

## The Social Return on Investment of Sport for Good

*Recent research evidences that for every £1 invested in sport for good, an average of £6 is returned in social value.*

### Summary Findings / Public Statement

**Research conducted by Newton for Made by Sport evidences that for every £1 invested in sport for good, an average of £6 is returned in social value.**

In December 2021, Made by Sport conducted research into the Social Return on Investment (or SROI) of sport for good.

SROI is a research methodology that places a monetary value on the social change created by the activities of an organisation. Critically, it is a methodology that can be used to compare the impact of different programmes and interventions.

Social value is accounts for a broad range of value generated. This includes but isn't limited to;

- Cost savings to society because of improved health or reduced crime.
- Increased economic productivity
- Representative values of increased self-esteem or wellbeing.

The SROI figure of 1:6 for sport for good can be compared to Sport England's figure of 1:4 for all sport and physical activity, backing up Made by Sport's assertion that British business should invest in sport for good.

### Rationale

In December 2021, Newton conducted research on behalf of Made by Sport into the Social Return on Investment (SROI) of sport for good. SROI is a research methodology that places a monetary value on the social change created by the activities of an organisation.

The SROI methodology was chosen by Made by Sport for two key reasons:

- With the breadth and diversity of the sport for good sector in mind, SROI is the most widely used impact calculation that can be compared across different interventions.
- A return-on-investment figure speaks to our target audience; potential commercial sponsors.

## SROI Explained

### What are SROI and Social Value

- The activities of an organisation create change – this could be social, economic or environmental change.
- SROI is a framework to measure and report on that change.
- It uses monetary values to represent the social value created by the activity / intervention / change.
- That social value accounts for a whole range of value generated, for example
  - In some cases this is actual value:
    - Cost savings to society as a result of less crime, better health etc
    - Increased economic productivity
    - Improved educational attainment
  - In some cases, financial proxies are used to measure:
    - Increased self-esteem
    - Wellbeing
- The total of all of those values generated gives the SROI of an activity – i.e. it measures lots of outcomes in one monetary ratio.

### How is SROI Calculated?

It's calculated using the following 6-step methodology (or similar):

- Identify and involve stakeholders
- Map outcomes / develop a theory of change
- Evidence outcomes and giving them a value
- Establish impact (including considering what would have happened anyway / what is attributable to this activity etc)
- Calculating the SROI – adding up the benefits, taking away the negatives, comparing to initial investment
- Reporting authentically (SROI can also determine what isn't working effectively!)

SROI can be:

- Evaluated – based on actual outcomes
- Forecasted – predicted outcomes in the planning stage of a project

It's a resource intensive / technical process and is often outsourced to consultants.

## Made by Sport's SROI Research - Methodology

### Process:

In 2020, Made by Sport worked with Newton to look at the SROI of sport for good. A figure was produced, one that was based on a small number of studies.

In 2021 Made by Sport worked with Newton to repeat the exercise, this time at scale. Newton reviewed several SROI reports in the sector for data that they could draw on and selected a report by Gosselin, Boccanfuso and Laberge due to its breadth and robustness, to form the basis of their research and conclusions.

## Breadth:

In 2020, Gosselin, Boccanfuso and Laberge screened 1626 titles to find papers on SROIs of physical activity and sports (PAS) interventions as part of a study for a medical journal.

## Robustness:

- They found seventeen studies published between 2010 and 2018 which met their pre-determined inclusion criteria.
- They then reviewed the quality of each study following PRISMA guidelines. PRISMA is the recognized standard for reporting evidence in systematic reviews, endorsed by organizations and journals in the health sciences.

## Breakdown of organisation type:

The studies were divided into the type of intervention they delivered.

- 47% were interventions of primary prevention, targeting the general population or non-active groups in the community.
- 29% were sport for development, targeting people with multiple and complex needs of all ages.
- 18% were secondary and tertiary prevention, targeting individuals from disadvantaged backgrounds and with physical or mental health problems.
- 6% were for high-performance sport, targeting athletes in regional settings.

