Circle Collective
Social Impact Report
2020-2021

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1. Overview

This report represents an overview of Circle Collective beneficiary social impact for the period 2020-2021. It is based upon a data gathering process that was commenced in collaboration with the University of Northampton in January 2015 and that has longitudinally assessed the ‘outputs, outcome and impact’ delivered by Circle Collective since then. This data collection has been continuously refined during this period in a manner that has allowed for more detailed capturing of data relevant to the impact that Circle Collective delivers through its work [including more complex analysis of welfare benefits claims, demographic data including offending data, and employment data (including pay)]. The data contained in this report represents the annual social impact data for 2020-2021. The research conducted was small in scale in order to match with the resources that Circle Collective and the University of Northampton deemed suitable to allocate to the research, and so there are no counterfactuals or randomised control group data for comparison. This report seeks to identify the possible social impact delivered by Circle Collective through its work, as well as demonstrating the psychological outcomes that it brings to the young people that it works with. The Covid-19 pandemic, with lockdowns and restrictions, has had an impact on service delivery thus the social impact delivered by Circle Collective is lower than previous years.

This report has been produced from Circle Collective’s work in 2020/2021 and so has been directly impacted by the Covid-19 pandemic. The short term effects of Covid were most visible for Circle during the financial year of April 20 – March 21, as they spent nine months of the year with their streetwear stores, that deliver the essential work experience, closed due to Government guidance. All shop staff were furloughed, whilst all the charity staff had pivoted the programme to online delivery (when it had always been delivered in person previously). Whilst Circle were quick to change their delivery, they were faced with a number of new challenges. As their core demographics are young people (aged 16-24 years), Circle saw a disproportionate amount of young people being made redundant or furloughed over older age groups, whilst the types of roles that young people with little to no experience would enter into such as retail or hospitality had been lost due to Covid related closures. Circle were also dealing with high levels of isolation and anxiety, as well as confusion, due to young people finishing college or school without completing exams or having the ceremony of moving to the next stage in their life journey. This all had a detrimental effect. The majority of opportunities were with supermarkets and

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1 Our understanding of these terms is informed by the work of McLoughlin et al. (2009). An output can be defined as the direct and easily identifiable outputs of an intervention (e.g. the number of young people placed into employment). An outcome represents positive changes to participants’ states of mind that will enhance their lives, their future employability and their psychological well-being (e.g. improved well-being). Impact is an even longer-term benefit and is the impact on society resulting from the outputs/outcomes delivered (e.g. welfare savings of placing a young person into employment).
DIY stores that were allowed to remain open as essential businesses, but with the high unemployment due to Covid, the market was weighted in favour of employers, as highly skilled workers were now applying for roles below their pay grade and taking roles that were historically ringfenced for newcomers to the world of work.

Despite these setbacks, Circle are very proud to have never closed their operations, with all the charity staff delivering all important support that provided an increased focus on wellbeing, safeguarding and financial stability, when applications were slower and vacancies were thinner. The performance and social impact they had in this unprecedented period of time was hard fought and down to the passion and resilience of the team. Since Circle have been able to return to their physical premises on April 12th 2021, re-opening their streetwear stores and delivering work experience and customer service training, they have already supported 249 young people to join the programme, 160 completions, with 93 going into employment and a further 51 moving into higher education or sector-based training. This level of performance over the past seven months is higher than any previous years pre-pandemic and Circle predict that 21/22 will see their highest levels of both performance and social impact ever. There is no doubt that post-pandemic the need for this type of support for young people is greater than ever.
2. Methodology

The research utilised a mixed-methods approach to the data collection that predominantly consists of quantitative methods. Circle Collective has captured output data from the young people that it works with, including:

- Demographic data (for example, age; gender; offending history).
- Financial Data (i.e. benefits claimed per week prior to engagement with Circle including: housing; child; job-seekers allowances, and Universal Credit where this replaces these other benefits).
- Intervention Data (i.e. hours engaged per week; course type completed; qualifications gained; and start and end dates).
- Corporate and volunteer engagement.
- Employment Outputs (i.e. job outcomes; earnings; hours worked per week).

