

REAP-CSV

ABRIDGED SOCIAL ACCOUNTS

April 2005 to December 2006



Background

What does REAP do?

REAP works with a diverse range of community groups and agencies within a sustainable development framework. In practice, this means that we support initiatives which involve people in identifying and acting on local needs, and which bring social, economic and environmental benefits. The range of our activities can be summarised as:

- **Capacity Building** – includes work such as our social audit development work, support for social enterprises and general support to community groups and organisations
- **Participatory consultation** – training and support to help community groups and agencies better consult with people using participatory methods.
- **Consultancy Work** – Delivered contracts and carried out research for various public bodies.
- **Green Diary** – Production of a free, carbon neutral, monthly listings magazine profiling local initiatives and events.
- **Small Grants Scheme** – Annual disbursement of small grants to support the work of small community groups and organisations.
- **Training / workshops** – Linked with capacity building work as well as wider themed workshops and events around sustainability, the social economy, poverty, carbon footprinting etc.
- **Networking / Forums** – Participation in a wide range of local and national networks.

What is Social Accounting?

Everyone understands the need for financial auditing where an organisation records its financial transactions which are then verified by an independent auditor. The same applies to social accounting, the big difference being that social accounts carry information on social, environmental and economic factors, the so called 'triple bottom line'.

Why Social Accounting?

Social Accounting is a proven tool which demonstrates sustainability in action – how an organisation is meeting its social objectives and demonstrating and measuring its economic and environmental impacts. From the outset, there has been a recognition within CSV and REAP of the value and importance of measuring performance. This can be attributed to the desire to ensure good project delivery and on a more pragmatic level evidencing the success of the project in order to attract future funding.

The scope for the social accounts has been influenced by the fact that it is the third one which REAP has been engaged in and by the fact that REAP is currently undergoing a period of transition to set up as an independent local organisation. This transition is being seen as an exciting opportunity to re-examine REAP's role and, if necessary, change it's objectives to give direction to the new organisation.

The current audit covers the period April 2005 to December 2006. Contracting Organisations and small grant recipients were given greater importance in the consultation in recognition that contract work for local and national agencies will become a more important part of REAP's funding package.

Social Impact

Staff and volunteers as well as key supported groups were asked to comment on how they felt REAP is living up to its stated values and its objectives.



Capacity Building

The capacity building remit of REAP has covered the bulk of the work with supported groups over the past few years. This work has included providing training sessions on Participatory Appraisal techniques; directly supporting groups like Moray Against Poverty, Moray Environmental Forum etc.; providing training on Social Auditing; delivering workshops; supporting the development of social enterprises etc.

What we found out

Overall the respondents were very happy to endorse the work of REAP in supporting capacity building as a success. The responses from grant recipients were very favourable indeed although this may have been influenced by the fact that they had received money through REAP! However the comments on REAP's performance were very positive.

Action Points

- Instigate a procedure to gather in views on how well REAP is meeting objectives from stakeholders at the time of the work rather than later.
- Redraft the grants application form and guidance notes to reflect the greater emphasis HIE Moray are placing on the economic contribution from the applicants.
- Promote the Grant Programme through greater use of press releases and publicity materials.

Partnership Working

As a small project, the partnership working element of REAP is crucial. This work has included carrying out contracts for the NHS, HIE Moray, Moray Council etc; working with groups to carry out pieces of work like Lhanbryde Challenge, Buckie Woman's Project etc. During the period of the Social Audit REAP delivered 12 contracts which brought in £87,311. This allowed a similar figure to be brought down in ESF funding.

What we found out

The level of satisfaction of the service provided by REAP from those who have contracted with us is very high and contracts were given in the main by those who have previously worked with REAP. This is positive for the prospects of repeat business but may also point to a lack of spotting opportunities or difficulty in gaining new contracts.

With the intention to set up a new structure for REAP outside CSV, and the necessity to set up a Board of Directors with direct control rather than a steering Group, the importance of a good working relationship between the new Board of Directors and staff was raised. It will be vital that staff and Board have open lines of communication.

Action Points

- Ensure the role of the new Board of Directors is clear to the Board and to staff and that lines of communication are clear and open.
- After a contract is concluded maintain a dialogue with Contracting Organisations in order ascertain how successfully the contract was delivered and in order to keep a visual profile to maximise repeat business.
- To be aware of the differing priorities of organisations in relation to specific pieces of work and to attempt to deliver each contract in a way which meets these priorities.

