

Social Return on Investment



Report on 2020
LittleBigHelp



This SROI report is compiled by Lind Invest in September 2021.

The SROI report is published by Lind Foundation but has been compiled by Lind Invest, as the Social Responsibility area in Lind Invest has been merged into Lind Foundation in June 2022. Thereby, all projects supported by Lind Invest are now part of Lind Foundation.

The content of the report is unchanged and Lind Invest is mentioned throughout the report as it was the contributor at the time.

Contents

Summary	1
Purpose	6
Introduction	7
Organisational overview	10
Method	11
Persona.....	13
Stakeholders	14
Data	16
Calculation	17
Social Return on Investment	17
Input.....	17
Output	18
Outcome	18
Survey data.....	19
The outcome for the boys.....	19
The future outcome for the boys after Boys' Home	22
Calculation of the SROI ratio	23
Sensitivity analysis	24
Other value creation.....	25
Conclusion.....	26
Appendix.....	27
Appendix 1: Impact map.....	27
Appendix 2: Assumptions and uncertainties	30
Appendix 3: References	32

Summary

Major changes to the report

Since publishing the previous SROI report for the LittleBigHelp Boys' Home, Lind Invest has revised the assumptions for this year's analysis in three major areas.

1. The boys' families are now excluded from the outcome valuation, as they are not considered a core stakeholder group for Boys' Home activities and therefore should not be a part of the change theory and SROI calculations.
2. Additional criteria for being considered homeless and depressed have been added, and the homeless category has been divided into homelessness and temporary accommodation according to HACT and the Social Value Bank.
3. The value of schooling is added to the outcome as a supplement to the future salary expectations, and as a more precise method for measuring the benefits identified.

The first two changes reduce the SROI ratio, while the third change has a positive impact. Overall, the changes reduce the SROI, however, the lower input this year due to COVID-19 leads to an improved SROI ratio. The lower input is a consequence of LittleBigHelp having no volunteers from Denmark at Boys' Home in the period due to travel restrictions. Normally, the value of the volunteers' working hours is calculated as input for the SROI analysis.

The SROI analysis is carried out on the impact created at Boys' Home in the period 1 April 2020 to 31 March 2021.

LittleBigHelp is an NGO established in Denmark in 2010 and running 22 projects in India. In general, LittleBigHelp aims to create better opportunities for vulnerable children and women in West Bengal, India. Among their projects are a girls' home, a boys' home, community centres, skill development projects, computer centres and they support an education centre for children with special needs.

The support from Lind Invest goes to Boys' Home, and the SROI report is an analysis hereof.

Boys' Home

Boys' Home opened in January 2014. Since then, they have provided a safe shelter for more than 30 young boys. At Boys' Home, the boys can start a new life away from the streets with care, comfort, nutrition, and education. When the boys become older than 18 years, they will move out of Boys' Home with a solid and stable base of experiences and skills. This does not mean that the boys who leave are left alone: LittleBigHelp has a preliminary 'Phasing Out Policy' with financial and emotional assistance planned, which will help the boys in their life outside Boys' Home. All this ensures that the boys have a safe childhood and get a smooth transition into adulthood. None of the boys is more than 18 years yet, so the phasing out has not yet been carried out.

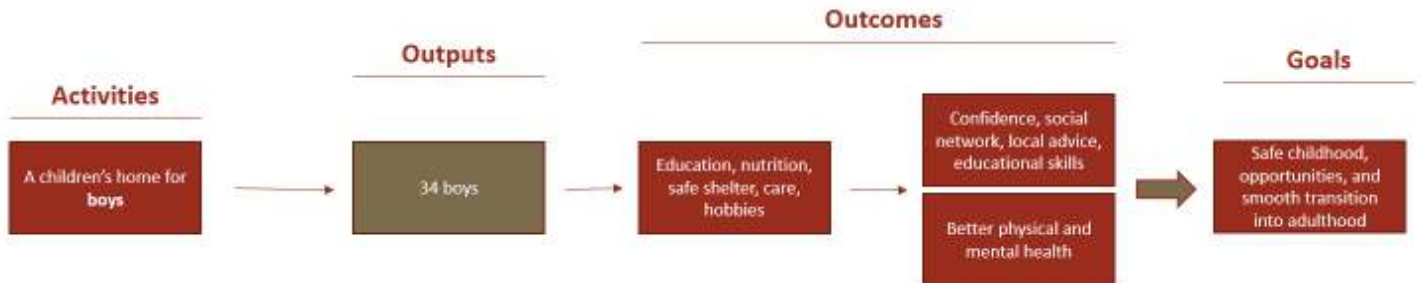
Calculation and method

The analysis is based on the Social Return on Investment method, which places a monetary value on social impacts and voluntary work by comparing the investments made in a social context with the value created for the involved stakeholders. The social impact consists of two types of value:

- *Financial value*: consists of the expected income that the boys will earn after they move out of Boys' Home.
- *Social value*: consists of well-being effects. The monetary value of these well-being effects is based on average values from the Social Value Bank¹. These values reveal the amount of money it requires to increase a person's well-being by the same amount as the factor. These

values are used to value the participants' increased well-being primarily based on survey responses.