In addition, and in collaboration with the University of Northampton, Circle Collective has also sought to capture quantitative outcome data using academically validated psychometric scales that are designed to measure the distance travelled by individuals in relation to employability, and that also act as evidence of Circle Collective’s ‘theory of change’. These include:

- General Self-efficacy: General self-efficacy (GSE) has been linked through prior research to employability and positive job outcomes (Eden and Aviram, 1993; Lucas and Cooper, 2005; McLellan et al., 2009); education and vocational success (Locke et al., 1998); and general success in life (Chen et al., 2001). On a simple level GSE can be seen to consist of a combination of constructs including confidence, motivation and self-esteem (Judge et al., 1997). The GSE scale utilised in this study was developed by Schwarzer and Jerusalem (1995) and can be found online at [http://userpage.fu-berlin.de/~health/engscal.htm](http://userpage.fu-berlin.de/~health/engscal.htm)
- Well-being: The reinforcement of positive mental well-being in young people is seen as central to Circle Collective’s theory of change and the work that they do with young people. Positive well-being is important to young people as it bolsters their life chances and improves their quality of life; indeed, low mental well-being has been linked to poor mental health, depression, social isolation, and risk-taking behaviours (The Children’s Society, 2016). In this study, mental well-being was measured using the Warwick-Edinburgh Well-being scale, a 14-item scale that is freely available online.
- Anxiety: Anxiety impacts on young people’s mental well-being which impacts on employability. In this study, anxiety was measured with the Hamilton Anxiety Rating Scale (HAM-A), a 14-item scale (Hamilton, 1959).
The scales were administered longitudinally to Circle’s beneficiaries both when they started (Time 1) and when they completed the intervention (Time 2).

Impact was also calculated for Circle Collective where possible based upon the direct financial impact of young people gaining employment, including the payment of income tax and national insurance, as well as reductions in benefits payments.

As was noted above counterfactuals have not been explored and so we are unable to base these calculations on what would have occurred anyway and therefore the impact figures represent estimations of the maximum financial impact that Circle Collective could have delivered. The quantitative information presented in this report are contextualised by qualitative case-study data\(^2\) captured, by Circle Collective, through a purposeful sub-sample of beneficiaries.

3. Social Impact

Circle Collective delivered contracts for Hackney, Lewisham and Tower Hamlets from two sites in Dalston and Lewisham. For the purposes of this report the impact is reported for Dalston and Lewisham and then combined later into an overall social impact figure for Circle Collective that also includes corporate volunteering.

3.1 – Dalston:

The Dalston site covers Hackney and Tower Hamlets contracts and has also taken on some young people from the surrounding boroughs of Barking, Newham, Waltham Forest, City of London and Islington. In 2020/2021, Circle Collective engaged with 109 young people (average age 21.64 years; age range 16-31 years) through its intervention programme in Dalston, of which 47 were male and 62 were female. These individuals engaged with Circle Collective for an average of 43.8 hours, which included volunteering, as well as training in confidence, personal presentation and employability skills (CVs, interview, workplace behaviour) workshops. The young people were also provided work-experience through the Circle Collective’s shop. Employment was gained by 30 of the 69\(^3\) young people that completed the programme (a success rate of 43.5%). Based upon these figures and an average wage of £18,429.66\(^4\) per year, it is possible to estimate the savings to the state gained through increased income

\(^2\) All case-studies presented have been done with the express permission of the young people involved.

\(^3\) The remaining young people are engaged on the programme or left the programme early.

\(^4\) Based on actual salaries for 27 participants and estimated salaries for three participants.
tax and national insurance, as well as benefits savings through reduced job-seekers allowance\(^5\). Figure 1 provides an overview of this data.

