

Social Return on Investment Forecast of Ardrossan Promenade Regeneration

Report for Ardrossan Community Development
Trust



Social Research



Service Design & Innovation



Strategy & Collaboration



Evaluation Support



Social Impact Measurement

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1: Introduction

This report describes the Social Return on Investment forecast of the redevelopment of the South Beach Promenade in Ardrossan.

Introduction

Ardrossan Community Development Trust, in co-operation with North Ayrshire Council, is planning to regenerate the South Beach Promenade in Ardrossan.

Ardrossan Community Development Trust

Ardrossan Community Development Trust (ACDT) was established in 2019 as a vehicle for active citizens to address local issues and to bring about long-term social, economic and environmental benefits for Ardrossan.

The Trust aims to attract funding and investment, and works towards increasing opportunities for local people, improving the physical environment of the town, attracting more visitors and reviving the sense of pride in the town.

To achieve its objectives, the Trust has formed partnerships with North Ayrshire Council (NAC), Cunninghame Housing Association, Sustrans and a range of local community organisations.

The South Beach Promenade Regeneration

One of the main focal points of ACDT is the redevelopment of the South Beach Promenade to create a vibrant seafront destination.

The first phase of the South Beach Promenade Regeneration project includes:

-
- Creating a community hub and café by repurposing a redundant toilet block.
-
- Free of charge deckchair hire.
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- Fully accessible toilet facilities including an accessible changing facility.

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- Provision of "disability wheelers" which allow wheelchair users access to the beach.
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- A dynamic and inclusive destination play area.
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- Bike parking, bike maintenance and e-bike charging facilities.
-
- Beach huts for use for community and commercial activities.
-

The Promenade is part of two national long-distance routes - the Ayrshire Coastal Path and National Cycle Network Route 73.

The project further ties in with a number of other significant regeneration developments:

-
- **Ardrossan Harbour redevelopment** – a £28m redevelopment of Ardrossan Harbour, Scotland's busiest port.
-
- **Ardrossan Community Campus** – a new campus on North Shore, including the relocation of Ardrossan Academy and Winton Primary School and Early Years Class, Ardrossan library, an accessible leisure facility and swimming pool and accommodation for the HSCP Children and Families Locality Team.
-
- **Ardrossan Castle** – the remains of a 15th century castle, with links to William Wallace (it is known as "Wallace's Larder"). The castle is promoted as a visitor destination.
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The South Beach Promenade Regeneration project aims to develop Ardrossan as an accessible and inclusive destination for local communities, the wider North Ayrshire population and visitors.

SROI

Every day our actions and activities create and destroy value; they change the world around

us. Although the value we create goes far beyond what can be captured in financial terms, this is, for the most part, the only type of value that is measured and accounted for. SROI is a framework for measuring and accounting for the full social, economic and environmental impact of activities, including the ones that have no direct monetary value.

The key principle of SROI is that it measures change in a way that is relevant to the people that are experiencing it. The main difference with other methods of social impact measurement is that it puts a monetary value on these impacts and calculates a ratio of return for the people and organisations that are contributing to create the change.

Social Value UK has developed and published the '[Guide to Social Return on Investment](http://socialvalueuk.org/what-is-sroi/the-sroi-guide)'¹ that is now widely accepted as the standard for SROI work. In conducting this SROI analysis, we have followed the principles of this guide.

These are:

-
- Involvement of stakeholders

 - A focus on understanding what changes

 - Value the things that matter

 - Only include things that are material

 - Avoid over-claiming

 - Transparency

 - Verification of the result

This social impact forecast was prepared by Rick Rijdsdijk of [Social Value Lab](#), a Social Value UK accredited SROI.

¹ <http://socialvalueuk.org/what-is-sroi/the-sroi-guide>

2: Scope and Stakeholders

This section defines the scope and boundaries of the study, describes the main stakeholders to the project and determines the value of the resources required.

Scope of the Analysis

The main aim of this study is to help ACDT and NAC to understand the expected wider social impact of the Ardrossan South Beach Promenade Regeneration project on communities, visitors and other stakeholders and the potential value created by the project.

This SROI forecast covers the capital investment of the first phase of the South Beach Promenade Regeneration project.

Materiality

SROI, like financial accounting, only considers stakeholders and outcomes that are material to the stakeholder and to the scope of the project. We have therefore focused on those impacts that are relevant to the project and significant in size to give a true and fair picture of the impact of the project.

Stakeholder Analysis

This SROI forecast explores the expected changes that stakeholders experience because of the South Beach Promenade. Stakeholders are the people and organisations that experience changes as a result of their involvement with the initiative. These can be positive or negative, and intended or unintended.

Therefore, the first step has been to identify all material stakeholders and we have considered the following stakeholders to be material.

Ardrossan residents

Local residents are the main beneficiaries of the development, who will use and enjoy all the new facilities created.

Disabled people

The accessible elements of the project will create a unique destination for people with disabilities, such as people in a wheelchair and

people with sensory impairments. South Beach will be one of the few beaches in the UK that are accessible to people in a wheelchair or have changing facilities with a hoist.

Children

Children will benefit from the new accessible and inclusive play facilities. There is an existing playpark, but this is old, not accessible for all and not exciting for children.

Local Businesses

Local businesses will benefit from increased footfall to existing businesses, opportunities to diversify in tourist offerings and access to new business outlets.

Visitors

Visitors that are currently only passing through Ardrossan or waiting in their car for the ferry, will have a vibrant and interesting destination to spend time and money in.

It is also expected that the revitalised South Beach will attract new day-trippers.

North Ayrshire Council

The local authority will benefit from the development in several ways. It will make Ardrossan a better place to live and do business in, it will generate income for the Council and attract new investment and reduce health and social care inputs.

Table 2.1 provides an overview of the total numbers of potential beneficiaries to the project.