THEORY OF CHANGE

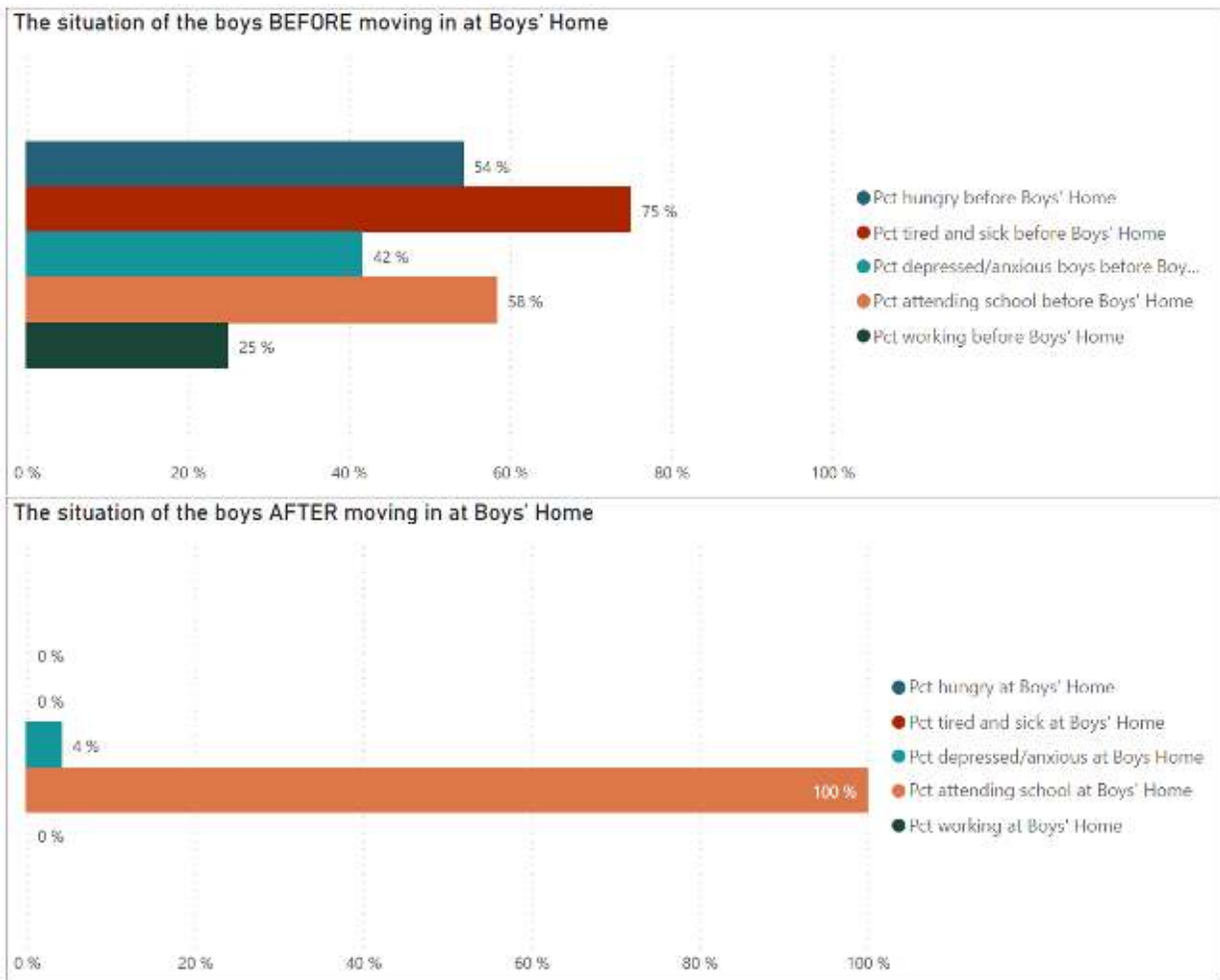


The situation of the boys after moving in at Boys' Home

- 26 no longer feel tired and sick
- 13 no longer have signs of depression
- 18 now get nutritious food every day
- 9 no longer have to work/collect things to get food
- 14 now go to school (4 of them doing engineering courses)
- 31 now have safe accommodation

Additional:

- 34 got hobbies
- 34 feels that Boys' Home can advise them
- 34 got friends



INPUT AND OUTCOME

Input	Value (INR)
Input in 2020	7,435,952 INR
Input over 10 years	29,743,808 INR

Outcome	Value (INR)
Outcome in 2020	21,129,691 INR
Outcome over 10 years	136,069,347 INR

THE SROI RATIO

The ratio for the year 2020/2021 can be calculated as follows by dividing the outcome with the input:

$$\frac{\text{Total outcome 1 year}}{\text{Total input 1 year}} = \frac{21,129,691 \text{ INR}}{7,435,952 \text{ INR}} = 2.84$$

Thus, for every 1 INR spent on Boys' Home, 2.84 INR is created in value while the boys are at Boys' Home.

In addition, the expected SROI ratio forecasted for 10 years can be calculated as:

$$\frac{\text{Total outcome 10 years}}{\text{Total input 10 years}} = \frac{136,069,347 \text{ INR}}{29,743,808 \text{ INR}} = 4.57$$

This shows that for every 1 INR spent on Boys' Home, it is expected that Boys' Home creates 4.57 INR of value over 10 years.

ADDITIONAL VALUE CREATION

The SROI ratios of 2.84 and 4.57 respectively do not contain all the values created by Boys' Home because not all effects are possible to monitor and measure monetarily and precisely enough to take them into account. For instance, educating the boys makes them aware of their rights, of society's development and can lead to increased civic engagement. In addition, the boys get a more stable living situation with fewer concerns and have developed tools that they can use when facing new challenges.

Other effects include those experienced by the local community and the boys' parents. The parents experience well-being improvements because their boy is safe, healthy and taken care of. Furthermore, the boy gets an education and improves both his own and the families' prospects. The local community also benefit from Boys' Home due to less criminal activity and an increase in employment among the boys. In addition, the boys will likely ensure that their future children go to school and stay healthy.

Further discussions on value creation, that is not included in the report, are in the section 'Additional Value Creation'.

Purpose

The purpose of the analysis is to evaluate the value creation of LittleBigHelp's Boys' Home in Kolkata, India in the financial year 1 April 2020 to 31 March 2021.

Furthermore, the purpose is to find and show the social impact that is generated for the boys staying at Boys' Home. By doing this it is also revealed how the organisation works, who the stakeholders are, and how value is created.

The analysis can be used both internally and externally. For internal use, the analysis makes it clear where the value is created and what affects the value creation. The management of the organisation can then use it as inspiration for further development and improvement of current and future projects. Externally, it can e.g., be used to document the value creation to current and future contributors and to support the fundraising of the organisation.

It is a central part of Lind Invest's approach to social responsibility to measure and evaluate if there is a reasonable relationship between the input and outcome of the projects to benefit the target group as well as society in general.

Introduction

LittleBigHelp is an NGO that was established in Denmark in 2010 and the organisation runs 22 projects in India². In general, LittleBigHelp aims to create better opportunities for vulnerable children and women in West Bengal. Among their projects are a girls' home, community centres, skill development projects, computer centres and they support an education centre for children with special needs. Boys' Home is one of the projects as well. Lind Invest supports Boys' Home, a home where boys who have lived under poor conditions on the streets with or without a family get a better life in a safe environment. The children's home gives the boys education, nutrient-rich meals, health checks and personal development – something most of them never had the opportunity to access.

Boys' Home

Boys' Home opened in January 2014 and since then they have provided a safe shelter for more than 30 young boys. At Boys' Home, the boys can start a new life away from the streets with care, comfort, nutrition and education. Furthermore, they are given a structured everyday life with sports, music, drawing, meditation and games. The staff and social workers involved in Boys' Home provide ongoing guidance and counselling about the challenges faced in life and how to cope with them. In addition, the boys are taught about various things to prepare them for life outside of Boys' Home. A plan for preparing the children for life after Boys' Home has been developed and is followed as closely as possible, with minor setbacks due to Covid-19 restrictions. The team has started taking the boys on trips for doing different chores such as making an appointment at a hospital, paying an electricity bill, going to the post office and more. Teaching the boys about cooking, personal hygiene and having conversations about their future careers have still been maintained. The oldest boys also receive vocational training where they learn about electric work, automobile repair, fitter of machinery, etc. The purpose is to equip the boys with income-generating skills so they can become financially independent once they leave Boys' Home.

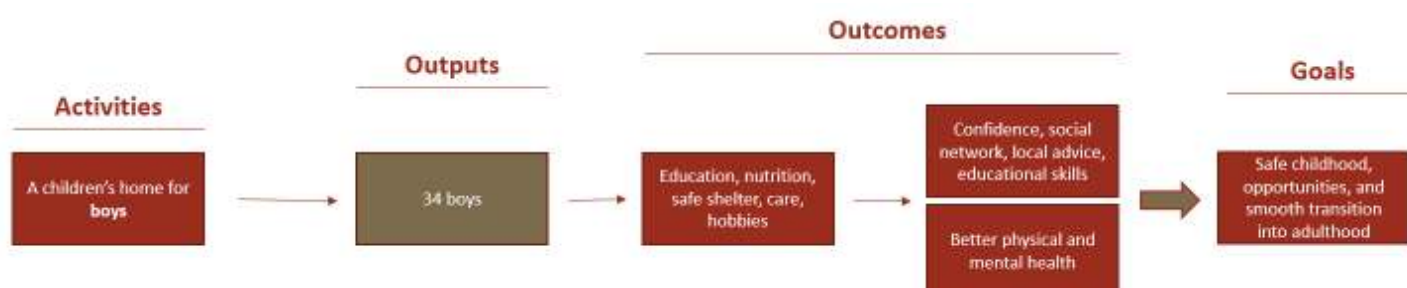
When the boys are more than 18 years old, they will be moving out of Boys' Home with a solid and stable base of experiences and skills. There is now under one year until the first boys will have to move out of Boys' Home. However, this doesn't mean that the boys who leave are left alone: LittleBigHelp has a preliminary 'Phasing Out Policy' with financial and emotional assistance that will help the boys in their life outside Boys' Home. This includes the possibility to live in a shared home for up to 24 months. The shared home is paid for by LittleBigHelp including basic facilities and it is planned that an employee will visit them once a week to provide guidance and help. It is expected that this will significantly improve the boys' chances of a good life after Boys' Home.