![Figure 1 – Employment Outputs](image)

**Figure 1 – Employment Outputs: Salary and weekly hours are all averages.**

Circle delivered an extra £35,157.96 in income tax payments; £32,125.18 in National Insurance Payments; and £101,575.20 in welfare savings. Other areas of impact include the value of developing general employability skills including guidance and training on writing a competitive C.V. at an average value of £220.90\(^6\) per young person. Based upon these calculations, the Circle Collective delivered a maximum direct financial benefit to the UK state of £192,838.34 through its Dalston site, despite only spending £160,666.00 on the employability intervention for 109 young people (£1,474 of funding per placement). This represents a social return on investment for Circle’s employability work in Dalston of £1.20/£1.

\(^5\) These savings are based upon an income tax rate of 20% paid over £12,570 per year; an NI rate of 12% paid over £9,516 per year by the individual (lower threshold); a self-reported value of benefits claimed per annum; and an assumption that all employed young people remain in work for 12 months post-Circle.

\(^6\) Based on figures from www.CVconsultants.co.uk on preparing a CV and giving guidance.
Da’mar’s Story

Name: Da’mar Semder-Knight  
Age: 19

“After I finished 6th form, I took a gap year to gain some work experience. This felt like a daunting task as I had little to no help when it came to writing up my CV or cover letter and kept getting declined when I was applying to job vacancies. I was referred to Circle through the Job Centre and on the same day Seyda called me and I joined the same week. Joining was pretty much as simple as that.

Circle was enthusiastic with aiding me with my employability. There were many workshops, activities and one to one coaching. As I mentioned earlier, I really struggled with my CV and cover letter to which Seyda covered in workshops and one to one guidance. This was something I loved, as the workshops were tailored completely to us. There were also workshops in collaboration with their partnering companies such as sage which gave us some insight on the employing stage but from the perspective of the employers rather than from us which was really helpful for me. Some of the activities I did at Circle included mock interviews and gaining new skills through the work experience on the shop floor. We were even able to develop our customer service skills, interacting with the customers, and building relationships with them.

There was also a job club which was extremely helpful in helping us find a job as it dedicated a time to carefully. Seyda was really helpful here too as there were many job opportunities she relayed to us, discussing the roles, and evaluating if it would be something we would possibly enjoy, not only in the short run but in the far future as well. Through the job club, there were a variety of roles and job vacancies that were forwarded to us. Which is where I found my current position and I was assisted with the application by Seyda, I was offered the position on the spot.

I’m extremely thankful for everyone in the circle team who helped me get to where I am today.”
The outcome data collected in relation to GSE, Well-being and Anxiety also demonstrates that Circle had a positive impact on the young people, even for those that did not secure a job post-intervention. Not only were well-being and anxiety scores improved (well-being improving and anxiety reducing), but so were GSE scores and hence employability. In this case it can be argued that Circle Collective therefore improved the employability of young people and hence moved the majority of them closer towards the job-market. Indeed, for relatively stable traits such as GSE and well-being, to see such significant increases [+2.7 (+6.8%) for GSE and +6.0 (+8.6%) for Well-being] is unusual\(^7\). Furthermore, reductions in anxiety were seen for participants in Dalston (-2.1 for Anxiety). This data strongly suggests therefore, that Circle Collective’s model of increasing the confidence, motivation, self-esteem and well-being of individuals is central to their success in improving employability and helping young people to secure employment. Figure 2 below outlines this data, whilst the case-study overleaf illustrates how this occurs for the young people in reality:

### Figure 2 – Young Person GSE, Well-being and Anxiety at Dalston

<table>
<thead>
<tr>
<th>Anxiety</th>
<th>Self-Efficacy</th>
<th>Well-being</th>
</tr>
</thead>
<tbody>
<tr>
<td>T1</td>
<td>7.95</td>
<td>31.88</td>
</tr>
<tr>
<td>T2</td>
<td>5.83</td>
<td>34.58</td>
</tr>
</tbody>
</table>

\(^7\) A study by Hazenberg (2012) that explored changes in GSE amongst NEET individuals going through employment enhancement programmes identified average increases in GSE of 4% on average.
Allarna’s Story

Allarna Bishop-Owusu

Allarna joined Circle Collective in 2020 and has been a part of the training program for a year.