TABLE 2.1 MATERIAL STAKEHOLDERS

Stakeholder	Total no. of stakeholders
Ardrossan residents	10,405 ²
Disabled people Ardrossan	2,851 ³
Disabled people North Ayrshire	33,934 ⁴
Children North Ayrshire	22,280 ⁵
Visitors	860,987 ⁶
Local businesses Ardrossan	185 ⁷
North Ayrshire Council	1

Stakeholder Engagement and Research

An SROI analysis explores the changes to stakeholders as a result of the project. To evidence the forecasted outcomes from the stakeholder’s perspective we provided input to the survey of local residents conducted by IBP Strategy & Research (<https://ibp.eu.com/>).

IBP deployed researchers to Ardrossan on two days and interviewed 438 people. The answers to the impact questions have been used for this impact forecast.

Additionally, we have undertaken semi-structured interviews with five key stakeholders, representing NAC, the Third Sector Interface and North Ayrshire Access Panel.

Table 2.3 describes the scope of the consultation that was possible within the time and resources available.

TABLE 2.3: STAKEHOLDER ENGAGEMENT

Stakeholder	Total sample	Method
Ardrossan residents	438	IBP survey + interview Third Sector Interface (TACT)
Disabled people	1	Interview with chair of North Ayrshire Access Panel
North Ayrshire Council	4	Telephone interviews with Locality Officer, two Economic Development officers and the local Councillor.

Input

The total input for the capital works of the South Beach Regeneration is as follows:

Regeneration Capital Grant Fund (RCGF)	£748,000
The National Lottery Community Fund	£249,584
North Ayrshire Council	£10,416
Total	£1,008,000

² Data from: <https://statistics.gov.scot/> Population of Ardrossan Central, Ardrossan North East and Ardrossan North West.

³ Data from: <https://statistics.gov.scot/> Percentage of Disability - Limiting condition for North Ayrshire applied to the total number of residents.

⁴ Data from: <https://statistics.gov.scot/> Percentage of Disability - Limiting condition for North Ayrshire applied to the total number of residents.

⁵ Data from: <https://statistics.gov.scot/> Children under 16 year in North Ayrshire.

⁶ Number of Calmac passenger traveling through Ardrossan. [Carrying Statistics 2019 - text version | CalMac Ferries](#)

⁷ Number of businesses in KA22 postcode registered with Companies House (152) plus number of charities in KA22 postcode registered with OSCR (33).

3: Outcomes and Evidence

This Section describes the expected outcomes of the South Beach Regeneration, the predicted quantity and duration of the outcomes, and the financial proxies identified to value them.

Outcomes

From the consultation a range of outcomes have been identified for the South Beach Promenade Regeneration. We have mapped these against the Scottish Government’s regeneration outcomes as defined in ‘Achieving A Sustainable Future, Regeneration Strategy’⁸, as summarised in Table 3.1.

TABLE 3.1: OUTCOMES MAPPED AGAINST SCOTTISH GOVERNMENT REGENERATION OUTCOMES

Stakeholder	Outcomes	Regeneration Theme	Regeneration Outcome
Ardrossan Residents	Ardrossan becoming a more attractive place to live and work, with improved amenities	Socially Sustainable Communities	People have access to appropriate community facilities and places to meet
		Physically Sustainable Communities	Communities have a positive appearance and are places where people want to live, work, and invest
	Increased physical activity and fitness	Socially Sustainable Communities	People have good physical and mental health
	Improved levels of mental health and wellbeing	Socially Sustainable Communities	People have good physical and mental health
	Providing greater opportunities for people in the community to come together, leading to increased community cohesion	Socially Sustainable Communities	Towns and high streets act as a focal point for social and economic interactions
		Economically Sustainable Communities	Infrastructure fosters the right conditions for growth and community cohesion, including good transport and digital connectivity
		Physically Sustainable Communities	People have access to quality public space and appropriate greenspace
	Increased safety of local area	Socially Sustainable Communities	Communities and people are protected and feel safe
Increased pride in local town	Socially Sustainable Communities	Communities have a positive identity and future aspirations	
	Economically Sustainable Communities	Thriving towns and high streets	
Disabled People	Ardrossan becoming a more attractive place to live and work, with improved amenities	Socially Sustainable Communities	People have access to appropriate community facilities and places to meet
		Physically Sustainable Communities	Communities have a positive appearance and are places where people want to live, work, and invest
	Increased physical activity and fitness	Socially Sustainable Communities	People have good physical and mental health
	Improved levels of mental health and wellbeing	Socially Sustainable Communities	People have good physical and mental health
	Increased access to the Promenade and beach for people	Physically Sustainable Communities	People have access to quality public space and appropriate greenspace

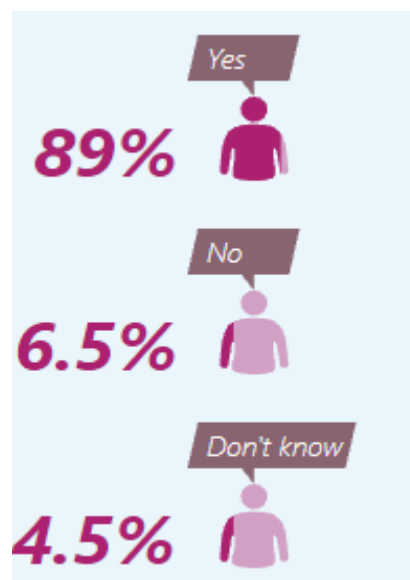
⁸ <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2011/12/achieving-sustainable-future-regeneration-strategy/documents/0123891-pdf/0123891-pdf/govscot%3Adocument/0123891.pdf?forceDownload=true>

Stakeholder	Outcomes	Regeneration Theme	Regeneration Outcome
	with mobility problems or other disabilities		
Children	Improved social development of children by providing opportunities for them to learn through play	Socially Sustainable Communities	People have good physical and mental health
Local Businesses	Ardrossan becoming a more attractive place to live, work and do business in	Economically Sustainable Communities	A thriving private sector and social enterprise
	Development of the Promenade and beach front as a vibrant, accessible destination for visitors and local residents, leading to increased number of visitors and spending	Economically Sustainable Communities	Thriving towns and high streets
	Increased investment by others in the town, leading to growth of the local economy	Economically Sustainable Communities	Places encourage positive and appropriate private sector investment and social enterprise which provides opportunities for business and jobs
Visitors	Improved visitor experience	N/a	N/a
North Ayrshire Council	Ardrossan becoming a more attractive place to live and work, with improved amenities	Economically Sustainable Communities	Thriving towns and high streets
	Increased investment by others in the town, leading to growth of the local economy	Economically Sustainable Communities	Places encourage positive and appropriate private sector investment and social enterprise which provides opportunities for business and jobs

The evidence gathered for each outcome is presented below. The outcomes for residents, disabled people and children are derived from the survey responses. The outcomes for businesses and NAC are also extrapolated from the answers to the survey.

