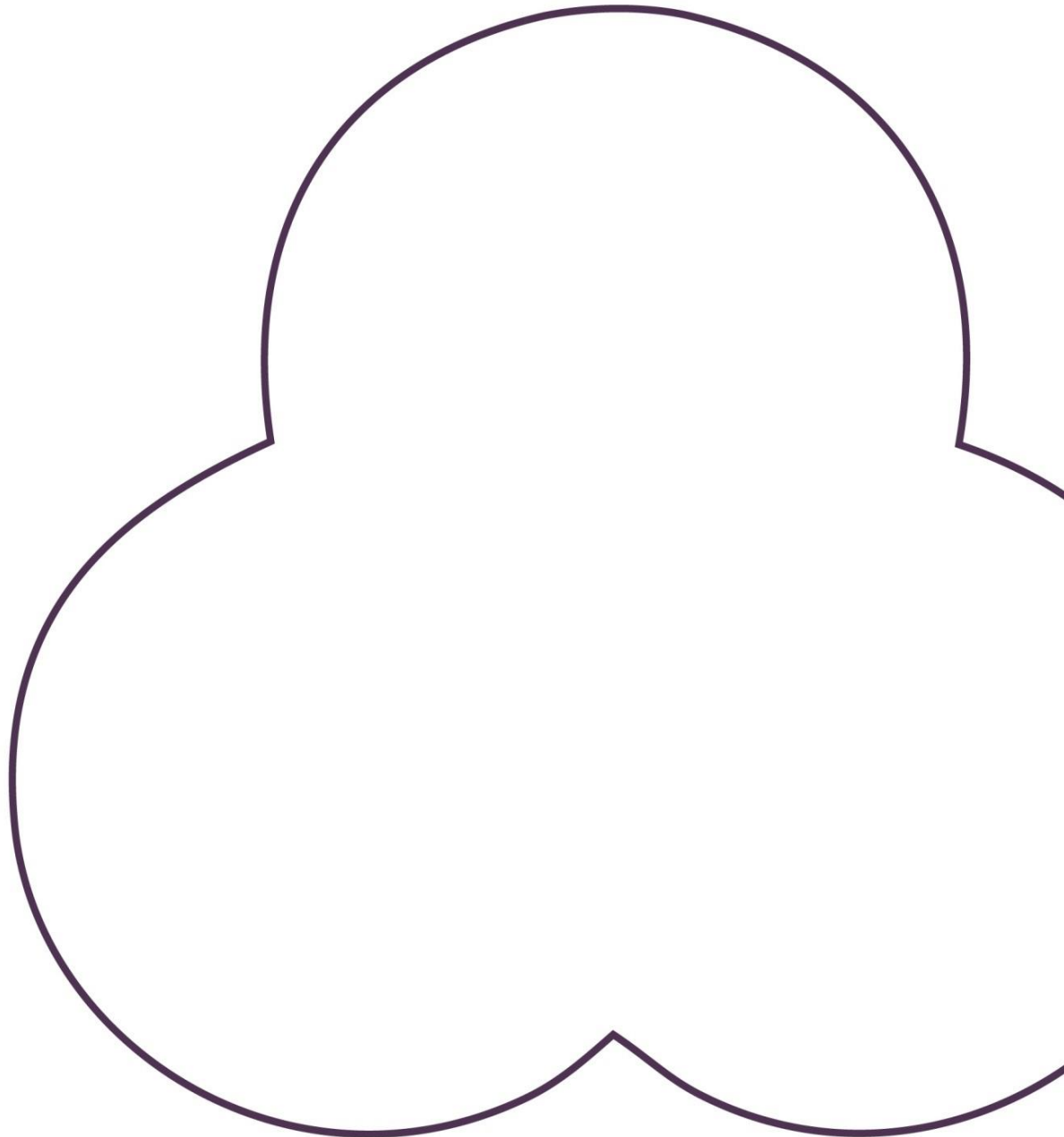




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**Stoke Speaks Out  
Pilot Return on Investment (ROI)**

**Title:** Stoke Speaks Out: Pilot Return on Investment (ROI)

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**Authors:** NEF Consulting

**Client:** Rebecca Veazey, Royal College of Speech and Language Therapists



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**NEF Consulting Limited**  
New Economics Foundation  
10 Salamanca Place  
London SE1 7HB  
[www.nefconsulting.com](http://www.nefconsulting.com)  
Tel: 020 7820 6361

## Introduction and methodology

Stoke Speaks Out is a multi-agency programme that was launched in 2004 to address the high incidence of speech and language difficulties in Stoke-on-Trent. The key features of the programme delivery are public health messages, training and resources for parents; and training of over 5500 early years practitioners such as health visitors and staff in nurseries and schools.

Royal College of Speech and Language Therapists (RCSLT) commissioned NEF Consulting to conduct a pilot return on investment analysis of the Stoke Speaks Out programme. Return on Investment (ROI) is a methodology that compares the costs incurred to implement an intervention relative to its impact, or benefits. The pilot ROI uses existing data sources to identify, at a high level, the value of a pound invested in the programme in terms of wider returns.

This short report should be read alongside the excel-based ROI model. The model includes data sources and underlying assumptions.

## Outcomes

In 2002 a study by the Staffordshire and Stoke on Trent Partnership Trust Speech/Language Therapy department indicated that 64% of children were entering nursery with delayed language skills. By 2010, 6 years after the launch of the Stoke Speaks Out programme, this figure had reduced to only 39% of children.

