estimated less severe mental illness amongst students)

- *Annual cost of mental health issues per primary care giver affected £4,263* – (reduction by 60% to reflect expectation that parents would be more likely to suffer conditions of below average severity). (Baker Tilly, 2012: 63)

These details show how available figures have been combined and then an assessment has been made on how the more general figures should be weighted for the specific group of people being assessed.

## Volunteering

Recent literature has been emerging about the the value of volunteering. Because of the central place volunteers have in the delivery of the GATEWAY project, this section will briefly review this literature, before looking in more detail at proxy indicators from the SROI literature that relate to different integration domains.

Volunteering England several years ago set out different methods (with differing degrees of accuracy and extent of assumptions) for estimating the value of volunteers economic contribution.<sup>26</sup> More recent work has attempted to go beyond an estimation of economic benefit (assuming volunteering is equated with similar paid work) to measure the additional social value of volunteering to the volunteers themselves and to the wider communities. Fujiwara et al. (2013) used the methodology developed by Fujiwara and Campbell (2011) in the paper, *Well-being and civil society: Estimating the value of volunteering using subjective*

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<sup>25</sup> <http://www.mentalhealth.org.uk/help-information/mental-health-statistics/>

<sup>26</sup> See <http://www.volunteering.org.uk/component/gpb/is-there-any-way-of-measuring-the-economic-value-of-the-work-our-volunteers-are-doing>

*well-being data* DWP Working Paper No. 112.<sup>27</sup> Using subjective well-being measures they calculated that for frequent volunteers volunteering had a value of on average £13,500 per annum (2013: 7).

## **Proxy indicators and values from the SROI literature relating to Integration domains**

In relation to valuation processes, both government literature on measuring and accounting for social (non-market) value and SROI reports have been reviewed. This section collates proxy indicators and values from these reports and categorises these within the Indicators of Integration framework domains.

A list of 400 valuations are currently included in the database of financial proxies being developed by the SROI network<sup>28</sup>. These have also been reviewed and a sample of the most relevant are included below, marked with an asterisk (\*). This database is currently in the process of construction.<sup>29</sup>

### **Means and Markers | Employment**

#### **Commercial support costs to find a job\***

*Costs of preparing a CV and giving guidance on job seeking £220.90*

From <http://www.cvconsultants.co.uk> with the note: “It is very important that the organisation is able to measure and demonstrate that clients are more employable before using this proxy. Only suitable where the end point is employability, rather than getting a job, which would otherwise be the final outcome.”

#### **Disadvantaged groups have increased access to relevant employment opportunities (cost of)\***

*Cost of increased access to relevant employment opportunities for disadvantaged people - £6,600 per person*

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<sup>27</sup> <http://research.dwp.gov.uk/asd/asd5/WP112.pdf>

<sup>28</sup> [http://www.wikiwois.org/index.php?title=Special:RunQuery/Browse\\_Valuations](http://www.wikiwois.org/index.php?title=Special:RunQuery/Browse_Valuations)

<sup>29</sup> There appear to be plans for a validation process but much of the data is currently not validated and is entered with varying degrees of detail.

Extra costs by Jobseeker's Allowance to find employment opportunities for disadvantaged people – from *The Work Programme*, 2012, DWP<sup>30</sup>

### **Volunteering (well-being valuation)\***

*Subjective wellbeing - £14,100 p.a. (Germany 1989) £13,500 p.a. (UK, 2011)*

From Fujiwara et al., 2013, *Wellbeing and civil society: Estimating the value of volunteering using subjective wellbeing data*.<sup>31</sup>

### **Self-employment (used as measure of Positive functioning)**

*£ 2,940 Additional median annual wages earned by employed people vs. self-employed people.*

Cited in 'Growing Social Capital' 2012. Source: National Statistics Feature: Self-employment in the UK labour market, Guy Weir, Labour Market Division, Office for National Statistics, September 2003.<sup>32</sup>

## **Means and Markers | Education**

### **Graduate incomes in comparison to school leavers at 18\***

*A young person who goes to university is likely to earn £185,000 more by the age of 60 than if he had left school at 18.*

Used in New Philanthropy Capital's case study of a voluntary bike recycling scheme for young people in West Yorkshire. Data source is the Labour Force Survey<sup>33</sup>

### **Value of FE Qualifications**

The Department for Business Innovation and Skills report *Measuring the Economic Impact of Further Education, 2011 (BIS Research Paper No. 38)*<sup>34</sup> provides figures for Net Present Value (NPV) for individual FE qualifications at different levels. These figures include the projected increase in wages over a lifetime and chances of being in employment, plus the increase in value to employers, minus the costs of the inputs. These calculations have been

<sup>30</sup> <http://www.dwp.gov.uk/docs/the-work-programme.pdf>

<sup>31</sup> <http://research.dwp.gov.uk/asd/asd5/WP112.pdf>

<sup>32</sup> [http://www.statistics.gov.uk/articles/labour\\_market\\_trends/Self\\_employment\\_Sep03.pdf](http://www.statistics.gov.uk/articles/labour_market_trends/Self_employment_Sep03.pdf)

<sup>33</sup> <http://www.ons.gov.uk/ons/guide-method/surveys/list-of-surveys/survey.html?survey=%27Labour+Force+Survey%27>

<sup>34</sup> <https://www.gov.uk/government/publications/further-education-economic-value-of-post-19-qualifications>

made in line with Green Book methodology and further details of what is included in calculations of costs and benefits are given within the report. The figures given below are for the first time achievement of the given level of qualification.