Networking and Information Distribution

Since the last Social Audit the role of REAP as a lead organisation in networks has diminished with Moray Sustainability Forum becoming part of the Community Planning process and Moray Against Poverty Network establishing as an independent organisation. However, the ability of REAP as an independent organisation to participate in networks has been an important part of our work. The networks which REAP has been involved with include: Moray Against Poverty Network, Ecolinc, Moray Environmental Forum, Loft Youth Project, Community Planning, Lhanbryde Challenge, Womans Project etc.

The Green Diary is a free monthly publication containing articles and details of environmental events in the North East. Printed by REAP it has a circulation of 3,000 copies per month and underlines the importance REAP places on distributing information.

What we found out

The level of satisfaction on this issue was high. Many of the comments from stakeholders were about the Green Diary and how it assisted networking opportunities.

Action Points

- REAP will continue to explore options to improve the look, format and distribution of the Green Diary and the look of the online issue.
- Investigate how to improve accessibility to the Green Diary for the visually impaired.

Values, Core Principles and Internal Performance

REAP aims to be an environmentally friendly organisation and a good employer. The overall views of stakeholders is that REAP is living up to its stated values and core principles. This should be taken into consideration during the process of changing the organisation to ensure this is not lost.

What we found out

Due to the reduction in staff numbers and the period of uncertainty over REAP's future the annual green audit checklist did not take place during 2006. However the environmental monitoring put in place during the last social audit has remained and is ongoing. The activities relating to supporting staff and community groups were seen as being very successful.

Although there is general satisfaction over staff issues, the issues which stand out are work pressure and pay. One indication is that it is staff putting themselves under pressure rather than the organisation forcing pressure on them. The issue of salaries is raised but for some the issues of flexibility appears to compensate for any perceived low pay. It is interesting that the issues of job security and career progression are ranked higher than pay as reasons behind why previous staff have left REAP.

Action Points

- Improve communications with stakeholders by redeveloping website and instigating an e-newsletter to keep stakeholders informed of the work and values of REAP.
- REAP will develop and publicise a simple Complaints Policy as part of a range of policies for the new organisation, and make these available to stakeholders.
- Subsequent staff meetings be used as a focus group to discuss issues raised by the Social Audit.

Environmental Impact



Good practice already in place has continued including; only purchasing re-cycled photocopy paper, composting green waste; re-using envelopes; attempt to limit time spent on computers; recycling paper; recycling glass; recycling tins; recycling photocopier ink cartridges; recycling printer toner cartridges; making notepads from scrap paper; utilising a central collecting point for envelopes and paper.

Paper

During 2002 12 boxes of re-cycled photocopy paper had been purchased. This was an average of 1 box per month. During 2005 the average continued as 1 box per month but fell to a total of 9 boxes in 2006 or 0.75 boxes per month. This is probably due to the reduction in staff from 5 FTE to 3 FTE.

Energy

A total of 6,631 units of electricity were consumed in 2006. This is a reduction from the total of 7,630 units of electricity consumed in 2002. This is perhaps due more to the reduction in staff than energy saving initiatives.

Mileage

The work of REAP is concentrated within communities, therefore all fieldwork staff are required to have access to a vehicle for work purposes. Much of these duties take place in evenings and in locations where there is poor public transport, therefore the vast amount of locally supported work results in car miles being travelled.

The mileage totals are calculated on an annual calendar basis to enable comparison. While the actual mileage travelled is down, probably due to the reduction in staff, the proportionate of use of public transport has remained consistent.

		Public Transport	Car	Total
Mileage	2006	2,527	5,598	8,125
	2002	3,614	8,272	11,886
Percentage	2006	31%	69%	100%
	2002	30%	70%	100%

Carbon Footprint

During 2006 a project was instigated to make the Green Diary 'carbon neutral' by March 2007. This SNH funded project includes calculating the carbon footprint of the green Diary, reducing it as much as possible and then offsetting the remainder by creating opportunities for volunteers and voluntary groups to restore bogs and plant trees. The highest proportion of carbon produced in creating the green diary was transport costs (52%) followed by paper (32%).