Outcomes for Ardrossan Residents

Ardrossan becoming a more attractive place to live and work, with improved amenities



Most residents (89%) believed that Ardrossan would become a more attractive place to live and work in if the South Beach Regeneration would be completed.

Almost all respondents (92%) thought that the development would lead to better facilities and amenities for the people of Ardrossan.

A similar number of people (86%) believed that it would make Ardrossan a more attractive place for people to work and live in.

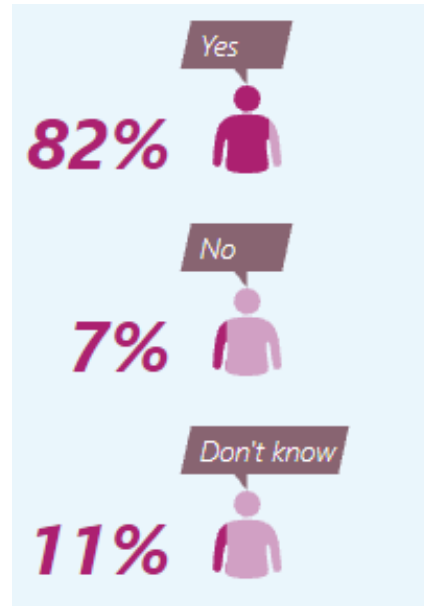
"Just that it's a lovely area and I would like more facilities."

"It would be nice to have areas to sit and have coffee or a drink."

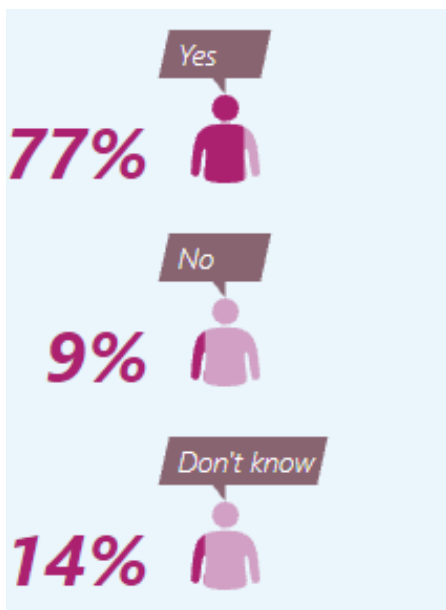
"It would be a good place to be, nice and modernised. Fun for kids and good for locals to use."

"It would be nice to come out and see front clean, tidy and cafes; people around; better organised."

"Front looks great but could be doing with some things to do, places to go and things to see."



Increased physical activity and fitness



More than three-quarters of respondents (77%) thought that the South Beach Regeneration, with its focus on providing people with opportunities to be more active, would lead to increased physical health and fitness.

Improved levels of mental health and wellbeing

The link between outdoor activity and mental health is well researched. More than four out of five people (82%) believed that the development will lead to improved mental health and wellbeing of people.

"I could spend more time down here being out in the fresh air."

Providing greater opportunities for people in the community to come together, leading to increased community cohesion



The South Beach Regeneration was acknowledged by most respondents (89%) as a great place for

the community to meet and socialise, which will increase the community cohesion.

"I would like to be able to meet my friends and enjoy some shopping with some cafes. I think it would be good for everyone."

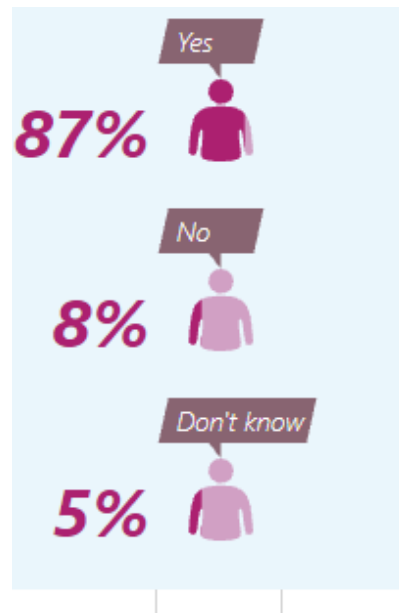
"We need something here to bring the community back. We have to travel for coffee."

"Great for community and families with kids."

"Bringing the community together."

"It would be very nice to have nice toilets and cafes. People need a place to meet up. It's often cold so would be a great help to people if we had somewhere to go, especially young families."

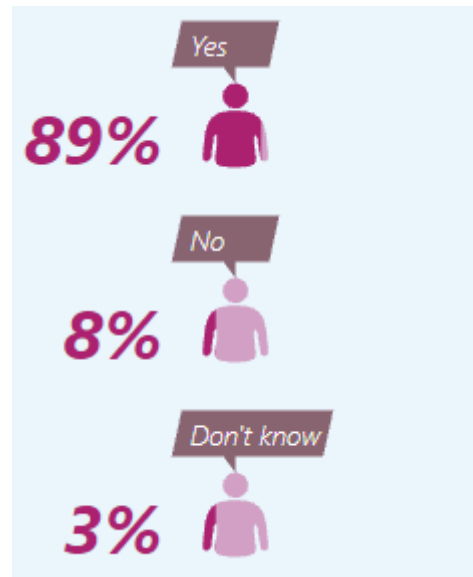
Increased safety of local area



Most respondents (87%) thought that the redevelopment of South Beach will have a positive impact on the safety of the local area.

"It should be a safe and friendly place to have lunch and get onto promenade more."

Increased pride in local town



Most people (89%) said the physical regeneration of the South beach promenade and the investment made in the town, would increase people's pride of living in Ardrossan.

"Looks nice and will be a cool place to eat and might attract people to this area. It's so nice here, it has a lot to offer."

