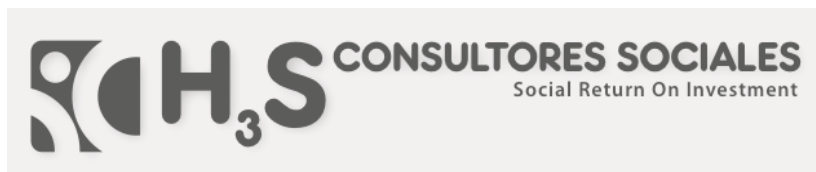




*CREIN*

## SOCIAL RETURN ON INVESTMENT ANALYSIS



July 4<sup>th</sup>, 2011

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“This report has been submitted to an independent assurance assessment carried out by The SROI Network. The report shows a good understanding of the SROI process and complies with SROI principles. Assurance here does not include verification of stakeholder engagement, data and calculations. It is a principles-based assessment of the final report”.

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# 1.INTRODUCTION.

## **1.1 EXECUTIVE SUMMARY**

- In recent years, interest has grown both in measuring the overall impact created by a company, especially the management of those impacts not included in traditional Profit and Loss accounts, as well as the need for these measurements to focus in actual changes in the Company, rather than the results of the company.

Social Return on Investment (better known by its acronym in English, SROI) is a process of understanding, measuring and communicating social, environmental and economic values created by an organization. The method is based on Cost-Benefit Analysis, but differs from this in that not only is used by project outsiders who want to know if a particular investment in the project is viable or not, but also a tool for both, project managers and investors, which will help them in making decisions based on the optimization of social and environmental impacts of a project.

The SROI method is based on a set of 7 principles :

1. Involve stakeholders
2. Understand what changes
3. Value the things that matter
4. Only include what is material
5. Do not overclaim
6. Be transparent
7. Verify the result

The method measures the value of social benefits related to costs incurred in obtaining such benefits or impacts. It is set as a ratio of Net Present Value of Benefits and the Net Present Value of Investment.

The SROI aims, therefore, to obtaining more than a single number, since the method describes the process to reach the final ratio and contextualizes the information to allow the correct interpretation.

Summing up, the SROI is a way of communicating value creation. Basically, for an SROI analysis

we should know the stakeholders starting position, we should find indicators which describe how their original situation was changed and, as far as possible we should use monetary values for these indicators.

## **1.2 SROI ANALYSIS ON “CREIN” ACTIVITIES**

- This study is an analysis of the Social Impact created by the company *Crein* S.L through their real estate projects.

Every day our actions and activities create and destroy value changing the world in which we live. Although the value we create goes beyond what can be captured in financial terms, this is the only way to record and measure it. As a result of the above a part of this value is neither recorded nor considered. Decisions made by taking account of only one part of the value created can not be entirely accurate as they could be based on incomplete information about the total impact of a project or action. Social Return on Investment (better known by its acronym, SROI) is a method that allows us to approach the measurement and recording of this broader concept of value. *Grupo Crein* S.L. (hereafter, *Crein*) has conducted an SROI analysis to understand the impacts of their activities and show how they understand the value they create, so, in hindsight, describe it and manage it.

The change that occurs as a result of *Crein* activities for each of the stakeholders that interact with the company, has been studied from the perspective of the stakeholders, measured, valued and recorded on a map of Impact.

The value of social change that this analysis has explored includes, amongst others:

- As a result of living in community and in adapted housing, the group of mentally disabled people living in the block of flats called *Torrente 30*, improved their personal autonomy, quality of life, interpersonal and professional skills.
- As a result of being eligible for public housing affordable rental, the tenants living in the estate called *Alfafar 115*, when compared to homes with similar qualities and age enjoy a rent below the average area rent price.
- As a result of being eligible for public housing affordable rental in the centre of the city of

Valencia, the tenants of the *Peris y Valero 20* estate enjoy an affordable housing with parking space that has allowed them to gain independency from their families.

- As a result of enjoying a home in the *Pio XI* block of flats with an elevator, tenants can enjoy a better family life and live a healthier life.

This analysis estimates that for every € 1 invested in *Crein* projects, an average social value of about € 1.59 is created.

Although *Crein* projects have a life of 25 years (after that period, the state subsidies terminate and *Crein* would be free to sell the flats), to have updated data and avoid such a long period estimation, it was decided to carry out an analysis of the impact created in 2010 (an evaluative SROI).

## **ACKNOWLEDGEMENTS**

The study's author wanted to thank, first, *Crein* for having provided the required data with the utmost professionalism and diligence and, secondly, the other Stakeholders that have cooperated unselfishly to this project.

## 2. CREIN SROI ANALYSIS

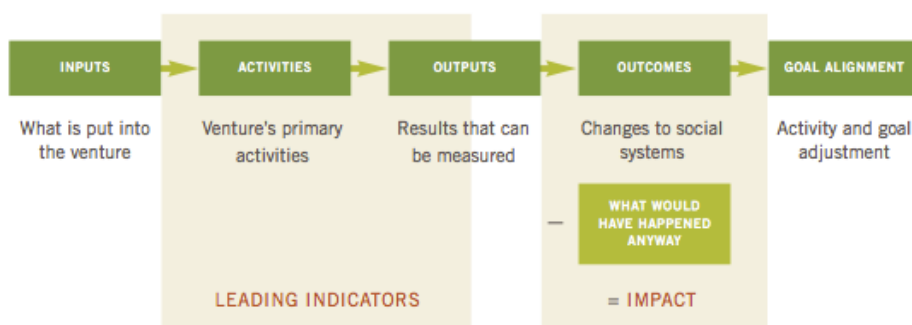
### 2.1 STRUCTURE OF THE ANALYSIS

- This study is divided in 6 stages. We have added to those the preliminary stage and a final point of “conclusions and recommendations”. At the end of the study we have included in the annex the most relevant documents and tables.

The SROI method is based on the experience of our stakeholders. A stakeholder is a person, group or institution that affects, is affected, influenced, participate or interact in any way with the project being studied. Stakeholders are, for example, housing tenants, the different public institutions such as town halls, the company carrying out the project, the Ministry of Finance, ....

The key of the method are, therefore, the Stakeholders. Therefore, in order to determine what is the social impact created by our project, we must describe first what has changed for them because of what we do. For this we will use a Map of Impacts, also called Impact Map or Value Added Chain, where we will show step by step how we create impact. At the end of the process, we will get the list of impacts. When we have those, we will calculate the SROI ratio, where the numerator shall consist of the sum of the social impacts or benefits, and where the denominator reflects the sum of the resources needed to move the project forward.

The Impact Map is structured as follows :



And the different elements of it would be defined as follows:

1. **inputs** : the resources needed to carry out the activity. These are monetary contributions, staff, premises and equipment.
2. **activities**: activities undertaken by the organization. In the present case, the Crein projects aim to provide social housing without neglecting the company aims to achieve economic and financial viability in the project.
3. **outputs** : they are the products of the company's business that are measurable. For example, the number of people living in a particular housing development.
4. **outcomes** : changes in social systems which occur as a result of our project. For example, number of people who experience an improvement in their health due to the availability of a lift.
5. **impacts**: are the results directly attributable to the organization. To get to this concept, we have to filter the outcomes, claiming only what has been created because of our project.

For this reason, we introduce four concepts:

- **Displacement**: is the study of how much percentage of change has displaced other changes. That is, if improving the quality of a housing group has been achieved at the expense of worsening another group.
  - **Deadweight** : reflects whether the changes could have been achieved if the organization had not conducted its business. It is a measure of the amount of change that could have occurred if the *Crein* promotion did not exist in the area.
  - **Attribution** : the percentage of change that is not attributable to the management of the organization.
  - **Drop-off** : the deterioration of outcomes as a result of a variation/ modification/change over time.
6. **Goal adjustment** : is to adjust or modify our objectives to achieve the desired impact.

Once these SROI analysis substantial concepts have been defined we are going to describe the different stages of the analysis.

## 2.2 CREIN'S ACTIVITIES.

- *Crein* is the parent company of a group of companies that integrates the activities of housing architecture, development and construction/building. The company's headquarter are in Valencia, and to date has completed all its projects in the province of Valencia.

After carrying out 2 projects in social housing flats for sale, in 2002 *Crein* built the first public housing for 25 years rental in a building for young people which was a pioneer project in Valencia and its province. This project was followed by four more, called *Torrente 30*, *Torrente 90*, *Alfatar 115*, and *Pio XI*.

Before the crisis started in the real estate sector in Spain, *Crein* proposed to the Autonomous Community of Valencia to build several projects with a strong social orientation (homes for the elderly and the disabled, widows residences) that, for reasons beyond the scope of this study, were discarded. Likewise, always in line with the social side of the company's activities, *Crein* through their own "*Crein* Foundation" they manage a number of houses in the city of Valencia which offers free or nearly free renting flats for people in need.

The goal for *Crein* projects is doublefold :

- Firstly, for their projects to have an economic and financial return (which on average is around 5% pa)
- Secondly, *Crein* seeks a social return, meaning by that, to have social meaning to their activities beyond the financial and economic goal. The latter is the object of our study.



### 2.3 LONG-TERM AFFORDABLE SOCIAL HOUSING RENTAL PROJECTS.

- Making use of the various Government Housing Plans, *Crein* was a pioneer in the development of these projects during the construction boom lived by Valencia and Spain during the first years of the 21<sup>st</sup> century. The President of the company had the wisdom to give up substantial gains that could have been obtained in that period, and instead, filed for this type of promotion that suited perfectly with the social, economic and financial principles sought by *Crein*.

Therefore, the way these projects work is as follows : *Crein* receives a 25 year subsidised banking loan, and during that period, *Crein* can only rent (they are not allowed to sell) the flats at a rental price fixed by the Government or below it. After those 25 years, *Crein* will be free to either sell the flats, or rent them at a market price. Indeed, in this form of public housing rentals projects, the developer received grants and subsidized interest rates to help them carry out their project, but, on the other hand, the project has a very long financial life (25 years).

As it is stated on the Law regulating Social Housing in Spain, the structure of the loans on each of the 5 projects analysed in this study is as follows : *Crein* gets a banking loan, and is granted two state subsidies :

- for each flat rented *Crein* gets around 300 € per square meter. That one-off amount is received in one instalment normally two years after the loan is obtained. The subsidy is partly given by the Ministry of Development, and partly by Generalitat de Valencia (Planning and Housing Dpt.)(Autonomous community of Valencia).
- The second subsidy *Crein* gets is around 300 euros per every 10,000 euros loan. That subsidy is paid yearly for the whole duration of the loan (25 years), and is again partly given by the Ministry of Development, and partly by Generalitat de Valencia (Planning and Housing Dpt., Autonomous community of Valencia).

In the following table we have included both the above mentioned subsidies and the amount corresponding to Amortization and yearly interest repayment ; in the case of the one-off subsidy (column 1), and as the project lasts 25 years, the subsidy amount is the total one divided by 25. The sum of the three concepts is the total investment in the project.

	Column 1 : One-off subsidy : Subsidy per square meter	Column 2: Yearly subsidy : Subsidy per every 10,000 € loan	Column 3 : Interests + yearly amortization	<u>Sum of Columns 1, 2 and 3 :</u> <u>2010 Crein's Investment in project</u>
Torrente 30	51.813,00 €	66.168,60 €	77.134,52 €	195.116,12 €
Torrente 90	150.208,10 €	209.612,64 €	240.499,56 €	600.320,30 €
Alfajar 115	180.533,28 €	187.518,88 €	187.518,80 €	555.570,96 €
Peris y Valero 20	25.167,63 €	24.497,64 €	36.746,34 €	86.411,61 €
Pio XI	90.856,97 €	99.175,93 €	109.837,96 €	299.870,86 €

## 2.4 AIMS OF THE STUDY.

- *Crein's* aim in carrying out this analysis is threefold :

- △ to know the process that will lead to the creation of social benefit
- △ to value the social impact of their activities, and
- △ bearing in mind the previous two points, disclose to the public and to the Spanish administration *Crein's* social side (improvement in the areas where they promote, improve the ability of saving and spending of families, the quality of life of tenants ...)

Indeed, the company has always had in mind that their benefit was made up of two components, economic and social (the latter has internally been called as “emotional”). This “emotional” benefit is the one that will be measured by the present analysis.

## **2.5 STUDY OF THE PROJECT STAGES AND DETERMINE THE DATA NEEDED IN EACH ONE.**

- The basic data required are:
  - **Stage 1:** Establish the scope of the project and identify stakeholders
  - Information provided by *Crein*
  - survey information provided by tenants
  - information provided by the political polls
  - various websites (*Crein*, Municipalities, Autonomous Community of Valencia (Generalitat Valenciana), newspapers, BOE, ...)
- **Stage 2 :** Mapping outcomes
  - Information provided by *Crein*
  - survey information provided by tenants
  - survey information provided by politicians (town halls, autonomous community)
- **Stage 3 :** Evidencing outcomes and Creinving them a value
  - Information provided by *Crein*
  - survey information provided by tenants
  - survey information provided by politicians (
  - various websites: National Statistics Institute (INE), Databases Pharmacoeconomics, Valencian Observatory of Housing
  - Data on consumer habits
- **Stages 4, 5 and 6 :** Establishing Impact, calculating the SROI, and reporting, using and embedding.
  - same information as in previous stages

## **2.6 SETTING UP OF THE WORKING GROUP.**

- The study required the setting up of a Working Group to carry out all Stages of the project : the CEO of *Crein*, *Crein*'s Chief Financial Officer and the Consultant. Weekly meetings were held to discuss the points under consideration. Presentations were also held at the end of the different phases of the project.

### **3. STAGE 1: SETTING UP THE PROJECT SCOPE AND IDENTIFY STAKEHOLDERS.**

#### ***3.1 SETTING UP THE PROJECT SCOPE.***

- The Working Group agreed to conduct the study of the 5 current housing projects to try to quantify in detail the social impact and be able to describe the process of creating social value more accurately. An alternative would have been doing a study and extrapolate the information, but since we could easily access to the different stakeholders, the first option was chosen.

At the same time, we proposed to do an evaluative analysis (2010) for which the numbers were manageable and avoid working with estimates of future impacts, as this meant exposure to a possible loss of objectivity. The prospective SROI estimates impacts within 5 years discounting them with the risk-free interest rate, but is often used in projects that are in an embryonic phase or have just started.

#### ***3.2 IDENTIFICATION OF STAKEHOLDERS.***

- One of the first exercises to be done at the beginning of SROI analysis is to make a list of the stakeholders that interact with the projects studied. Thus, a list of them was proposed and it was validated by the Working Group.

- The list of stakeholders was closed in this first phase so we could advance in the project, but it was a dynamic one, ie. it could be extended or reduced as the project progressed so the relevance of a *Crein* could be verified.

The list of Stakeholders in each one of the projects is as follows :

Torrente 30 :

Generalitat de Valencia (Planning and Housing Dpt.)  
Ministry of Development (General Secretariat of Housing)  
Torrente City Council (Department of Planning and Housing)  
Torrente City Council (Social Welfare Ministry)  
Torrente City Council (Urban Management Plan)  
Publicly owned estate agent *Nous Espais*  
Older tenants (pensioners)  
Disabled tenants  
*Foundation Espurna* tutor living with the disabled  
*Kermocasa* Estate Agent  
*Crein*

Torrente 90 :

Generalitat de Valencia (Planning and Housing Dpt.)  
Ministry of Development (General Secretariat of Housing)  
Torrent City Council (Department of Planning and Housing)  
Torrent City Council (Social Welfare Ministry)  
Torrent City Council (Urban Management Plan)  
Publicly owned estate agent *Nous Espais*  
Tenants  
*Kermocasa* Estate Agent  
*Crein*

Alfatar 115 :

Generalitat de Valencia (Planning and Housing Dpt.)  
Ministry of Development (General Secretariat of Housing)  
Alfatar City Council (Planning and Housing Ministry)  
Alfatar City Council (Social Welfare Ministry)  
Young tenants  
*Kermocasa* Estate Agent  
*Crein*

Peris y Valero 20 :

City Council  
Ministry of Development (General Secretariat of Housing)  
Generalitat de Valencia (Planning and Housing Dpt.)  
Tenants (young)  
*Kermocasa* Estate Agent  
*Crein*

Pio XI :

City Council  
Ministry of Development (General Secretariat of Housing)  
Generalitat de Valencia (Planning and Housing Dpt.)  
Tenants who lived before refurbishment  
Old rental tenants  
Other Tenants  
Tenants relatives  
Clinic Manager *Inia Neural*  
*Kermocasa* Estate Agent  
*Crein*

Peris y Valero 20 :

City Council  
Ministry of Development (General Secretariat of Housing)  
Generalitat de Valencia (Planning and Housing Dpt.)  
Tenants (young)  
*Kermocasa* Estate Agent  
*Crein*

### **3.3 STAKEHOLDER INVOLVEMENT AND DECIDING HOW TO ENGAGE STAKEHOLDERS.**

Hereinafter we discuss the reasons for including or excluding the above mentioned list of Stakeholders and how they were involved in the Analysis.

