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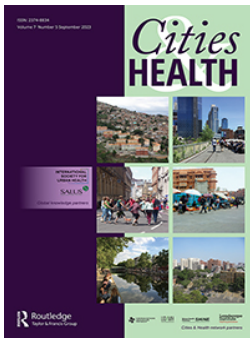
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Social return on investment: reflections on advancing the method within cities & health

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Understanding social return on investment

Social return on investment is a method which moves beyond merely return on investment and captures the complex nature of benefits derived from projects which are often unquantifiable (LSE 2019). It should be noted that there are numerous definitions and interpretations of the approach: it can be interpreted as a general approach, or a specific set of standards governed by Social Value International, or even as a 'sustainable' return on investment (see Bohmholdt 2014). The Social Return on Investment Network (2012) (now Social Value International) conceptualise it as:

a framework for measuring and accounting for this much broader concept of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental and economic costs and benefits. (p. 8)

As a generalised approach, its use is sometimes indistinguishable from cost-benefit analysis or standard public health methodologies for non-National Health Service interventions, such as quality-adjusted life years or the health equity assessment tool. The defined process, in this sense the eight principles and standards from Social Value International, bring clarity and an emphasis on the perspective of the individual that extends from a qualitative definition of outcomes, through to valuation and causality (see Figure 1). Banke-Thomas *et al.* (2015, p. 12) found that 'the social return on investment methodology provides a platform to systematically account for broader outcomes'. Allowing individuals to define the outcomes to be measured and valued, which leads to the inclusion of broader themes. For example, in the city context this could include: civic pride, environmental awareness, economic opportunity and safety, to name but a few, that complement health. In this context, social return on investment studies can demonstrate wider benefits derived from the built environment which are not captured as explicitly through other approaches.

Whilst cost-benefit analysis and public health methodologies, at their best, can also include these wider themes, in practice they often have a narrower

focus and can be constrained by policy objectives. Social return on investment goes beyond the objectives of an intervention to assess impact (in the widest sense) and gives a voice to the individuals it has impact on. However, it is also of note that although this distinction remains, Government guidance in the UK for cost-benefit analysis (the Green Book) is steadily moving to increase wellbeing in a broader sense. His Majesty's Treasury (2021) now requires that wellbeing concepts, measurement and estimation must be used according to the framework and processes provided by the Green Book.

Social return on investment has proven popular amongst community groups, local authorities, health bodies and other organisations alike, enabling them to demonstrate the significant impact of schemes or initiatives. Understandably, there are many critiques of the methodology, ranging from its explicit focus on monetary valuation, to concerns around the lack of rigor in which the technique has been employed (Hutchinson *et al.* 2019). In the post-COVID city, the use of the method has been upscaled, in part to convey the value of assets to policy makers and other key actors (Davies *et al.* 2020, Schoen *et al.* 2020). There has been a particular rise in the use of social return on investment within the broad area urban green infrastructure, with city farms, community gardens, parks and a host of other similar schemes employing the approach; capturing the impact of social prescription schemes, to the value of local food and beyond.

In this editorial, we call for more engagement with the method for the purposes of exploring innovation in the context of cities and health. In part, this is to facilitate more investment in radical solutions in cities to address health inequalities and to promote more creative solutions to mitigate rapid urbanisation. As Grant *et al.* (2017, p. 2) argue in the first editorial of the journal, 'we need to involve ourselves with an innovative city futures agenda' and to think outside the box with regard to urban design. This is reiterated in subsequent editorials, such as Franco *et al.* (2022) reflections on the need for mixed methods studies as



Figure 1. Social value international's 8 principles (Social Value International n.d.).

a way to generate healthier urban landscapes. With this in-mind, our editorial argues that social return on investment can be a vehicle for moving these agendas forwards, through developing healthier place-making and allowing the city to become a laboratory for change (Grant *et al.* 2017).

We proceed to reflect on a case study to provide an insight into the use of social return on investment within the realm of advancing the urban green agenda, a popular topic for discussion within this journal. In this sense, through creating more spaces for green social prescribing, local food production and wider activities which provide considerable social, environmental, economic and health benefits. With policy makers and other key actors burgeoning interest in the approach (Grant *et al.* 2017, Franco *et al.* 2022), we call for more studies in the journal to reflect on the method's ability to promote health and wellbeing within cityscapes: from advancing health equity to population and individual health. We also urge for critical engagement with the approach and aim to provide a snapshot of this within the editorial itself. This is particularly important, given the often explicit focus on the quantitative outputs of the methodology. Ultimately, with more novel solutions to addressing health within urban environments emerging, we aim to highlight the need to advance our understanding of this approach and its future value within innovations in cities and health.

