Wellbeing Programme: An introduction to Social Return on Investment

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Introduction

What is the value of your organisation or project?

This isn’t an easy question to answer, particularly for those working in the voluntary sector. If you were running a business, the “value” of the business might be measured in terms of its capacity to make profit. You know that the goods or services that you’re producing are valuable because people are willing to pay for them. If the work you did had no value, you would soon have no business!

In the voluntary sector, we believe that the things we do and the services we provide have genuine value for people and are therefore worth investing in. But where these services are not traded on the market, there is no direct way of measuring how valuable they are.

Social Return on Investment (SROI) is a tool that takes you through the process of estimating the economic, social and environmental value of an intervention. It enables you to demonstrate that the investment made in a project is delivering a genuine return – not necessarily in terms of money or profit, but in terms of benefits that add real value to people’s lives.

About this Guide

This guide is intended to provide Wellbeing portfolios (2013 – 2015) with an introduction to SROI to aid understanding of the method. The guide can be used as a resource for portfolios who may be deciding whether SROI is the right evaluation approach for them.

Alongside this guide, we recommend that you read *A guide to Social Return on Investment* (The SROI Network, January 2012). This can be downloaded for free here.

This handbook provides an accessible introduction to SROI and how it can be used and sets out a thorough step-by-step process of how to undertake an SROI assessment for an organisation or project. The guide also includes an extensive resources section, including sources of support and further information, and is therefore an essential reference for anyone considering undertaking a SROI analysis. There are also two supplements, which focus on stakeholder¹ involvement, materiality and starting out on SROI. These can be accessed here.

The SROI Network also provides guidance and training to SROI practitioners and provides an assurance service for SROI evaluations.

On-going Support

If you have any queries about SROI or would like further information about this guide, please get in contact with Andrew Bryce at Ecorys, 0113 290 4104, andrew.bryce@uk.ecorys.com.

“This guide encourages organisations in particular contexts and sectors to get started with applying SROI principles and methodology.”

Jeremy Nicholls, SROI network

¹In SROI, “stakeholders” means everyone who changes as a result of what you do, for example it will include project participants and beneficiaries.
What is Social Return on Investment (SROI)?

Social Return on Investment (SROI) provides a framework for measuring and accounting for the full value of your activities. It takes you through the process of estimating the economic, social and environmental value of an intervention and enables you to demonstrate that the investment made in a project is delivering a genuine return – not necessarily in terms of money or profit, but in terms of benefits that add real value to people’s lives. It allows you to place monetary values on the non-financial returns to investment, which may be positive or negative, including the impact on wellbeing.

The SROI methodology was developed by the SROI Network, on behalf of the Cabinet Office in 2009.

Why should I do an SROI?

SROI analysis can be helpful for your organisation or project in a number of ways. Firstly, SROI can help you to improve services. It provides a useful tool to facilitate strategic discussions, helping to guide the choices that managers face when deciding where they should spend scarce time and money. Through involving stakeholders, SROI can also help to ensure that services are designed in a way which meets stakeholders’ needs and allows them to hold your organisation to account.

Secondly, SROI is a useful tool for communicating the value of your organisation. This may help to raise the profile of your service, improve your case for further funding and make your funding applications more persuasive.
When should I do an SROI?

**Before an intervention (forecast):**
SROI can be carried out prior to an intervention or project being implemented. This approach would provide a forecast of the social value which is likely to be created if the activities deliver their targets and achieve their intended outcomes. It can help organisations decide which aspects of delivery will achieve the greatest impacts.

**During an intervention:**
SROI is also a valuable tool during an intervention or project. By making an assessment of the social value that has been created so far, this can help to monitor progress and help to identify any changes or improvements to the project. This is based on expenditure and outcomes achieved to date.

**After an intervention (evaluative):**
SROI can be undertaken at the end of an intervention or project to demonstrate the overall impact that the intervention has had and to determine whether the project was a sound investment decision. This approach is based on actual outcomes that have already taken place.