"Would look nice and have more to do. We need something here. It's a beautiful place to live."

"About time the place was improved. We have the best promenade."

"It will just add to the beauty of the front."

"This town used to be great. Needs livened up more."

"Bring money to the community and a pride."

Key stakeholders' views

Key stakeholders interviewed mentioned the strategic importance of the South Beach development. They saw it fit with NAC's main policy agendas, including the Community Empowerment Act⁹, the Community Wealth Building Strategy, the Local Development Plan, the Economic Development and Regeneration Strategy and the Tourism Action Plan¹⁰.

The South Beach Regeneration does also fit well with the other major initiatives: Ardrossan Harbour redevelopment and the new Community Campus.

They all acknowledged the positive impact of outdoors exercise on physical and mental health.

Many stakeholders mentioned the perception of local people that the focus of development is not on the Three Towns¹¹ and many feel therefore undervalued. This major investment will restore the pride of people in the town.

It was noted that the South Beach Regeneration has changed the aspirations and attitudes of the local community. In the past the community was passive and expected the Council to realise the changes they wanted, now the community is more pro-active and comes with ideas and asks how the Council can help them to achieve it.

Outcomes for Disabled People

There has been no large-scale consultation with disabled people, therefore we have taken the outcomes that are most likely to be prevalent for disabled people from the consultation interviews with the general public:

-
- **Ardrossan becoming a more attractive place to live and work, with improved amenities** – having fully accessible facilities and beach access for wheelchairs will make Ardrossan a better place to live for people with disabilities and sensory impairments.
 - **Increased physical activity and fitness** – having the opportunity to access the beach and use the promenade for leisure, will increase the physical health and fitness of disabled people.
 - **Improved levels of mental health and wellbeing** utilising the beach area more will have a positive effect on the physical health of disabled people.
-

"I am happy to see inclusivity as a priority for the development but removing the fencing from existing playpark is not inclusive for families of neurodiverse children, families with young children, and multiple children."

"I often take a friend out who has a disability, and it would be great to go somewhere that would meet all her needs."

"I would fully support turning toilet block into cafe with accessible toilets as this area is used daily. Also extend the existing playpark to include disability access and rides."

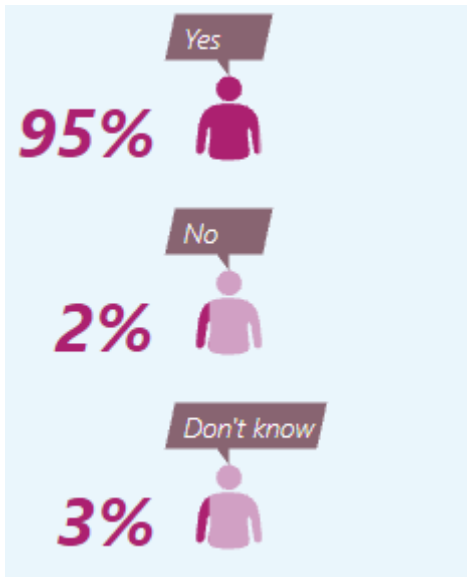
⁹ <https://www.gov.scot/publications/community-empowerment-scotland-act-summary/>

¹⁰ All Strategies, Policies and Plans of North Ayrshire Council can be found on <https://www.north-ayrshire.gov.uk/council/strategies-plans-and-policies/strategies-plans-and-policies.aspx>

¹¹ The Three Towns are: Ardrossan, Saltcoats and Stevenston.

Increased access to the Promenade and beach for people with mobility problems or other disabilities

The consultation specifically probed for views on the facilities for disabled people and the vast majority (95%) said that the development will increase the use of the beach and its facilities by disabled people.



Key stakeholders' views

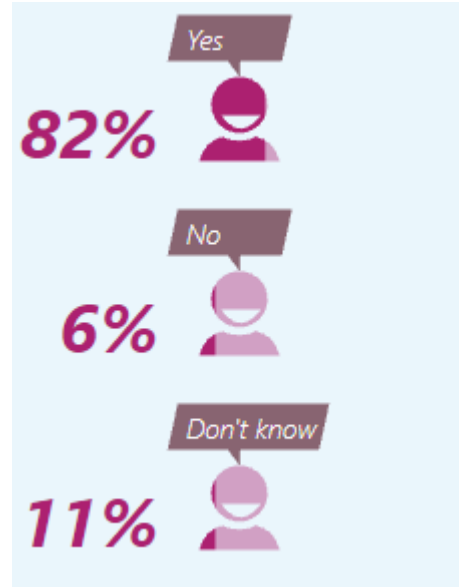
Key stakeholders interviewed stressed the importance of having an accessible beach and facilities. It allows for disabled children to mix with their non-disabled peers and siblings and with parents and grandparents. For people that are in a wheelchair from birth, it may be the first time to go to the beach and feel the sand and sea.

Having proper facilities enables disabled people to utilise the beach and facilities with dignity. It allows disabled people to be part of the community on a level playing field.

As there are very few accessible beaches in Scotland, it is expected that the South Beach Promenade could become a popular destination for wheelchair users.

Outcomes for Children

Improved social development of children by providing opportunities for them to learn through play



Although the current playpark is well-used by children, it is perceived to be not very attractive and lacking excitement. The new and improved play facilities will challenge children and young people to become more active and learn by doing so.

"Would be great for families."

"It would be good for family. Could spend more time doing family things."

"More for kids to do. We walk along often."

"It would be good for kids. They love outdoors."

"More green areas for kids to play."

Key stakeholders' views

Key stakeholders interviewed all saw a positive impact on children. The current playpark is well-used, but somewhat outdated and not exciting enough.

The new play facilities will stimulate children to play, learn and develop. The whole South Beach development will create a place where families can spend time together.

Outcomes for visitors

Improved visitor experience

Ardrossan is currently mainly a town that people pass through to take the ferry to Arran or Campbelltown. With the regeneration of South Beach Promenade, Ardrossan will become a place where these ferry users will stop and spend time. The redeveloped area will also attract day-visitors as a destination in its own right.

"I would definitely come here much more. It's not got much."