“I joined Circle after finishing my education and was looking for a job. I was unsure at first because I did not know anyone. I also joined during COVID, so things were a bit different. After meeting everyone at Circle Collective, the staff are very friendly and supportive and willing to help in any way they can. The other people on the program as well allowing me to meet new people who are experiencing the same situation and learn about them and their talents as well.

Circle Collective is a great place to come and learn, if you need help, support and even someone to listen to you. If you are stuck and you’re not sure where to start, then try Circle Collective because I recommend them to you if you’re reading this. Thanks to everything that Circle Collective has done alongside me, I was able to get a job after a successful interview. I have now joined the team at Circle Collective as a Sales Advisor, which I found through the Kickstart scheme. I am happy to work alongside an amazing team and share my knowledge with others. To be a part of this community and being a part of the charity has been a great opportunity and fun experience for me. I am happy that there is more to come. So, if anyone reading this is thinking about finding a job but needs help then I recommend you ask about the program and ask any question’s you may have. Then join if you feel this is the right place for you to start because there is no harm in trying as I have learned from being at Circle collective. Rejection is a process we go through before we get the words, yes, learning to embrace that”.
3.2 – Lewisham:

The Lewisham site covers Lewisham and the surrounding South London boroughs of Bexley, Bromley, Greenwich, Lambeth, Southwark and Wandsworth. In 2020/2021, Circle Collective has engaged with 93 young people (average age 19.0 years; age range 16-24 years) through its intervention programme in Lewisham, of which 48 were male, 44 were female and 1 identified as other. These individuals engaged with Circle Collective for an average of 25.8 hours, which included training in confidence, personal presentation and employability skills (CVs, interviews and workplace behaviour) workshops. The young people were also provided work-experience through the Circle Collective’s shop. Employment was gained by 29 of the 50 young people that completed the programme (a success rate of 58.0%). Based upon these figures and an average wage of £11,869.63 per year it is possible to estimate the savings to the state. It should be noted that the hourly salary rate here is only slightly less than that received by the young people engaging at the Dalston stores (£9.75 versus £9.07); however, the reduced annual salary equivalent is due to the work secured by the young people being part-time in nature (25.4 hours compared to 36.2 hours in Dalston). Figure 3 below provides an overview of this data, whilst the case-study overleaf contextualises this.

Figure 3 – Employment Outputs: Salary and weekly hours are all averages.

8 The remaining young people are engaged on the programme or left the programme early,
9 Based on actual salaries for 27 young people and estimated salaries for two young people.
10 These savings are based upon an income tax rate of 20% paid over £12,570 per year; an NI rate of 12% paid over £9,516 per year by the individual; a self-reported value of benefits claimed per annum; and an assumption that all employed young people remain in work for 12 months post-Circle.
Circle delivered an extra £8,190.63 in National Insurance Payments; and welfare savings to the state of £39,373.88. Other areas of impact include the value of developing general employability skills including guidance and training on writing a competitive C.V. at an average value of £220.90\(^\text{11}\) per young person. Based upon these calculations, the Circle Collective delivered a maximum direct financial benefit to the UK state of £68,024.51 through its Lewisham site. This is compared to the £1,474 cost per placement and hence a total expenditure of £137,082.00 across the 93 young people. Indeed, this gives the Lewisham store an SROI ratio of £0.50/£1. The case-study overleaf further illustrates Circle’s impact.

\(^{11}\) Based on figures from [www.CVconsultants.co.uk](http://www.CVconsultants.co.uk) on preparing a CV and giving guidance.
Mikial’s Story

Name: Mikial Hawkins  Age: 18

Mikial joined Circle Collective looking for a job, he was flexible with regards to the industry had he need to find employment, quickly so he could try and arrange some permanent accommodation. He has been a pleasure to work with, motivated, smart, and always looking at life in a positive way.