*Table 1: NPV per start, per achievement and per £ of government funding (data taken from BIS Research Paper No. 38, 2011: 8)*

<b>Provision type</b>	<b>NPV per achievement (£000s)</b>	<b>NPV per start (£000s)</b>	<b>NPV per £ of govt funding (£000s)</b>
Apprenticeship L2	136	99	42
Work-Based NVQ L2	67	49	37
Provider-based NVQ L2	50	36	12
Apprenticeship L3	154	109	35
Work Based NVQ L3	82	60	36
Provider based NVQ L3	94	66	16
Basic Skills	27	20	23
Developmental learning	25	19	28
<i>Average</i>	<i>54</i>	<i>40</i>	<i>28</i>

In 2013 the same department published the *Review of the Economic Benefits of Training and Qualifications*.<sup>35</sup> This presents a review of the available data on the economic benefits for people who have undertaken vocational qualifications and a more detailed discussion on the NPV measurements but does not directly update these. It gives descriptive statistics for learners from ethnic minority groups from one of the surveys and also by socio-economic grouping (BIS 2013: 67-68).

Another more investigative study, *The Economic Value of Intermediate Vocational Educational Qualifications*, McIntosh and Garrett (2009)<sup>36</sup> gave a more detailed assessment

<sup>35</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/137878/bis-13-636-review-of-the-economic-benefits-of-training-and-qualifications-as-shown-by-research-based-on-cross-sectiona-and-administrative-data.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/137878/bis-13-636-review-of-the-economic-benefits-of-training-and-qualifications-as-shown-by-research-based-on-cross-sectiona-and-administrative-data.pdf)

<sup>36</sup> <http://www.ukces.org.uk/publications/er11-the-value-of-education>

for different methodologies for calculating returns on investment, and further breakdown of figures by highest qualification and more specific groups.

### **Wage increase for qualifications**

More simple figures that measured the added value of an additional qualification to an individual in terms of wage increase were quoted in the Impact Arts SROI report (2007):

*The increase in the average median hourly pay for SVQ Level 2 as opposed to SVQ Level 3 (HNC) was £1.00 per hour, and between SVQ Level 2 and SVQ Level 4 (degree level) was £13 per hour.*

The source cited was Lifelong Learning Statistics, 2005, Scottish Executive, based on analysis of the Labour Force Survey in the spring quarter of 2005.

### **Adult education**

Fujiwara has also written a report on *Valuing the Impact of Adult Learning: An analysis of the effect of adult learning on different domains in life*<sup>37</sup> (2012) for the National Institute of Adult Continuing Education. He suggests that for adults participating in part-time adult learning courses, benefits include:

- improvements in health, which has a value of £148 to the individual;
- a greater likelihood of finding a job and/or staying in a job, which has a value of £224 to the individual;
- better social relationships, which has a value of £658 to the individual; and
- a greater likelihood that people volunteer on a regular basis, which has a value of £130 to the individual. (Fujiwara 2012: 11).

## **Means and Markers | Health**

### **Mental health service costs per individual (anxiety and depression)\***

*Average cost of mental health services per individual (anxiety and depression)-  
£941.88 per person per year*

From the 'Troubled Families Cost Database' compiled by New Economy<sup>38</sup> with data sourced from *Paying the Price: Cost of Mental Health Care in England to 2026* (King's Fund, 2008).<sup>39</sup>

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<sup>37</sup> [shop.niace.org.uk/valuing-impact.html](http://shop.niace.org.uk/valuing-impact.html)

<sup>38</sup> [http://www.local.gov.uk/c/document\\_library/get\\_file?uuid=05090be1-8721-4264-864f-307b95214431&groupId=10171](http://www.local.gov.uk/c/document_library/get_file?uuid=05090be1-8721-4264-864f-307b95214431&groupId=10171)

<sup>39</sup> [http://neweconomymanchester.com/stories/1336-evaluation\\_and\\_costbenefit\\_analysis](http://neweconomymanchester.com/stories/1336-evaluation_and_costbenefit_analysis)

The database notes: "Fiscal cost only, excluding wider economic benefits relating to lost earnings and other societal costs (e.g. from improved well-being). Data comprise the cost of mental health services including: prescribed drugs; inpatient care; GP costs; other NHS services; supported accommodation; and social services costs."