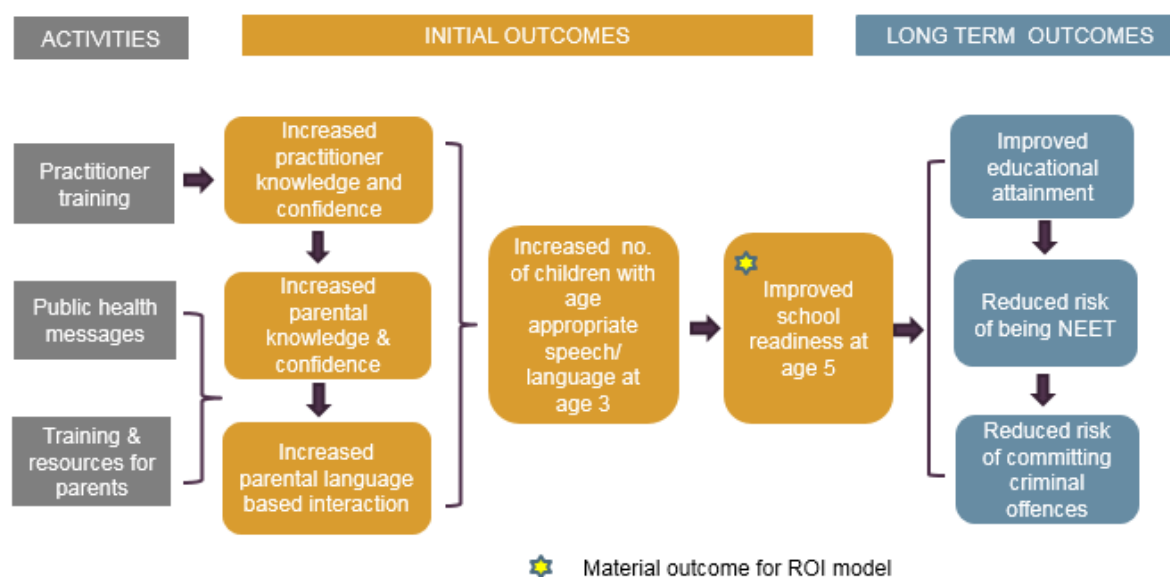
The primary outcome used in the ROI analysis is improved school readiness at age 5. The indicator (sign of change) used is the Early Years Foundation Stage result from 2013 (a cohort of children who would have been approximately 2 in 2010 when Stoke Speaks Out was still being funded) The assumption is that the multi-agency approach of Stoke Speaks Out will prevent or reduce language delay at age 2-3 and subsequently lead to improved school readiness at age 5.

The high level Theory of Change shown in diagram 1 demonstrates the pathway between the activities of the Stoke Speaks Out programme and the initial and long term outcomes. The academic literature supports the proposition that language acquisition in the early years is an indicator of later academic achievement<sup>1</sup>. The academic and grey literature also support correlations between poor language and communication skills and unemployment and criminality.

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<sup>1</sup> Biemiller, A. (2005). Size and sequence in vocabulary development: Implications for choosing words for primary grade vocabulary instruction. In E. H. Hiebert and M. L. Kamil (Eds.), *Teaching and learning vocabulary: Bringing research to practice* (pp. 223–242). Mahwah, NJ: Lawrence Erlbaum.

Diagram 1: High level Theory of Change diagram for Stoke Speaks Out



## Calculating the return on investment

Understanding net impact requires taking into account what would have happened anyway in the absence of the intervention (counterfactual) and how much of the change in each outcome could be attributed to Stoke Speaks Out as opposed to other supports/services (attribution).

### Stoke Speaks Out: ROI

The return on investment of 1.19 suggests that Stoke Speaks Out provides a positive return on investment. That is, for every £1 invested in the programme, £1.19 worth of value is created. This ROI is based on the achievement of one key outcome, improved school readiness at age 5, and the associated fiscal savings. Communication skills are typically the key element of measures of school readiness<sup>2</sup>, and so in this calculation complete credit for improving schools readiness has been given to the Stoke Speaks Out intervention. To calculate the deadweight figure, the Stoke-on-Trent achievement on school readiness was compared against the average score of its statistical neighbours (neighbouring cities with a similar profile on key metrics).

Table 1: Return on investment ratio for Stoke Speaks Out (values uplifted to 2015 £s)

<b>ROI ratio</b>	<b>1.19</b>
<i>Benefits</i>	<i>£ 129,970.00</i>
<i>Costs</i>	<i>£109,214.62</i>

<sup>2</sup> Law J, et al (2013). Early language delays in the UK, Save the Children: London.

### Stoke Speaks Out: Long-term hypothetical ROI

The analysis was extended to include long-term outcomes in the high level Theory of Change such as the reduced likelihood of being NEET (not in employment, education or training). The return on investment of 4.26 suggests that in theory Stoke Speaks Out could create savings of £4.26 for every £1 invested in the programme.

Stoke Speaks Out prevents, or minimises the risk of problems arising from speech, language and communication difficulties. Due to the prevention approach many savings that have been included in this second, assumptions based, ROI are likely to be upstream and to be 'non-cashable' savings to the State, in other words additional costs that would likely arise in the future but have been avoided. This ROI is a 'best guess' based on the available data and should not be taken as achieved returns.

*Table 2: Long-term hypothetical return on investment ratio for Stoke Speak Out (values uplifted to 2015 £s)*

<b>ROI ratio</b>	<b>4.26</b>
<i>Benefits</i>	<i>£ 464,864.81</i>
<i>Costs</i>	<i>£109,214.62</i>