Table 1 briefly describes the boys who stayed at Boys' Home in 2020 and the activities at Boys' Home in 2020.

Table 1 – About the boys and the activities at Boys’ Home in 2020

Description	Number	
Boys staying at Boys’ Home at the beginning of 2020	34 boys	
Number of boys moved in at Boys’ Home during 2020	0 boys	
Number of boys staying at Boys’ Home at the end of 2020	34 boys	
Number enrolled in vocational training courses Etc. mobile repair, automobile, electrics	4 of the oldest boys (17 years)	
Age of the boys in 2020	8 years old: 1 9 years old: 1 10 years old: 7 11 years old: 2 12 years old: 5	13 years old: 4 14 years old: 4 15 years old: 5 16 years old: 1 17 years old: 4
Hobbies (Based on the survey carried out among the 24 oldest boys)	Drawing Dancing Singing Writing Cooking	Gardening Fishing Photography Stitching Reading

Theory of change



COVID-19: Boys' Home during lockdown

Lockdown in India

On 24 March 2020, the Government of India ordered a nationwide lockdown for 21 days due to the outbreak of coronavirus in India. Afterwards, the lockdown was extended several times and the classes 1.-8. have not been in school since. Class 9-.12. have been back for a shorter period but were sent home again due to a new lockdown. The rules for orphanages in India during Covid-19 has been very strict which means that the children have been inside most of the year. The team has done a great job in making the best out of a challenging time.

The lockdown has affected the boys' lives in several ways. Some of the most important are mentioned in this section.

School

During the lockdown, the children could not go to school and therefore the boys' schooling has been maintained from home as much as possible. Normally part-time teachers would come to the home to help the boys with the subjects they find difficult, but during the lockdown, the full-time caretakers have helped with all school assignments. The older boys have also helped the younger ones with their school assignments.

Activities

Before the lockdown, the boys went to school and did a lot of activities outside of Boys' Home, but during the lockdown, this has not been possible. To keep the boys active, online karate and dance teaching has been arranged, a dance competition has been held, and daily meditation sessions have been held. But due to the lockdown, many other planned activities have been cancelled or postponed.

Helping families

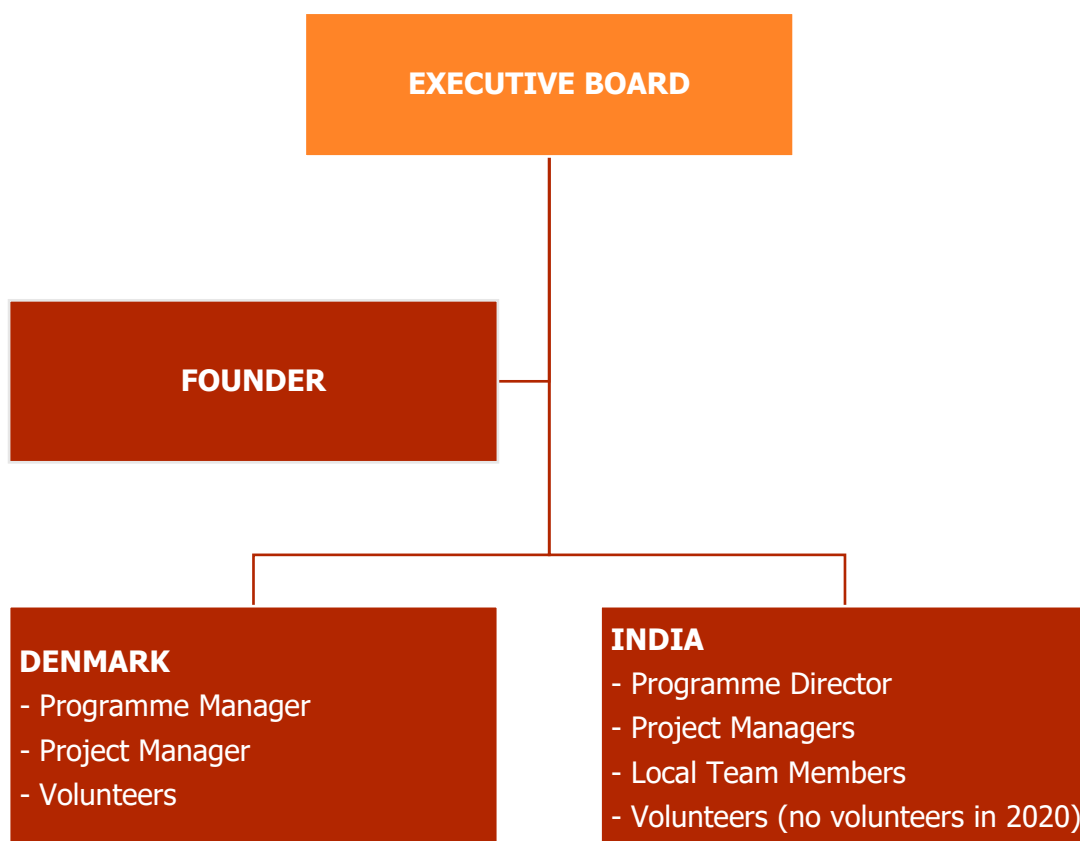
The boys are very concerned about their families who live in vulnerable areas and had difficulties coping during the lockdown. LittleBigHelp has therefore identified which families need help and provided food support to them.

Organisational overview

The management of LittleBigHelp consists of the Founder, Lisbeth Johansen, and the Programme Director, Debasish Guha. The organisation is organised in two divisions – one in India and one in Denmark. The division in India focuses on the operational tasks containing the help and support to children, women and vulnerable people. In India, the organisation has 80 local team members, of whom 50 are full-time employees and 30 are supporting team members. The division in Denmark helps with fundraising, branding of the organisation, administrative work and preparing for the annual fundraising Charity Gala. In Denmark, the team consists of a Programme Manager, a Fundraising and Events Manager, and a Project Assistant. Furthermore, some volunteers help with the assignments in Denmark. In Figure 2 the organisation is illustrated.

In 2020/2021 Boys' Home was operated by 6 full-time local team members and 7 part-time local team members. In addition, 10 supporting team members helped with the operation of Boys' Home in 2020/2021.

Figure 2 - Organisational overview



Method

With inspiration from traditional economic approaches such as Return on Investment and Cost-Benefit analysis, a modern method has been developed to quantify and value effects on target groups and society created by social projects and organisations. The method is called Social Return on Investment (SROI). This Social Return on Investment analysis is based on the method developed by the former Office of the Third Sector (OTS) in the Cabinet Office of the UK Government³. It has two main strengths: Firstly, it can be used to cover a large part of the complex effects social projects and organisations can have on target groups. Secondly, it can be used to assign a monetary value to 'soft' impacts that are often difficult to quantify.