Who can do an SROI?

SROI can be a useful tool for a variety of organisations in the public, private and voluntary sectors. Not for profit organisations and social enterprises can use SROI as a management tool to inform expenditure decisions and ensure that their activities deliver valuable benefits to stakeholders.

With appropriate skills and training, it is possible for organisations to carry out an SROI in-house. Prior experience of engaging stakeholders, outcomes measurement or evaluation, Microsoft Excel and basic accounting skills will be helpful. However, where there is limited capacity from within the organisation, you may need to acquire some external support.

Note, however, that SROI does not need to be complex or expensive and is just as useful for small organisations with a small budget as it is for larger organisations. It is possible to satisfy the principles of SROI through having a few simple conversations with your stakeholders to understand the changes that matter to them, and take some steps towards understanding the value of these changes. As long as you are transparent about the methods used and any uncertainty in the results, the principles of SROI can be applied effectively at a very small scale.
What is SROI and why should I do it? When should I do an SROI and who can do it? What is the difference between SROI and CBA?

What is the difference between SROI and Cost Benefit Analysis (CBA)?

You may have read our recent guidance on cost benefit analysis (CBA) and be wondering what the difference is between that and the SROI process described in this guide.

While there are certainly a lot of similarities and overlaps between the two approaches, there are some important distinctions including:

• While CBA tends to focus on providing valuations of the main policy outcomes of an intervention, a key principle of SROI is that the stakeholders affected by the intervention should be consulted on what the primary outcomes of the analysis should be, and that the analysis should include outcomes that are material regardless of whether they are intended or unintended.

• Another key principle of SROI is that there must be a process for verifying result, for example through an external assurance process. There is no standard audit process governing CBA assessments.

• SROI is designed to be an extension of financial accounting, allowing organisations to measure and present the value that is created or reduced by their activities over and above that which appears in the financial accounts. CBA is not designed with this purpose and, while it can provide a rigorous assessment of the impact of an intervention on certain outcomes, it is likely to provide a balanced assessment of value at the organisational level.

We suggest that you read this guide alongside our CBA guidance to get a rounded overview of measuring value for money. These guides can help you to identify which (if any) of these methods is most appropriate to apply to your projects.
The seven principles of SROI

• **Involve stakeholders:** Measuring social value is all about identifying and quantifying the changes experienced by the people involved in your project (your stakeholders). Therefore, it is essential that stakeholders are involved in the SROI process at all stages to ensure that the analysis accurately reflects their views and experiences.

• **Understand what changes:** It is important to understand and articulate what changes (or outcomes) are being brought about by your project. These may be positive or negative, intended or unintended.

• **Value the things that matter:** SROI analysis must make an attempt to value in financial terms any changes that matter to stakeholders, even if they are things that would not normally be given a financial value.

• **Only include what is material:** A SROI assessment should only include information and evidence which is material, in the sense that a person would make a different conclusion and/or decision about the project if that information were excluded.

• **Do not over-claim:** The SROI assessment should avoid attributing the creation of value to a particular intervention or project, unless there is reasonable certainty that these impacts were not caused by other factors.

• **Be transparent:** It is essential that any data, assumptions or methods on which your analysis is based are properly explained and documented to ensure that conclusions and decisions are founded on accurate evidence and any uncertainties with the analysis are fully understood.

• **Verify the result:** Developing a SROI will always involve an element of subjectivity so external independent assurance of the analysis will help to ensure that the assessment is reasonable and unbiased. If the budget allows, it is worth considering the assurance service provided by the SROI Network. Please see [here](#).
Principles of SROI

Strengths and weaknesses of the approach

The key strength of SROI is that it provides a complete understanding of the value that is created (or possibly reduced) by any given activity or project. It ensures that undue emphasis is not given to outcomes that are easy to quantify and value in financial terms at the expense of other outcomes that may be more important to stakeholders but do not have such a readily available financial value.