### **Mental health and well-being: Resilience and self-esteem development**

*Cost of Cognitive Behavioural Therapy to build resilience and psychological self-esteem - £1,240 (based on 20 sessions @ £62/session)*

This was cited in the SROI report 'Catalysts for Community Action and Investment' 2010<sup>40</sup> and is the cost of recommended NHS treatment for moderate-severe depression to build psychological resilience and self-esteem given in Unit Costs for Health and Social Care 2007 PSSRU.<sup>41</sup> Also cited in 'Growing Social Capital' SROI report 2012.

### **Mental health and wellbeing: Positive functioning - autonomy**

*Monetary advantage foregone by people who are self-employed compared to people who are employed (based on median annual wages ) - £2,964*

This was cited in the SROI report 'Catalysts for Community Action and Investment' 2010,<sup>42</sup> which sourced data from a 2003 ONS report, 'National Statistics Feature: Self-employment in the UK market place'.

## **Social Connections | Social Bonds**

### **Supportive relationships:**

*Increase in annual value attributed in change from 'seeing friends and relatives once or twice a week' to 'seeing friends and relatives most days' - £15,500*

This measure of frequent contact with close friends and family who provide support, used as a proxy for supportive relationships, was cited in the SROI report 'Catalysts for Community Action and Investment' 2010<sup>43</sup>. The figure was calculated by Powdthavee (2008)<sup>44</sup> using regression analysis of data from the BHPS 1997-2003 comparing the correlations between 'income and life satisfaction', and 'seeing friends and life satisfaction.'

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<sup>40</sup> [www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf](http://www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf)

<sup>41</sup> [www.pssru.ac.uk/pdf/uc/uc2007/uc2007.pdf](http://www.pssru.ac.uk/pdf/uc/uc2007/uc2007.pdf)

<sup>42</sup> [www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf](http://www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf)

<sup>43</sup> [www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf](http://www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf)

<sup>44</sup> Powdthavee (2008) 'Putting a Price tag on friends, relatives and neighbours,' *Journal of Socio-economics* 37:4

### **Meet up with friends a number of times per week (unable)\***

*Not being able to meet up with friends a number of times per week - £17,300 per year*

From Fujiwara et al., 2013, *Wellbeing and civil society: Estimating the value of volunteering using subjective wellbeing data*<sup>45</sup> using the valuation techniques discussed in the HM Treasury-DWP Discussion paper (Fujiwra and Campbell 2011).

## **Social Connections | Social Bridges**

### **Trust and belonging:**

*Increase in annual value attributed in change from 'talking to neighbours once or twice a week' to 'talking to neighbours on most days' - £15,666*

This measure of having relations with people where you live that are respectful and make one feel fairly treated, used as a proxy for trust and belonging, was cited in the SROI report 'Catalysts for Community Action and Investment' 2010.<sup>46</sup> The figure was calculated by Powdthavee (2008)<sup>47</sup> using regression analysis of data from the BHPS 1997-2003 comparing the correlations between 'income and life satisfaction', and 'seeing friends and life satisfaction.' (Note: This same measure is cited slightly differently on the SROI Network database in the next item.)

### **Interaction with neighbours\***

*Annual value attributed in change from "talking to neighbours once or twice a week" to "talking to neighbours on most days", as calculated using regression analysis comparing correlations between 1) income and life satisfaction and 2) talking to neighbours and life satisfaction - £15,666*

Data from 2003 in Powdthavee (2008) 'Putting a price tag on friends, relatives, and neighbours', *Journal of Socio Economics* 37(4).<sup>48</sup>

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<sup>45</sup> <http://research.dwp.gov.uk/asd/asd5/WP112.pdf>

<sup>46</sup> [www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf](http://www.cdf.org.uk/wp-content/uploads/2011/12/SROI-Report-FINAL.pdf)

<sup>47</sup> Powdthavee (2008) 'Putting a Price tag on friends, relatives and neighbours,' *Journal of Socio-economics* 37:4

<sup>48</sup> [http://www.thinklocalactpersonal.org.uk/\\_library/BCC/Growing\\_Social\\_Capital\\_SROI\\_-\\_March\\_2012.pdf](http://www.thinklocalactpersonal.org.uk/_library/BCC/Growing_Social_Capital_SROI_-_March_2012.pdf)

## Foundation | Rights and citizenship

The Citizens Advice Bureau published ‘Towards a business case for legal aid’ in July 2010.<sup>49</sup> This report presents a cost benefit analysis of legal aid expenditure and potential long-term public savings of investing in legal aid through avoiding future civil justice problems:

- *For every £1 of legal aid expenditure on housing advice, the state potentially saves £2.34.*
- *For every £1 of legal aid expenditure on debt advice, the state potentially saves £2.98.*
- *For every £1 of legal aid expenditure on benefits advice, the state potentially saves £8.80.*
- *For every £1 of legal aid expenditure on employment advice, the state potentially saves £7.13.*

The figures quoted are derived from national expenditure and so that data cannot be disaggregated by population group. The more detailed analysis, suggests that immigration advice may not have the same savings (p9), but it is important to understand that this is only in relation to avoidance of costs associated with civil justice problems and may well have beneficial economic and social consequences more broadly. However, immigrants may of course be seeking advice on any of the other issues noted – housing, employment, benefits etc., just as any other member of the population.