However, the method is not fully perfect and is still being developed as it is used in practice, and there are also other methods to measure social impact⁴. Some of the challenges of evaluating social projects are the sheer number of possible outcomes on both the participants directly involved in the project, but also indirectly on other stakeholders like family members, friends, and the local community. Furthermore, the impact will work differently on the participants depending on their characteristics, motivation, family situation, etc. This makes it impossible to account for all the individual differences and possible outcomes of a project and assign a value to them. However, by using the SROI method it is possible to capture the most important outcomes of a project, assign a value to them and give a realistic picture of the effects social projects have on target groups.

THE PRODUCT OF AN SROI ANALYSIS

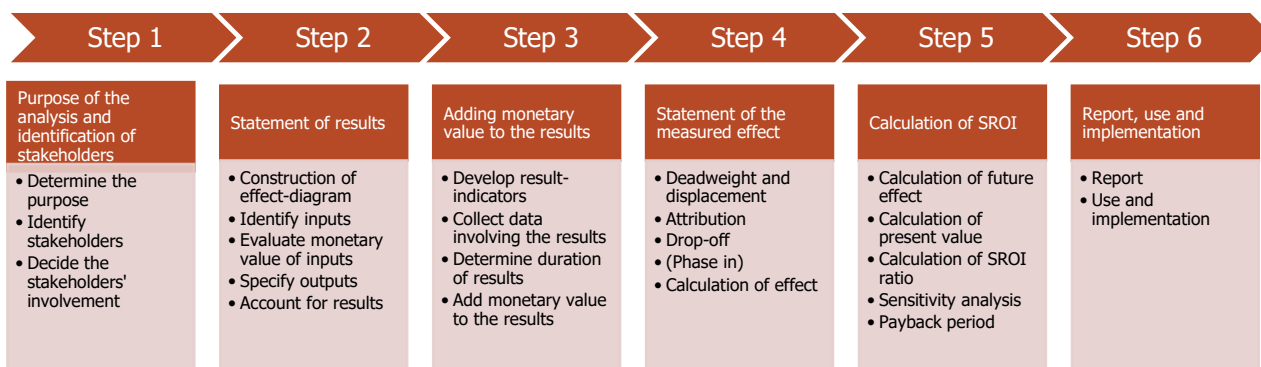
In sum, the SROI method can be used to assign a monetary value to 'soft' outcomes that are normally difficult to describe with numbers. Examples of soft outcomes are the development of new skills, experiences and personal wellbeing for people affected both directly and indirectly by a social project. Furthermore, an SROI analysis can systematise and clarify the process by which the outcomes are created to understand how a social project creates value. This means that the SROI analysis is not just a monetary result of the project that year.

By identifying the stakeholders and how they are affected, a comprehensive overview of the project's processes is also created. This helps the organisation to understand how they help the stakeholders and where they create the most value. For management, it must be considered an important tool for further development of the organisation to benefit the individuals and society even more. The analysis can also be used to communicate the effects of the project to people interested in the project and possible financial donors.

STEPS IN AN SROI ANALYSIS

The analysis starts with an identification of the individuals who are affected by the social project. These are referred to as stakeholders. The stakeholders are categorised into groups according to how and by which intensity they are affected by the project. Afterwards, the effects are assessed and given a monetary value based on economic principles. These values can then be added and used to indicate the total outcome created by the project. To estimate the SROI ratio (the monetary outcome produced for each 1 INR put in the project), the outcome is divided by the total value of inputs, like financial support and volunteers' time. Finally, a conclusion of the analysis can be made. The different steps are illustrated in figure 3.

Figure 3 - The six steps in the SROI analysis



This SROI report consists of two assessments - an evaluation and a forecast:

EVALUATION: An assessment of actual achievements during program participation

The evaluation is based on data collected while the boys are living at Boys' Home. This indicates the yearly effects experienced while the boys are living at Boys' Home. However, some of the effects do not appear this early in the process – they develop over time when the boys leave Boys' Home and expectedly continue to develop and improve their living situation. These effects are calculated in the forecast.

FORECAST: The predicted effects after 10 years.

The final SROI ratio is calculated for the expected effects after 10 years. This is done because it is expected that Boys' Home will have a long-lasting impact on the boys and their future. When the boys become older than 18 and move out of Boys' Home, their lives also change, and this will influence the expected outcome. The boys' average age is currently 14 years, which means they have four years left at Boys' Home on average. For the four remaining years, input is spent on the boys. For the last six years of the 10-year forecast, the boys are on their own.

It is uncertain how long and by which intensity the effects documented in the evaluation will last. This uncertainty is handled by estimating risks and calculating deadweight to make sure that the forecast gives a realistic and conservative estimate of the predicted effects. A deadweight of 25 % is subtracted every year after the boys leave Boys' Home. A sensitivity analysis will also show how the assumptions affect the SROI ratio.

INCREASING THE VALIDITY OF DATA

There are different statistical methods to increase the validity of the results of the analysis⁵. Table 2 shows the levels of analysis and the statistical methods used at each level. A higher level of analysis results in a stronger cause-effect relationship and more valid results. Results from lower levels analyses are still useful, but the cause-effect relationship is less certain. If randomised follow-ups become available in the future, it might be possible to track the development of the boys over time with higher certainty.

The boys living at Boys' Home were all poor and exposed to very rough living conditions before they moved in at Boys' Home. Uncertainties about safety, lack of food and purpose in life were something they often had to deal with in their life before Boys' Home. This means that their chances of improving their income and quality of life are extremely low, had they not moved in at Boys' Home.

Table 2 - Level of analysis and the statistical methods⁶

Level	Design	Description
5	Randomised experiment	Participants are randomly assigned to control and treatment groups by <i>the researcher</i> . The randomisation ensures that differences across control and treatment groups are not causing the effect. This makes it possible to isolate the effect of the treatment (for example the effect of receiving nutritious food).
4	Randomised quasi-experiments	Participants are randomly assigned to control and treatment groups by <i>naturally occurring events</i> . The randomisation ensures that differences across control and treatment groups are not causing the effect. This makes it possible to isolate the effect of the treatment (for example the effect of receiving nutritious food).
3	Regression analysis	Non-experimental evaluations, where the treatment is isolated by keeping some different characteristics of individuals in the data constant (for example gender, age, educational level etc.).
2	Before and after measure (if possible, with a control group)	The same group is measured before and after treatment is received. If possible, a control group can be identified by finding the 'typical' development for persons like the treatment group.
1	Cross-sectional study (if possible, with a control group)	The measure of a group at one point in time. Respondents <i>can</i> be asked about their situation <i>before</i> and <i>after</i> receiving treatment. If possible, a control group can be identified by finding the 'typical' development for persons like the treatment group.

Note: A 'treatment' refers to a given activity/treatment that a person receives. This could be nutritious food, counselling, education, etc.

Persona

A persona of a boy who lives at Boys' Home as described by LittleBigHelp:

- Has lived on the street or the slum for a long period.
- Has not attended school regularly.
- Might have had to steal or be in child labour to get an income.
- The family does not or is not able to help or support the boy.
- The family might be living on the street as well.
- Might have been addicted to alcohol, drugs and/or glue.