However, a SROI analysis can lack credibility if it is not possible to apply any of the seven principles highlighted above. For example, making assumptions about what matters to stakeholders rather than involving them in the process can lead to significant bias and a failure to reflect fully and accurately the true value of an intervention.

Moreover, you should always consider the purpose for undertaking SROI and hence whether it is the most appropriate method for measuring the value and effectiveness of your project. For example, if you are undertaking this exercise primarily to attract funding to your organisation through demonstrating social value, it is worth noting that SROI is sometimes not the approach most favoured by funders or commissioners.

Many (particularly public sector) funders can be more concerned about the fiscal pay-off of investments (i.e. if we give money to your project, how much will this save us or the taxpayer in the long run?) and are hence sceptical about the valuation of social outcomes that do not necessarily lead to “cashable” savings.

A SROI estimate can be used to support internal comparability within a project, for example by comparing the result before and after delivery. Although a SROI figure cannot be compared directly across different projects, SROI analysis more generally can be compared usefully between projects.

Financial proxies are estimates of financial value where it is not possible to know an exact value, such as with social returns.
Carrying out an SROI

Establishing scope and identifying stakeholders

The first thing to do when designing a SROI is to determine the scope of your analysis. For example: Why are you doing this? When are you doing a SROI (before, during or after the intervention)? What are the activities / projects that are being assessed and over what period? How much time, money and expertise do you have to devote to the SROI? Also identify your stakeholders – any people or organisations that might be affected (positively or negatively) by your activities.

Mapping outcomes

Having identified your stakeholders, now think about the inputs, outputs and outcomes experienced by these stakeholders through your project. Inputs may include financial funding for the project, or time given by volunteers. Outputs involve the immediate results of the project (for example, number of people participating or qualifications gained) while outcomes describe how your stakeholders’ lives have changed, or are expected to change, as a result of these outputs. Outcomes may include increased physical activity, improved diet, improved mental wellbeing or reduced chance of future physical or mental ill-health.

Evidencing outcomes and giving them a value

The outcomes identified in Stage 2 should be measured in some way so that they can be quantified and valued. Possible indicators may include number of hours of physical activity undertaken per week (for example the international physical activity questionnaire provides a useful set of questions) or number of portions of fruit and vegetables eaten per day. To measure mental wellbeing, it may be helpful to use a validated tool such as the Warwick-Edinburgh Mental Wellbeing Scale. These indicators should then be translated into monetary values – this is the topic of the next chapter. Evidence for outcomes should come directly from your stakeholders, perhaps using research tools such as surveys, interviews or focus groups.

Calculating the SROI

Having come up with a value for each of your outcomes and removing any outcomes that would have been achieved anyway, the next stage is to put it all together. The SROI ratio is calculated by adding together all the value generated by your project (applying discount rates for any value accruing in future years) and dividing it by the total cost of the project. An SROI of more than 1 suggests that the social value generated by the project is greater than the amount invested.

Reporting, using and embedding

The final stage is to ensure your analysis actually makes a difference to your organisation. Firstly, work out how to report your findings accurately and concisely to draw out the underlying “story” of how your project has produced social value.

Secondly, ensure that the findings of the SROI analysis are used and embedded in your organisation in terms of improving future delivery.

More detailed guidance can be found in A guide to Social Return on Investment, including a step-by-step method for undertaking an SROI and access to numerous helpful resources including an Excel-based impact map template for recording your data. These resources can be found here.
Perhaps the most difficult part of SROI is attributing values to your outcomes. These should be expressed in monetary terms (e.g. pounds) to provide a consistent measure of value across all your outcomes. The key question we are asking is, “How much is this outcome worth to the stakeholder?” There are a number of ways to answer this question but we will just focus on two key approaches.