- Since the stakeholders identified for each of the 5 projects are easily isolable and accessible, and are in Valencia and in the metropolitan area, it was decided that the instrument of choice for data collection was the personal or household survey. There was no need to resort to other tools such as group meetings. In one case, we anticipated the survey questions by email, and in two cases, before carrying out the survey, an explanation of the method was sent by e-mail (see details below).

Surveys were conducted in the home or workplace of the stakeholders. They consisted of 10 to 15 questions where we tried to find out what has changed for the stakeholders as a result of interacting with *Crein* projects. Confidentiality to all respondents as well as anonymity of their responses was guaranteed. All the surveys done to the same group had the same questions. Attached are copies of such surveys in the Annex.

All detected stakeholders have collaborated on the project, except in one case (Director of the *Foundation Espurna*).

- When interviewing tenants, the Working Group made a selection as diverse as possible (taking into account factors such as nationality, couples with or without children, “good” or “bad” payers” ; in the case of *Torrente 30* and *Pio XI* reason for being pensioner such as permanent illness, disability, age ...) in order to have a representative sample of the project. When interviewing we used the “saturation” approach, a technique used in social research whereby one stops researching when no longer hears from the interviewees new answers. Interviews with sample tenants on each of the *Crein* projects were held ; the data were extrapolated to the rest of the tenants of the project.



- Interviews were conducted with all the stakeholders referred in this section. In order to be able to have as much information as possible, we tried to conduct interviews with the politicians before the election campaign period preceding the Spanish municipal and regional elections on Sunday, May 22nd, 2011.

The interviews and surveys were held independently by the Analyst. *Crein* did not interfere with the process.

The surveys also helped to improve the information *Crein* had on its social and economic activity, such as knowing certain aspects of the projects, tenants or public institutions management.

## TORRENTE 30

STAKEHOLDERS	HOW THEY AFFECT OR ARE AFFECTED BY THE ACTIVITY	SIZE OF GROUP	INCLUDED OR EXCLUDED?	REASON FOR INCLUSION / EXCLUSION?	No. INVOLVED	HOW INVOLVED
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	They subsidize both a percentage of the banking loan to Crein, and a percentage of the Disabled tenants caring costs	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. José Manuel Vacas, Director of the Department. He provided us with information about how important were Crein's social housing projects in the region of Valencia
Ministry of Development (General Secretariat of Housing)	They subsidize a percentage of the banking loan to Crein.	Not applicable as it is Department	Included.	Key stakeholder.	0	As their role is a financial one and the only information we needed was the housing projects loan break down (and that information is included in the law text), we didn't consider necessary to interview them.
Torrente City Council (Department of Planning and Housing)	Amongst others they are responsible for collecting the Council Tax.	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. Santiago Martí, Director of the Department. He provided us with information about how important were Crein's social housing projects in the village of Torrente.
Old tenants (pensioners)	They are one of the groups of residents in <i>Torrente 30</i> block.	21 families	Included.	Key stakeholder.	We interviewed 6 families	We made a selection of tenants (see explanation below). Interviews were done using written surveys (see Annex) that were prepared in advance. When interviewing we used the "saturation" approach.
Foundation <i>Espurna</i>	They manage and take care of the Disabled Tenants in <i>Torrente 30</i> .	Not applicable as it is a Foundation	Included.	Key stakeholder.	1	A questionnaire was sent to the General Manager but she refused to answer (see further explanation below). We interviewed the day carer instead, Ms. Nuria Poll.
Disabled tenants or PDIs	They are one of the groups of residents in <i>Torrente 30</i> block.	33 disabled tenants living in 9 flats	Included.	Key stakeholder.	None (see explanation below)	It was forbidden for us to talk to the Disabled tenants. All the information about Outcomes was provided by the Day Carer:
<i>Crein</i>	They are the company who has built and manages <i>Torrente 30</i> .	Not applicable as it is a Company	Included.	Key stakeholder.	3	We worked alongside Mr. Juan José Galiano, President ; Mr. David Beneyto, General Manager, and Mr. Juan Amadeo Vallés, Financial Manager.
Torrente City Council (Social Welfare Ministry)	They manage the Social Welfare affairs in Torrente, interviewing and taking care of people in need. When <i>Torrente 30</i> was launched they acted as "estate agents" for Crein, referring possible tenants. But at the time when we carried out the analysis, that task was done by <i>Kermocasa</i> .	Not applicable as it is Department	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Pilar Vilanova, Director of the Department.
Torrente City Council (Urban Management Plan)	They manage a €17mio EU budget to refurbish the area where the project is located.	Not applicable as it is Department	Excluded.	They provided us with valuable information, but we didn't consider them a key stakeholder in <i>Torrente 30</i> as they were not involved in it.	1	We interviewed Mr. Victor Pradillo, Director of the Plan.
Publicly owned estate agent <i>Nous Espais</i>	It is a estate agent who belongs to the City Council of Torrente. It helps families to look for rental or buying properties	Not applicable as it is Department	Excluded.	Not involved in the project.	1	We interviewed Mr. Santiago Martí, who is also Director of the Department of Planning and Housing at the <i>Torrente City Council</i> .
IVVSA (Valencian Institute for Social Housing)	IVVSA manages very low income families' housing.	Not applicable as it is a Company	Excluded.	IVVSA's housing is not an alternative for Tenants because of their very poor condition.	1	We interviewed Ms. Mrs. M <sup>a</sup> Jesús Diego, Vice President. We had to email her the Survey in advance.
<i>Kermocasa</i> Estate Agent	An estate agent working for Crein.	Not applicable as it is a Company	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Silvia Pau, General Manager.

**Note on Stakeholder Involvement in *Torrente 30* :** *Foundation Espurna* mentors the 33 mentally disabled tenants living in *Torrente 30*. We (the Consultant and *Crein*) tried several times to convince *Espurna*'s General Manager (Ms. Charo García) to allow us to speak to the disabled tenants both via email and phone, but she wouldn't allow us. And we don't know whether the reason was reluctance to appear in a survey or other. All the answers related to outcomes for disabled tenants were informed by the Carer (Ms. Nuria Poll) who were living with them. We understand this circumstance puts a limit on the accuracy of our study.

TORRENTE 90						
STAKEHOLDERS	HOW THEY AFFECT OR ARE AFFECTED BY THE ACTIVITY	SIZE OF GROUP	INCLUDED OR EXCLUDED?	REASON FOR INCLUSION / EXCLUSION?	No. INVOLVED	HOW INVOLVED
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	They subsidize both a percentage of the banking loan to Crein, and a percentage of the Disabled tenants caring costs	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. José Manuel Vacas, Director of the Department. He provided us with information about how important were Crein's social housing projects in the region of Valencia
Ministry of Development (General Secretariat of Housing)	They subsidize a percentage of the banking loan to Crein.	Not applicable as it is Department	Included.	Key stakeholder.	0	As their role is a financial one and the only information we needed was the housing projects loan break down (and that information is included in the law text), we didn't consider necessary to interview them.
Torrente City Council (Department of Planning and Housing)	Amongst others they are responsible for collecting the Council Tax.	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. Santiago Martí, Director of the Department. He provided us with information about how important were Crein's social housing projects in the village of Torrente.
Tenants (families)	They are the residents in <i>Torrente 90</i> block.	90 families	Included.	Key stakeholder.	We interviewed 10 families	We made a selection of tenants (see explanation below). Interviews were done using written surveys (see Annex) that were prepared in advance. When interviewing we used the "saturation" approach.
Crein	They are the company who has built and manages <i>Torrente 90</i> .	Not applicable as it is a Company	Included.	Key stakeholder.	3	We worked alongside Mr. Juan José Galiano, President ; Mr. David Beneyto, General Manager, and Mr. Juan Amadeo Vallés, Financial Manager.
Torrente City Council (Social Welfare Ministry)	They manage the Social Welfare affairs in Torrente, interviewing and taking care of people in need. When <i>Torrente 90</i> was launched they acted as "estate agents" for Crein, referring possible tenants. But at the time when we carried out the analysis, that task was done by <i>Kermocasa</i> .	Not applicable as it is Department	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Pilar Vilanova, Director of the Department.
Torrente City Council (Urban Management Plan)	They manage a €17mio EU budget to refurbish the area where the project is located.	Not applicable as it is Department	Excluded.	They provided us with valuable information, but we didn't consider them a key stakeholder in <i>Torrente 90</i> as they were not involved in it.	1	We interviewed Mr. Victor Pradillo, Director of the Plan.
Publicly owned estate agent <i>Nous Espais</i>	It is a estate agent who belongs to the City Council of Torrente. It helps families to look for rental or buying properties.	Not applicable as it is a Company	Excluded.	Not involved in the project.	1	We interviewed Mr. Santiago Martí, who is also Director of the Department of Planning and Housing at the <i>Torrente City Council</i> .
IVVSA (Valencian Institute for Social Housing)	IVVSA manages very low income families' housing.	Not applicable as it is a Company	Excluded.	IVVSA's housing is not an alternative for Tenants because of their very poor condition.	1	We interviewed Ms. Mrs. M <sup>a</sup> Jesús Diego, Vice President. We had to email her the Survey in advance.
<i>Kermocasa</i> Estate Agent	An estate agent working for Crein.	Not applicable as it is a Company	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Silvia Pau, General Manager.

## ALFAFAR 115

STAKEHOLDERS	HOW THEY AFFECT OR ARE AFFECTED BY THE ACTIVITY	SIZE OF GROUP	INCLUDED OR EXCLUDED?	REASON FOR INCLUSION / EXCLUSION?	No. INVOLVED	HOW INVOLVED
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	They subsidize both a percentage of the banking loan to Crein, and a percentage of the Disabled tenants caring costs	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. José Manuel Vacas, Director of the Department. He provided us with information about how important were Crein's social housing projects in the region of Valencia
Ministry of Development (General Secretariat of Housing)	They subsidize a percentage of the banking loan to Crein.	Not applicable as it is Department	Included.	Key stakeholder.	0	As their role is a financial one and the only information we needed was the housing projects loan break down (and that information is included in the law text), we didn't consider necessary to interview them.
Alfafar City Council (Department of Planning and Housing)	Amongst others they are responsible for collecting the Council Tax.	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Ms. Juana Blasco, Director of the Department. She provided us with information about how important were Crein's social housing projects in the village of Alfafar.
Tenants (young families)	They are the residents in <i>Alfafar 115</i> block.	115 families	Included.	Key stakeholder.	We interviewed 10 families	We made a selection of tenants (see explanation below). Interviews were done using written surveys (see Annex) that were prepared in advance. When interviewing we used the "saturation" approach.
<i>Crein</i>	They are the company who has built and manages Alfafar 115.	Not applicable as it is a Company	Included.	Key stakeholder.	3	We worked alongside Mr. Juan José Galiano, President ; Mr. David Beneyto, General Manager, and Mr. Juan Amadeo Vallés, Financial Manager.
Alfafar City Council (Social Welfare Ministry)	They manage the Social Welfare affairs in Torrente, interviewing and taking care of people in need. When Alfafar 115 was launched they acted as "estate agents" for Crein, referring possible tenants. But at the time when we carried out the analysis, that task was done by <i>Kermocasa</i> .	Not applicable as it is Department	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Alcazar Martinez, Director of the Department.
IVVSA (Valencian Institute for Social Housing)	IVVSA manages very low income families' housing.	Not applicable as it is a Company	Excluded.	IVVSA's housing is not an alternative for Tenants because of their very poor condition.	1	We interviewed Ms. Mrs. M <sup>a</sup> Jesús Diego, Vice President. We had to email her the Survey in advance.
<i>Kermocasa</i> Estate Agent	An estate agent working for Crein.	Not applicable as it is a Company	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Silvia Pau, General Manager.

PERIS Y VALERO 20

STAKEHOLDERS	HOW THEY AFFECT OR ARE AFFECTED BY THE ACTIVITY	SIZE OF GROUP	INCLUDED OR EXCLUDED?	REASON FOR INCLUSION / EXCLUSION?	No. INVOLVED	HOW INVOLVED
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	They subsidize both a percentage of the banking loan to Crein, and a percentage of the Disabled tenants caring costs	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. Jose Manuel Vacas, Director of the Department. He provided us with information about how important were Crein's social housing projects in the region of Valencia
Ministry of Development (General Secretariat of Housing)	They subsidize a percentage of the banking loan to Crein.	Not applicable as it is Department	Included.	Key stakeholder.	0	As their role is a financial one and the only information we needed was the housing projects loan break down (and that information is included in the law text), we didn't consider necessary to interview them.
Valencia City Council (Department of Planning and Housing)	Amongst others they are responsible for collecting the Council Tax.	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. Miguel Romeu, Director of the Department. He provided us with information about how important were Crein's social housing projects in the city of Valencia.
Tenants (young families)	They are the residents in <i>Peris y Valero 20</i> block.	20 families	Included.	Key stakeholder.	We interviewed 4 families	Using the same criteria as in previous projects (saturation, extrapolating results) we choose a sample of tenants by nationality, being "good rental payers", ...
Crein	They are the company who has built and manages <i>Peris y Valero 20</i> .	Not applicable as it is a Company	Included.	Key stakeholder.	3	We worked alongside Mr. Juan José Galiano, President ; Mr. David Beneyto, General Manager, and Mr. Juan Amadeo Vallés, Financial Manager.
Kermocasa Estate Agent	An estate agent working for Crein.	Not applicable as it is a Company	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Silvia Pau, General Manager.

PIO XI						
STAKEHOLDERS	HOW THEY AFFECT OR ARE AFFECTED BY THE ACTIVITY	SIZE OF GROUP	INCLUDED OR EXCLUDED?	REASON FOR INCLUSION / EXCLUSION?	No. INVOLVED	HOW INVOLVED
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	They subsidize both a percentage of the banking loan to Crein, and a percentage of the Disabled tenants caring costs	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. José Manuel Vacas, Director of the Department. He provided us with information about how important were Crein's social housing projects in the region of Valencia
Ministry of Development (General Secretariat of Housing)	They subsidize a percentage of the banking loan to Crein.	Not applicable as it is Department	Included.	Key stakeholder.	0	As their role is a financial one and the only information we needed was the housing projects loan break down (and that information is included in the law text), we didn't consider necessary to interview them.
Valencia City Council (Department of Planning and Housing)	Amongst others they are responsible for collecting the Council Tax.	Not applicable as it is Department	Included.	Key stakeholder.	1	We interviewed Mr. Miguel Romeu, Director of the Department. He provided us with information about how important were Crein's social housing projects in the city of Valencia.
Old tenants (pensioners)	They are the residents in <i>Pio XI</i> block.	64 families	Included.	Key stakeholder.	We interviewed 11 families	Using the same criteria as in previous projects (saturation, extrapolating results) we choose a sample of tenants by nationality, being "good rental payers", ...
Tenants relatives	They provided us with relevant information about how their senior relatives lives have changed with the project	Unknown	Included.	Key stakeholder.	We interviewed relatives of 6 families	When interviewing pensioners, we asked for the relatives to be present. 6 of them were at the interview.
Clinic "Inia Neural"	They occupy the lower ground floor of the <i>Pio XI</i> block	Not applicable as it is a Company	Excluded.	Although the Clinic plays an important medical role (helping on the recovery of people who have suffered brain injuries), they don't play an important one in the project.	1	We interviewed Mr. Luis Vera, General Manager
Crein	They are the company who has built and manages <i>Pio XI</i> .	Not applicable as it is a Company	Included.	Key stakeholder.	3	We worked alongside Mr. Juan José Galiano, President ; Mr. David Beneyto, General Manager, and Mr. Juan Amadeo Vallés, Financial Manager.
Kermocasa Estate Agent	An estate agent working for Crein.	Not applicable as it is a Company	Excluded.	The referral of tenants to Crein is not material for the project.	1	We interviewed Ms. Silvia Pau, General Manager.