## Conclusions

- There was little documentation about rationale and evidence for ascribing economic value to different kinds of social capital outcomes specifically related to immigrants.
- However, within the documentation on measuring social value, in particular within SROI reports, a number of financial proxies for outcomes related to social capital development have been gathered that can either be used directly or adapted.
- The literature has demonstrated the possibilities for more detailed assessments which pay attention to quality of relationships and access to resources, which is important for evaluating integration.

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<sup>49</sup> [www.citizensadvice.org.uk/towards\\_a\\_business\\_case\\_for\\_legal\\_aid.pdf](http://www.citizensadvice.org.uk/towards_a_business_case_for_legal_aid.pdf)

- Well-being measures are being integrated with the most recent work on valuing social outcomes in the UK, and provide an important 'internal benchmark' for assessments.
- The literature has also highlighted the necessity of grounding assessments of social capital and well-being within an assessment of the wider social and political context, particularly when research relates to marginalised or deprived communities.

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## Appendix 1: Key Sources

### Health and well-being related financial proxies

PSSRU Unit costs of Health and Social Care 2012

<http://www.pssru.ac.uk/project-pages/unit-costs/2012/index.php?file=full>

NHS reference costs: financial year 2011 to 2012

<https://www.gov.uk/government/publications/nhs-reference-costs-financial-year-2011-to-2012>

Macrone et al., 2008, *Paying the price: The cost of mental health care in England to 2026*

[http://www.kingsfund.org.uk/sites/files/kf/Paying-the-Price-the-cost-of-mental-health-care-England-2026-McCrone-Dhanasiri-Patel-Knapp-Lawton-Smith-Kings-Fund-May-2008\\_0.pdf](http://www.kingsfund.org.uk/sites/files/kf/Paying-the-Price-the-cost-of-mental-health-care-England-2026-McCrone-Dhanasiri-Patel-Knapp-Lawton-Smith-Kings-Fund-May-2008_0.pdf)

### Social Capital Measures

Social Capital Question Bank, June 2002 ONS

<http://www.ons.gov.uk/ons/guide-method/user-guidance/social-capital-guide/the-question-bank/index.html>

## Appendix 2: Summary of Academic Database Searches

### ASSIA Database

The Applied Social Sciences Index and Abstracts (ASSIA) database provides abstracts for 650 UK, US and international journals for health and social science professionals.

Eleven searches were conducted. Seven of these searches provided positive results (shown in **bold**) and four provided no results (shown not in bold):

- **measuring social capital [65 results]**
- ‘measuring social capital’ AND ‘immigrants’ [0 results]
- ‘measuring social capital’ AND ‘refugees’ [0 results]
- **social capital** within the publication *Social Indicators Research* [**81 results**]
- **integration AND ‘social capital’ [52 results]**
- **immigrants AND ‘social capital’ [68 results]**
- **refugees AND ‘social capital’ [8 results]**
- **indicators AND ‘social capital’ [139 results]**
- **integration AND evaluation AND immigrants [8 results]**
- ‘social return on investment’ AND ‘social capital’ [0 results]
- ‘social return on investment’ [0 results]

### International Bibliography of Social Science (IBSS)

This database is managed by the British Library of Political and Economic Science which is one of the largest social science databases in the world, indexing 2600 journals and 6000 books per annum in the disciplines of economics, sociology, politics and anthropology.

Eleven searches have been conducted. (These were almost identical to the searches of the ASSIA database.). Six of these searches provided positive results (shown in **bold**) and four provided no results or no useful results (shown not in bold):

- **“measuring social capital” [36 results]**
- “measuring social capital” AND integration [0 results]
- “measuring social capital” AND ‘immigrants’ [0 results]
- “measuring social capital” AND ‘refugees’ [0 results]
- **integration AND ‘social capital’ [270 results]**
- **immigrants AND ‘social capital’ [243 results]**
- **indicators AND ‘social capital’ [313 results]**
- **integration AND evaluation AND immigrants [36 results]**
- **refugees AND ‘social capital’ [48 results]**
- "social return on investment" AND "social capital" [0 results]
- "social return on investment" [4 results] – no useful articles