**Stated preference**

One way of finding out how much a person values an outcome is simply to ask them. For example, you may have identified from your primary research that a certain number of stakeholders have experienced improved mental wellbeing due to the project. While it might be tricky for these stakeholders to place a monetary figure directly on how much they value their improved mental wellbeing, you can elicit these valuations by asking the stakeholders to consider what they would be prepared to give up to achieve this outcome.

They may tell you that, on average, they would be prepared to give up their mental wellbeing in exchange for a new Rolls-Royce but would not be prepared to give it up in exchange for a new Ford Fiesta. While this may be a crude example, this finding tells you that the value of improved mental wellbeing among your stakeholders is likely to be somewhere between the price of a new Ford Fiesta and the price of a new Rolls-Royce.

If you want to use the stated preference method to find values for your outcomes, we recommend that you look at the Value Game, a survey tool that can be adapted for your stakeholders in a focus group or online setting – see [here](#).

**Revealed preference**

An alternative method for valuing outcomes is to infer valuations from the prices of related market-traded goods and services. You are still fundamentally trying to answer the question “How much is this outcome worth to the stakeholder?” but are using an indirect method to infer what this valuation might be (on average, across all your affected stakeholders) based on other available data. For example, if you can observe how much people pay on average for a half hour session at the gym, this could provide a good indication of how much people value a project that enables them to undertake a similar level of physical activity.

In this section, we introduce some potential financial proxies that may be relevant for outcomes relating to physical activity, healthy eating and mental wellbeing. Many of these are taken from the Global Value Exchange, a comprehensive database of proxy values that have been used in SROI or other valuation analyses. We suggest you take a look at [here](#). This is a free resource and even allows you to upload your own valuations!

It is important to note that the same outcome may have a different value for different stakeholders. For example, the estimated cost of obesity to the NHS may provide a good valuation of the avoidance of obesity for the NHS but this would underestimate the full value of this outcome as it does not take into account the value of other stakeholders affected by a person losing weight (e.g. the individual themselves).
Physical activity

Examples of financial proxies that you might use to value changes in physical activity are as follows:

- It can be estimated that, on average, 30 minutes of physical activity increases a person’s quality adjusted life years (QALYs)\(^3\) by 0.00022243. A single QALY gain has been valued at about £20,000 suggesting that 30 minutes of physical activity can be valued at about £4.45.

- Regular participation (at least once a week for at least two months) in mild exercise (that is activity that does not noticeably change the participant's breathing or make them sweat) has been valued at £3,537 per person per year. Source here.

- In Scotland, it has been estimated that avoiding premature death due to physical activity is valued at £34,818 per person. Source p. 17, ‘Let’s make Scotland more active: A Strategy for Physical Activity, found here.

- One can also value physical activity by estimating the amount people pay to achieve similar improvements in fitness as provided by the project. For example, a monthly gym membership is valued at £19.95 (http://ow.ly/zxKW5) while weekly group exercise for older people costs £5.20 per hour. Source here

\(^3\)A quality-adjusted life-year (QALY) takes into account both the quantity and quality of life. It is the arithmetic product of life expectancy and a measure of the quality of the remaining life-years.

Healthy eating

Examples of financial proxies that you might use to value changes in healthy eating habits are as follows:

- Notwithstanding the health benefits, it has been estimated that moving from a junk food diet to a healthy diet can save £6.58 a week on food costs. Source here.

- The cost of obesity to the NHS is estimated at £304.87 per person, so this can be interpreted as the value to the NHS of preventing a person from becoming obese. Source here.

- It is estimated that women spend on average £485 per year on diet related products, suggesting that female stakeholders might save this amount if weight gain is prevented. Source here.

- Again, healthy eating interventions can be valued by the amount people would otherwise spend on obtaining the same support elsewhere. A three lesson course on healthy eating is estimated to cost £225. Source here.
Mental wellbeing

Examples of financial proxies that you might use to value changes in mental wellbeing are as follows:

- A study on the social impact of housing providers estimates that, for an individual aged 25-49 living in the UK, the ability to rely on family is valued at £6,784 per person per year, the feeling of being in control of life is valued at £14,080 per person per year, high confidence is valued at £13,080 per year and relief from depression or anxiety is valued at £43,453. Source here.