## 4. STAGES 2 TO 5 : DESIGNING THE IMPACT MAP.

- In order to facilitate the understanding of the study, we describe the stages 2 to 5 in each of the five separate promotions. At the end of those, results will be shown in a table where we will calculate the average *Crein* SROI ratio.

### 4.1. TORRENTE 30:

*"It's difficult to find a € 400 rent apartment with a boxroom and a garage."* Alberto, *Torrente 30* tenant.

*"If Grupo Crein agreed to sell me the flat, I would buy it without hesitation."* Eulalia, *Torrente 30* tenant.

- Both this building and the one called *Torrente 90* are located in a very depressed area (*Barrio del Xenillet*) in the Valencian town of Torrente. On the site adjacent to it there was a building later demolished by the council in the 90's called by the neighbours "*La Finca Blanca*" (The White Block) and it was an area of extreme marginality (drug trafficking, prostitution, ...). In the neighborhood of Xenillet there is an unemployment rate of around 70%, a very high rate of illiteracy, and in its western part there is a core of shanty towns. The high rate of citizen insecurity is reflected in two details: there is no public transportation within the neighborhood and hardly any shops.

To put remedy to this situation of exclusion, in the year 2007 the city of Torrente was awarded with 17 million Euros from Feder European Funds. These funds are framed within the so-called "Plan Urban". This "Xenillet Plan Urban" will be disbursed over 6 years, and is intended to provide the area with infrastructure and basic services.

*Torrente 30* is a 30 flat building arranged in 3 heights and a ground floor, and *Crein* decided to dedicate it to pensioners. The houses are adapted (wide doors, adapted wc and bathrooms, ...), so that pensioners can use them comfortably.

The first tenants entered in March 2009. Of the 30 homes, 21 are occupied by pensioners (mostly retired people), and the other 9 are occupied by 33 people with intellectual disabilities (hereinafter, PDIs). Originally, the pensioners were tenants referred by the Social Welfare



Council of the City of Torrent, but then *Crein* turned to the Estate agent *Kermocasa* for referrals. The group of PDIs are managed by the *Fundación Espurna* although the original idea of the project is from *Fundación HODIS*. The PDIs have a high rate of self-sufficiency, but in order to ensure their safety, they are always under the supervision of a Carer. During the day, they work or attend Occupational Centers.

## - Stage 2: mapping outcomes

### 2.1 Identification of inputs

### 2.2 Valuing inputs

### 2.3 Describing outcomes

**Inputs** are the contributions to the project. We can see that pensioners and PDIs tenants provide the monthly rent which amounts to € 357.35 (for the 21 flats occupied by pensioners that amounts to €90,052.20, and for the 9 flats occupied by PDIs that is €38,593.80). On the other hand, inputs provided by *Crein* include three concepts (we will proceed in this way in the other 4 projects), as it was explained in 2.3 ; this amounts to € 195,116.12. The cost of a PDI in *Torrente 30* is approximately € 2,000.00 per month, that is a total of €792,000.00 a year (on 33 disabled people). From this amount, the Government contributes with approximately 62.5% (€495,00.00 yearly) and the rest is from *Fundación Espurna* (€297,000.00). This data has been obtained from the same Foundation and from a study of *FEAPS*<sup>1</sup> on PDIs caring costs.

In the table below we identify **Inputs and Outputs**, and we give them a value.

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AZUA, P., ALBOR, J, Y VALLS R. (2008) :“Estudio del sobreesfuerzo económico que la discapacidad intelectual ocasiona en la familia en España”. Confederación Española de Asociaciones en favor de las Personas con Discapacidad Intelectual (FEAPS).

□

Stage 1		Stage 2		
Stakeholders	Intended/Unintended Changes	Inputs	Value in Euros	Outputs
		Description		
Who do we have an effect on? / Who has an effect on us?	What do you think will change for them?	What do they invest?		Summary of Activity in Numbers
PENSIONERS	GET A BRAND NEW FLAT AT AN AFFORDABLE RENT PRICE	RENTAL	90.052,20 €	21 Flats
DISABLED TENANTS	TO SHARE A FLAT WITH COLLEAGUES WITH SIMILAR DISABILITIES/ADAPTED HOMES	RENTAL	38.593,80 €	9 Flats
FOUNDATION ESPURNA		Disabled person Caring cost	297.000,00 €	33 PDI
Generalitat de Valencia (Planning and Housing dept))		Disabled person Caring cost	495.000,00 €	33 PDI
TORRENT CITY COUNCIL	THEY CHARGE THE COUNCIL TAX TO NEW TENANTS			30 FLATS
CREIN	TO CARRY OUT THEIR PROJECT	SUBSIDISED LOAN	195.116,12 €	
<b>TOTAL</b>			<b>1.115.762,12 €</b>	

**Outcomes** is something that occurs as a result of the *Crein* project. A defining characteristic common to all *Crein* projects is that the monthly rent is below the basic rental price defined by the State : as a result, and compared to other options which may only offer the basic rental price, tenants have more monthly income. Also, in comparison with rents offered by the Publicly owned estate agent *Nous Espais*, they pay about the same but for the same price they enjoy additionally a garage and a boxroom. In addition to this, all the tenants surveyed agreed in having a much more comfortably home than the previous one (it is important for them living in a brand new flat), and they have a great value to the fact of having an elevator.

After having surveyed our stakeholders, we refer in the following table the Outputs, the Outcomes more commonly voiced by the stakeholders and whether they considered those material or not.

<b>TORRENTE 30</b>			
<b>STAKEHOLDERS</b>	<b>OUTPUTS</b>	<b>OUTCOMES</b>	<b>MATERIAL?</b>
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	33 Disabled tenants can now rent a flat / 30 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for Generalitat de Valencia)	Not applicable
Ministry of Development (General Secretariat of Housing)	33 Disabled tenants can now rent a flat / 30 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for the Ministry of Development)	Not applicable
Torrente City Council (Department of Planning and Housing)	30 flats	New taxes increase the Council Budget, thus more funds to spend on the city needs	Yes
Old tenants (pensioners)	Monthly rental	To have more disposable income to satisfy their needs	Yes
		To have a more comfortable house	Yes
		To have a better insulated house	Yes
		Tenants can now do their shopping by themselves	Yes
		Tenants are now able to walk to the Doctor	Yes
		Pensioners report a healthier life	Yes
		To enjoy spending more time with the family	Yes
Foundation <i>Espurna</i>	33 Disabled tenants can now rent a flat	Material outcomes for tenants only (not for Foundation <i>Espurna</i> )	Not applicable
Disabled tenants or PDIs	Monthly rental	To have more disposable income to satisfy their needs	Yes
		Improvement in personal autonomy	Even as this outcome has a low financial value, it is very material for the Tenants.
		Tenants feel healthier	Yes
		Tenants report they can learn new skills	Yes
		Tenants are more active	Yes
		Improvement in professional skills	Yes
<i>Crein</i>	30 flats	Families feel less financially strained	Yes
		Material outcomes for tenants only (not for <i>Crein</i> )	Not applicable

- Stage 3 : Evidencing outcomes and giving them a value

- 3.1 Developing outcome indicators.
- 3.2 Collecting outcomes data.
- 3.3 Establishing how long outcomes last.
- 3.4 Putting a value on the outcome.

In Stage 3, outcomes are identified and valued.

In order to facilitate the understanding of the study, and since there are two different groups of tenants, we will reflect changes in those two : one for pensioners, and another for the PDIs.

Here we present the **Outcomes, Indicators and proxies for Pensioners :**

Stage 3							
Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of families reporting to have now more disposable income to satisfy their needs	CREIN	21	1	Difference between current and commercial rent prices	1.014,12 €	CREIN
To have a more comfortable house	Number of pensioners reporting to have a more comfortable house	Consultant's survey	42	1	Cost of furniture for decorating the flat	1.000,00 €	Consultant's survey
To have a better insulated house	Number of persons reporting to have a better insulated house	Consultant's survey	42	1	Annual extra spending on electricity	240,00 €	Consultant's survey
Tenants can now do their shopping by themselves	Number of pensioners reporting they can now do their shopping by themselves	Consultant's survey	42	1	Cost of receiving at home a shopping list order from Mercadona supermarket and buying a shopping trolley	468,50 €	Mercadona website <a href="http://www.mercadona.es">www.mercadona.es</a>
Tenants are now able to walk to the Doctor	Number of pensioners reporting they are now able to walk to the Doctor	Consultant's survey	42	1	Cost Difference of an at-home Doctor visit and at a hospital one	1.344,00 €	Diario de navarra website <a href="http://www.diariodenavarra.es">www.diariodenavarra.es</a>
Pensioners report a healthier life	Number of pensioners reporting less visits to the Doctor	Consultant's survey	30	1	Cost of paying a visit to a Doctor in a hospital	504,00 €	Diario de navarra website <a href="http://www.diariodenavarra.es">www.diariodenavarra.es</a>
To enjoy spending more time with the family	Number of pensioners reporting they can now enjoy spending more time with the family	Consultant's survey	42	1	Cost of a Valencia to Montserrat journey by car	416,00 €	Guia Repsol website <a href="http://www.guiarepsol.com">www.guiarepsol.com</a>

As we can see in the table, the **Outcomes** we have detected and their valuation are as follows:

- *To have more disposable income to satisfy their needs* : Tenants experience savings both compared to basic rental price defined by the State module (we evaluated this outcome with the difference between the basic price and the rent paid by the tenant (€ 19.51 per month, and also have cheaper housing than those offered by Publicly owned estate agent *Nous Espais* (the savings enjoyed are the rental price of the garage and the boxroom which amount to € 65.00 per month).

- *Tenants enjoy a more comfortable home* : We have measured the comfort of a brand new home with the average investment in furniture made in these flats (1,000.00 €).

- *To have a better insulated house* : tenants told us that their former homes were poorly insulated and, therefore, they payed more on electricity bills in winter (40.00 € per month for 6 months).

- *Tenants can now do their shopping by themselves* : because Tenants in *Torrente 30* have an elevator, they can now afford doing the shopping by themselves. We valued this Outcome with the cost of receiving at home a shopping list order from *Mercadona* supermarket (€7.21 per week times 52 weeks) and the cost of buying a shopping trolley (€35.9).

- *Tenants are now able to walk to the Doctor* : having an elevator also allows the pensioners to walk to the Doctor instead of receiving a Doctor's visit at home. We value this with the saving made to the state of the difference for a Doctor visit at home (€140.00) and at the hospital (€84.00). We obtained the cost of this from the Navarra Health Service<sup>2</sup>. On average, every pensioner goes twice a month to the

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□ <http://www.diariodenavarra.es/20100619/navarra/cada-visita-al-...2215999&dia=20100619&seccion=navarra&seccion2=sociedad&chnl=10>.

Doctor.

- *Pensioners report a healthier life* : another Outcome reported by the pensioners as a result of having a lift, is the fact that they visit the Doctor on average 6 times a year less. We value this with the savings made to the state of 6 visits a year less to the hospital (€84.00).

- *To enjoy spending more time with the family* : having a lift also allows pensioners to have a closer relationship with the family, as they can walk (or be walked in the case of having to use a wheelchair) more easily. We value this with the cost in terms of petrol of a journey to the relative´s house (€4.00 twice a month).

- In addition to this, the *Torrente City Council* annually collects the Property tax (€183.92 per flat) on the 30 flats as a result of the project *Torrente 30*.

The **Duration** of all the Outcomes for the Pensioners is estimated to be 1 year.

Here we present the **Outcomes, Indicators and proxies for Disabled tenants** :

Stage 3							
Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of monthly rents saved (allocated amongst the 33 disabled tenants) Fundación Espurna reports to us	CREIN	9	1	Difference between current and commercial rent prices	1.014,12 €	CREIN
Improvement in personal autonomy	Number of tenants experiencing an improvement in personal autonomy (Fundación Espurna reported to us)	Consultant's survey	21	1	Price of annual public transport ticket in Valencia for a disabled person	18,00 €	<a href="http://www.emt.valencia.es/porta/srv.VENTA_TITULOS.NormativaBonoOro">http://www.emt.valencia.es/porta/srv.VENTA_TITULOS.NormativaBonoOro</a>
Tenants feel healthier	Number of tenants feeling now healthier (Fundación Espurna reported to us)	Consultant's survey	2	1	Monthly price of attending the Council gym	128,40 €	<a href="http://www.fdm.torrent.com/tasas/#pto3">http://www.fdm.torrent.com/tasas/#pto3</a>
		Consultant's survey	33	1	Weekly price of attending the Council swimming pool	26,00 €	<a href="http://www.fdm.torrent.com/tasas/#pto3">http://www.fdm.torrent.com/tasas/#pto3</a>
Tenants report they can learn new skills	Number of tenants learning new skills (Fundación Espurna reported to us)	Consultant's survey	3	3	Yearly Drawing lessons fee	128,40 €	<a href="http://www.fdm.torrent.com/tasas/#pto3">http://www.fdm.torrent.com/tasas/#pto3</a>
Tenants are more active	Number of tenants having a more active life (Fundación Espurna reported to us)	Consultant's survey	33	1	Price of a weight-loss program at Naturhouse	300,00 €	Consultant's survey
Improvement in professional skills	Number of tenants experiencing an improvement in professional skills (Fundación Espurna reported to us)	Consultant's survey	33	3	Disabled person annual salary	6.000,00 €	Consultant's survey
Families feel less financially strained	Number of families feeling less financially strained (Fundación Espurna reported to us)	FEAPS STUDY - Antares Consulting	33	1	Caring Cost increase for keeping a disabled person at home or in a caring house	27.041,00 €	<a href="http://www.feaps.org/actualidad/23_04_09/ultima_hora/sobreesfuerzo_15_04_09.pdf">http://www.feaps.org/actualidad/23_04_09/ultima_hora/sobreesfuerzo_15_04_09.pdf</a>

The origin of the PDIs is threefold:

- they may have been under the responsibility of the Department of Social Welfare,
- the family itself,
- or may even not have been under any supervision.

Most of them reach *Torrente 30* willing to leave their families to move in with friends or colleagues, because they have nowhere else to go, or want to become independent and say "this is my home." Most of the PDIs have a high rate of intellectual disability (between 65% and 80%).

As we had limited information on the Outcomes for the disabled (as we were not allowed to speak to them), the number of Outcomes are probably understated.

As we can see in the table, the **Outcomes** we have detected and their valuation are



as follows :

- *To have more disposable income to satisfy their needs* : Tenants experience savings both compared to basic rental price defined by the State module (we evaluated this outcome with the difference between the basic price and the rent paid by the tenant (€ 19.51 per month, and also have cheaper housing than those offered by Publicly owned estate agent *Nous Espais* (the savings enjoyed are the rental price of the garage and the boxroom which amount to € 65.00 per month).

- *Improvement in personal autonomy* : PDIs are now using public transport. We valued this change with the cost of a Public Transport annual fee (€ 18.00 per year). Even as this value is low, it is very material for the Tenants.

- *Tenants feel healthier* : PDIs report to have engaged in a healthier lifestyle as it is evidenced by 2 tenants having joined the gym (€10.7 a month) and all of them are reported to have joined the local swimming pool (€0.5 a month).

- *Tenants report they can learn new skills* : 3 tenants report to have engaged in Yearly Drawing lessons fee (€10.7 a month).

- *Tenants are more active* : upon the arrival of PDIs at Torrente 30, carers are responsible for the PDIs to have a more active life. According to the Carer, the most visible change in the PDIs from their arrival in Torrente 30 is a significant loss of weight ; we value this change with a weight loss plan from the health shops chain Naturhouse (€300.00).

- *Improvement in professional skills* : all PDIs have a paid job, or attend a day center where they perform a pre-work (adapted work). We evaluated this change with the average salary they receive (€500.00 per month).