“I had been trying to find employment for months before and during lockdown, when I suddenly became homeless it became a main priority as I needed a job to secure housing, for weeks I applied to countless jobs but to no avail, that’s when I joined circle collective as a last hope. More than anything, Circle kept me sane during a turbulent time, giving me something to do and focus on rather than just brooding about my current circumstance. Circle not only aided me with securing interviews they also helped by providing workshops about mindfulness and wellbeing. These were great for keeping me feeling positive and open minded. Working at the shop in Dalston Junction allowed me to gain more experience in retail and brush up on my skills. With the help of Circle I was able to secure an apprenticeship at Prendergast School as a media resources assistant, the mock interviews and skill building workshops helped me in securing the apprenticeship and my overall confidence as after so long looking for work I started to feel like maybe I was not good enough, but it only takes a push in the right direction. I feel quite positive about the future now that I have the apprenticeship doing something I am actually interested in and I am no longer homeless. It feels great to be back on track, and I have learnt from all of this to not limit who I am when applying for jobs and instead lean into it expressing myself but still in a formal manner is definitely one of the reasons as to why I was able to secure the apprenticeship.”

We wish Mikial every success for the future, he is keen to create a great life for himself, and we believe he can achieve this.
The outcome data collected in relation to GSE, Well-being and Anxiety, also demonstrates that Circle Collective had a positive impact on the young people at the Lewisham store, even for those that did not secure a job post-intervention. Indeed, Well-being (+5.4; +7.7%) and GSE scores (+2.5; +6.3%) were significantly improved. Furthermore, Anxiety (-3.5) was reduced. Circle Collective has therefore improved the employability of the young people irrespective of their employment outcomes, and hence, empowered young people by moving them closer to the job-market. Figure 4 below outlines this data, whilst the case-study overleaf provides a real-life story of how this happens:

*Figure 4 – Young Person GSE, Well-being and Anxiety at Lewisham*
Mohammed’s Story

Name: Mohammed Ali Ahmed
Age: 27

“For the past 7 to 8 months, I was really struggling to find work. I would apply and apply, and I wouldn’t hear back from anyone. It was really demoralising, and I felt like a massive failure because I felt like I lost my purpose, I would doubt myself constantly, I felt lost and I really needed guidance and support. Even my family noticed the sudden change in me: my mood was low, and my behaviour became very unsociable. But then I found out about Circle Collective from my work coach, he explained what they did and for once I started to feel hopeful because they are exactly what I needed – that push in the right direction, that guidance and help. I spoke to Seyda first who was incredibly helpful and set the amazing tone that is Circle Collective. But I soon changed and met Shabina who was equally helpful, attentive and really gave her time to get to know me, what my interests were and what sort of work I was looking for. They both had given me self-belief, more determination and that push that I needed to not give up. I was given the opportunity to work on the shop floor, to gain new experience and to keep me occupied. It was something really valuable that I could write in my CV and I had a reliable reference which meant a lot to me. Shabina helped me massively to fix up my CV which needed a lot of attention to. Shabina also helped me prepare for my interviews which I needed because I was really nervous about it. She gave me knowledge on how to prepare for interviews and how to construct my answers and examples. She gave me so much advice and understanding which I am so grateful for. Shabina listened to what I had to say and gave me honest constructive feedback which is what I really needed. Shabina always checked up on before my interview to see how I was and to see how ready I am with more valuable advice and information and the final touch ups to my answers. The trust I had in Shabina and her knowledge is truly priceless and I can’t thank her enough for the impact she has made on me. She has gone above and beyond her role to give me the help that I needed. I am eternally grateful. I am truly grateful and thankful to Circle Collective and especially to Shabina for all the amazing support, advice and help I have received and I urge anyone who is reading this, that right now you might be feeling anxious, uncertain and worried to what life will bring, but I can promise you that Circle Collective is a stepping stone to helping you to believe in yourself and to finding you work and to being happy. Thank you so much!!!”
3.3 – Corporate Volunteering Impact:

Finally, Circle Collective also delivers opportunities to corporate partners to engage in volunteering. For corporate partners, this enables engagement in staff development through individual volunteer placements and the provision of workshops, as well as contributing towards their corporate social responsibility (CCR) outputs and targets. Data relating to this volunteer time has also been captured as part of this research, in order to demonstrate the value that these volunteers bring to Circle Collective and also the social value that Circle Collective provides through volunteering. Figure 5 illustrates this data below.