- The cost of poor mental health to businesses is estimated to be £1,000 per employee per year. Source here.


- Mental health interventions can be valued by the amount a stakeholder may be willing to pay to achieve the same outcomes through some other means. A course of CBT to build psychological resilience and self esteem costs £1,240 for 20 sessions (http://ow.ly/ zxJSE); the cost of confidence training is estimated at £995 (http://ow.ly/zxK3B); and a Mental Health Awareness Training Day costs £100 in the voluntary sector, £150 in the statutory sector and £200 for a commercial business (http://ow.ly/zxKe6)

Final note

There are no hard and fast rules about which financial proxy you should use to value your outcomes. The examples presented above, and the wider database of financial proxies available on the Global Value Exchange, should at best be treated as a menu from which you can pick (and, if necessary, adapt) the financial proxy best suited to the outcome which you are trying to value. The most suitable valuation will vary depending on the particular activities, outcomes and stakeholders that you have identified. It is important always to go back to the question “How much is this outcome worth to this stakeholder?” and check that your valuation as far as possible gives a realistic assessment of this.

Whatever proxy you use, this will not give you a precise valuation and you should always bear this in mind when calculating your SROI. However, this is an important process and will help to give an indication of the true value of these non-monetary outcomes to your stakeholders.
Stage 1 – Establishing scope & identifying stakeholders

DFH has been running for about a year and our Wellbeing Programme portfolio manager has asked us to assess the social value that has been created across the whole project in that first year. We feel that an evaluative SROI is the most appropriate method to make this assessment.

However, as DFH is a relatively small project and we don’t have much money to devote to this evaluation, we decide to undertake the analysis in-house.

As a first step, we list all the stakeholders that might have been affected by DFH over the last year:

- **Participants** We feel that the most important group of stakeholders, and the group which is likely to have experienced the most change, are the young people participating in the project. Therefore, it is imperative that the participants are consulted and involved in this evaluation.

- **Staff and volunteers** The people involved in managing the project and delivering the training may also have been affected.

- **Partners** These may include the funding body (Big Lottery Fund) and other local organisations providing support to the project.

- **Local community** It is possible that the members of the local community not directly involved in the project may also have experienced change.
We now involve our stakeholders in mapping the key inputs, outputs and outcomes that have been experienced over the past year.

**Stage 2 – Mapping outcomes**

We start with **inputs**:

- **Project funding**: DfH was awarded funding of £70,000 for the year. This money was used to pay for two full-time staff, administration of the project and leasehold of an allotment.

- **Volunteers**: The project also benefited from in-kind contributions from volunteers. On average, 20 volunteer hours were provided per week for 50 weeks. After consultation with staff and volunteers, it was estimated that, had these volunteers been paid, their gross wage rate would have been about £10 per hour. This means that the value of volunteer inputs for the year can be estimated to be 20 x 50 x £10 = £10,000.

- **Venue hire**: While the use of the allotment was covered by project funding, the use of a kitchen for the weekly cooking sessions was provided free of charge by a local church. After talking to the church secretary, it is estimated that the church would have otherwise charged £50 for a two-hour session. Having used the kitchen for 40 sessions over the last year, the value of this input is estimated to be 40 x £50 = £2,000.

Based on these assumptions, it is estimated that the total inputs to the project over a one-year period can be valued at £82,000.

Now we look at **outputs**:

- **Number of participants**: Having looked at project records, we find that 75 young people participated in DfH at some point over the year in question.

- **Number of completions**: The project awards certificates to young people who completed a course of learning, or a set number of hours, while at DfH. Project records show that 25 young people achieved a certificate for both gardening and cooking, while a further 20 achieved a certificate in gardening only and a further 10 achieved a certificate in cooking only.
Stage 2 – Mapping outcomes continued...

