

# BUILDING KNOWLEDGE



This series explores the Social Return on Investment (SROI) of operating scattered-site supportive housing in B.C. It features five case studies of scattered-site supportive housing programs located in communities across the province. An SROI ratio compares the total investment to the financial value of the social and economic outcomes achieved, highlighting the value created by investing in these programs.

#### Full report

*The Social and Economic Value of Scattered-Site Supportive Housing in B.C.*

#### Other case studies

*CMHA Mid-island, Nanaimo*

*CMHA Kelowna, Kelowna*

*Lookout Housing and Health Society, Surrey*

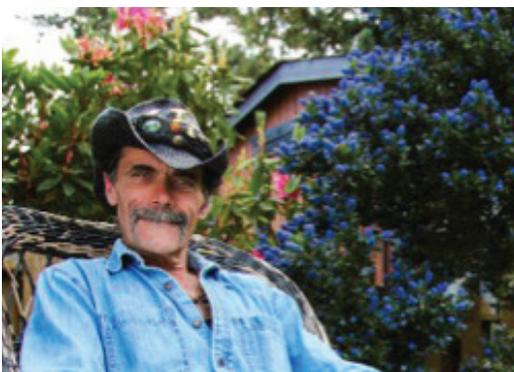
*MPA Society, Vancouver*

## Scattered-Site Supportive Housing SROI Series: Pacifica Housing, Victoria

Scattered-site supportive housing programs assist individuals experiencing – or at risk of experiencing – homelessness in transitioning from the streets, shelters or inadequate housing to long-term housing stability in the community. BC Housing supports this type of housing by investing in community-based non-profit agencies that provide programming and rent supplements for market housing. These programs are funded through the Homeless Outreach and Homeless Prevention Programs (HOP and HPP).

Pacifica Housing (“Pacifica”) provides a range of programs and supports that help individuals who are homeless or at risk of homelessness secure stable, safe housing despite complex issues that may have created barriers to maintaining housing in the past. Pacifica’s vision is to build better lives through affordable homes and community connections, while working towards breaking the cycle of homelessness by enabling families and single adults to achieve permanent housing so they can live with dignity, safety and stability. Pacifica’s scattered-site supportive housing programming funded through HPP and HOP ensure rent supplements and supports are available for individuals housed in the community.

Approximately 286 individuals receive supports in market housing through this component of Pacifica’s services. The average length of stay in scattered-site supportive housing for Pacifica clients is approximately three years, demonstrating the significant stability enabled through Pacifica’s supports. For individuals who struggle to maintain housing and who may have experienced homelessness, the stability garnered over a three-year tenancy can be profound, enabling numerous positive outcomes and progress towards personal goals.



*For every dollar invested in scattered-site supportive housing through Pacifica, nearly four dollars in social and economic value is created.*



### This study examines:

- › The social and economic value created by investing in the operation of scattered-site supportive housing
- › The breakdown by stakeholder group of social and economic value that is created
- › Implications for future investment

## The Social Return on Investment (SROI) Methodology

The SROI methodology articulates the financial value of outcomes created through a social investment (such as investment in supportive housing), to reveal how much value is created for every dollar invested. An SROI analysis combines quantitative, qualitative, and participatory research techniques to show the value of outcomes from different stakeholder perspectives. The result is an SROI ratio that compares the total investment to the financial value of the social and economic outcomes that are achieved, showing – in monetary terms – the financial benefit of social investments.

The current research follows the internationally standardized SROI methodology and uses information from existing academic research and grey literature (including other SROI studies and economic analyses), and data gathered from residents, partners, and supportive housing providers.

### KEY ELEMENTS IN THE PACIFICA SROI MODEL

<b>Inputs</b>	<ul style="list-style-type: none"> <li>› Investment by BC Housing (through HOP &amp; HPP), the federal government, United Way, and the City of Victoria in the total program costs, including staffing, programming, administration, repairs, landlord liaison/housing locator costs, and rent supplements</li> <li>› Rents paid by residents</li> </ul>
<b>Timeframe for Investment</b>	<ul style="list-style-type: none"> <li>› 2016-2017 operating year</li> </ul>
<b>Stakeholders</b>	<ul style="list-style-type: none"> <li>› Residents (primarily single male and female adults, some couples) (primary stakeholder)</li> <li>› Landlords</li> <li>› Local communities</li> <li>› Government systems (various levels)</li> <li>› Investors (BC Housing, federal government, United Way, City of Victoria)</li> </ul>
<b>Duration of Outcomes</b>	<p>Average length of stay for Pacifica HPP/HOP residents is three years, so outcomes were expected to last at least one year without further investment. Outcomes are valued for one year without value into the future as, without further investment, residents may not continue to experience program related outcomes (e.g. they may return to homelessness). While speculation about future outcomes for residents is not included in the SROI model, the experience of three years of stable housing likely enables residents to build important housing and life skills, leading to positive future outcomes regardless of continued program investment.</p>
<b>Approach</b>	<p>The SROI analysis of Pacifica’s HPP/HOP scattered-site supportive housing employs a primarily evaluative approach with some forecasting based on primary and rigorous secondary research.</p>



### Outcomes Included in the SROI Analysis

Outcomes included and valued in the SROI analysis were identified based on existing research, information from Pacifica staff and resident interviews. Each outcome was assigned a financial value in the calculation of the SROI ratio. Outcomes include:

Stakeholder	Key Outcomes Included in the SROI
Residents (single male & female adults, couples)	<ul style="list-style-type: none"> <li>› Increased access to high quality housing and decreased experiences of homelessness</li> <li>› Increased overall wellbeing including positive changes in physical and mental health</li> <li>› Increased safety and decreased experiences of violence</li> <li>› Decreased harm from risk involved with street-based sex work</li> <li>› Decreased harm from substance use and increased ability to move towards reducing use</li> <li>› Increased personal disposable income</li> <li>› Increased ability to engage in employment</li> <li>› Increased ability to engage in volunteering</li> </ul>
Landlords	<ul style="list-style-type: none"> <li>› Decreased time and resources managing tenancies (such as evictions, repairs, and resident relations)</li> </ul>
Local community/ neighbourhood	<ul style="list-style-type: none"> <li>› Improved local neighbourhood and community quality</li> <li>› Increased local economic activity due to resident spending</li> </ul>
Government (all levels)	<ul style="list-style-type: none"> <li>› Decreased use of emergency services by residents such as ambulances and emergency rooms</li> <li>› Decreased use of homeless shelters by residents</li> <li>› Decreased resident involvement in the justice system</li> <li>› Decreased long-term hospital stays by residents</li> <li>› Decreased service use related to resident substance use</li> <li>› Decreased risk of sexual exploitation related to homelessness among residents (and associated decreased government service use)</li> </ul>



*“[Market rental housing] allows for distance from drugs and the street lifestyle so I can stay clean and be a functional member of society.”*

*– Pacifica Client*

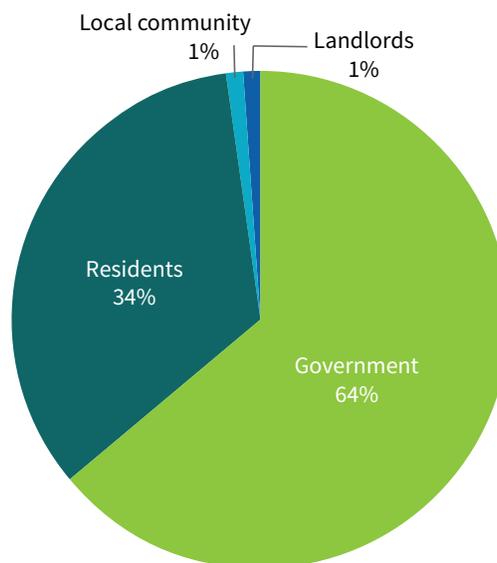


## Pacifica SROI Results

SROI analysis of investment in Pacifica’s scattered-site supportive housing revealed:



**For every dollar invested in scattered-site supportive housing through Pacifica, nearly four dollars in social and economic value is created.**



*Value Breakdown by Stakeholder Group*

All stakeholders included in the SROI analysis experience value from outcomes, including:

**Government:** Approximately 64% of the social and economic value goes back to the government in cost reallocations related to decreased service use by residents. For every dollar invested, approximately three dollars is generated for government in cost reallocations due to decreased service use.

**Local Community:** While the community as a whole benefits from decreased service use that increases efficiency and reduces costs to tax payers over time, an additional 1% of the value goes back to the local community. This value is generated through improved community quality and safety, as well as local spending by residents. The value is experienced by community members who encounter less homelessness in their community and businesses that benefit from local spending. While some value to the local community was captured through the SROI analysis, this value is likely understated, as benefits from resident community engagement, volunteering, and business benefits (beyond local spending) were not fully captured in the SROI model.

**Landlords:** Approximately 1% of the value goes back to landlords who support program success. Landlords experience value through positive and stable tenancies supported through the program and decreased loss of income and time spent due to rent arrears, repairs or evictions. While some value to landlords has been captured through the SROI analysis, this value is likely understated, because benefits such as the value to landlords of knowing they are contributing to community wellbeing through their involvement with the program were not fully captured in the model.

**Residents:** Approximately 34% of the social and economic value goes back to residents, through increased wellbeing, safety, disposable income, harm reduction and ability to engage in employment and volunteering. This indicates that, while scattered-site supportive housing creates important value for the government, it is also generating significant value for people living in supportive housing.



### Discussion

With nearly four dollars in social and economic value created for every dollar invested in Pacifica's scattered-site supportive housing, it is clear that significant value is created through scattered-site supportive housing for adults who have experienced homelessness or difficulties maintaining housing.

While the SROI ratio represents important value that is created, it is important to emphasize that Pacifica's program produces longer periods of stable housing (on average, three years), the value of which is not well-captured through the SROI analysis. Support to ensure this level of stability often requires more resources. These additional resources are included as inputs within the SROI analysis and possibly lower the SROI ratio despite the achievement of many positive outcomes for residents. Overall, the SROI analysis represents a conservative estimate of the total social and economic value created, since it was not possible to measure and capture the financial value of all potential outcomes. The actual social and economic value created by Pacifica's scattered-site supportive housing programming is likely much higher.

### Lessons Learned

- › Investment in scattered-site supportive housing creates significant social and economic value, not only for the various levels of government that may experience decreased service use, but also for supportive housing residents, families, landlords and local communities. Further investment in scattered-site supportive housing is expected to generate value while addressing a social need.
- › Investment in increasing the supply of affordable housing can enhance the value of scattered-site supportive housing, which relies on the availability of affordable market rentals for vulnerable individuals.
- › Further research is needed to continue to understand and track the social and economic value created from scattered-site supportive housing.

*“Without the supplement, I don't think I'd be living anywhere. I'd be homeless, definitely.”*

*– Pacifica Client*

### Thank You

*Our sincere thanks to all the residents who shared their perspectives and stories with us. Our sincere appreciation to Pacifica Housing staff for sharing their valuable insights and for supporting this study.*

### More Information:

Visit BC Housing's Research Centre at [www.bchousing.org](http://www.bchousing.org) to find the latest workshops, research and publications on building and operating affordable, sustainable housing.

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*This study was conducted by SROI experts at Constellation Consulting Group*