- *Families feel less financially strained* : By the fact of living in community, PDIs families do not have to bear an extra cost both financially and in terms of family members taking care of them. These savings must be deducted from the cost of



keeping the PDIs in Torrente 30, part of which is taken over by the family, part by *Fundación Espurna* and part by the *Generalitat Valenciana*. From the FEAPS study mentioned above, we got the data that the extra costs for the Valencian Autonomous Community is € 27,041.00 per annum (€ 31,639.00 less the amount they receive in aid which is € 4,598.00).

The **Duration** of all the Outcomes for the Disabled are estimated to be 1 year, except skills (professional and others) which are estimated to last for 3 years.

A clarification of **Quantities** and its justification to the engagement data can be found in the following table :

<b>TORRENTE 30</b>			
<b>STAKEHOLDERS</b>	<b>OUTCOMES</b>	<b>QUANTITIES</b>	<b>JUSTIFICATION OF QUANTITIES</b>
Torrente City Council (Department of Planning and Housing)	New taxes increase the Council Budget, thus more funds to spend on the city needs	30	Number of flats in the Torrente 30 project
Old tenants (pensioners)	To have more disposable income to satisfy their needs	21	All the families profit from a lower rent than the commercial one.
	To have a more comfortable house	42 (*)	Every individual interviewed reported this
	To have a better insulated house	42	Every individual interviewed reported this
	Tenants can now do their shopping by themselves	42	Every individual interviewed reported this
	Tenants are now able to walk to the Doctor	42	Every individual interviewed reported this
	Pensioners report a healthier life	30	Quantity estimated by the consultant based on the interview (70 % of individuals)
	To enjoy spending more time with the family	42	Every individual interviewed reported this.
Disabled tenants or PDIs	To have more disposable income to satisfy their needs	9	There are 9 flats for disabled tenants in the block.
	Improvement in personal autonomy	21	Quantities reported by Foundation Espurna
	Tenants feel healthier	2 and 33	Quantities reported by Foundation Espurna (2 tenants joined the gym and all of them joined the local swimming pool).
	Tenants report they can learn new skills	3	Quantities reported by Foundation Espurna
	Tenants are more active	33	Foundation Espurna told us every single disabled tenant report this.
	Improvement in professional skills	33	Foundation Espurna told us every single disabled tenant report this.
Families feel less financially strained	33	Foundation Espurna told us every single disabled tenant report this.	

(\*) We assume an average of 2 pensioners per flat (considering at a any given time there could be empty flats, and families or singles living in Torrente 30).

## - Stage 4 : Establishing Impact

### 4.1 Deadweight and displacement

### 4.2 Attribution

### 4.3 Drop-off

### 4.4 Calculating the impact

*Torrente 30* is unique in the sense that there are no similar projects nearby or in the area where is located with the same ratio price/quality. However tenants could have used 2 alternatives but don't use them : one is a building managed by the *IVVSA*, but the Tenants reported that building was not an alternative (even if rents are as low as €30 a month) because it was in a very poor condition and there were ethnicity issues amongst the residents ; and as we mentioned earlier, *Nous Espais* flats are more expensive. Therefore we estimated that the **Deadweight** is zero.

*Crein* told us the rate of occupation of *Torrente 30* was not 100 %. Therefore we consider the project does not displace tenants, and this substantiates there is no **Displacement**.

We do need to take into account the **Attribution** in *Torrente 30* due to the activity developed by *Fundación Espurna*. After studying the project, we concluded that the impact achieved on the PDI (Intellectually disabled people) must be distributed at least 50 % between Grupo *Crein* and *Fundación Espurna*, because the latter could not carry out their work if adapted flats were not available and, more importantly, located in the same building. If the flats were scattered over different buildings, the costs of the *Fundación Espurna* would rise significantly.

We have estimated a conservative **Dropoff** rate of 25 % for the Outcomes related to skills.

The **Impact Map** (excel spreadsheet entitled "IM\_Torrente 30), contains the calculation of impacts. These have been calculated as follows :



The impact, the total value of each change, is calculated as :

the financial proxy  
multiplied by the quantity of the outcome  
minus any deadweight, attribution and/or displacement

### Stage 5: Calculating the SROI

- 5.1 Calculating the present value
- 5.2 Calculation of the SROI ratio
- 5.3 Sensitivity analysis
- 5.4 Payback period.

There are two types of SROI Analysis:

- *Evaluative* : it is carried out with historical data and results that have already been obtained. It is often used by companies that have been operating for several years. It is used to assess the impact of projects already implemented or running.

- *Forecast* : it predicts what value will be created in the future if the activities of the organization produce the desired results. This type is often used by companies or start-up projects. Used to predict the social value of activities that will be generated.

In our study, and since *Torrente 30* is running, we have conducted an Evaluative Analysis.

The sum of the impacts in 2010 is: € 842,288.326

The sum of the inputs is 2010 is: € 1,115,762.12

Therefore, the SROI ratio in 2010 is 1: 0.75

This means that for every € 1 invested in the project, a social value of € 0.75 is created. Seen from another point of view, the project returns to society € 0.75 for each € 1 invested in it.

- ***SENSITIVITY ANALYSIS*** : Given that this analysis contains estimations and assumptions, it is prudent to review where these decisions have had a significant effect in the overall SROI figure stated and to, therefore, consider the confidence that can be placed on this.

In this section, we explore the impact on the SROI ratio of changing some of the assumptions used. A systematic approach was taken by changing each changeable part in turn and seeing how that modified the SROI ratio. The areas altered for each of the 5 *Crein* projects are Quantities, Deadweight, Attribution, Duration, Drop off, Displacement, Deadweight and Duration, Deadweight and Attribution, Deadweight and Attribution and Duration, and Discount Factors.

A summary can be found hereinafter.

SENSITIVITY						
ITEM	BASE CASE	NEW ASUMPTION	BASE RESULT	NEW RESULT	VARIANCE	SENSITIVE OR NOT?
<b>Quantities</b>	as per impact map	50% for pensioners	0,75	0,69	-8%	no
<b>Deadweight</b>	average of 0%	average of 10 %	0,75	0,68	-9%	No
	average of 0%	average of 60%	0,75	0,3	-60%	yes
<b>Attribution</b>	average of 50% for disabled tenants	average of 10%	0,75	1,22	63%	yes
<b>Duration</b>	average of 1.2 years	average of 1 year	0,75	0,65	-13%	No
	average of 1.2 years	average of 3 years	0,75	1,82	143%	yes
<b>Drop off</b>	average of 25% for disabled new skills	average of 10%	0,75	0,79	5%	no
<b>Displacement</b>	average of 0 %	average of 20 %	0,75	0,6	-20%	No
<b>Deadweight and duration</b>	average of 0% and 1.2 years	average of 60% and 3 years	0,75	0,73	-3%	No
<b>Deadweight and attribution</b>	average of 0% and 50% for disabled tenants	average of 60% and 10% for disabled tenants	0,75	0,49	-35%	yes
<b>Deadweight and attribution and duration</b>	average of 0% and 50% for disabled tenants and 1.2 years	average of 60% and 10% for disabled tenants and 3 years	0,75	1,19	59%	yes
<b>Discount Rate</b>	3,50%	8,00%	0,75	0,72	-4%	No

The following Conclusions can be obtained from the table above :

- *Deadweight* : we used a figure of 0 % because the only similar projects in the area are the blocks managed by *IVVSA* (but in comparison are much cheaper and, as stated in the Stakeholder Engagement, in a very poor condition and therefore tenants don't consider them), and *Nous Espais* (but are more expensive and tenants don't consider them neither). If an allowance was made for some *Deadweight*, then this does not change the ratio significantly. If we were to use a very high *Deadweight* figure of, say, 60 %, our SROI ratio would go down to 0.3, however this is not considered a reasonable percentage, and so we can be reassured that our analysis has not been materially affected by the assumptions on *Deadweight*.

- *Attribution* : this is an area that has been a subject of some discussions both with *Crein* and *Foundation Espurna*, as both organisations claimed full attribution. In the end, the Analyst tried to convince them no 100 % Attribution could be on either side, as *Crein* is responsible for part of the Disabled outcomes (the Disabled couldn't have experienced the outcomes we were told hadn't the *Crein* block existed), and by the same token, the Disabled couldn't have experienced those good outcomes hadn't *Espurna* being there to help them and manage the group. We therefore assumed a 50 % Attribution. If we were to give a 10 % Attribution to *Espurna*, the ratio would have gone up to 1,22. Keeping attribution at 50% to *Espurna* therefore is a conservative assumption which avoids overclaiming. If *Espurna* had allowed us to interview disabled tenants we would have been able to get a better understanding of attribution for these outcomes, but in the absence of this information we have followed the more conservative course.

- *Duration* : we used an average Duration of 1 year for almost all the Outcomes except for the ones where skills were involved (where we used 3 years), as those Outcomes tend to last for longer. Testing for an average of 3 years duration for every outcome, the ratio would go up to 1,82. Thus the duration of outcomes into the future is a factor that affects the ratio, but by this approach we have made the more conservative decision.

- *Modifying Quantities* (to half), *Deadweight* (from 0 to 10 %) and *Drop-off* (from 25 to 10 %), didn't have a significant impact on the ratio.

- Even if *Crein*'s projects are based in Spain, we used a *Discount Rate* of 3,5 % which is the rate normally used in the UK for evaluation purposes. The reason for that is because it is difficult to estimate such an item in the current state of crisis in the European Union. Nevertheless we have increased the rate to an unrealistic 8 %, and the impact on the ratio was not important.

- There are two further changes we have tested : if *Deadweight and Attribution* were to be changed simultaneously from 0 and 50% to 60 and 10%, our rate would change



to 0,49. If Deadweight, Attribution and Duration were to be altered altogether from 0%, 50% and 1.2 years to 60%, 10% and 3 years, our rate would go up to 1,19. Thus the potential range in the SROI ratio as a result of our analysis appears to be between 0.49 and 1.19, with a conservative best case at 0.75.

As an overall Conclusion, we can say the most sensitive factor in Torrente 30 is *Attribution* where a variation on the figure can have a significant effect on the ratio. The *Duration* of Outcomes appears second in importance.

- **PAYBACK PERIOD** : a ratio of 0,75 also means that Impact would need to last almost 16 months in order to recover the investment the stakeholders have made in the project.



## 4.2 TORRENTE 90:

"Today we could not find this rent anywhere." Ginés, *Torrente 90* tenant.

- We have previously described (in point 4.1) the main features of the *Xenillet* area (city of Torrente, on the outskirts of Valencia) where both projects, *Torrente 30* and *Torrente 90*, are located.

*Torrente 90* is a rectangular building with 90 apartments distributed in 4 blocks (over 4 three-storey blocks) and arranged over 3 floors and basement with a single access. It is just one street away from the *Torrente 30* project. The promotion does not have a specific population target like *Torrente 30*, so it is aimed at citizens in general.

To occupy this block of flats they did not appeal to the Department of Social Welfare (as in *Torrente 30*) but it was advertised in the local free newspaper with the largest circulation in Torrente. The *Kermocasa Real Estate* now manages the available apartments.

### - Stage 2: mapping outcomes

2.1 Identification of Inputs

2.2 Valuing Inputs

2.3 Describing Outcomes

**Inputs** are the contributions to the project. Tenants provide the monthly rent which amounts to € 350.00. On the other hand, inputs provided by *Crein* include three concepts as it was explained in 2.3 ; this amounts to € 600,320.30.

In the table below we identify **Inputs and Outputs**, and we give them a value.

Stage 1		Stage 2		
Stakeholders	Intended/Unintended Changes	Inputs	Value in Euros	Outputs
Who do we have an effect on? / Who has an effect on us?	What do you think will change for them?	Description		Summary of Activity in Numbers
FAMILY TENANTS	GET A BRAND NEW FLAT AT AN AFFORDABLE RENT PRICE	RENTAL	378.000,00 €	90 Flats
TORRENT CITY COUNCIL	THEY CHARGE THE COUNCIL TAX TO NEW TENANTS			90 Flats
CREIN	TO CARRY OUT THEIR PROJECT	SUBSIDISED LOAN	600.320,30 €	
<b>TOTAL</b>			<b>978.320,30 €</b>	

**Outcomes** is something that occurs as a result of *Crein* project. As in *Torrente 30*, the monthly rent is below the basic rental price defined by the State : we see on the right hand column that tenants have increased their monthly income. Also, in comparison with rents offered by the public owned estate agent company *Nous Espais* they pay about the same amount of money but for the same price they enjoy a garage and a boxroom. In addition to this, they all agree in having a more comfortable home than the previous one (it is important for them being brand new), salubrious homes, and say to have greater self-esteem. They also claim to have some flexibility to pay the rent.

In addition, the City Council annually collects Torrent Property Tax as a result of the *Torrente 90* project.

After having surveyed our stakeholders, we refer in the following table the Outputs, the Outcomes more commonly voiced by the stakeholders and whether they considered those material or not.

<b>TORRENTE 90</b>			
<b>STAKEHOLDERS</b>	<b>OUTPUTS</b>	<b>OUTCOMES</b>	<b>MATERIAL?</b>
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	90 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for Generalitat de Valencia)	Not applicable
Ministry of Development (General Secretariat of Housing)	90 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for the Ministry of Development)	Not applicable
Torrente City Council (Department of Planning and Housing)	90 flats	New taxes increase the Council Budget, thus more funds to spend on the city needs	Yes
Tenants (families)	Monthly rental	To have more disposable income to satisfy their needs	Yes
		To have an easier access to the flat compared to similar flats	Yes
		To enjoy spending more time with the family	Yes
		To have a more salubrious home	Yes
		To have a better insulated house	Yes
		To have a certain flexibility in paying the rent	As this is not very important to stakeholders, and its financial value is low in comparison with other outcomes, we decided it didn't pass the materiality check and therefore did not include it in our analysis.
		Tenants report an increase of self esteem when having a new house	Yes
Crein	90 flats	Material outcomes for tenants only (not for Crein)	Not applicable

## - Stage 3 : Evidencing outcomes and giving them a value

3.1 Developing outcome indicators.

3.2 Collecting outcomes data.

3.3 Establishing how long outcomes last.

3.4 Putting a value on the outcome.

In Stage 3, Outcomes are identified and valued.

Here we present the **Outcomes, Indicators and proxies for tenants** :

Stage 3							
Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of families reporting to have now more disposable income to satisfy their needs	CREIN	90	1	Difference between current and commercial rent prices	1.144,20 €	CREIN
To have an easier access to the flat compared to similar flats	Number of tenants reporting having now an easier access to their flat	Consultant's survey	180	1	Cost of receiving at home a shopping list order from Mercadona supermarket	432,60 €	<a href="http://www.mercadona.es">Mercadona website www.mercadona.es</a>
To enjoy spending more time with the family	Number of tenants reporting to enjoy now spending more time with the family	Consultant's survey	20	1	Cost of a Valencia to Masalavés journey by car	416,00 €	<a href="http://www.guiarepsol.com">Guia Repsol website www.guiarepsol.com</a>
To have a more salubrious home	Number of tenants reporting to have a more salubrious home	Consultant's survey	60	1	Medical annual treatment for pneumonia and bronchitis	1.000,00 €	Elsevier article (stated on analysis)
To have a better insulated house	Number of tenants reporting to have a better insulated house	Consultant's survey	180	1	Annual extra spending on electricity	240,00 €	Consultant's survey
Tenants report an increase of self esteem when having a new house	Number of tenants reporting to have an increased self-esteem	Consultant's survey	160	3	Cost of furniture and tools for decorating the flat	1.401,00 €	<a href="http://www.teroyme">www.teroyme</a>
NEW TAXES INCREASE THE COUNCIL'S BUDGET, THUS HAVING MORE FUNDS TO SPEND ON THE CITY NEEDS	Number of tenants who report paying the Tax	Consultant's survey	90	1	Average annual Council tax paid by tenants	139,26 €	CREIN

As we can see in the table, the **Outcomes** we have detected and their assessments are:

- *To have more disposable income to satisfy their needs* : Tenants experience savings compared to basic rental price defined by the State module. We evaluated this outcome with the difference between the basic price and the rent paid by the tenant (€30.35 per month), also have cheaper housing than those offered by Publicly owned estate agent *Nous Espais*. The savings enjoyed are the rental price of the garage and the boxroom (€ 65.00 per month).