Finally we consider outcomes. The overarching objective of DfH is to improve the health of its participants through increasing physical activity and healthy eating, and through improving mental health. These three intended outcomes will form a major part of the SROI assessment but our analysis should also explore any unintended outcomes, both positive and negative:

- **Physical activity:** This is expected to have been achieved through giving the participants an opportunity to take part in moderate exercise while working at the allotment. The project may have also inspired an increase in physical activity outside of the sessions.

- **Healthy eating:** Acquiring knowledge about healthy eating and the skills to grow and cook nutritious food may be expected to improve the diets of the participants.

- **Mental health:** Improved mental health, including a reduction in clinical depression, may have come about through improved self-confidence and self-esteem or the chance to get involved in social and productive activities.

- **Unintended positive outcomes:** We talked to a group of participants about any other outcomes that they have experienced through DfH. A few people mentioned that their participation may have improved their chances of finding a job. However, none of them had actually moved into employment as yet and it was felt that the kinds of attributes that they have acquired are already included in the main three outcomes above. Therefore, we chose not to include any employment outcomes for the participants in the SROI to avoid over-claiming.

- **Unintended negative outcomes:** A couple of young people in the group complained of back pain which they at least partly attributed to their work at the allotment. It was considered that we should take into account any negative impact due to injuries sustained while participating.

We also consider the outcomes experienced by other stakeholders. Having spoken to the portfolio manager at Big Lottery Fund and the local church it was considered that, while these partners are happy to be involved and to see the progress made by the participants, they had not experienced any material outcomes themselves.

Similarly, consultations with members of the local community found that there were no material benefits to any individuals outside of the direct participants in the project. Most of the staff and volunteers enjoyed being part of DfH although they have generally not experienced any benefits themselves.

However, one volunteer said that she has recently found a job and felt that the experience gained at DfH was a significant factor in enabling her to find this job. Therefore, we have decided to include this employment outcome as another unintended outcome of the project.
Stage 3– Evidencing outcomes and giving them a value

As the majority of outcomes identified in Stage 2 relate to the young people participating in the project, it makes sense to measure the scale of these outcomes through a short survey of participants.

Although some positive outcomes would have been experienced by participants who have not yet completed either the gardening or cookery courses or have dropped out, we expect most of the material outcomes to have been experienced by participants completing one or both of these two courses of learning.

Therefore, our survey only focuses on the 55 participants (25 + 20 + 10) that have so far earned at least one certificate. We attempted to contact as many of these participants as possible, and in the end we received 30 responses.

The survey questions are designed to elicit measurable indicators of change that can then be valued using financial proxies. The following table shows the calculations used to value the outcomes experienced by participants, as well as the volunteer that achieved a job outcome.

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Indicator</th>
<th>Total change</th>
<th>Financial proxy</th>
<th>Total value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical activity</td>
<td>Number of extra 30 minute sessions of physical activity undertaken per week (both within and outside the project)</td>
<td>On average, participants report increasing their physical activity by 2.5 half hour sessions per week. We multiply this by the number of participants that have earned at least one certificate (55). So total change for all participants for the year is 2.5 hours x 55 participants x 52 weeks = 7,150</td>
<td>Value of 30 minutes of physical activity through quality adjusted life years gained is £4.45.</td>
<td>7,150 x £4.45 = £31,818</td>
</tr>
<tr>
<td>Healthy eating</td>
<td>Number of participants reporting an improved diet</td>
<td>15 of the 30 respondents (50%) said they had improved their diet over the last year. Total change is 55 participants x 50% = 27.5 participants</td>
<td>Cost of a three lesson course on healthy eating valued at £225.</td>
<td>27.5 x £225 = £6,188</td>
</tr>
<tr>
<td>Mental health</td>
<td>Number of participants no longer suffering from depression according to a validated scale</td>
<td>9 of the 30 respondents (30%) are estimated to be no longer suffering from depression. Total change is 55 participants x 30% = 16.5 participants</td>
<td>Unit cost to NHS of treating depression is £2,026.</td>
<td>16.5 x £2,026 = £33,429</td>
</tr>
<tr>
<td>Injuries sustained</td>
<td>Number of injuries sustained</td>
<td>3 of the 30 respondents (10%) reported back pain. Total change is 55 participants x 10% = 5.5 participants</td>
<td>Cost of three hours of physiotherapy is £69.</td>
<td>5.5 x £69 = £380</td>
</tr>
<tr>
<td>Volunteer achieving job</td>
<td>-</td>
<td>1 job achieved.</td>
<td>Gross pay is £20,000.</td>
<td>£20,000</td>
</tr>
</tbody>
</table>