![Volunteering Value at Circle](image)

**Figure 5 – Volunteering Value at Circle**

The volunteering data reveals that Circle Collective has facilitated 1,090 hours of corporate volunteering and work experience through its programme, across 105 individuals at eight corporate partners. This has represented a CCR spend of £31,392.00 in added value for the corporate partners that they can claim as part of their CCR reporting\(^{12}\). Whilst this is obviously of significant added value to Circle Collective as well, this can still be considered as a social impact delivered by the organisation, as they are facilitating the delivery of corporate CCR programmes that also offer development opportunities to corporate staff.

4. Summary

The data reported above when combined identifies that Circle Collective delivered £292,254.85 of social impact to society through its work with unemployed young people and corporate partners. Given the programme costs of £297,748.00 this provides a return on investment of £0.98/£1. Figure 6 below outlines this impact.

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\(^{12}\) This calculation is based upon an average corporate volunteer hourly rate (at full economic cost) of £28.80.
The overall social impact values are based on income from donors, Statutory funding (DWP/Council/GLA etc) or Grants and Trusts (National Lottery / Children in Need etc). Analysis shows that the social return on investment is higher if individual funding income is considered, relative to the impact created. Therefore, two additional SROI ratios can be calculated alongside the overall figure of £0.98/£1 outlined above:

- The Circle Collective secured £70,000 in unrestricted funding during 2020/2021 that it used to subsidise the delivery of the training programme for young people. If this figure of £70,000 is treated as a subsidy to the overall placement cost, then the SROI ratio increases to £1.28/£1. This is based on an overall programme cost of £227,748.00 versus a social impact to society through its work with unemployed young people and corporate partners of £292,254.85.
- Further, it can be argued that the cost to the state of supporting Circle Collective’s work is much less than outlined above, given that funding from the GLA/DWP/Councils/ESF funding equates to only £116,475 of the overall programme cost of £297,748.00 (the rest was sourced through grant and donative income in 20/21). Therefore, if the benefits to the state through income tax,
NI and welfare payment reductions as outlined earlier (£260,862.85), are accounted for as the only social impact (not including the corporate volunteering impact) and compared as a ratio to the cost to government (£116,475), then the social return on investment for the state is equal to £2.24/£1.

The data offers evidence that Circle Collective is producing positive outputs, outcomes and impacts for its beneficiaries, partners and society, despite the Covid-19 pandemic impacting on service continuity and employment opportunities. These benefits can prove to be cost-effective for the State. Considering that in the year 2015-2016 Circle also generated £186,000 of social impact; in 2016-2017 it generated £233,000 of social impact; in 2017-2018 it generated £392,000 of social impact; 2018-2019 it generated £625,708 of social impact; and 2019-2020 it generated £1,365,163.23 of social impact then over a six-year period it has delivered just over £3 million of value to society. It is fair to assume that the reduced impact witnessed this year is due to Covid-19, with much more limited engagement for three-quarters of the year due to lockdowns, but given the trajectory seen in Q4 of 2020/2021, the financial year 2021/2022 should return Circle to the social impact levels it was operating at pre-pandemic.

Furthermore, the outcome data collected in relation to GSE, Well-being and Anxiety, also demonstrates that Circle Collective had a positive impact on the young people, even for those that did not secure a job post-intervention. Indeed, Well-being (+5.8) and GSE scores (+2.6) were significantly improved for all young people and Anxiety (-2.7) was reduced. Circle Collective has therefore improved the employability of the young people irrespective of their employment outcomes, and hence, empowered young people by moving them closer to the job-market. Figure 7 below outlines this data, whilst the case-study overleaf provides a final case-study to demonstrate the Circle Collective’s impact.
References