Stakeholders

The number of stakeholders who are affected by a social project can be many. The people who are involved directly in the organisation's work either as participants or as a part of the volunteers or staff are important stakeholders. But what about the people around the individuals who are involved directly in the project? This could be family members of both participants and staff, neighbours, friends, the local village or the society. These stakeholders do not experience the effects of a project first-hand, but second hand because of the development the first-hand stakeholders go through. We are interested in capturing all relevant effects and evaluating them as precisely as possible. This represents a trade-off: As the number of potential second-hand stakeholders increase, so does the uncertainties and the risk of not making a precise valuation of the effects.

In this analysis, it is possible to estimate the direct effects experienced by the boys and volunteers. Thereby, it is decided to capture the effects of the most important stakeholders with relatively high precision instead of including more stakeholders with much higher uncertainty.

Thus, in this report, the stakeholders are defined as individuals who are affected by the project first-hand. By doing this we exclude family, friends, neighbours, the village and society, because the effects on these stakeholders would be highly uncertain. This does not mean that they do not experience any effects in the real world - the analysis focus on the effects that can be estimated with a reasonable certainty making this report a conservative estimate of the outcomes of the project.

Table 3 - Overview of stakeholders

Stakeholders	Descriptions	Included in evaluation	Included in forecast
The boys	The main stakeholder as the Boys' Home program is specifically designed to improve their lives.	Yes. The main stakeholders that experience the program first-hand.	Yes. Their continued development over 10 years is analysed.
Volunteers	A significant part of the organisational work is done by volunteers in Denmark. They mainly do administrative tasks, fundraising and developing the data framework.	Yes. The time they spent as volunteers for Boys' Home counts as input. Other than helping the organisation they also gain personal experiences and wellbeing effects as an outcome.	Yes. As long as the boys are still living at Boys' Home, the volunteers are a part of the analysis.
Employees	In 2020/2021 Boys' Home was operated by 13 local team members and 10 supporting team members	Indirectly. The employees' salaries are included in the operating expenses.	Indirectly. The employees' salaries are included in the operating expenses until the boys leave Boys' Home.
Donors	These stakeholders give financial donations to LittleBigHelp and Boys' Home. These are both companies and private individuals.	Indirectly. Their financial donations spent on the operation are counted as input.	Indirectly. As long as the boys are still living at Boys' Home, the donor's financial donations are counted as input.
Local community	Stakeholders from the local community such as authorities benefit from the boys staying at Boys' Home instead of having them being homeless and getting involved in criminal activities. The local community also benefit from the boys' receiving education because this can lead to increased employment and a decrease in criminal activities.	No. The effects on the local community are not included because the impact on the local community is complex to estimate.	No. There is no value to make a forecast for because no effect is included in the evaluation.
Families of the boys	The families might benefit from having one less child to provide for, and experience well-being improvements due to fewer worries about their boy. When the boys grow up their education might help the families as well.	No. They experience the effects of Boys' Home second hand.	No. There is no value to make a forecast for because no effect is included in the evaluation.

Data

An SROI analysis has three data entry points: input, output and outcome. An overview of the data used for the calculations can be seen in the calculation section.

Table 4 – Summary of the input, output, and outcome

Input	Output	Outcome
<ul style="list-style-type: none">The total operating expenses for Boys' Home	<ul style="list-style-type: none">The 34 boys being educated at Boys' Home	<ul style="list-style-type: none">Changes are identified using a survey answered by all boys who are at least 12 years oldThe changes are assigned a monetary value

INPUT AND OUTPUT

On the input side, the data consists of the total operating expenses from the financial statement of 2020/2021. The output consists of the 34 boys who are being educated at Boys' Home.

OUTCOMES

The value that has come out of the output activities is called the outcome. The outcome is based on a survey of the older boys living at Boys' Home. These are the boys who are 12 years old and above. 24 boys answered the survey which means that all boys at the age of 12 and above have answered the survey. The high response rate reduces the statistical uncertainty of the data and thereby gives a more accurate valuation of the outcomes experienced by the boys. The reason why we only ask the older boys is that the age of 12 is the primary determinant of being able to understand questions correctly and give meaningful answers. Research shows that young children are not able to comprehend and understand relatively simple questions⁷. Hence, by asking the older boys we get more meaningful and precise statements from them. In addition to the survey, anonymised background information on all the boys at Boys' Home has been used. This includes descriptions of the circumstances that led the boys to Boys' Home and how their living conditions were before.

WELL-BEING EFFECTS

The outcomes experienced by the boys result in a wide range of well-being effects. The monetary value of these well-being effects is mainly based on values from the Social Value Bank⁸. These values are results of large national surveys, where the effects of a particular factor are isolated through statistical theory. This approach reveals the amount of money it requires to increase a person's well-being by the same amount as the factor. The values are used to value the boys' increased well-being and have been adjusted to the purchasing power of citizens in India using the Purchasing Power Parity (PPP)⁹.

Calculation

Social Return on Investment

A detailed description of the calculations for the input, output and outcome for the evaluation and forecast can be seen in the following section. All values are consistently shown in Indian rupees (INR) to make it easier for the reader to compare the values.

Input

Input is defined as all resources used to operate the project for a given period – in this case the financial year of 1 April 2020 to 31 March 2021 in India. This includes both direct costs, indirect costs, volunteers' time and non-financial gifts.

Every year, 7,435,952 INR is spent on operating Boys' Home.

Table 5 – Inputs

Input type	Description	Value (INR)
Direct cost	Based on financial statements of 2020/2021. This includes salaries to employees, food, materials needed to run Boys' Home etc.	6,929,914 INR
Indirect cost	Based on numbers from LittleBigHelp. The indirect costs cover Boys Home's share of the total running costs of LittleBigHelp.	417,460 INR
Non-financial gifts	Non-financial gifts are also counted as input.	88,578 INR
Total		7,435,952 INR

Output

The output is a quantitative statement of the number of activities and people involved in Boys' Home in 2020/2021. The output is presented in table 5.

Table 6 – Output

Description of output	Number
Number of boys staying at Boys' Home in 2020/2021	34

Outcome

The outcome is the substantial effect the project has had on the stakeholders. This is where a monetary value is assigned to the output. For each included programme, the effects are monetary valued. These valuations are decomposed into two parts:

- *The financial values* consist of the expected wage earnings after the boys have left Boys' Home.
- *The social values* consist of well-being effects. The monetary value of these well-being effects is based on average values from the Social Value Bank¹⁰. These values are results of a large national survey, where the effects of a particular factor are isolated through statistical theory. This approach reveals the amount of money it requires to increase a person's well-being by the same amount as the particular factor. These values are used to value the boys' increased well-being. The values have been adjusted to the purchasing power of citizens in India using the Purchasing Power Parity (PPP)¹¹.

The last step in the calculation of the net value creation is risk adjustments. The SROI method has four types of risk adjustments that are used to isolate the effect of a project:

Deadweight: States how large a share of the total effects, that would have taken place without the project. This is deducted since it cannot be assigned to the project's effort.

Displacement: States how much of the effects have replaced other effects.

Attribution: States how much of the effect is due to efforts from other projects, organisations, or people. This must be deducted to isolate the effect of a project.

Drop-off: States how much of the effect devaluates over time. This report evaluates the value creation in one year and thus no drop off is used in the calculation.