- *To have an easier access to the flat compared to similar flats* : Tenants now have an elevator,

which is very appreciated : none of the tenants had one in their previous home. We evaluated this factor with the weekly delivery shopping cost from local supermarket *Mercadona* (€ 7.21 per week).

- *To enjoy spending more time with the family* : Some neighbours who lived in other cities before living in the building, told us that prior to move in they had to drive to *Torrente* once a week to pay a visit to the family. As they are now living in the building they no longer have to bear the cost of it (€ 8.00 per week).

- *To have a more salubrious home* : we have estimated that one third of the tenants may have undergone pneumonia and/or bronchitis due to the poorly insulated houses they used to live in prior to move into *Torrente 90*. In order to get an estimation of how much the state saves in treating these illnesses because tenants live a salubrious place, we used an article<sup>3</sup> that assesses the cost of € 1,000.00 per tenant for respiratory disease treatment.

- *To have a better insulated house* : tenants told us that their former homes were poorly insulated and, therefore, they payed more on electricity bills in winter (40.00 € per month for 6 months).

- *Tenants report an increase of self esteem when having a new house* : Tenants enjoy a more comfortable home because it is brand new and it is place of their own. They mention they experienced an increase in their self-esteem because of that, and we measure with the cost of decorating the house (box of tools and equipment and DIY cabinets). Total cost : € 102.00 a toolbox with tools, basic DIY equipment € 100.00 and Burjsta wardrobe from IKEA (199 €), and basic furniture for a flat (€1,000.00).

In addition to this , the City Council annually collects *Torrent* Property tax (€ 139.26 per year) as a result of the *Torrente 90* project.

The **Duration** of all the Outcomes for the Tenants is estimated to be 1 year, except for the self-esteem where we estimated 3 years.

A clarification of **Quantities** and its justification to the engagement data can be found in the following table :

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□ TRILLA, A., ASENJO, MA, Y OTROS (2000) : “Análisis de la relación coste-efectividad del tratamiento antibiótico empírico en pacientes con infecciones del tracto respiratorio inferior adquiridas en la comunidad”. *Enferm Infecc Microbiol Clin*. 18:445-51. - vol.18 núm 9

<b>TORRENTE 90</b>			
<b>STAKEHOLDERS</b>	<b>OUTCOMES</b>	<b>QUANTITIES</b>	<b>JUSTIFICATION OF QUANTITIES</b>
Torrente City Council (Department of Planning and Housing)	New taxes increase the Council Budget, thus more funds to spend on the city needs	90	Number of flats in the Torrente 90 project
Tenants (Families)	To have more disposable income to satisfy their needs	90	All the families profit from a lower rent than the commercial one.
	To have an easier access to the flat compared to similar flats	180 (*)	Every individual interviewed reported this.
	To enjoy spending more time with the family	20	Quantity estimated by the consultant based on the interviews (10 % of individuals).
	To have a more salubrious home	60	Quantity estimated by the consultant based on the interviews (30 % of individuals).
	To have a better insulated house	180	Every individual interviewed reported this.
	Tenants report an increase of self esteem when having a new house	160	Quantity estimated by the consultant based on the interviews (90 % of individuals).
(*) We assume an average of 2 tenants per flat (considering at a any given time there could be empty flats, and families or singles living in Torrente 90).			

#### - Stage 4 : Establishing Impact

4.1 Deadweight and Displacement

4.2 Attribution

4.3 Drop-off

4.4 Calculating the Impact

As *Torrente 90* is located just opposite *Torrente 30*, exactly the same can be said regarding **Deadweight and Displacement** : there are no Deadweight nor Displacement.

The Outcomes in *Torrente 90* can be fully attributed to Crein (there are no institutions who could claim to be responsible for any part of the Outcomes). Therefore there is no **Attribution**.

We have estimated a conservative **Dropoff** rate of 50 % for the Outcomes related to self-esteem.

The **Impact Map** (excel spreadsheet entitled “IM\_Torrente 90), contains the calculation of impacts. These have been calculated as follows :

The impact, the total value of each change, is calculated as :

the financial proxy

multiplied by the quantity of the outcome

minus any deadweight, attribution and/or displacement

#### - Stage 5: Calculating the SROI

5.1 Calculating the present value

5.2 Calculation of the SROI ratio

5.3 Sensitivity analysis

5.4 Payback period.

Since *Torrente 90* is running, we have conducted an Evaluative Analysis.

The sum of the impacts in 2010 is: €666,341.25

The sum of the inputs in 2010 is: € 978,320.30

Therefore, the SROI ratio in 2010 is 1: 0.68

This means that for every € 1 invested in the project, a social value of € 0.68 is created. Seen from another point of view, the project returns to society € 0.68 for each € 1 invested in it.

- **SENSITIVITY ANALYSIS** : Given that this analysis contains estimations and assumptions, it is prudent to review where these decisions have had a significant effect in the overall SROI figure

stated and to, therefore, consider the confidence that can be placed on this.

As we said in *Torrente 30*, the areas we altered in *Torrente 90* are Quantities, Deadweight, Attribution, Duration, Drop off, Displacement, Deadweight and Duration, Deadweight and Attribution, Deadweight and Attribution and Duration, and Discount Factors.

A summary can be found hereinafter.

SENSITIVITY						
ITEM	BASE CASE	NEW ASUMPTION	BASE RESULT	NEW RESULT	VARIANCE	SENSITIVE OR NOT?
<b>Quantities</b>	as per impact map	50% for all tenants	0,68	0,34	-50%	yes
<b>Deadweight</b>	average of 0%	average of 10%	0,68	0,61	-10%	No
	average of 0%	average of 60%	0,68	0,27	-60%	yes
<b>Attribution</b>	average of 0%	average of 10%	0,68	0,25	-63%	yes
<b>Duration</b>	average of 1.2 years	average of 1 year	0,68	0,21	-69%	yes
	average of 1.2 years	average of 3 years	0,68	1,25	84%	yes
<b>Drop off</b>	50 % for self-esteem	10,00%	0,68	0,88	29%	no
<b>Displacement</b>	average of 0%	average of 20%	0,68	0,54	-21%	No
<b>Deadweight and duration</b>	average of 0% and 1.2 years	average of 60% and 3 years	0,68	0,50	-26%	No
<b>Deadweight and attribution</b>	average of 0% and 0%	average of 60% and 10%	0,68	0,25	-63%	yes
<b>Deadweight and attribution and duration</b>	average of 0% and 0% and 1.2 years	average of 60% and 10% and 3 years	0,68	0,45	-34%	yes
<b>Discount Rate</b>	3,50%	8,00%	0,68	0,64	-6%	No

The following Conclusions can be obtained from the table above :

- **Deadweight** : as in *Torrente 30*, we used a figure of 0 % because the only similar projects in the area are the blocks managed by *IVVSA* (but in comparison are much cheaper and, as stated in the Stakeholder Engagement, in a very poor condition and therefore tenants don't consider them), and *Nous Espais* (but are more expensive and tenants don't consider them neither). If an allowance was made for some Deadweight, then this does not change the ratio significantly. If we were to use a very high **Deadweight** figure of, say, 60 %, our SROI ratio would go down to 0.27, however this is not considered a reasonable percentage. We can be reassured that our analysis has not been materially affected by the assumptions on deadweight.



- *Attribution* : If we were to give a 10 % Attribution to say the Social Affairs Dept, the ratio would have gone down to 0,25. Keeping attribution at 0 % therefore might be an area that could prove sensitive.

- *Duration* : we used an average Duration of 1 year for almost all the Outcomes except for the ones where self-esteem were involved (where we used 3 years), as those Outcomes tend to last for longer. Testing for an average of 3 years duration for every outcome, the ratio would go up to 1,25. Thus the duration of outcomes into the future is a factor that affects the ratio, but by this approach we have made the more conservative decision.

- Modifying *Deadweight* (from 0 to 10 %) and *Drop-off* (from 25 to 10 %), didn't have a significant impact on the ratio. However changing *Quantities* to half made the ratio go down to 0,34. Although we are confident with this estimate, it could be a sensitive area.

- Even if *Crein's* projects are based in Spain, we used a *Discount Rate* of 3,5 % which is the rate normally used in the UK for evaluation purposes. The reason for that is because it is difficult to estimate such an item in the current state of crisis in the European Union. Nevertheless we have increased the rate to an unrealistic 8 %, and the impact on the ratio was not important.

- There are two further changes we have tested : if *Deadweight and Attribution* were to be changed simultaneously from 0 and 0% to 60 and 10%, our rate would change to 0,25. If *Deadweight, Attribution and Duration* were to be altered altogether from 0%, 0% and 1.2 years to 60%, 10% and 3 years, our rate would go down to 0,45. However we estimate these assumptions to be very extreme and unlikely, and we are confident with the estimations for those parameters we have used.

As an overall Conclusion, we can say the two most sensitive factors in *Torrente 90* are *Duration* and *Deadweight* where a variation on those can have a significant effect on the ratio.

- **PAYBACK PERIOD** : a ratio of 0,68 also means that Impact would need to last almost 18 months in order to recover the investment the stakeholders have made in the project.

### **4.3 ALFAFAR 115:**

*“My former landlord told me to leave the flat as she needed it for her daughter. Now, I can stay in this flat as long as I wish”.* Pedro, Alfafar 115 tenant.

- The *Alfafar 115* project is located in the Valencian town of Alfafar. Alfafar’s population is mainly working class people. It was the first social housing project in town addressed to young people. It consists of a block of 115 flats.

The first tenants moved in April 2007. The then Minister of Housing, Maria Antonia Trujillo, was present at the opening ceremony.

#### **- Stage 2: mapping outcomes**

2.1 Identification of Inputs

2.2 Valuing Inputs

2.3 Describing Outcomes

**Inputs** are the contributions to the project. Tenants provide the monthly rent which amounts to € 345.22. On the other hand, inputs provided by *Crein* include three concepts (we will proceed in this way in the other 4 projects) as it was explained in 2.3 ; this amounts to € 555,570.96

In the table below we identify **Inputs and Outputs**, and we give them a value.

Stage 1		Stage 2		
Stakeholders	Intended/ Unintended Changes	Inputs	Value in Euros	Outputs
Who do we have an effect on? / Who has an effect on us?	What do you think will change for them?	Description		Summary of Activity in Numbers
YOUNG TENANTS	GET A BRAND NEW FLAT AT AN AFFORDABLE RENT PRICE	RENTAL	476.403,60 €	115 FLATS
Alfajar City Council	THEY CHARGE THE COUNCIL TAX TO NEW TENANTS			115 flats
CREIN	TO CARRY OUT THEIR PROJECT	SUBSIDISED LOAN	555.570,96 €	
<b>TOTAL</b>			<b>1.031.974,56 €</b>	

**Outcomes** is something that occurs as a result of the *Crein* project. As in *Torrente 30* and *Torrente 90* the monthly rent is below the basic rental price defined by the State: we see on the right hand column that tenants have increased their monthly income. In addition to this they all agree in having a much more comfortable home than their previous ones (it is important for them being brand new), they enjoy a more salubrious one, have greater self-esteem and live in a safer area. They also claim to have some flexibility to pay the rent (in some cases).

In addition to this, Alfajar City Council annually collects the Property Tax as a result of this project .

After having surveyed our stakeholders, we refer in the following table the Outputs, the Outcomes more commonly voiced by the stakeholders and whether they considered those material or not.

<b>ALFAFAR 115</b>			
<b>STAKEHOLDERS</b>	<b>OUTPUTS</b>	<b>OUTCOMES</b>	<b>MATERIAL?</b>
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	115 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for Generalitat de Valencia)	Not applicable
Ministry of Development (General Secretariat of Housing)	115 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for the Ministry of Development)	Not applicable
Alfafar City Council (Department of Planning and Housing)	115 flats	New taxes increase the Council Budget, thus more funds to spend on the city needs	Yes
Tenants (young families)	Monthly rental	To have more disposable income to satisfy their needs	Yes
		To have a certain flexibility in paying the rent	As this is not very important to stakeholders, and its financial value is low in comparison with other outcomes, we decided it didn't pass the materiality check and therefore did not include it in our analysis.
		To have an easier access to the flat compared to similar flats	Yes
		To have a better insulated house	Yes
		To live in a safe area	Yes
		tenants report to have a higher self-esteem as they now have their own place to live	Yes
Crein	115 flats	Material outcomes for tenants only (not for Crein)	Not applicable

## - Stage 3 : Evidencing outcomes and giving them a value

- 3.1 Developing outcome indicators.
- 3.2 Collecting outcomes data.
- 3.3 Establishing how long outcomes last.
- 3.4 Putting a value on the outcome.

In Stage 3, Outcomes are identified and valued.

Here we present the Outcomes, Indicators and proxies for Tenants :

Stage 3							
Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of families reporting to have now more disposable income to satisfy their needs	CREIN	115	1	Difference between actual rent and standard rent price fixed by the Government	556,68 €	CREIN
To have an easier access to the flat compared to similar flats	Number of tenants reporting having now an easier access to their flat	Consultant's survey	230	1	Cost of receiving at home a shopping list order from Mercadona supermarket	432,60 €	Mercadona website <a href="http://www.mercadona.es">www.mercadona.es</a>
To have a better insulated house	Number of tenants reporting to have a better insulated house	Consultant's survey	230	1	Annual extra spending on electricity	240,00 €	Consultant's survey
To live in a safe area	Number of tenants reporting to live now in a safer area	Consultant's survey	120	1	Cost of a Securitas Direct monthly Home alarm	420,00 €	Securitas Direct website
Tenants report to have a higher self-esteem as they now have their own place to live	Number of tenants reporting to have a higher self esteem as a result of having their own place to live	Consultant's survey	230	3	Cost of basic furniture for a flat	3.000,00 €	Ikea website
NEW TAXES INCREASE THE COUNCIL'S BUDGET, THUS HAVING MORE FUNDS TO SPEND ON THE CITY NEEDS	Average annual Council tax paid by tenants	Consultant's survey	115	1	Average annual Council tax paid by tenants	162,89 €	CREIN

As we can see in the table, the Outcomes we have detected and their assessment are:

- *To have more disposable income to satisfy their needs* : Tenants experienced savings compared to basic rental price defined by the State. We evaluated this outcome with the difference between the state price and the rent paid by the tenant (€46.39 a month).

- *To have an easier access to the flat compared to similar flats* : We valued this with the cost a weekly delivery shopping fee from local supermarket Mercadona (€ 7.21 per week).

- *To have a better insulated house* : Tenants told us that the former homes were poorly insulated and, therefore, they payed more on electricity bills in winter. This change is measured with the electricity costs savings experienced by families.(40 € per month for 6 months).

- *To live in a safe area* : Approximately half of the tenants, agreed in saying that before living in Alfafar 115, they lived in unsafe areas. We valued this change with the monthly savings made in paying a secure alarm system (€ 35.00 per month).

- *Tenants report to have a higher self-esteem as they now have their own place to live* : Tenants enjoy a more comfortable home as flats are brand new. We have valued this change with the average investment in furniture and appliances made in these flats (3,000€).

In addition to this, Alfafar city Council collects the annual Property tax (€ 162.89 per year) as a result this project.

The **Duration** of all the Outcomes for the Disabled are estimated to be 1 year, except self-esteem which is estimated to last for 3 years.

A clarification of **Quantities** and its justification to the engagement data can be found in the following table :

<b>ALFAFAR 115</b>			
<b>STAKEHOLDERS</b>	<b>OUTCOMES</b>	<b>QUANTITIES</b>	<b>JUSTIFICATION OF QUANTITIES</b>
Alfatar City Council (Department of Planning and Housing)	New taxes increase the Council Budget, thus more funds to spend on the city needs	115	Number of flats in the Alfatar 115 project
Tenants (young families)	To have more disposable income to satisfy their needs	115	All the families profit from a lower rent than the commercial one.
	To have an easier access to the flat compared to similar flats	230 (*)	Every individual interviewed reported this.
	To have a better insulated house	230	Every individual interviewed report this.
	To live in a safe area	120	Quantity estimated by the consultant based on the interviews (50 % of individuals).
	Tenants report to have a higher self-esteem as they now have their own place to live	230	Every individual interviewed reported this.
(*) We assume an average of 2 tenants per flat (considering at a any given time there could be empty flats, and families or singles living in Alfatar 115).			