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Stage 4– Establishing impact

The survey also asked participants to estimate the extent to which they would have experienced the changes they reported if they had not been involved in DfH. The results suggest that 25% of young people felt that they would have experienced the same changes otherwise. Also, the volunteer gaining a job felt that there was only a 25% chance they would have got it if it were not for the experience and skills gained from volunteering with DfH. Therefore, deadweight (the changes that would have happened without the project) is estimated at 25%.

We also make some assumptions about drop off (the extent to which outcomes will be sustained in the future). After consulting with stakeholders, it is assumed that there is no drop off in the first year but then only 50% of outcomes will be sustained into the next year and 25% in the third year. Although we hope that outcomes will be sustained beyond this time, due to uncertainty and to avoid over-claiming we make the assumption that there are no further outcomes after the third year.

Stage 5– Calculating the SROI

We are now in a position to calculate the SROI for the first year of DfH. Note that outcomes achieved beyond the first year are discounted at a rate of 3.5% per year (HM Treasury guidelines)

- **Total gross value in first year** = £31,818 + £6,188 + £33,429 - £380 + £20,000 = £91,055
- **Total additional value in first year accounting for deadweight** = £91,055 x (1 - 25%) = £68,291
- **Total additional value in second year accounting for drop-off and discounting** = £68,291 x 50% x (1 / 1.035) = £32,991
- **Total additional value in third year accounting for drop-off and discounting** = £68,291 x 25% x (1 / 1.0352) = £15,938
- **Total additional value across all years** = £68,291 + £32,991 + £15,938 = £117,220
- **Total value of inputs (from Stage 2)** = £82,000
- **SROI** = £117,220 / £82,000 = 1.43

This suggests that for every £1 invested in the project has generated a social return of £1.43. At this stage, we may wish to revisit the analysis to check whether our assumptions and calculations are valid and robust. We may also undertake sensitivity analysis where we change key assumptions and data in the SROI model (e.g. estimates of deadweight and drop-off, financial proxies, the magnitude of outcomes or the value of inputs) to check how sensitive the overall results are to these changes.
Finally, we take the necessary steps to ensure that our analysis actually makes a difference to the services provided to young people. We produce a report that is interesting and accessible, drawing out what the analysis tells us of the “story” of how social value has been created through DfH. This report contains a technical annex detailing the steps taken in the methodology to ensure that we are as transparent as possible about the analysis and assumptions underpinning our results. This report may be disseminated to other projects in the Wellbeing Programme to help them to understand their social value.

The findings of our report will also be used internally to help focus our activities towards maximising the outcomes that matter to stakeholders and can be used to raise the profile of DfH and attract more funding.
7.0 Links and Resources

This list is in no way exhaustive but may be useful for resources and information.

- A guide to Social Return on Investment: The SROI Network: Click Here
- Let's make Scotland more active: A Strategy for Physical Activity: Click Here
- Global Value Exchange: Click Here
- SROI Network: Click Here
- Guidance on starting out on SROI: Click Here
- Value Game: Click Here

Acknowledgement

We would like to express our appreciation to the SROI network for their insightful and constructive comments on this good practice guide.