These adjustments are used to consider the effect of Boys' Home that might have occurred on its own or due to other factors outside the programmes.

Survey data

Based on the survey of the older boys it has been possible to identify the effects of staying at Boys' Home. In general, the boys come from very poor backgrounds and lived a rough and insecure life before they moved into Boys' Home. After moving in at Boys' Home, the survey indicates that their life situation has changed significantly. The results are summed in the table below.

Table 7 – Results of the survey of the older boys

	Situation before	Situation after
The boys (based on a survey carried out among the oldest boys)	<ul style="list-style-type: none"> • 58% went to school. • 54% were often hungry for a whole day. • 25% had to work or collect things to get food. • 75% felt tired and sick. • 42% showed symptoms of depression/anxiety. 	<ul style="list-style-type: none"> • 100% go to school. • 100% are never hungry for a whole day. • 0% must work to get food. • 100% rarely feel tired and sick now. • 4% show symptoms of depression. • 100% have a hobby. • 0% attend extracurricular activities outside of Boys' Home (due to the lockdown). • 100% have something they want to work with in the future.

Note. Numbers have been rounded off.

The outcome for the boys

The identified effects in table 6 are assigned a monetary value. By moving in at Boys' Home, the values in table 7 from Social Value Bank have been identified to match the improvements that the boys have experienced. Furthermore, the two values of attending an engineering course and going to school have been added. The value of an engineering course is calculated as a one-year wage difference between the official minimum wage and the expected earnings upon completion provided by George Telegraph. The value of schooling in India is found to be 8,1 % in wage increase per year of schooling. To be conservative the 8,1 % per year is based on the minimum wage, thereby expecting that the boys will earn 8,1 % more than the minimum wage for every additional year of schooling.

Table 8 - Gross outcome for the boys at boys' home

Outcome	Number of boys affected	Value per boy (GBP, 2018)	Value per boy (INR + PPP + CPI adjusted)	Total value (INR)
Good overall health	26	£16,921	283,354	7,367,192
Relief from depression/anxiety (youth)	13	£11,819	197,907	2,572,793
Improvements in confidence (youth)	30	£9,283	157,174	4,715,207
Hobbies	34	£909	15,520	527,667
Able to obtain advice locally	34	£2,507	42,807	1,455,444
Temporary accommodation to secure housing	14	£8,019	138,545	1,939,626
Rough sleeping to secure housing	17	£21,401	365,396	6,211,736
Member of a social group	34	£2,959	50,528	1,717,949
Engineering course	4		4,972	198,880
Return to schooling	14		7,810	265,532
Total outcome				26,793,034

Note. Numbers have been rounded off.

ADJUSTMENTS

To isolate the yearly net effects caused by Boys' Home, the four risk adjustments mentioned before are used. No displacements have been identified, since moving into Boys' Home has not replaced other outcomes. The following is an evaluation of 2020/2021, thus there is no drop-off here. The deadweight is set between 0 and 27 % according to the recommendations for each value made by Social Value Bank. This is considered very conservative because the boys have very few or no alternatives at all, as indicated by Boys' Home survey results. Attribution is 0% and in some cases 10% because it cannot be ruled out, that other circumstances than Boys' Home can cause positive effects. However, these are not likely given their previous poor living conditions; thus, the attribution is low.

As shown in table 9, the net outcome value created for the boys during one year at Boys' Home is 21,129,691 INR.

Table 9 - Net outcome for the boys at boys' home

Social values					
Value	Number of boys affected	Gross value (INR)	Deadweight	Attribution	Net value (INR)
Good overall health	26	7,367,192	27 %	10 %	4,840,245
Relief from depression/anxiety	13	2,572,793	27 %	10 %	1,690,325
Improvements in confidence	30	4,715,207	27 %	10 %	3,097,891
Hobbies	34	527,667	19 %	10 %	384,669
Able to obtain advice locally	34	1,455,444	19 %		1,178,910
Temporary accommodation to secure housing	14	1,939,626			1,939,626
Rough sleeping to secure housing	17	6,211,736			6,211,736
Member of a social group	34	1,717,949	19 %		1,391,539
Financial values					
Value	Number of boys affected	Gross value (INR)	Deadweight	Attribution	Net value (INR)
Engineering course	4	198,880	15 %		169,048
Return to schooling	14	265,532	15 %		225,702
Total outcome					21,129,691

Note: Numbers have been rounded off.

The future outcome for the boys after Boys' Home

As mentioned, on average the boys have four years left at Boys' Home. In this section, the expected yearly value for the six years after they have left Boys' Home is calculated and added to the four remaining years at Boys' Home to estimate the total effect after 10 years. During their time at Boys' Home, the boys have received a good education, created a social network, and learned both practical and social skills that have improved their chances of a good life with an expected steady income after they have left Boys' Home.

Furthermore, the 'Phasing Out Policy' is expected to have a significant and positive effect on their future situation, helping them transfer to their adult life more safely and securely. Thus, future wage earnings, the ability to obtain advice, membership of a social group and good overall health is expected to continue after they have left Boys' Home.

Further adjustments

In addition to the adjustments made when calculating the net outcome for one year at Boys' Home, additional adjustments are made when the boys move out. To take the uncertainty of the time after Boys' Home into account, a yearly drop-off of 25 % is subtracted when calculating the outcome after Boys' Home. Thereby, the expected outcome after 10 years is 136,069,347 INR as presented in table 10.

Table 10 - 10-year outcome forecast

Period	Net outcome (INR)
1 year at Boys' Home	21,129,691
Remaining 4 years at Boys' Home	84,518,763
1 year after Boys' Home excl. school	20,903,989
6 years after Boys' Home (25% yearly drop-off)	51,550,584
Total outcome 10 years	136,069,347

Note: Numbers have been rounded off.

Calculation of the SROI ratio

In this section, the final SROI ratio for LittleBigHelp's effort in 2020/2021 is calculated. Based on the analysis, it is possible to calculate the ratio for the evaluated year of 2020/2021 as well as the predicted SROI ratio after 10 years.

SROI RATIO FOR THE EVALUATED YEAR

The ratio for the year 2020/2021 can be calculated as follows by dividing the outcome with the input:

$$\frac{\text{Total outcome 1 year}}{\text{Total input 1 year}} = \frac{21,129,691 \text{ INR}}{7,435,952 \text{ INR}} = 2.84$$

Thus, for every 1 INR spent on Boys' Home, 2.84 INR is created in value while the boys are at Boys' Home. This shows that the input spent on activities at Boys' Home has a positive effect on the involved stakeholders.

SROI RATIO AFTER 10 YEARS

To calculate the expected ratio after 10 years, the values created while at Boys' Home and the input spent are multiplied by five. The total input during the remaining four years at Boys' Home is $7,435,952 \text{ INR} \times 4 = 29,743,808 \text{ INR}$. For the six years after the boys have left Boys' Home, no input is spent since they are now on their own.

As calculated previously, the total outcome for 10 years is 136,069,347 INR.

The expected SROI ratio after 10 years can be calculated as follows:

$$\frac{\text{Total outcome 10 years}}{\text{Total input 10 years}} = \frac{136,069,347 \text{ INR}}{29,743,808 \text{ INR}} = 4.57$$

This shows that for every 1 INR spent on Boys' Home, it is expected that Boys' Home creates 4.57 INR of value after 10 years.