#### - Stage 4 : Establishing Impact

4.1 Deadweight and Displacement

4.2 Attribution

4.3 Drop-off

4.4 Calculating the Impact

As there no similar projects in Alfatar, we can say there is no **Deadweight** to be considered in *Alfatar 115*. As in other *Crein* projects, there is no Displacement neither as at any give time the ratio of occupation is not 100 %.

The Outcomes in *Alfatar 115* can be fully attributed to Crein (there are no institutions who could claim to be responsible for any part of the Outcomes). Therefore there is no **Attribution**.

We have estimated a conservative **Dropoff** rate of 50 % for the Outcomes related to self-esteem.

The **Impact Map** (excel spreadsheet entitled “IM\_Alfafar 115), contains the calculation of impacts.

The impact, the total value of each change, is calculated as :

the financial proxy

multiplied by the quantity of the outcome

minus any deadweight, attribution and/or displacement

### - Stage 5: Calculating the SROI

5.1 Calculating the present value

5.2 Calculation of the SROI ratio

5.3 Sensitivity analysis

5.4 Payback period.

As in the cases of *Torrente 30* and *Torrente 90*, and since *Alfafar 115* is in operation, we have conducted an Evaluative SROI analysis.

The sum of the impacts in 2010 is: € 1,422,427.52

The sum of the inputs in 2010 is: € 1,031,974.56

Therefore, the SROI ratio in 2010 is 1: 1.38

This means that for every € 1 invested in the project, a social value of € 1.38 was created. Seen from another point of view, the project returns to society € 1.38 for each € 1 invested in it.

- **SENSITIVITY ANALYSIS** : Given that this analysis contains estimations and assumptions, it is prudent to review where these decisions have had a significant effect in the overall SROI figure stated and to, therefore, consider the confidence that can be placed on this.

In this section, we explore the impact on the SROI ratio of changing some of the assumptions used. A systematic approach was taken by changing each changeable part in turn and seeing how



that modified the SROI ratio. The areas altered for this project are Quantities, Deadweight, Attribution, Duration, Drop off, Displacement, Deadweight and Duration, Deadweight and Attribution, Deadweight and Attribution and Duration, and Discount Factors.

A summary can be found hereinafter.

SENSITIVITY						
ITEM	BASE CASE	NEW ASUMPTION	BASE RESULT	NEW RESULT	VARIANCE	SENSITIVE OR NOT?
<i>Quantities</i>	as per impact map	50% for all tenants	1,38	0,69	-50%	yes
<i>Deadweight</i>	average of 0%	average of 10%	1,38	1,24	-10%	No
	average of 0%	average of 60%	1,38	0,55	-60%	yes
<i>Attribution</i>	average of 0%	average of 10%	1,38	1,24	-10%	No
	average of 0%	average of 50%	1,38	0,69	-50%	yes
<i>Duration</i>	average of 1.2 years	average of 1 year	1,38	0,92	-33%	yes
	average of 1.2 years	average of 3 years	1,38	1,89	37%	yes
<i>Drop off</i>	50 % for self-esteem	10,00%	1,38	1,97	43%	yes
<i>Displacement</i>	average of 0%	average of 20%	1,38	1,1	-20%	No
<i>Deadweight and duration</i>	average of 0% and 1.2 years	average of 60% and 3 years	1,38	0,76	-45%	yes
<i>Deadweight and attribution</i>	average of 0% and 0%	average of 60% and 50%	1,38	0,28	-80%	yes
<i>Deadweight and attribution and duration</i>	average of 0% and 0% and 1.2 years	average of 60% and 50% and 3 years	1,38	0,38	-72%	yes
<i>Discount Rate</i>	3,50%	8,00%	1,38	1,30	-6%	No

The following Conclusions can be obtained from the table above :

- *Deadweight* : we used a figure of 0 % because there are no similar projects in the area. If an allowance was made for some deadweight, then this does not change the ratio significantly. If we were to use a very high *Deadweight* figure of, say, 60 %, our SROI ratio would go down to 0.55, however this is not considered a reasonable percentage, and so we can be reassured that our analysis has not been materially affected by the assumptions on deadweight.

- *Attribution* : If we were to give a 10 % Attribution to, say, the Social Affairs Dept. the ratio would not change significantly. It would change instead if we were to change the Attribution to 60 %. However, we don't consider this a reasonable assumption and we can then say we are comfortable with our assumption.

- *Duration* : we used an average Duration of 1 year for almost all the Outcomes except for the self-esteem (where we used 3 years), as those Outcomes tend to last for longer. Testing for an average of 3 years duration for every outcome, the ratio would go up to 1,89, and if we change them to 1 year the ratio would go down to 0.92. Thus the duration of outcomes into the future is a factor that affects the ratio.

- Modifying *Quantities* (to half) modifies greatly the ratio down to 0.69, although that doesn't seem a reasonable assumption.

- Changing *Drop-off* (from 50 to 10 %) makes the ratio go up to 1.97 although that doesn't appear as a reasonable assumption. We favoured the more conservative 50 %.

- Even if *Crein's* projects are based in Spain, we used a *Discount Rate* of 3,5 % which is the rate normally used in the UK for evaluation purposes. The reason for that is because it is difficult to estimate such an item in the current state of crisis in the European Union. Nevertheless we have increased the rate to an unrealistic 8 %, and the impact on the ratio was not important.

- There are three further changes we have tested : if *Deadweight and Duration* were to be changed from 0% and 1.2 years to 60 % and 3 years, the ration would go down to 0.76 ; if *Deadweight and Attribution* were to be changed simultaneously from 0 and 0% to 60 and 50%, our rate would change to 0,28. If *Deadweight, Attribution and Duration* were to be altered altogether from 0%, 0% and 1.2 years to 60%, 50% and 3 years, our rate would go down to 0,38. Those changes, however, don't seem reasonable.

As an overall Conclusion, we can say the most sensitive factors in *Alfagar 115* are *Duration, Quantities and Deadweight* where a variation on the figure can have a significant effect on the ratio. The rest of parameters appear second in importance.

- **PAYBACK PERIOD** : a ratio of 1.38 also means that Impact would need to last 9 months in order to recover the investment the stakeholders have made in the project.

#### **4.4 PERIS Y VALERO 20 :**

*"We saw several houses in worst areas than this but they were more expensive, smaller and had no garage or storage space." Juan, a tenant in Peris y Valero 20.*

- The project *Peris y Valero 20* is a building of 20 flats addressed to young people (between 18 to 35 years). This building is set in one of Valencia main avenues, 20 Avenida Peris y Valero.

Tenants originally paid 250 € per flat, garage and storage space. Now they pay 500 €.

The first tenants entered at the month of April 2004.

#### **- Stage 2: mapping outcomes**

2.1 Identification of Inputs

2.2 Valuing Inputs

2.3 Describing Outcomes

In the table below we identify **Inputs and Outputs**, and we give them a value.

Stage 1		Stage 2		
Stakeholders	Intended/ Unintended Changes	Inputs		Outputs
		Description	Value in Euros	
Who do we have an effect on? / Who has an effect on us?	What do you think will change for them?	What do they invest?		Summary of Activity in Numbers
YOUNG TENANTS	GET A BRAND NEW FLAT AT AN AFFORDABLE RENT PRICE	RENTAL	119.172,00 €	20 Flats
Valencia City Council	THEY CHARGE THE COUNCIL TAX TO NEW TENANTS			20 flats
CREIN	TO CARRY OUT THEIR PROJECT	SUBSIDISED LOAN	86.411,61 €	
<b>TOTAL</b>			<b>205.583,61 €</b>	

**Inputs** are the contributions to the project. Tenants provide the monthly rent which amounts to € 496,55. On the other hand, inputs provided by *Crein* include three concepts (we will proceed in this way in the other 4 projects) as it was explained in 2.3 ; this amounts to € 86,411.61

**Outcomes** is something that occurs as a result of the *Crein* project. As in other *Crein* projects previous promotions, the monthly rent is below the basic rental price defined by the State. We see on the right hand column that tenants have more monthly income. They also say the tenants enjoy a new home that has allowed them to become independent from their parents, to live in the city downtown, being close to transport, and not wasting time and money in car parks.

In addition to this, the Valencia City Council annually collects property tax as a result of this project.

After having surveyed our stakeholders, we refer in the following table the Outputs, the Outcomes more commonly voiced by the stakeholders and whether they considered those material or not.

<b>PERIS Y VALERO 20</b>			
<b>STAKEHOLDERS</b>	<b>OUTPUTS</b>	<b>OUTCOMES</b>	<b>MATERIAL?</b>
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	20 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for Generalitat de Valencia)	Not applicable
Ministry of Development (General Secretariat of Housing)	20 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for the Ministry of Development)	Not applicable
Valencia City Council (Department of Planning and Housing)	20 flats	New taxes increase the Council Budget, thus more funds to spend on the city needs	Yes
Tenants (Young families)	Monthly rental	To have more disposable income to satisfy their needs	Yes
		To have an easier access to the flat compared to similar flats	Yes
		Increase of self-esteem, having the feeling of being independent	Yes
		To be close to the city downtown	Yes
		To be close to public transport facilities	Although low in value, it is very material for tenants.
		Not wasting time looking for a parking space	Yes
<i>Crein</i>	20 flats	Material outcomes for tenants only (not for Crein)	Not applicable

- Stage 3 : Evidencing outcomes and giving them a value

- 3.1 Developing outcome indicators.
- 3.2 Collecting outcomes data.
- 3.3 Establishing how long outcomes last.
- 3.4 Putting a value on the outcome.

In Stage 3, Outcomes are identified and valued.

Here we present the Outcomes, Indicators and proxies :

Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of families reporting to have now more disposable income to satisfy their needs	CREIN	20	1	Difference between actual rent and standard rent price fixed by the Government	309,24 €	CREIN
To have an easier access to the flat compared to similar flats	Number of tenants reporting having now an easier access to their flat	Consultant's survey	40	1	Cost of receiving at home a shopping list order from Mercadona supermarket	432,60 €	Mercadona website <a href="http://www.mercadona.es">www.mercadona.es</a>
Increase of self-esteem, having the feeling of being independent	Number of tenants reporting having an increased self-esteem	Consultant's survey	40	3	Cost of basic furniture for a flat	3.000,00 €	Ikea website
To be close to the city downtown	Number of tenants reporting being now close to the city downtown	Consultant's survey	40	1	Cost of commuting daily from a nearby town (Massamagrell) to Valencia	2.080,00 €	Consultant's survey
To be close to public transport facilities	Number of tenants reporting being now close to public transport facilities	Consultant's survey	40	1	Annual Public transport and bicycle tickets	374,40 €	EMTSA and Valenbisi's websites
Not wasting time looking for a parking space	Number of tenants reporting not wasting time looking for a parking space	Consultant's survey	20	1	Yearly parking space rental	1.200,00 €	Mundoanuncio website
NEW TAXES INCREASE THE COUNCIL'S BUDGET, THUS HAVING MORE FUNDS TO SPEND ON THE CITY NEEDS	Average annual Council tax paid by tenants	Consultant's survey	20	1	Average annual Council tax paid by tenants	191,42 €	CREIN

As we can see in the table, the changes we have detected and their assessment are:

- *To have more disposable income to satisfy their needs* : Tenants experienced savings compared to basic rental price defined by the State. We evaluated this outcome with the difference between the state price and the rent paid by the tenant (€25.77 a month).
- *To have an easier access to the flat compared to similar flats* : We valued this with the cost a weekly delivery shopping fee from local supermarket Mercadona (€ 7.21 per week).
- *Tenants report to have a higher self-esteem as they now have their own place to live independently from their parents* : Tenants enjoy a more comfortable home as flats are brand

new. We have valued this change with the average investment in furniture and appliances made in these flats (3,000€).

- *To be close to the city downtown* : tenants claim that to have similar quality flat and at the same price they would have had to go and live in the suburbs of the metropolitan area of Valencia. We consider this factor as the savings they are doing by not commuting by car from one of these municipalities (fuel costs for this commuting by car is about € 40.00 a week).

- *To be close to public transport facilities* : At the same time tenants appreciate having public transport (€29.70 montly) and public bicycle service (€18.00 a year) just meters away from the building. We measure this Outcome with the value of 1 year on both tickets.

- *Not wasting time looking for a parking space* : tenants also give a lot of importance to the fact of having a parking space in the block and not wasting time (and money) looking for a parking space. We value this with the monthly cost of a parking space in the area (€100.00 a month).

In addition to this, the City Council annually collects property tax (€ 191.42) as a result of the project.

The **Duration** of all the Outcomes for the Disabled are estimated to be 1 year, except self-esteem which is estimated to last for 3 years.

A clarification of **Quantities** and its justification to the engagement data can be found in the following table :

<b>PERIS Y VALERO 20</b>			
<b>STAKEHOLDERS</b>	<b>OUTCOMES</b>	<b>QUANTITIES</b>	<b>JUSTIFICATION OF QUANTITIES</b>
Valencia City Council (Department of Planning and Housing)	New taxes increase the Council Budget, thus more funds to spend on the city needs	20	Number of flats in the Peris y Valero 20 project
Tenants (Young families)	To have more disposable income to satisfy their needs	20	All the families profit from a lower rent than the commercial one.
	To have an easier access to the flat compared to similar flats	40 (*)	Every individual interviewed reported this.
	Increase of self-esteem, having the feeling of being independent	40	Every individual interviewed reported this.
	To be close to the city downtown	40	Every individual interviewed reported this.
	To be close to public transport facilities	40	Every individual interviewed reported this.
	Not wasting time looking for a parking space	20	Every family interviewed reported this.
	(*) We assume an average of 2 tenants per flat (considering at a any given time there could be empty flats, and families or singles living in Peris y Valero 20).		

#### - Stage 4 : Establishing Impact

4.1 Deadweight and Displacement

4.2 Attribution

4.3 Drop-off

4.4 Calculating the Impact

As there no similar projects in the area, we can say there is no **Deadweight** to be considered in *Peris y Valero 20*. As in other *Crein* projects, there is no Displacement neither as at any give time the ratio of occupation is not 100 %.

The Outcomes in *Peris y Valero 20* can be fully attributed to Crein (there are no institutions who could claim to be responsible for any part of the Outcomes). Therefore there is no **Attribution**.



We have estimated a conservative **Dropoff** rate of 50 % for the Outcomes related to self-esteem.

The **Impact Map** (excel spreadsheet entitled “IM\_Peris y Valero 20), contains the calculation of impacts.

The impact, the total value of each change, is calculated as :

the financial proxy

multiplied by the quantity of the outcome

minus any deadweight, attribution and/or displacement

### - Stage 5: Calculating the SROI

5.1 Calculating the present value

5.2 Calculation of the SROI ratio

5.3 Sensitivity analysis

5.4 Payback period.

As in the other *Crein* projects, and since *Peris y Valero 20* is in operation, we have conducted an Evaluative SROI analysis.

The sum of the impacts in 2010 is: € 343,488.83

The sum of the inputs in 2010 is: € 205,583.61

Therefore, the SROI ratio in 2010 is 1: 1.67

This means that for every € 1 invested in the project, a social value of € 1.67 was created. Seen from another point of view, the project returns to society € 1.67 for each € 1 invested in it.

**SENSITIVITY ANALYSIS** : Given that this analysis contains estimations and assumptions, it is prudent to review where these decisions have had a significant effect in the overall SROI figure stated and to, therefore, consider the confidence that can be placed on this.

In this section, we explore the impact on the SROI ratio of changing some of the assumptions

used. A systematic approach was taken by changing each changeable part in turn and seeing how that modified the SROI ratio. The areas altered for this project are Quantities, Deadweight, Attribution, Duration, Drop off, Displacement, Deadweight and Duration, Deadweight and Attribution, Deadweight and Attribution and Duration, and Discount Factors.

A summary can be found hereinafter.