"More places to go before going on ferry. Make a wee day of it."

"Would be good for area, rather than going to other seaside places."

"I would stay a couple days if there was more to do, definitely."

"Bring Ardrossan up-to-date. Put it on map as place to visit and not bypass."

"It will be a blast having new areas to come down to. It will be good for us here to bring visitors."

Outcomes for local Businesses

Ardrossan becoming a more attractive place to live, work and do business in

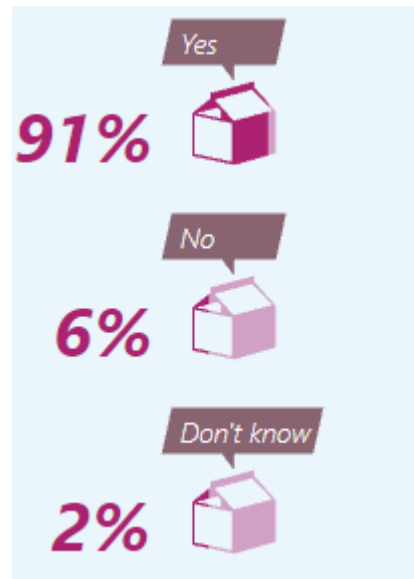
As the town becomes more attractive for people to live and work in, it also becomes more attractive for businesses to do business in. We have not been able to consult with businesses specifically, so we have used the corresponding survey responses to establish the outcomes for businesses.

"Good to upgrade the place and bring some revenue to the place."

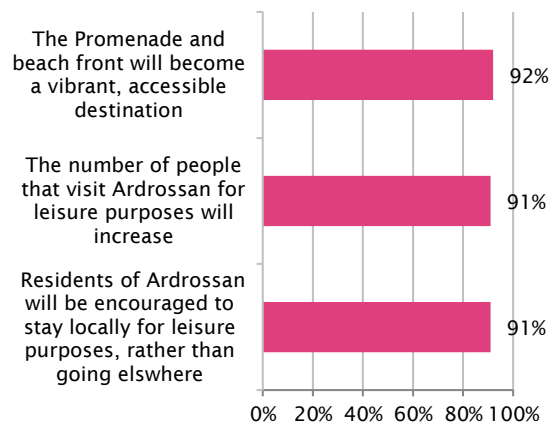
"If there were more amenities, I would definitely spend more time and money."

Development of the Promenade and beach front as a vibrant, accessible destination for

visitors and local residents, leading to increased number of visitors and spending



Almost all respondents to the survey (91%) believed that the South Beach Regeneration will attract more visitors to Ardrossan, who will spend money on their visit. The figure below shows the answers to the relevant survey questions that make up the prevalence of this outcome.



"Not much down here so would be better for local business."

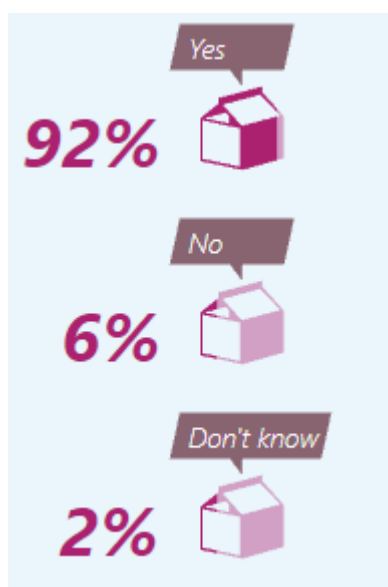
"Have a lovely harbour but no amenities. Toilets are a must. Would save me going to other places like Troon, Largs etc."

"Would tend to spend time and money here if improved rather than the same towns."

"If it had more to do, I would come down regularly on nice days. The beach is amazing."

"I only come down usually for ferry but would stay more if improved."

Increased investment by others in the town, leading to growth of the local economy



Most survey respondents (92%) believed that the development would act as a catalyst for further investment and funding from elsewhere.

"Bring more money and jobs to small towns."

Key stakeholders' views

All stakeholders expect the South Beach regeneration to have a major impact on the town's economy. It will make travellers for the ferry spend time and money in the town, get local people to spend time and money at the Promenade, attract new visitors, and create new businesses and jobs.

Outcomes for North Ayrshire Council

NAC also benefits from the development and the outcomes that are achieved by other stakeholders, in particular:

- Ardrossan becoming a more attractive place to live and work, with improved amenities
- Increased investment by others in the town, leading to growth of the local economy

"It could be better for locals. Bring more money to the area."

"Would be better for the town to get more tourists."

"It would be good for locals, visitors, and economy."

Outcome Indicators

An outcome indicator is a measure to enable impact and change to be validated. In other words, an outcome indicator shows how we would know if an outcome has been achieved.

For each outcome we have identified appropriate outcome indicators, all derived from the consultation. The Impact Map (Appendix A) shows the outcome indicators for the identified outcomes.

Quantity

To calculate the forecast of how many Ardrossan residents, disabled people, children and local businesses will achieve the identified outcomes, we have conservatively taken the number of people that responded positively to the relevant question and multiplied these with an estimation of the number of that would use the redeveloped South Beach Promenade and its facilities.

The outcomes for NAC are directly derived from the outcomes achieved by the other stakeholders.

Table 3.2 provides an overview of our estimation of the redeveloped South Beach Promenade.