Reflections on practice within urban greening initiatives

Within the urban greening agenda, social value appraisals have been popular, but the use of social

return on investment methodologies have risen rapidly as of late. As Hunter *et al.* (2020) note, there has been a rise in the use of the method to quantify the benefits of often intangible assets; in this case, their study highlights the social return on investment of an urban greenway, showing that for every £1 invested, there would be between £2 and £6 in value returned. Green activities form the brunt of many recent social return on investment studies, particularly those related to the social prescribing agenda. In a study focussing on the social value in the Natural Health Services, which includes forest schools and other green activities, it was found that for every £1 invested, some £6.75 of value was derived (Cogent Ventures 2012). Of particular note in the study was the impact of the forest school, which was proven to increase the physical activity and mental wellbeing of young people. Other benefits of this asset included its ability to enhance social skills, motivate attendees and develop emotional/related skills of those who participated (Cogent Ventures 2012). In addition to this, NEF Consulting (2016) found that involving a structured programme of environmental activities, through an organisation such as The Conservation Volunteers or Groundwork, could result in a social value of £2.38 for every £1 spent.

In the post-COVID city, there has been a particular focus on enabling more creative urban greening solutions, such as upscaled urban agriculture, in which food production is brought into the built environment (Grant *et al.* 2017, Hardman *et al.* 2022). At the centre of this large-scale urban agriculture drive is city farming, with rooftops, underground spaces and more mundane environments being converted across the globe to incorporate the practice into the urban fabric. In this context, social return on investments have been around for many years; Figure 2 is an example here and shows such an approach for an average sized urban farm, with the authors stating that 'for every pound invested in the project by funders, £3.56 of social value is generated' (FCFCG 2009, p. 3). This figure is in line with other social return on investment studies of urban farms, which place the social value generated between the £3.50 and £4.00 mark for every pound invested (see Schoen *et al.* 2020).

Post-COVID, many of these spaces have diversified their offerings and many now employ a 'care farm' approach as part of their model; embedding social prescribing to generate additional revenue and enable greater impact on communities. In this sense, conventional health services can prescribe care farming for mental health or other wellbeing issues (Mitchell *et al.* 2021). In a study commissioned by Lewisham Clinical Commissioning Group, an urban care farm focussing on people recovering from physical and mental health generated an social return on investment value of

	Year 1 (2009)	Year 2 (2010)	Year 3 (2011)	Year 4 (2012)	Year 5 (2013)
Total value of Community Gardening Project to stakeholders	£105,477	£2,749	£1,470	£1,470	£1,470
Total value, adjusted for discount rate of 3.5%	£105,477	£2,656	£1,421	£1,421	£1,421
Total value of Community Gardening Project to stakeholders, adjusted for discount rate					£112,395
Total investment in Community Gardening Project (ie: funding)	£31,600				£31,600
SROI ratio (total adjusted value/total investment)					£3.56

Figure 2. A social return of investment study of a city farm in England (FCFCG 2009, p. 21).

£83.73 for every pound spent (Growing Together, N. D.). The social value generated by the average care farm is higher in comparison to a ‘traditional’ city farm, with studies showing that this sits between £4.00 for smaller schemes to much higher figures, such as the Lewisham study.

Social return on investment is also popular with early-stage urban agricultural schemes, such as the nascent sector of high-tech city growing through hydroponics, aquaponics or other methods. In Bristol for example, a study found that for every £1 invested in schemes, such as high-tech growing, on average returned some £7 to society in terms of its impacts (Bristol Food Network 2015). Further afield, an investment by a company in South Africa of £400,000 into a community hydroponics project suggested a social return of R1,37 for every R1,00 invested into the project (KPMG 2015). This value has led to significant income for the projects evaluated, enabling funders to see the intangible benefits of the schemes. With policy makers and other actors often treasuring quantitative data, it is clear to see why so many urban greening schemes are using social return on investment to convey their complex and wide-ranging impacts and value.