## Results:

- Each study was analysed further by Newton, looking at methodology, quality and SROI results.
- Newton excluded outliers and low-quality studies and found that the SROI for all quality interventions varied between 1.7:1 and 124:1.
- Looking at the averages by intervention type:
  - the highest SROI average of 44:1 was associated to secondary and tertiary preventions
  - followed by 5.9:1 for sport for development
  - followed by 5.6:1 for primary prevention
  - and 1.7:1 for high performance sport.

## Interpretations and Results:

- 'Sport-for-good' is an umbrella term encompassing all organisations using sport to achieve social outcomes. For the purposes of this study, Newton included the categories of sport for development as well as secondary and tertiary prevention, which gave the SROI for sport-for-good to be 29.5:1.
- However, recognising that the high SROI for the latter category is driven by one study with an SROI of 124:1, Newton's researchers concluded that a more robust sport-for-good SROI should be limited to the sport for development category.
- Therefore, Newton concluded that for every £1 invested in sport-for-good, £5.90 is generated in social value. This is the average SROI from a number of quality-assessed SROI studies on programmes specifically delivering sport for good.

**How we will use the Findings**

Comparing one set of ratios to another isn’t considered great practice. Financial proxies used are very context dependent and as such, as an organisation, Made by Sport has been mindful of comparing the SROI of sports programmes to art programmes, for example.

It is however helpful for us to compare different types of sporting programme, in the context of our wider aim to encourage big business to invest in sport for good as well as in elite and other tiers of sport.

We will use the following SROI figures in our fundraising and campaigning:

Type of intervention	SROI	Source
High performance sport	£1.7	Newton for Made by Sport
Participation based sport	£4 (£3.91)	2020 Sport England and Sheffield Hallam report <a href="https://www.sportengland.org/news/why-investing-physical-activity-great-our-health-and-our-nation">https://www.sportengland.org/news/why-investing-physical-activity-great-our-health-and-our-nation</a>
Sport for good	£6 (£5.90)	Newton for Made by Sport

**What Makes up these SROI Figures?**

Made by Sport

The Made by Sport SROI figure of 1:6 is based on the average SROI from a number of studies as explained above, and critically those studies only relate to sport that is delivered to achieve wider social outcomes – sport for good.

We are confident in the final figure and the methodology behind it and do not have plans to publish a breakdown of how the SROI was reached in each individual case. Each case was different, focusing on different outcomes, so doesn’t allow us to come up with collated social value return against cost savings in relation to specific areas (crime reduction, for example).

The studies did measure values including; physical wellbeing, mental wellbeing, economic development and improved social circumstance such as entering employment, so are representative of a range of sport for good interventions.

We will endeavour to use the 1:6 figure as a mechanism to highlight the value sport for good can drive businesses who choose to invest in it.

Sport England

Sport England have published an SROI figure of £1:£4 in relation to the total social value of sport and physical activity in England – so a broader definition of sport than Made by Sport’s focus on sport for good.

They report that the total social value of sport and physical activity in England – including physical and mental health, wellbeing, individual and community development – is more than £72 billion. £42 billion’s worth of this value was created from improved life satisfaction for 24 million participants and 3.9 million volunteers through their involvement in sport and physical activity. So, it is interesting to note that more than half of the total social value generated is a proxy value against life satisfaction.

The findings also show how physical activity plays an important role in preventing a number of serious physical and mental health conditions, with the research showing this provided the economy with £9.5bn in value. Of this amount, £5.2bn was in healthcare savings, while £1.7bn was in social care savings.

More than £3.6bn worth of savings were generated by the prevention of 900,000 cases of diabetes, while a further £3.5bn of value was generated in avoided dementia cases and the related care. A total of £450 million was saved by preventing 30 million additional GP visits.

A further £20bn in value came from stronger and safer communities, including:

- 10,000 fewer crime incidents
- The replacement value of work done by sports volunteers (£5.7bn)
- Improved levels of social trust, belonging and community engagement (£14.2bn)