SENSITIVITY						
ITEM	BASE CASE	NEW ASUMPTION	BASE RESULT	NEW RESULT	VARIANCE	SENSITIVE OR NOT?
<i>Quantities</i>	as per impact map	50% for all tenants	1,67	0,84	-50%	yes
<i>Deadweight</i>	average of 0%	average of 10%	1,67	1,5	-10%	No
	average of 0%	average of 60%	1,67	0,67	-60%	yes
<i>Attribution</i>	average of 0%	average of 10%	1,67	1,5	-10%	No
	average of 0%	average of 50%	1,67	0,84	-50%	yes
<i>Duration</i>	average of 1.2 years	average of 1 year	1,67	1,27	-24%	No
	average of 1.2 years	average of 3 years	1,67	3,01	80%	yes
<i>Drop off</i>	50 % for self-esteem	10,00%	1,67	2,18	31%	yes
<i>Displacement</i>	average of 0%	average of 20%	1,67	1,34	-20%	No
<i>Deadweight and duration</i>	average of 0% and 1.2 years	average of 60% and 3 years	1,67	1,20	-28%	yes
<i>Deadweight and attribution</i>	average of 0% and 0%	average of 60% and 50%	1,67	0,33	-80%	yes
<i>Deadweight and attribution and duration</i>	average of 0% and 0% and 1.2 years	average of 60% and 50% and 3 years	1,67	0,60	-64%	yes
<i>Discount Rate</i>	3,50%	8,00%	1,67	1,58	-5%	No

The following Conclusions can be obtained from the table above :

- *Deadweight* : we used a figure of 0 % because there are no similar projects in the area. If an allowance was made for some deadweight, then this does not change the ratio significantly. If we were to use a very high *Deadweight* figure of, say, 60 %, our SROI ratio would go down to 0.67, however this is not considered a reasonable percentage, and so we can be reassured that

our analysis has not been materially affected by the assumptions on deadweight.

- *Attribution* : If we were to give a 10 % Attribution to, say, the Social Affairs Dept. the ratio would not change significantly. It would change instead if we were to change the Attribution to 50 %. However, we don't consider this a reasonable assumption and we can then say we are comfortable with our assumption.

- *Duration* : we used an average Duration of 1 year for almost all the Outcomes except for the self-esteem (where we used 3 years), as those Outcomes tend to last for longer. Testing for an average of 3 years duration for every outcome, the ratio would go up to 3.01, and if we change them to 1 year the ratio would go down to 1,27. Thus the duration of outcomes into the future is a factor that affects the ratio.

- *Modifying Quantities* (to half) modifies greatly the ratio down to 0.84, although that doesn't seem a reasonable assumption.

- *Changing Drop-off* (from 50 to 10 %) makes the ratio go up to 2.18 although that doesn't appear as a reasonable assumption. We favoured the more conservative 50 %.

- Even if *Crein's* projects are based in Spain, we used a *Discount Rate* of 3,5 % which is the rate normally used in the UK for evaluation purposes. The reason for that is because it is difficult to estimate such an item in the current state of crisis in the European Union. Nevertheless we have increased the rate to an unrealistic 8 %, and the impact on the ratio was not important.

- There are three further changes we have tested : if *Deadweight and Duration* were to be changed from 0% and 1.2 years to 60 % and 3 years, the ration would go down to 1.20 ; if *Deadweight and Attribution* were to be changed simultaneously from 0 and 0% to 60 and 50%, our rate would change to 0,33. If *Deadweight, Attribution and Duration* were to be altered altogether from 0%, 0% and 1.2 years to 60%, 50% and 3 years, our rate would go down to 0,60. Those changes, however, don't seem reasonable.

As an overall Conclusion, we can say the most sensitive factors in *Peris y Valero 20* are *Duration, Quantities and Deadweight* where a variation on the figure can have a significant effect on the ratio. The rest of parameters appear second in importance.

- **PAYBACK PERIOD** : a ratio of 1,38 also means that Impact would need to last 7 months in order to recover the investment the stakeholders have made in the project.

#### 4.5 PIO XI.

"A huge favour has been done to the people living here: now they live with dignity". Paco, Pio XI tenant.

"What a relief to have a lift !!. Inés, Pio XI tenant.

- On the basement of this project was located on the 40's the furnaces of a glass factory (*Hijos de Juan Alsina, SL*), whose buildings and other units were stretched across the block occupying several hundred square meters. By the mere fact of being employed in the factory, the employees of the company could enjoy a humble home for a small fee which remained unchanged over the years and was considered as "old rent" (by "old rent" we mean a worker could keep that rental price until they die). These houses had no hot water or elevator, and their insulation, as we say, dated from the 40's.

In 2003, *Crein* bought the site and begun the refurbishment works maintaining the structure of 4 entries with 16 flats in each (64 flats in total). *Crein* made a commitment to tenants to respect the old rent to those who had them, and relocated them in the same standard homes while carried out did the refurbishment works.

*Crein* decided to apply for social housing model with 25 years rent and addressed the project to pensioners (as in *Torrente 30*). The first tenants began to occupy the site on December 2005 (gate 25), gate 23 in November 2007, and the gates 19 and 21 on December 2009.

All the houses were renovated and fully conditioned so that the aged tenants, mainly pensioners, could live on them more comfortably. The old contract conditions were respected (there are neighbors who pay 18, 62 or 80 € per month ...). Rents are, once again, below the basic rental price defined by the State.

In the basement where factory furnaces were located in the 40's, there is now a clinic for the recovery of people who has suffered brain injuries (*Inia Neural*). This center is unique, because it has an adapted hydrotherapy pool, which is very effective in the treatment of brain injury accidents.

- Stage 2: mapping outcomes

2.1 Identification of Inputs

2.2 Valuing Inputs

2.3 Describing Outcomes

Inputs are the contributions to the project. Tenants provide the monthly rent which amounts to € 244,67. On the other hand, inputs provided by Crein include three concepts (we will proceed in this way in the other 4 projects) as it was explained in 2.3 ; this amounts to € 299,870.86

In the table below we identify Inputs and Outputs, and we give them a value :

Stage 1		Stage 2		
Stakeholders	Intended/Unintended Changes	Inputs	Value in Euros	Outputs
Who do we have an effect on? / Who has an effect on us?	What do you think will change for them?	Description		Summary of Activity in Numbers
		What do they invest?		
PENSIONERS	GET A BRAND NEW FLAT AT AN AFFORDABLE RENT PRICE	RENTAL	187.906,56 €	64 Flats.
VALENCIA CITY COUNCIL	THEY CHARGE THE COUNCIL TAX TO NEW TENANTS			64 Flats.
CREIN	TO CARRY OUT THEIR PROJECT	SUBSIDISED LOAN	299.870,86 €	
<b>TOTAL</b>			<b>487.777,42 €</b>	

Outcomes is something that occurs as a result of the Crein project. As in other Crein projects, the monthly rent is below the basic rental price defined by the State. We see on the right hand column that tenants have more monthly income. They also enjoy a more comfortable and brand new home thanks to the elevator, enjoy a healthier way of living, are more independent and live in an area that before the reform was totally degraded.

In addition to this, the City Council annually property tax as a result of the project.

After having surveyed our stakeholders, we refer in the following table the Outputs, the Outcomes more commonly voiced by the stakeholders and whether they considered those

material or not.

<b>PIO XI</b>			
<b>STAKEHOLDERS</b>	<b>OUTPUTS</b>	<b>OUTCOMES</b>	<b>MATERIAL?</b>
Generalitat de Valencia (Planning and Housing Department of the Autonomous Government of Valencia)	64 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for Generalitat de Valencia)	Not applicable
Ministry of Development (General Secretariat of Housing)	64 flats rented to people in risk of social exclusion	Material outcomes for tenants only (not for the Ministry of Development)	Not applicable
Valencia City Council (Department of Planning and Housing)	64 flats	New taxes increase the Council Budget, thus more funds to spend on the city needs	Yes
Tenants (pensioners)	Monthly rental	To have more disposable income to satisfy their needs	Yes
		Tenants can now do their shopping by themselves	Yes
		Tenants are now able to walk to the Doctor	Yes
		Pensioners report a healthier life	Yes
		To enjoy spending more time with the family	Yes
		To have a better insulated house	Yes
		To live in a fully renovated area that was formerly a totally derelict place.	Yes
<i>Crein</i>	64 flats	Material outcomes for tenants only (not for Crein)	Not applicable

- Stage 3 : Evidencing outcomes and giving them a value

- 3.1 Developing outcome indicators.
- 3.2 Collecting outcomes data.
- 3.3 Establishing how long outcomes last.
- 3.4 Putting a value on the outcome.

In Stage 3, Outcomes are identified and valued.

Here we present the Outcomes, Indicators and proxies for Tenants :

Stage 3							
Outcomes	Outcomes : What Changes						
Description	Indicator	Source	Quantity	Duration	Financial Proxy	Value in Euro	Source
How would you describe the change?	How would you measure the Outcome?	Where did you get the information from?	How much change was there?	How long does it last?	What proxy would you use to value the change?	What is the value of the change?	Where did you get the information from?
To have more disposable income to satisfy their needs	Number of tenants reporting to have now more disposable income to satisfy their needs	CREIN	64	1	Difference between actual rent and standard rent price fixed by the Government	1.452,84 €	CREIN
Tenants can now do their shopping by themselves	Number of tenants reporting being able to the shopping by themselves	Consultant's survey	128	1	Cost of receiving at home a shopping list order from Mercadona supermarket and buying a shopping trolley	468,50 €	Mercadona website. <a href="http://www.mercadona.es">www.mercadona.es</a>
Tenants are now able to walk to the Doctor	Number of tenants reporting being now able to walk to the Doctor	Consultant's survey	128	1	Cost Difference of an at-home Doctor visit and at a hospital one	1.344,00 €	Diario de navarra website. <a href="http://www.diariode.navarra.es">www.diariode.navarra.es</a>
Pensioners report a healthier life	Number of tenants reporting having a healthier life	Consultant's survey	128	1	Cost of paying a visit to a Doctor in a hospital	504,00 €	Diario de navarra website. <a href="http://www.diariode.navarra.es">www.diariode.navarra.es</a>
To enjoy spending more time with the family	Number of tenants reporting to enjoy spending more time with the family	Consultant's survey	128	1	Cost of a Valencia to Montserrat journey by car	416,00 €	Guia Repsol website. <a href="http://www.guiarepsol.com">www.guiarepsol.com</a>
To have a better insulated house	Number of tenants reporting to have a better insulated house	Consultant's survey	128	1	Annual extra spending on electricity	240,00 €	Consultant's survey
To live in a fully renovated area that was formerly a totally derelict place.	Number of tenants reporting to enjoy living in a fully renovated area	Consultant's survey	84	5	Difference in price of flats in the area before and after Crein's rebuilding of the site (including the place where the clinic INIA NEURAL is located)	5.250,00 €	CREIN
NEW TAXES INCREASE THE COUNCIL'S BUDGET, THUS HAVING MORE FUNDS TO SPEND ON THE CITY NEEDS	Number of tenants reporting paying the Council Tax	Consultant's survey	64	1	Average annual Council tax paid by tenants	50,39 €	CREIN

As we can see in the table, the **Outcomes** we have detected and their assessment are :

- *To have more disposable income to satisfy their needs* : Tenants experienced savings compared to basic rental price defined by the State. We evaluated this outcome with the difference between the state price and the rent paid by the tenant (€121.07 a month).
- *Tenants can now do their shopping by themselves* : we value this with the cost of receiving at home a shopping list order from Mercadona supermarket and buying a shopping trolley.
- *Tenants are now able to walk to the Doctor* : having an elevator also allows the pensioners to walk to the Doctor instead of receiving a Doctor´s visit at home. We value this with the saving made to the state of the difference for a Doctor visit at home (€140.00) and at the hospital (€84.00). We obtained the cost of this from the Navarra Health Service<sup>4</sup>. On average, every pensioner goes twice a month to the Doctor.
- *Pensioners report a healthier life* : another Outcome reported by the pensioners as a result of having a lift, is the fact that they visit the Doctor on average 6 times a year less. We value this with the savings made to the state of 6 visits a year less to the hospital (€84.00).
- *To enjoy spending more time with the family* : having a lift also allows pensioners to have a closer relationship with the family, as they can walk (or be walked in the case of having to use a wheelchair) more easily. We value this with the cost in terms of petrol of a journey to the relative´s house (€4.00 twice a month).
- *To have a better insulated house* : tenants told us that their former homes were poorly insulated and, therefore, they payed more on electricity bills in winter (40.00 € per month for 6 months)
- *To live in a fully renovated area that was formerly a totally derelict place* : after Crein refurbished the site, tenants surveyed agree on the improvement of the living conditions made in the area. Apparently, after the closing down of the glass factory, both the basement and flats

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□ [http://www.diariodenavarra.es/20100619/navarra/cada-visita-al-...2215999&dia=20100619&seccion=navarra&seccion2=sociedad&chnl=10.](http://www.diariodenavarra.es/20100619/navarra/cada-visita-al-...2215999&dia=20100619&seccion=navarra&seccion2=sociedad&chnl=10)



were in a derelict state with real risk to the tenants and neighbours. Thanks to the refurbishment of the entire building (including the basement, where the Clinic *Inia Neural* is located) the whole area gained and enabled the construction of new homes and setting up of new businesses. We valued this important change as the difference in price per square meter before and after the refurbishment and distributed it in a period of 10 years, during which we estimate that the area benefits from this refurbishment (€ 700.00 per square meter with an average surface for the 64 flats of 75m<sup>2</sup>). We Also value this outcome in *Inia Neural* premises which has 1,500 squared meters (equivalent to 20 flats).

In addition to this, the City Council annually collects property tax (€ 50.39 per year) as a result of the project.

The **Duration** of all the Outcomes for the Disabled are estimated to be 1 year, except to live in a renovated area which is estimated to last for 5 years (it has be considered that the refurbishment of Pio XI have benefitted not only the block but the whole area, and therefore, as a result, tenants - and their relatives - told they can now have a more comfortable life).

A clarification of **Quantities** and its justification to the engagement data can be found in the following table :

<b>PIO XI</b>			
<b>STAKEHOLDERS</b>	<b>OUTCOMES</b>	<b>QUANTITIES</b>	<b>JUSTIFICATION OF QUANTITIES</b>
Torrente City Council (Department of Planning and Housing)	New taxes increase the Council Budget, thus more funds to spend on the city needs	64	Number of flats in the Pio XI project
Tenants (pensioners)	To have more disposable income to satisfy their needs	64	All the families profit from a lower rent than the commercial one.
	Tenants can now do their shopping by themselves	128 (*)	Every individual interviewed reported this.
	Tenants are now able to walk to the Doctor	128	Every individual interviewed reported this.
	Pensioners report a healthier life	128	Every individual interviewed reported this.
	To enjoy spending more time with the family	128	Every individual interviewed reported this.
	To have a better insulated house	128	Every individual interviewed reported this.
	To live in a fully renovated area that was formerly a totally derelict place.	84	All the families reported this. Additionally, the same applies to the lower ground floor (occupied by <i>Clinic Inia Neural</i> ), whose surface equals to 20 flats in <i>Pio XI</i> .
(*) We assume an average of 2 tenants per flat (considering at a any given time there could be empty flats, and families or singles living in Pio XI).			

#### - Stage 4 : Establishing Impact

4.1 Deadweight and Displacement

4.2 Attribution

4.3 Drop-off

4.4 Calculating the Impact

As there no similar projects in the area, we can say there is no **Deadweight** to be considered in

*Pio XI*. As in other *Crein* projects, there is no Displacement neither as at any give time the ratio of occupation is not 100 %.

The Outcomes in *Pio XI* can be fully attributed to *Crein* (there are no institutions who could claim to be responsible for any part of the Outcomes). Therefore there is no **Attribution**.

We have estimated a conservative **Dropoff** rate of 25 % for the Outcomes related to living in a totally refurbished area.

The **Impact Map** (excel spreadsheet entitled “IM\_*Pio XI*), contains the calculation of impacts.

The impact, the total value of each change, is calculated as :

the financial proxy

multiplied by the quantity of the outcome

minus any deadweight, attribution and/or displacement

#### - Stage 5: Calculating the SROI

5.1 Calculating the present value

5.2 Calculation of the SROI ratio

5.3 Sensitivity analysis

5.4 Payback period.

As in previous projects, and since *Pio XI* is in operation, we have conducted an Evaluative SROI analysis.