TABLE 3.2 QUANTITY

Outcome	Total no. of stakeholders	Estimated % affected by the project	Prevalence of outcome	Quantity
Ardrossan Residents				
Ardrossan becoming a more attractive place to live and work, with improved amenities	Total population Ardrossan = 10,405	10%	89%	926
Increased physical activity and fitness	Obese and overweight Ardrossan = 7,284	20%	77%	1,122
Improved levels of mental health and wellbeing	Population MH drugs prescription = 2,318	20%	82%	380
Providing greater opportunities for people in the community to come together, leading to increased community cohesion	Total population Ardrossan = 10,405	10%	89%	926
Increased safety of local area	Total population Ardrossan = 10,405	10%	87%	905
Increased pride in local town	Total population Ardrossan = 10,405	25%	89%	2,315
Disabled People				
Ardrossan becoming a more attractive place to live and work, with improved amenities	Disabled people Ardrossan = 2,851	5%	89%	127
Increased physical activity and fitness	Disabled people Ardrossan = 2,851 + disabled people NA 33,934	10% Ardrossan + 2.5% NA	77%	873
Improved levels of mental health and wellbeing	Disabled people Ardrossan = 2,851 + disabled people NA 33,934	10% Ardrossan + 2.5% NA	82%	930
Increased access to the Promenade and beach for people with mobility problems or other disabilities	Disabled people Ardrossan = 2,851 + disabled people NA 33,934	10% Ardrossan + 2.5% NA	95%	1,077
Children				
Improved social development of children by providing opportunities for them to learn through play	Children in Ardrossan = 1,727 + children in NA = 20,553	20% Ardrossan + 2.5% NA	82%	704
Local Businesses				
Ardrossan becoming a more attractive place to live, work and do business in	Comp House registered Ardrossan = 152 + OSCR registered Ardrossan = 33	10%	89%	17
Development of the Promenade and beach front as a vibrant, accessible destination for visitors and local residents, leading to increased number of visitors and spending	Comp House registered Ardrossan = 152 + OSCR registered Ardrossan = 33	10%	91%	17
Increased investment by others in the town, leading to growth of the local economy	Comp House registered Ardrossan = 152 + OSCR registered Ardrossan = 33	10%	92%	17
Visitors				
Improved visitor experience	Total ferry passengers Ardrossan = 860,987	3%	100%	25,830

The quantities are shown in the Impact Map (Appendix A).

Duration

Some outcomes have the potential to last a long time, potentially for the rest of stakeholder's life, while others will only last for the duration of the intervention.

As this is a forecast, we have conservatively taken a duration of one year for all outcomes. An evaluative SROI undertaken after completion of the development can establish whether a longer duration for some outcomes is justified.

Financial Proxies

SROI analysis uses financial proxies to establish a monetary value of intangible outcomes. A financial proxy is an approximation of the value that can be attached to the outcome. When applicable, price is used as a measure of value when there is an associated market. For intangible outcomes there are no markets, and

we have used financial proxies to determine the value.

There are several techniques, developed in economic cost-benefit analysis, to determine financial proxies for intangible outcomes. For this forecast we have used:

-
- **Revealed preference** - a price-based technique that looks at people's behaviour in related markets and takes the value from the price of related market-traded goods.
 - **Wellbeing Valuation** - a relative new technique that looks at determinants of people's wellbeing (e.g. life satisfaction or quality of life), whereby income is one of the determinants.
-

The description and source of the proxies can be found in the Impact Map (Appendix A).

4: Impact

This section of the report examines the impact of the development, taking into account the other factors that influence them: attribution, deadweight and drop off.

It is critical to avoid over-claiming and to present a truthful and credible impact forecast. Therefore, we have discounted the impact for attribution and deadweight.

Attribution

In many cases change is not caused by one single activity or intervention but comes as a result of more than one service and/or persons working together. SROI analysis uses attribution (a term stemming from economic cost-benefit analysis) to assess how much others have attributed to the identified outcome. In SROI analysis attribution is taken as a straight percentage and deducted from the total impact. We have estimated a conservative 25% for all outcomes.

Deadweight

Deadweight is a measure to describe the amount of outcome that is likely to have happened anyway, even if the planned activity had not taken place. For this report we have defined the deadweight as what is likely to happen if the South Beach Regeneration is not realised. Although the deadweight might be minimal, we have again taken a very conservative 25% for all outcomes.

Table 4.1 provides an overview of the attribution and deadweight.

TABLE 4.1: ATTRIBUTION AND DEADWEIGHT COMMUNITY WELLBEING HUB

Stakeholder	Outcomes	Attribution	Deadweight
Ardrossan Residents	Ardrossan becoming a more attractive place to live and work, with improved amenities	25%	25%
	Increased physical activity and fitness	25%	25%
	Improved levels of mental health and wellbeing	25%	25%
	Providing greater opportunities for people in the community to come together, leading to increased community cohesion	25%	25%
	Increased safety of local area	25%	25%
	Increased pride in local town	25%	25%
Disabled People	Ardrossan becoming a more attractive place to live and work, with improved amenities	25%	25%
	Increased physical activity and fitness	25%	25%
	Improved levels of mental health and wellbeing	25%	25%
	Increased access to the Promenade and beach for people with mobility problems or other disabilities	25%	25%
Children	Improved social development of children by providing opportunities for them to learn through play	25%	25%
Visitors	Improved visitor experience	25%	25%
Local Businesses	Ardrossan becoming a more attractive place to live, work and do business in	25%	25%
	Development of the Promenade and beach front as a vibrant, accessible destination for visitors and local residents, leading to increased number of visitors and spending	25%	25%
	Increased investment by others in the town, leading to growth of the local economy	25%	25%
North Ayrshire Council	Ardrossan becoming a more attractive place to live and work, with improved amenities	25%	25%
	Increased investment by others in the town, leading to growth of the local economy	25%	25%

Drop Off

For outcomes that last longer than one year, it is likely that the effect of the outcome will decline over time. As we have not valued any outcomes for more than one year, drop-off is not relevant for this study.

Materiality of Impact

In our analysis of attribution and deadweight we have found no outcomes where attribution and deadweight, or a combination of these two, has led to an impact that is not relevant or significant and therefore not material.

Impact

The impact of the project is calculated by the quantity of the outcomes multiplied by the value of the financial proxy, minus attribution and deadweight. The Impact Map (Appendix A) shows the calculations

5: Social Return on Investment

In this Section we calculate the overall ratio of return for the investment in the redevelopment of the South Beach Promenade

SROI Ratio

The Social Return value is expressed as a ratio of return and is the resultant of the value of the impact divided by the value of the investment. However, the value of the impact is corrected to the Present Value (PV) to reflect the present-day value of benefits projected into the future.

$$\text{SROI} = \frac{\text{Total Present Value}}{\text{Total Input}}$$

Discounting is applied to those values that have been projected for longer than 1 year. The interest rate used to discount the value of future benefits in this case is 3.5%¹².