The return can be adjusted for risk by calculating the Sharpe ratio. India is a country with a high country-related risk, where natural disasters and political uncertainties have a high risk of occurring. The basis for the calculation of the risk is OECD's Country Risk Classification.¹² If this country-related risk is incorporated in the calculation of a Sharpe ratio along with financial risk, organisational risk and dependency on Lind Invest, it gives a Sharpe ratio of 2.50. This means that even after adjusting for risk Boys' Home still creates a value that is 150% higher than input over 10 years.

Another measure that can be applied is the annualised return. Incorporating this measure in the analysis gives an annualised return of 0.164, which means that Boys' Home generates a return of 16.4% every year over the 10 years.

The different results are summarised in Table 11.

Table 11 - Summary of results

Measure	Value
SROI ratio, evaluation	2.84
SROI value over 10 years	4.57
Sharpe ratio	2.50
Annualised return (10 years)	16,4%

Note: Numbers have been rounded off.

Sensitivity analysis

As mentioned in the analysis, the values are based on estimates that come with uncertainties. To show how changes in the assumptions change the SROI ratio, a sensitivity analysis is made. This shows how the ratio is affected if the values identified are either lower or higher than expected. It is worth noting, that even if the value of all indicators is reduced by 50%, the SROI ratio is still positive after 10 years. This proves that Boys' Home creates value, even if the expected outcomes are reduced significantly.

Table 12 - Sensitivity analysis

Percental change in outcome after 10 years						
	-50%	-25%	0%	25%	50%	
Indicator	Social outcome					
	If all the social indicators change	2.30	3.44	4.57	5.71	6.85
	Financial outcome					
	If all the financial indicators change	4.56	4.57	4.57	4.58	4.59
	Total outcome					
	If all indicators change	2.29	3.43	4.57	5.72	6.86

Other value creation

Throughout the analysis, it has become clear that Boys' Home creates more value than measured in the analysis. Additional value has not been included, because it has been difficult to measure all the outcomes and assign a monetary value to them precisely enough to take them into account. This other value creation consists of improvements for society and further improvements for the individual and the family. These outcomes are described below.

Value creation for society

Many street children struggle to get food in their daily life on the street. Because of this, street children often become forced to do theft to get food and/or money. This can be the beginning of a long-term association with criminal activities that will affect both their lives and society in general negatively. When street children move in at Boys' Home they stay away from criminal activities, and they stay safe from violence and cruelty. Because it is expected that the boys will find employment after Boys' Home, the unemployment in the local community will decrease.

The impact on the boys at Boys' Home is believed to have a long-lasting positive effect on them for the rest of their life. With the education and expected higher income, it is likely that they will ensure that their future children go to school and stay healthy. Thus, the outcomes for the boys at Boys' Home create good prospects for their future children and most likely they will not become street children and face the same problems. Due to this, it can be expected that the problem of street children will decrease as more citizens are educated and helped to get a better life.

Value creation for the boys' parents/families

The parents experience a positive impact when their boys move in at Boys' Home. Through previous years' focus group discussions, some of the positive effects have been identified: They can save money because they now have more time to work and one less child to provide for. This has made it possible for some of the families to rent a room or purchase a small resident and move away from the street.

Beyond the financial and social improvements, the parents also experience well-being improvements related to their children's lives; they become happy knowing that their boy is safe, healthy and taken care of. Furthermore, the boy will get an education and improve both his own and the families' prospects.

As the families had a hard time during the lockdown, LittleBigHelp gave them food support, which has not been included in the outcome of the analysis.

All of this has value, but it is not yet possible to assign a monetary value to this effect.

Other value creation for the boys

Education helps the boys to get a good job and higher wage afterwards, but it also makes them aware of their rights, of society's development and can lead to increased civic engagement. It increases their social capital, which also has many positive effects socially, culturally and economically¹³. Social capital is important for a society to function properly because it increases trust, cooperation, and support between people. Thus, the education helps the boys get a job and higher income, and they become better citizens and help other people in the local community. Furthermore, due to their education, they will likely earn more than the minimum wage used in the calculations. The boys get a more stable living situation with fewer concerns. They also have access to meditation and counselling, so they learn to calm the mind and talk about their issues. This will help them further in life when they face new challenges, and this will have a preventive effect on the boys.

Conclusion

The analysis of Boys' Home shows that positive value is created through outcomes experienced by the boys in the project over 10 years. Most of the total value reflects the outcomes that the 34 boys achieve during their time at Boys' Home and in the first years after they move out of Boys' Home. At the children's home, the boys live in a safe environment with caretaking adults, good nutritious food, education and hobbies. This is a radical change from the living conditions the boys were living under before they moved in. The volunteers also experience positive outcomes from doing voluntary work.

The analysis finds that the SROI ratio for Boys' Home is 4.57 over 10 years. This means that for every 1 Indian rupee invested in Boys' Home, 4.57 Indian rupees are created in value for the stakeholders.

The SROI ratio for the evaluation of the value created in 2020 is 2.84 showing that Boys' Home creates positive value even before the boys have moved out and started to take advantage of the many things they have learnt while living at Boys' Home.

The analysis is based on a conservative approach, which ensures that the parameters are not overestimated. Therefore, it is believed that the results reflect the actual value creation that is expected to happen in the future. However, it is still a forecast. Since no boys are more than 18 years old and have moved out of Boys' Home yet, it is still uncertain how their progress will be afterwards. A sensitivity analysis has been made to show how changes in the parameters will affect the SROI ratio and even if the outcomes are reduced significantly, the SROI ratio remains positive.

Finally, it is important to be aware of the limitations of the analysis. The SROI ratio might be higher than shown due to other value creation that it is currently not possible to measure and put a monetary value on. This other value creation consists of long-term outcomes for the society in general, the families and possible positive outcomes related to the increased social capital of the boys. If it was possible to measure this and include it in the analysis, the SROI ratio would be higher.

In sum, Boys' Home creates significant improvements for the boys and the volunteers. This has a positive and long-lasting impact on the boys and society as well. The positive improvements that have been included in the analysis for the boys are presented in table 13.

Table 13 - Overview of the values created by Boys' Home in 2020

Social values created (HACT)	Total social value created 2020	Financial values created	Total financial value created 2020
- Able to obtain advice locally	20,734,941 INR	- Engineering course	394,750 INR
- Good overall health		- Schooling	
- Hobbies			
- Improvements in confidence			
- Member of social group			
- Relief from depression/anxiety			
- Rough sleeping/temporary accommodation to secure housing			

Appendix

Appendix 1: Impact map

Step 1		Step 2		
Stakeholders	Change	Inputs	Outputs	Outcome
Boys at Boys' Home	New safe home with good nutrition, education, sports, social network, schooling	Time	<ul style="list-style-type: none"> 34 boys 	Able to obtain advice locally
				Member of social group
				Good overall health
				Relief from depression/anxiety
				Improvements in confidence
				Homelessness
				Temporary accommodation
				Hobbies
				Engineering course
				Return to schooling