Action Points

- Every three years, starting in 2008, REAP will conduct a complete green audit, and to monitor on an annual basis.
- Tighten up practice of purchasing re-cycled and environmentally friendly toilet and cleaning products by consulting with new cleaning company.
- Move to Green Energy Tariff electricity when possible.
- As mileage is the greatest contributing factor to the Green Diary's carbon footprint Set annual targets for reducing travel costs.

Economic Impact

This section of the social audit looked at the financial aspects of REAP by attempting to evaluate the economic impact on its target area.

REAP has been keen to use local suppliers of goods and services as much as possible. We collected information on our discretionary spending (i.e. not including staffing and associated project management costs) to plot size of the local spend.



		Keith	Moray	Grampian	Scotland	UK	Total
Spend (£)	2006	15,265	18,326	3,792	16,264	8,866	62,513
	2002	5,005	33,465	6,195	15,332	2,603	62,600
Percentage	2006	24%	29%	6%	26%	14%	100%
	2002	8%	53%	10%	24%	4%	100%

The table demonstrates that the project is spending around 60% of its discretionary money locally. Of the expenditure allocated to Scotland, outside of our operational area, over 80% relates to training and consultancy fees paid to organisations like Community Business Scotland Network and Social Enterprise Academy in order to deliver social enterprise and social audit training. While of the expenditure allocated to the UK over 37% is to pay for postage and 34% to pay for phones.

The most obvious changes in spend has been a marked increase of proportional spending in Keith and in the UK which is offset by a marked decrease of spending in Moray. This is mainly due to two changes. MMS Almac, the printers of the Green Diary, moved to Keith from Elgin. The Green Diary costs over £6,250 per year to print and most of the other large scale printing of REAP is also contracted to MMS Almac. The other big change was the introduction of a franking machine to pay for postage. This is paid on account and therefore included as UK expenditure while in 2002 we purchased stamps locally.

The impact of these two changes illustrates the difficulty in measuring the impact on such spending locally. However it is a very useful exercise in focusing policy.

In their training pack "Plugging The Leaks" NEF cite the example of an enterprise in Cumbria with similarities to REAP. The Cumbrian organisation spent 60% of their expenditure within a 10 mile radius, whereas REAP has spent 53% within a 20 mile radius. NEF estimated that the multiplier effect of the Cumbrian groups spending was around 2:1. Therefore, the cumulative impact of REAP's overall spend in our operational area could be anywhere between £37,419 and £74,838.

In addition to this is the contribution of 'in kind' volunteer time which was made through the work of REAP. During 2006 REAP claimed £34,057 of volunteer hours to enable the organisation to draw down European grants which brought money into the local economy.

Action Points

- To instigate a recording system which will enable volunteer hours and their leverage cash equivalent to be included as in kind income for our returns to OSCR, our annual accounts and our future social audits.
- Investigate further methods of measuring economic impact including Social Return on Investment.

The Future



REAP is currently undergoing a period of transition and is engaged in a process of leaving CSV to set up as an independent local organisation. This is seen as an exciting opportunity to re-examine REAP's role and its objectives to give direction to the new organisation. To this end a stakeholders event was held in June 2006 which concentrated solely on the future of REAP and was used as an opportunity for stakeholders to comment on future direction and to amend REAP's objectives.

New Mission Statement, Objectives and Activities

In order to refocus the organisation there was a redrafting of our mission statement and activities. This was amended after our stakeholder consultation workshops in June 2006. The proposed changes were warmly welcomed by the stakeholders as concise and focused. A Business Plan was agreed which will allow REAP to expand further the current breadth of work and develop niche elements. This policy would diversify income streams and move the project towards a more sustainable, long term future.



REAPs new logo and mission statement:

REAP works with local groups and agencies to encourage social enterprise, promote sustainable development and raise environmental awareness.

Reflections of the Social Audit Process

Although this is the third social audit which REAP has done, the systems in place of storing information for CSV, European claims etc do not necessarily dovetail with the information required for the audit. However this has been compensated by REAP being more aware of the gaps and what type of information to collect for our social audit.

Plans for the next Cycle

With the opportunity to create new recording systems for the new organisation it is planned that social auditing will be integrated into these systems. There can be more joined up monitoring procedures including the creation of proforma feedback sheets for work as it would be effective to collect more evaluation data at the time, rather than retrospectively.

It is intended that the monitoring results be integrated into an annual report for the new REAP. This will enable our annual report to include information on our social, environmental and economic impact. REAP can then combine these results with specific research to form a formally audited set of accounts every two years.