SROI Ratio Community Wellbeing Hub

In our calculations¹³ of the impacts, we have established the total of all impacts of the project at £5,568,937. This represents the total value created by the development.

The Total Present Value for the Ardrossan South Beach Regeneration project, at a discount rate of 3.5%, is £5,380,615. This represents the total value created by the development whereby the earning capacity of the amounts in the future is discounted.

The Net Present Value, the Total Present Value minus the total of all investments (£1,008,000), is £4,372,615. This amount represents the total extra value created by the development.

This gives an SROI ratio of £5,380,615/£1,008,000= **£5.34: £1**. This means for every pound of investment in the South Beach Regeneration £5.34 social value is created.

Sensitivity Analysis

The results presented in this SROI forecast are based on assumptions and variables according to available evidence including qualitative data on the experience of stakeholders.

We have undertaken a sensitivity analysis on the Ardrossan South Beach Regeneration to test these assumptions and variables given that there are areas of the base case that could be derived from imperfect evidence.

Table 5.1 shows which areas we selected as those with the most potential to affect the results.

TABLE 5.1: SENSITIVITY ANALYSIS

Item	Base Case	New Case	SROI
Attribution	25%	15%	£6.05:£1
Deadweight	25%	10%	£6.41:£1
Outcomes residents	Impact Map	Half the outcomes for residents did not occur	£4.20:£1
Outcomes Disabled people	Impact Map	Half the outcomes for disabled people did not occur	£4.42:£1

The sensitivity analysis shows that if the already conservative values used in the forecast are reduced even further, the SROI index does not fall below £4.20:£1. This value would be achieved if half of the forecasted outcomes for the residents did not occur. Even in this worst-case scenario the ratio of return to return is not less than £4.20 for every £1 invested.

We have also tested what would happen if we applied lower, more realistic, attribution and deadweight percentages. With an attribution of 15% the SROI-ratio would increase to

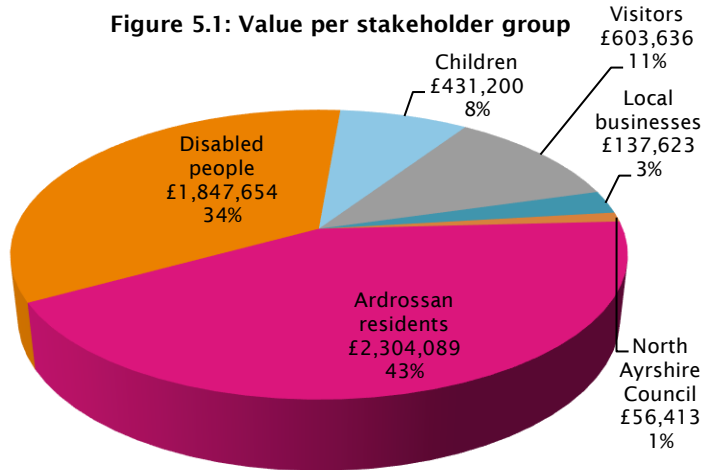
¹² This is based on the UK Government Green Book recommended discount rate for public funds.

¹³ All amounts are rounded to Pound Sterling.

£6.05:£1, and with a deadweight of 10%, to £6.41:£1.

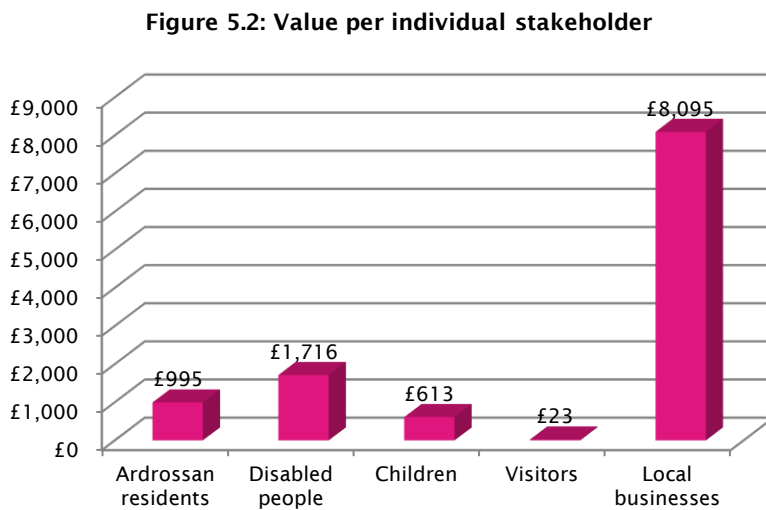
Analysis

Figure 5.1 shows the value per stakeholder group.



The greatest value is created for the residents (£2.3m, 43%), followed by the disabled people (£1.85m, 34%), visitors (603k, 11%), children (£431k, 8%), businesses (£137k, 3%) and NAC (£56k, 1%).

If we assess the value created per individual stakeholder, a different picture emerges, with most value created per business (£8,095), followed by disabled people (£1,716), residents (£995), children (£613) and visitors (£23), as shown in Figure 5.2.