The sum of the impacts in 2010 is: € 1,698,764.42

The sum of the inputs is 2010 is: € 487,777.42

Therefore, the SROI ratio in 2010 is 1: 3.48

This means that for every € 1 invested in the project, a social value of 3.48 € is created. Seen from another point of view, the project returns to society € 3.48 per € 1 invested in it.

- **SENSITIVITY ANALYSIS** : Given that this analysis contains estimations and assumptions, it is prudent to review where these decisions have had a significant effect in the overall SROI figure stated and to, therefore, consider the confidence that can be placed on this.

In this section, we explore the impact on the SROI ratio of changing some of the assumptions used. A systematic approach was taken by changing each changeable part in turn and seeing how that modified the SROI ratio. The areas altered for this project are Quantities, Deadweight, Attribution, Duration, Drop off, Displacement, Deadweight and Duration, Deadweight and Attribution, Deadweight and Attribution and Duration, and Discount Factors.

A summary can be found hereinafter.

SENSITIVITY						
ITEM	BASE CASE	NEW ASUMPTION	BASE RESULT	NEW RESULT	VARIANCE	SENSITIVE OR NOT?
<b>Quantities</b>	as per impact map	50% for all tenants	3,48	1,74	-50%	yes
<b>Deadweight</b>	average of 0%	average of 10%	3,48	3,13	-10%	No
	average of 0%	average of 60%	3,48	1,39	-60%	yes
<b>Attribution</b>	average of 0%	average of 10%	3,48	3,13	-10%	No
	average of 0%	average of 50%	3,48	1,74	-50%	yes
<b>Duration</b>	average of 1.8 years	average of 1 year	3,48	1,82	-48%	yes
	average of 1.8 years	average of 5 years	3,48	6,95	100%	yes
<b>Drop off</b>	25% for living in a fully renovated area	5,00%	3,48	4,65	34%	yes
<b>Displacement</b>	average of 0%	average of 40%	3,48	2,09	-40%	yes
<b>Deadweight and duration</b>	average of 0% and 1.8 years	average of 60% and 5 years	3,48	2,78	-20%	No
<b>Deadweight and attribution</b>	average of 0% and 0%	average of 60% and 50%	3,48	0,70	-80%	yes
<b>Deadweight and attribution and duration</b>	average of 0% and 0% and 1.8 years	average of 60% and 50% and 5 years	3,48	1,39	-60%	yes
<b>Discount Rate</b>	3,50%	8,00%	3,48	3,20	-8%	No

The following Conclusions can be obtained from the table above :

- *Deadweight* : we used a figure of 0 % because there are no similar projects in the area. If an allowance was made for some deadweight, then this does not change the ratio significantly. If we were to use a very high *Deadweight* figure of, say, 60 %, our SROI ratio would go down to 1.39, however this is not considered a reasonable percentage, and so we can be reassured that our analysis has not been materially affected by the assumptions on deadweight.

- *Attribution* : If we were to give a 10 % Attribution to, say, the Social Affairs Dept. the ratio would not change significantly. It would change instead if we were to change the Attribution to 50 %. However, we don't consider this a reasonable assumption and we can then say we are comfortable with our assumption.

- *Duration* : we used an average Duration of 1 year for almost all the Outcomes except for the comfort of living in a renovated area (where we used 5 years). Testing for an average of 5 years duration for every outcome, the ratio would go up to 6.95, and if we change them to 1 year the ratio would go down to 1.82. Thus the duration of outcomes into the future is a factor that affects the ratio.

- *Modifying Quantities* (to half) modifies greatly the ratio down to 1.74, although that doesn't seem a reasonable assumption.

- Changing *Drop-off* (from 25 to 5 %) makes the ratio go up to 4.65 although that doesn't appear as a reasonable assumption. We favoured the more conservative 25 %.

- A change in *Displacement* from 0 to 40 % makes our ratio go down to 2.09, although we have already discussed we are comfortable with the assumption of no displacement.

- Even if *Crein's* projects are based in Spain, we used a *Discount Rate* of 3,5 % which is the rate normally used in the UK for evaluation purposes. The reason for that is because it is difficult to estimate such an item in the current state of crisis in the European Union. Nevertheless we have increased the rate to an unrealistic 8 %, and the impact on the ratio was not important.

- There are three further changes we have tested : if *Deadweight and Duration* were to be changed from 0% and 1.8 years to 60 % and 5 years, the ratio would barely change ; if *Deadweight and Attribution* were to be changed simultaneously from 0 and 0% to 60 and 50%, our rate would change to 0,70. If *Deadweight, Attribution and Duration* were to be altered altogether from 0%, 0% and 1.8 years to 50%, 50% and 3 years, our rate would go down to 1,39. Those changes, however, don't seem reasonable.

As an overall Conclusion, we can say the most sensitive factors in *Pio XI* are *Duration*, *Quantities* and *Deadweight* where a variation on the figure can have a significant effect on the ratio. The rest of parameters appear second in importance.

- **PAYBACK PERIOD** : a ratio of 3,48 also means that Impact would need to last almost 3.5 months in order to recover the investment the stakeholders have made in the project.

## 5. CONCLUSIONS AND RECOMMENDATIONS.

### **5.1 CONCLUSIONS:**

1. The SROI method measures the social changes with concepts that are relevant to people or organizations that contribute to it (the stakeholders). The method describe how the impacts are created, measuring the social Changes using monetary values (proxies or financial approximations) to represent it.

In this study we have conducted an SROI analysis for each of the 5 *Crein* projects, developing for each promotion a detailed analysis of how Social Impacts are generated and using for this purpose an “Impact Map”.

The method is not, nor pretend to be perfect because, for example, it is based on assumptions. For this reason it should not be used to compare projects as we could use, for example, similar methodological analysis for comparisons between securities belonging to the same sector.

As we have seen, the values of the ratios of each of the projects are:

*Torrente 30* : 0.75

*Torrente 90* : 0.68

*Alfagar 115* : 1.38

*Peris y Valero 20* : 1.67

*Pio XI* : 3.48

being the Arithmetic mean of the 5 projects : 1.59

We can see that the approximate average ratio for the 5 projects 1.59. This means that overall, for every € 1 invested in the 5 promotions, a social value of 1.59 € is created by *Crein* by increasing property tax collection for local councils, lowering health costs or increasing self-esteem and quality of life of the tenants. In other words, *Crein* projects return to society 1.59€ for each 1€ invested in them.

Therefore, *Crein* combines financial sustainability for its projects (economic viability of the projects is approximately 25 %) and social value (in a ratio of 1: 1.59).

2. In preparing the analysis, we have always acted according to a **principle of prudence**. This is relevant because, probably, the impact achieved by *Crein* is higher than that reported in the study.

Thus, there are some changes for which we could not find monetary values, or because we have not found studies on the subject, or because we could not access to the source of information, for example :

- The information available on the PDIs of *Torrente 30* is limited, we understand, because of the fear the organization had of making public data considered sensitive.

- We think that the € 17mio *Urban Plan* of Xenillet, which we discussed when describing *Torrente 30* and *Torrente 90* projects, will have a major impact on this deprived area. This plan includes, amongst others, building of rubbish collectors, communal gardens, paving streets, traffic reorder and training for long-term unemployed, in other words, this plan will create the necessary conditions for the Xenillet suburb not to no longer be a deprived area. The grants will be available for several years (until 2013). Therefore, despite being unable to assess this factor, the social value of *Crein* projects undoubtedly will be improved because the quality of the stakeholders life will be too.

- The expected improvement of mental health and increased life expectancy of the tenants of *Pio XI*. Indeed, the inability to leave for months or years a home less than 75 sq.m, in some cases with no windows to the street, because tenants didn't have a lift, meant that there was a significant decline in both life expectancy and mental health of a person. It therefore seems appropriate to infer that the mental health and life expectancy improves for tenants after the intervention of *Crein*.

3. **The SROI method takes into account not only the positive but also the negative impacts**. In our analysis we didn't find out negative outcomes. It could be considered as one of the possible negative outcomes the inability of a tenant to cope with the rent motivated by a job loss. But as that can't be attributed to the project itself, it can't therefore be considered a negative outcome.



## 5.2 RECOMMENDATIONS :

- In order to try to follow the path initiated by *Crein* we have suggested a series of actions that can help increase the value or social impacts of the projects of the company.

### *Torrente 30 :*

- We should have access to speak to *Fundación Espurna* management to confirm and improve the quality of certain data, such as costs related to PDIs care and the average costs supported by the family. It could also be extremely useful to get to talk to a group of PDIs and their families or mentors.

- One of the factors that can improve people's lives is by increasing their physical activity and enjoying some contact with nature. To do this, we propose an agreement with the City of Torrente so the Tenants (pensioners and PDIs) could use communal land plots. This facility is quite usual in villages located in that area of Valencia (Huerta Sud). Pensioners and PDIs who wished could be collected weekly at the building's main entrance and be taken to these plots and there with the help by a carer could get trained to cultivate fruit and vegetables. This would make them to have a motivation to leave their homes once a week or every two weeks, to do physical exercise and be more active. The city council could get involved co-financing this project.

### *Torrente 90 :*

- In respect of this project, we propose to collaborate with the *Xenillet's Urban Plan* and the Council Social Welfare Dpt. to push forward funding of social initiatives. For example, some of the empty premises located at the basement could be used for some kind of social activity for *Torrente 30* PDIs and pensioners. This activities should be agreed with the City Council. For PDIs, for example, craft workshops (ceramics) or theatre. For Pensioners, practical computer lessons (internet, audiovisual communication programs), and an adapted gym. We believe that one of the factors contributing to the marginalization is not leaving the area. To avoid this situation we propose activities such as guided tours through Valencia and surrounding areas. For people willing to go we suggest a monthly fee (¿5€?).

- The above could also be applied for youths, with perhaps more emphasis on vocational training

: DIY, plumbing, ...

*Alfatar 115 :*

- Again, we propose to turn the empty basement premises of this promotion into an area addressed to social activities. Coordinate with the City council to be eligible for financial support for this project. Ideas: children playroom, nursery (there are many young couples in the promotion), workshops for youth and parents, ...

*Peris y Valero 20 :*

- We suggest that a cleaning company should be hired to maintain the common areas, this company should preferably hire disabled staff or unemployed local people to enhance social integration. This, in fact, could be applied to any of the 5 projects.

*Pio XI :*

- Set up a day care center with meeting room (tv, games), adapted gym, computers (weekly classes to teach how to surf the Internet and audiovisual communication programs - *Skype* - to talk to the child or grandchild, seeking information on may have an interest as his people, football teams, ...). Since the *Inia Neural* clinic is having financial problems, they might be willing to empty part of the premises in order to reduce the rental, and the day care center could be set up there. Or *Crein* could ask the City Council to rent some space for those purposes. There would be one or two people all day (could be volunteers of an NGO), connected to the *112 emergency services* (spanish emergency telephone number). People may be charged a membership fee per month (€ 5?) entitling them to all the activities, whereas other pensioners not living in *Pio XI* could be charged € 10.

## **6. REPORTING TO STAKEHOLDERS, AND USING THE RESULTS.**

### **6.1 REPORTING TO STAKEHOLDERS:**

- This SROI Analysis of Crein's 5 social housing projects, was made public on October 5<sup>th</sup>, 2011 in a presentation at the Madrid Stock Exchange. A copy of the printed report was sent to the stakeholders included in our analysis (Public institutions, City Councils, Fundación *Espurna*, Clínic *Inia Neural*, ...).

Additionally, copies of the report were given to the 60 attendees to the presentation which included banks, politicians, investment funds, state owned companies, investors's associations and universities.

The event was covered by the press in different newspapers and magazines, two radio interviews (with *Crein's* President and the Analyst) and one television interview (*Crein's* President).

The report wasn't sent or presented to the tenants of the 5 projects as it could have been difficult to do so (the total number of tenants amounts to 350), and there are no neighbours' associations in the blocks. We recognise this as a limitation of our analysis. Instead, we tried to overcome the problem, although somehow inaccurately and imperfectly, considering the following :

1. the tenants learnt about the analysis because of the mass media coverage of the analysis.
2. In the case of the two Torrente projects, the analysis was sent to the *Urban Management Plan* managers, who could be considered, in some way, a substitute for a neighbours' association.

### **6.2. USING THE RESULTS :**

- Perhaps the two most affected economic sectors in Spain's current economic crisis are construction and banking. Being a construction company themselves, and having to rely mostly on bank financing to carry out their projects, *Crein's* activity has been severely hit.

In order to keep on building and developing social housing, *Crein* has been using the current SROI Analysis in two ways :

- first, to try to engage in conversation with the public authorities. The company has held several conversations with public entities about the possibility of building additional social housing not only in the province of Valencia, but in other provinces. Public authorities recognise the social side of *Crein*'s activities stated in this report, but the absolute lack of funds in the State coffers obliges them leaving social housing projects aside.

- second, to try to secure additional funding for their activity, *Crein* has also had further conversations with the banking sector. The response from the banks has been that there is no money whatsoever for the construction sector. However, one bank has paid attention to their projects : *Triodos Bank*. They were very much attracted by the SROI method and requested an explanation of it (they didn't seem to know it). Both a copy of *Crein*'s SROI Analysis and some articles about the method were sent to them. Although at the time of writing this report *Crein* hadn't received an answer from *Triodos*, the results of the conversations are somehow encouraging.

At the time of writing this report, and despite the severe problems within the sector mentioned above, *Crein* told the Analyst they have decided to start building two more social housing projects in Valencia using its own funds and therefore not using bank financing.

## 7. APPENDICES

### **7.1 SURVEY SAMPLE (TENANT)**

Project : XXXX

Time: 15:30

Respondent : Mr/Ms. XXXX

Phone: 96 XXXX

Address: C / XXXX

- What type of housing did you have before moving into XXXX?
- Your former home was better, worse or the same standards as XXXX? Why?
- Did you have before moving here hot water, heating, insulation, storage facilities and garage?
- Before entering XXXX: what changes did you expect from your new home? What made you move to XXXX?

Proximity to family

Staying in the City/village

Easy access to housing

Easy access to public transport

Easy access to shops

Easy access to entertainment (movies, parks, ...)

Greater comfort

Being close to friends

- Has your new home got : hot Water, central heating, insulation, storage facility, garage/parking space?
- What has changed (in you life????) since you entered XXXX?

- Not having moved to XXXX, what would you have done?
  
- As a result of being able to qualify for affordable rent, have you Creinven up any kind of aid or subsidies, such as Housing Benefit, Income support or similar?
  
- Could you have opted/the choice to rent in the area with rental housing conditions like this?
  
- What do you dislike about XXXX?
  
- Would you like to add something or say something?

## 7.2 SURVEY SAMPLE (PUBLIC INSTITUTIONS - CITY COUNCILS)

Project: XXXX

Time: 15:30

Respondent: Mr/Ms. XXXX

Phone: 96 XXXX

Address: C / XXXX

- What goal was set by the Council with the XXXX promotion development?
  - > Improving the neighborhood/area
  - > Development of the neighborhood: rehabilitation of streets, water pipes and electricity / gas pipes.
  - > Reduce long-term unemployment
  - > Provide affordable housing for residents with limited resources XXXX
  - > Other
  
- Is there a recovery plan for the area (*Feder* funds, GVA, ..)?
  
- *Crein* promotions. Did the council had a social or economic objective with the building of XXXX?
  
- Have these objectives been fulfilled?
  
  
- How would you rate this performance?
  
  
- Do you think there is any negative aspect of XXXX?
  
  
- Would the City Council of XXXX like more projects like XXXX to be done?
  
  
- Are there more projects in XXX for Social Housing for rent?

- Does the City Council a public utility, construction or management of housing??;???

### **7.3 SURVEY SAMPLE (REGIONAL PUBLIC INSTITUTIONS)**

Time: 15:30

Respondent: Mr/Ms. XXXX

Phone: 96 XXXX

Address: C / XXXX

- Do you think the XXXX has met the targets set by XXXX projects?
- Are there more social housing renting projects in Valencia? What about in the rest of the Autonomous community or the province?

- Are there any social housing renting projects currently under way in the province?

- Do you believe that public housing for rent is a model that should be encouraged from the central and local Administration?

- What advantages do you think social housing renting projects have?

- And Disadvantages?