Step 3

Stakeholders	Indicator	Number	Uncertainty	Type of indicator	Value per unit	Source	Yearly gross value (PPP adjusted)		
Boys at Boys' Home	Able to obtain advice locally	34 boys	The number of persons who experience the effects has been calculated based on the survey responses from the oldest boys and the focus group discussion with the parents. This comes with some uncertainties since the experienced effects are inferred from a subsample of 24 of the 34 boys. This is elaborated in the data section. The social values are based on data from the UK. To be able to use these values in India, the values have been converted from GBP to INR and adjusted for Purchase Power Parity (PPP) to control for the different prices of goods, services, etc. in India. Furthermore, the data from the UK was collected in 2018 and projected to 2021 to account for inflation.	Social values from Social Value Bank	£2,507	HACT (2018)	7,367,192 INR		
	Member of social group	34 boys			£2,959		2,572,793 INR		
	Good overall health	26 boys			£16,921		4,715,207 INR		
	Relief from depression/anxiety	13 boys			£11,819		527,667 INR		
	Improvements in confidence	30 boys			£9,283		1,455,444 INR		
	Homelessness	17 boys			£21,401		1,939,626 INR		
	Temporary accommodation	14 boys			£13,382		6,211,736 INR		
	Hobbies	34 boys			£909		1,717,949 INR		
	Engineering course	4 boys			Expected wage increase		49,720 INR	Trading Economics & George Telegraph Institute	198,880 INR
	Return to schooling	14 boys					18,967 INR		265,532 INR

Note: All values are yearly (except return to schooling that is for 5 years). To see the expected total outcome after 10 years, see the calculation section.

Step 4		Step 5					
	Effect	Gross value	Dead-weight	Displacement	Attribution	Drop off*	Net value
Input	Running costs	7,367,192 INR				25%	7,435,952 INR
Boys at Boys' Home	Able to obtain advice locally	2,572,793 INR	27 %		10%	25%	5,207,978 INR
	Member of social group	4,715,207 INR	27 %		10%	25%	4,393,050 INR
	Good overall health	527,667 INR	27 %		10%	25%	2,740,125 INR
	Relief from depression/anxiety	1,455,444 INR	19 %		10%	25%	685,682 INR
	Improvements in confidence	1,939,626 INR	19 %			25%	1,112,130 INR
	Homelessness	6,211,736 INR				25%	8,699,158 INR
	Temporary accommodation	1,717,949 INR				25%	83,424 INR
	Hobbies	198,880 INR	19 %			25%	837,152 INR
	Engineering course	265,532 INR	15 %			25%	1,117,909 INR
	Return to schooling	7,367,192 INR	15 %			25%	841,502 INR

**Only subtracted after leaving Boys' Home*

Note: All values are yearly (except return to schooling that is for 5 years). To see the expected total outcome after 10 years, see the calculation section.

Appendix 2: Assumptions and uncertainties

The analysis is based on many assumptions that affect the conclusion. In addition to this, uncertainties are attached to both measurements and data collection. This table describes these assumptions and explains how they affect the results of the analysis.

Negative effects	Positive effects
<p><i>Well-being effects</i></p> <p>The well-being improvements for the boys and the volunteers have been valued based on the social values from the Social Value Bank. These values are considered valid evidence-based estimates based on 20 years of research on British citizens. In the analysis, it is assumed that persons experience the well-being effects the same way and therefore these social values can be used on any person. The social values have been modified for Indian citizens based on their income level because it is assumed that the well-being effects vary relative to income level. If this modification is wrong and it overestimates the social values and thus the well-being improvements, then the outcome will decrease and the SROI ratio will be affected negatively.</p>	<p><i>Well-being effects</i></p> <p>If the modification of the social values from Social Value Bank relative to income level underestimates the financial indicators for the well-being improvements, then the outcome will increase. This will affect the SROI positively.</p>
<p><i>Adjustments</i></p> <p>The outcomes have been adjusted by deadweight, attribution and drop-off. Of these parameters, the drop-off has the most influence and it accounts for how much of the effect drops off on a long-term period. If these adjustments are underestimated less of the effects can be credited to Boys' Home and the SROI ratio will be reduced.</p>	<p><i>Adjustments</i></p> <p>Deadweight, attribution and drop-off can be overestimated and then more of the effects can be credited to Boys' Home. This will increase the net effect and the SROI ratio will increase from this.</p>
<p><i>Employment</i></p> <p>It is assumed that the boys attending vocational education are employed after Boys' Home. This is believed to be realistic since Boys' Home concentrates on helping the boys to find a job when they are more than 18 years old. Also, it is believed to be realistic to keep a job. However, it is still a forecast, and the employment situation might be affected by many factors. If it is found that more of the boys' become unemployed than estimated in the analysis, the SROI ratio will be affected negatively.</p>	<p><i>Employment</i></p> <p>The employment effect might be even bigger than estimated in the analysis. If more boys would have been unemployed if they had continued living on the street the employment effect created by Boys' Home would be larger. Also, if more of the boys are employed after being at Boys' Home than estimated in the analysis, the outcome will increase. Both scenarios will affect the SROI ratio positively.</p>

Wages

The wages in the analysis have been estimated and it is assumed that all the boys will achieve these wages. However, their wage will depend on their job, and it is most likely that they will get different jobs, which is not possible to forecast. There is a risk that they might get a lower wage after being helped at Boys' Home than the wage estimated in the analysis. This will reduce the increased income and affect the SROI ratio negatively.

Wages

In the analysis, the wages have been estimated based on a conservative approach by using the minimum wages in India. If the boys can achieve a higher wage than estimated in the analysis after they move out of Boys' Home, then the increased income will become larger and the SROI ratio will increase.

Other value creation

As mentioned in the section "Other value creation" there are other outcomes created by Boys' Home. These are regarding further improvements for the boys, but also outcomes that affect the families and local community. If these outcomes were included in the analysis the SROI ratio would potentially increase.

Appendix 3: References

- ¹ HACT (2018). *Social Value Calculator*. <http://www.hact.org.uk/value-calculator> (10/11 2020).
- ² LittleBigHelp. *About us*: <https://littlebighelp.com/about-us/> (10/11 2020).
- ³ SROI Network (2015). "A Guide to Social Return on Investment". Social Value UK
- ⁴ Den Sociale Kapitalfond (2012). "Social Return on Investment – A review of methods to measure social impact". Den Sociale Kapitalfond Management ApS
- ⁵ Trochim, W. (2006). "Types of designs". Research Methods Knowledge Base
- ⁶ Økonomer Uden Grænser & Better Editions (2016). "3.3 SROI-model fra Cabinet Office / Social Value UK".
- ⁷ Andersen, Dines & Annemette Kjærulff (2003). *Hvad kan børn svare på? – om børn som respondenter i kvantitative spørgeskemaundersøgelser*. Socialforskningsinstituttet (SFI), København.
- ⁸ HACT (2018). *Social Value Calculator*. <http://www.hact.org.uk/value-calculator> (10/11 2020).
- ⁹ World Bank (2018). *PPP conversion factor India*:
<https://data.worldbank.org/indicator/PA.NUS.PRVT.PP?locations=IN> (10/11 2020).
- ¹⁰ HACT (2018). *Social Value Calculator*. <http://www.hact.org.uk/value-calculator> (10/11 2020).
- ¹¹ World Bank (2018). *PPP conversion factor India*:
<https://data.worldbank.org/indicator/PA.NUS.PRVT.PP?locations=IN> (10/11 2020).
- ¹² OECD, Country Risk Classification: <http://www.oecd.org/trade/topics/export-credits/documents/cre-crc-historical-internet-english.pdf> (10/11 2020).
- ¹³ OECD (2018). Human Capital. OECD Insights. <https://www.oecd.org/insights/humancapital-tableofcontents.htm>