Towards an ‘Ideal’ approach for SROI

With city greening projects and other urban health interventions increasingly adopting social return on investment approaches to demonstrate their value, we argue that actors should be aware of limitations of the methodology and good practice. As we have already mentioned, the use of social return on investment goes beyond valuation in monetary terms, with Miller and Ofrim (2016) suggesting that the ‘methodology goes beyond economic analysis by focusing on the value of outcomes experienced by key stakeholders, rather than focusing solely on investments and outputs’ (p. 2). The methodology employed to establish social valuation is complex, due to the lack of agreement on the approach used

to generate calculations across funding, social organisations and policy making sectors (Mulgan 2010). Multiple methods have been incorporated into this research field, covering the breadth of qualitative, quantitative, and participatory research techniques, as an attempt to demonstrate multiple outcome values from many stakeholder perceptions.

However, reviews of the broad approach show that:

- The majority of approaches are reported in a non-peer reviewed manner, with Gosselin *et al.* (2020) suggesting that this consists of around 94% of the studies.
- Banke–Thomas (2015) illustrates that most studies (37.5%) use mixed methods to generate outcomes, whilst the majority only consider the primary beneficiary (52%), followed by the beneficiary and those implementing change (7.5%).
- Hutchinson *et al.* (2019) highlights that the quality of studies are ‘highly variable ... weaknesses were observed in other areas including justifying stakeholders, reporting sample sizes, undertaking sensitivity analysis and reporting unexpected or negative outcomes’ (p. 1).

In this sense, the literature shows that there is a lack of critical reflection on the use of social return on investment studies, alongside concerns around how the methodology is employed. In the context of urban greening, we urge actors to consider these issues and adopt an approach which values both qualitative and quantitative datasets. Whilst social return on investment can be a powerful ally, particularly for urban greening projects wishing to demonstrate their value and impact within cities, there is a need to select an effective and robust methodology. Global and national standards for social return on investment exist, through bodies such as Social Value International. This can provide a basis for project leads and other actors, if they are wishing to engage with the technique; enabling detailed datasets and outcomes which can overcome the risks highlighted above.

In the context of urban agriculture specifically, there is a real need to draw on methods, such as social return on investment, to capture the complexity of the activity. As Schoen *et al.* (2020) demonstrate, even the smallest community garden can have incredible value: using such an approach, they showed how one in London returned £3 for every £1 invested. In a similar manner to Figure 1, social return on investment allows for the often intangible to be captured, which in turn can impact on funding decision, policy support and other key decision-makers helping to sustain urban agricultural practices. Our editorial here illustrates the use of the method within urban greening and agricultural projects, which often focus explicitly on tackling health inequalities within cities. Through social return on investment, we have shown how the approach can capture the complex value and impact of these schemes, particularly with regard to health and well-being, whilst conveying these messages to key decision-makers. However, reflections here also highlight the need to adopt rigorous approaches and to also capture the qualitative. In this sense, going beyond mere monetary value to provide a voice to communities, users and other benefactors of these schemes.

Moving forwards

In this editorial, we aimed to raise awareness around interest in social return on investment within the context of cities and health, alongside encouraging more critical engagement with the approach in the journal. We provided a flavour of its value within urban greening and agricultural initiatives, which have adopted the approach to demonstrate their broad impacts and values. Our case study, and wider reflections, highlighted the need to be cautious of the social return on investment approach adopted, alongside ensuring that empirical evidence forms the brunt of any investigation. Yet, we have also illustrated the outputs from such methodologies and the potential to capture novel activities in ways which would be appealing to decision-makers. We hope this acts as a catalyst for further discussion in the journal and contributes to calls for approaches to evidence ‘that supports creative city change and experimentation’ (Grant *et al.* 2017, p. 5).

We feel that more engagement is particularly important, given the rise in creative approaches to urban health, especially with the upscaling of green social prescribing and other radical developments, such as urban agriculture. Future articles may question the role of social return on investment in advancing such innovations, to revealing more

details on the complex value and impacts of practices. Beyond the urban green agenda, there are also questions around social return on investment’s wider relevance in promoting sustainable transport and more meta solutions to creating healthier cityscapes. With decision-makers increasingly investing in these areas, discussion on social return on investment as a potential enabler is vital within the agenda of cities and health.

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Notes on contributors

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