Appendix A: Impact Map

IMPACT MAP -																				
Stage 1		Stage 2			Stage 3					Stage 4				Stage 5						
Stakeholder	Stakeholders' Objectives	Inputs		Outputs	The Outcomes					Attribution %	Deadweight %	Drop off %	Impact	Calculating Social Return						
		What we think will change for them	What they invest (description)		What they invest (value £.)	Description	Quantity	Duration	Financial Proxy Description					Value	Source	Discount rate (%)	3.5%	Year 1	Year 2	Year 3
Who do we have an effect on? Who has an effect on us?				Summary of activity (quantified)	How would you describe the change?	How much change was there	How long does the change last?				Who else contributed to the change?	What would have happened without the activity?	Does the outcome drop off in future years?	Outcomes times proxy less attribution, displacement and deadweight						
Ardrossan Residents				Ardrossan Promenade Regeneration	Ardrossan becoming a more attractive place to live and work, with improved amenities	926	1	Value of resolution of problems with scruffy/neglected buildings and problems with condition of road, pavements and street furniture	£467.00	HACT Social Value Bank v4.2 - Outside London - 25-49 yrs (Wellbeing Valuation)	25%	25%	33%	£243,248.63	£243,248.63	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased physical activity and fitness	1,122	1	Value of a gym membership (DG Leisure - Full membership)	£318.00	https://www.dumgal.gov.uk/article/19854/Full-Club-Membership (Revealed Preference)	25%	25%	33%	£200,697.75	£200,697.75	£0.00	£0.00	£0.00	£0.00	£0.00
					Improved levels of mental health and wellbeing	380	1	Value of sometimes feeling relaxed to all the time	£2,390.00	HACT Mental Health Social Value Calculator, V1.0 (Wellbeing Valuation)	25%	25%	33%	£510,862.50	£510,862.50	£0.00	£0.00	£0.00	£0.00	£0.00
					Providing greater opportunities for people in the community to come together, leading to increased community cohesion	926	1	Value of being a member of social group	£1,110.00	HACT Social Value Bank v4.2 - Outside London - 25-49 yrs (Wellbeing Valuation)	25%	25%	33%	£578,171.25	£578,171.25	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased safety of local area	905	1	Value of good neighbourhood	£1,048.00	HACT Social Value Bank v4.2 - Outside London - 25-49 yrs (Wellbeing Valuation)	25%	25%	33%	£533,497.50	£533,497.50	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased pride in local town	2,315	1	Average spent on house maintenance	£244.40	Family spending in the UK: April 2019 to March 2020, Office for National Statistics, Dataset: Family spending workbook 1: detailed expenditure and trends, Table A1. (Revealed Preference)	25%	25%	33%	£318,254.63	£318,254.63	£0.00	£0.00	£0.00	£0.00	£0.00
Disabled People		None	£0.00	Ardrossan Promenade Regeneration	Ardrossan becoming a more attractive place to live and work, with improved amenities	127	1	Value of resolution of problems with scruffy/neglected buildings and problems with condition of road, pavements and street furniture	£467.00	HACT Social Value Bank v4.2 - Outside London - 25-49 yrs (Wellbeing Valuation)	25%	25%	33%	£33,361.31	£33,361.31	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased physical activity and fitness	873	1	Value of a gym membership (DG Leisure - Full membership)	£318.00	https://www.dumgal.gov.uk/article/19854/Full-Club-Membership (Revealed Preference)	25%	25%	33%	£156,157.88	£156,157.88	£0.00	£0.00	£0.00	£0.00	£0.00
					Improved levels of mental health and wellbeing	930	1	Value of sometimes feeling relaxed to all the time	£2,390.00	HACT Mental Health Social Value Calculator, V1.0 (Wellbeing Valuation)	25%	25%	33%	£1,250,268.75	£1,250,268.75	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased access to the Promenade and beach for people with mobility problems or other disabilities	1,077	1	Value of WheelEEZ Wheelchair Full Conversion Kit	£780.00	https://www.rosscastors.co.uk/wheeliez-full-conversion-kit-with-foldable-wheelchair.html (Revealed Preference)	25%	25%	33%	£472,533.75	£472,533.75	£0.00	£0.00	£0.00	£0.00	£0.00
Children		None	£0.00	Ardrossan Promenade Regeneration	Improved social development of children by providing opportunities for them to learn through play	704	1	Value of playing sports	£1,127.00	Quantifying and Valuing the Wellbeing Impacts of Culture and Sport, Department for Culture, Media & Sport, 2014	25%	25%	33%	£446,292.00	£446,292.00	£0.00	£0.00	£0.00	£0.00	
Local Businesses		None	£0.00	Ardrossan Promenade Regeneration	Ardrossan becoming a more attractive place to live, work and do business in	17	1	Value of resolution of problems with scruffy/neglected buildings and problems with condition of road, pavements and street furniture	£467.00	HACT Social Value Bank v4.2 - Outside London - 25-49 yrs (Wellbeing Valuation)	25%	25%	33%	£4,465.69	£4,465.69	£0.00	£0.00	£0.00	£0.00	£0.00
					Development of the Promenade and beach front as a vibrant, accessible destination for visitors and local residents, leading to increased number of visitors and spending	17	1	Value of a marketing campaign	£11,428.65	The Average Cost of UK Marketing Agencies in 2021, Danielle Strouther, Adzooma (Revealed Preference)	25%	25%	33%	£109,286.47	£109,286.47	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased investment by others in the town, leading to growth of the local economy	17	1	Average cost of exhibiting on a trade fair	£3,000.00	https://www.marketingdonut.co.uk/exhibitions-and-events/exhibition-fairs	25%	25%	33%	£28,687.50	£28,687.50	£0.00	£0.00	£0.00	£0.00	£0.00
Visitors		None	£0.00	Ardrossan Promenade Regeneration	Improved visitor experience	25,830	1	Average spending visitors	£43.00	Insight Department Key Facts on Tourism in Scotland 2019, Visit Scotland, Nov 2020	25%	25%	33%	£624,763.13	£624,763.13	£0.00	£0.00	£0.00	£0.00	
North Ayrshire Council		Funding, staff time, support	£10,000.00	Ardrossan Promenade Regeneration	Ardrossan becoming a more attractive place to live and work, with improved amenities	1	1	Average grant The National Lottery Community Fund in Scotland (2019/20)	£34,424.78	The National Lottery Community Fund, Annual Report and Accounts 2019/20	25%	25%	33%	£19,363.94	£19,363.94	£0.00	£0.00	£0.00	£0.00	£0.00
					Increased investment by others in the town, leading to growth of the local economy	1	1	Cost of a TV campaign in Scotland (STV) for 4 weeks	£69,376.00	https://thetvagency.com/tv-advertising/tv-advertising-costs/	25%	25%	33%	£39,024.00	£39,024.00	£0.00	£0.00	£0.00	£0.00	£0.00
RGCF + Big Lottery			£775,720										£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Total Input			£785,720											£5,568,936.65	£5,568,936.65	£0.00	£0.00	£0.00	£0.00	£0.00
														Total Present Value (PV)	£5,380,615.12					
														Net Present Value	£4,594,895.12					
														Social Return £ per £	6.85					

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