HELPING HAND AND LINKING YOUTH

FORECAST SOCIAL RETURN ON INVESTMENT – FULL REPORT

SEPTEMBER 2014

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About Social Ventures Australia

Social Ventures Australia works with innovative partners to invest in social change. We help to create better education and employment outcomes for disadvantaged Australians by bringing the best of business to the for purpose sector, and by working with partners to strategically invest capital and expertise. SVA Consulting shares evidence and knowledge to build for purpose sector capacity. SVA Impact Investing introduces new capital and innovative financial models to help solve entrenched problems.

SVA Consulting partners with non-profits, philanthropists, corporations and governments to strengthen their capabilities and capacity to address pressing social problems. SVA Consulting is a specialist consulting practice that assists organisations across Australia to achieve greater social impact. Since 2007, we have supported over 300 organisations through 550 projects. Projects range from small and brief, to large and sustained. Using our skills in analytics, diagnostics, research and facilitated group work, we provide fact-based guidance to support critical decision-making and help scale impact. We accelerate learning by developing strong relationships that enable us to transfer knowledge, skills and practical tools.

With our clients, we create customised, results-driven solutions.

Acknowledgement

This analysis has been funded by the Australian Government Department of the Prime Minister and Cabinet. We wish to acknowledge the contribution made by the team from the Department and the Linking Together Centre to the project.

Project Summary

Key findings:

- The Helping Hand and Linking Youth program is likely to have a substantial impact on the lives of young Aboriginal people in Inverell, New South Wales who have been incarcerated or are at risk of incarceration. This should have positive flow-on effects for the young people's families and significant others, the community and the justice system.

- If the anticipated investment for FY15 is maintained, $1.4m is forecast to be invested into the program over the next five years. This includes cash investment from the Department of the Prime Minister and Cabinet ($1.1m) and the Inverell Shire Council ($183k) and in-kind investment from the Council and community volunteers. There is forecast to be approximately $5k per annum invested for each young person in the program.

- Based on this level of investment, the social value associated with the outcomes of the program is forecast to be $7.8m over the next five years ($1.6m per annum). Over 40 per cent of this value ($660k per annum) is attributable to the reallocation of justice system resources that would ordinarily be used to address the young people's anti-social and offending behaviour.

- When the $7.8m in social value that is expected to be generated is compared to the anticipated $1.4m investment in the program, the Social Return on Investment (SROI) ratio equates to 6:1. This means for every $1 that is forecast to be invested in the program between FY15 to FY19, approximately $6 of social value is expected to be created.

- If the impact of the program on the justice system is isolated, the SROI ratio is 3:1, and if the impact of the program on young people is isolated, the SROI is 3:1. This indicates that if only the objective measures, or only the subjective measures of the program impact are taken into account, the social value created is forecast to be greater than the investment required to generate this value.

About the Helping Hand and Linking Youth program

The Inverell Shire Council has delivered the Helping Hand and Linking Youth program in the town of Inverell (northern New South Wales) since FY11. It provides intensive case management to Aboriginal youth. The program is designed to address the underlying causes of offending and achieves this through appropriate referrals to other service providers, mentoring and a holistic approach to support which ensures the young people feel cared for and understood.

Impact of the Helping Hand and Linking Youth program

"Most of them are trying to set themselves a goal, like going to school... now they have that safety net that they can fall back on with Kerrie and the program ... that's what my success is ... before they'd be in jail... now they're at school or doing programs"

Aboriginal Elder

The Helping Hand and Linking Youth program is designed to address the lack of support available to Aboriginal young people in Inverell and surrounding areas which inhibits their

ability to live healthy lives and develop a strong identity. The program has historically worked with around 15 Aboriginal youth (aged 12 to 18 years) at any point in time who have previously been incarcerated, or are at risk of being incarcerated. This is expected to increase to 25 Aboriginal youth in FY15. The program assists them to return to school or engage in training or alternative pathways to education, make positive life choices and reduce their chances of offending or reoffending. Using an intensive, individually tailored and holistic case management approach the program has anecdotally been successful in achieving significant changes in the lives of these young people despite the challenging circumstances they face. This report forecasts that these positive outcomes are likely to continue into the future.

The justice system is also positively impacted by the program. Between 2012 and 2014, 71 per cent of the young people involved in the program did not reoffend (22 of 31 clients).[1] This compares favourably to multiple studies of youth recidivism that have found the juvenile reoffending rate to be 68 per cent (i.e. only 32 per cent did not reoffend).[2] This forecast report utilised the data collected by the program staff on the justice outcomes to make predictions on the future outcomes for the justice system.

The families and significant others of the young people that participate in the program, as well as the community, also benefit from the program and are likely to continue to experience these benefits in the future. They experience less value as a result of the program (5% and 4% respectively) than other stakeholders.

"What changes is that they get back into school... They reduce their drug and alcohol intake... They get to know their support networks... They reduce their offending... A lot of kids get on the right track thanks to this thing"

Juvenile Justice NSW representative

Value of the changes generated by the program

There is social value associated with the outcomes of the Helping Hands and Linking Youth program. Financial proxies have been used to approximate the value of these outcomes. The total value created by the program is the unique value that will be created by the program for the stakeholders attributable to the projected investment during FY15 to FY19.

The anticipated investment of $1.4m in the program over FY15 to FY19 is forecast to generate approximately $7.8m of social value, resulting in a Social Return on Investment ratio of 6:1. This means that for every $1 invested in program, $6 of social and economic value is expected to be created for stakeholders, predominantly for young people and the justice system. If the anticipated funding from the Department of the Prime Minister and Cabinet (approx. $216k per annum) is considered independently, the Social Return on Investment ratio is 7:1.

Due to the program preventing young people from engaging in anti-social and criminal behaviour, it is forecast that it will be possible for the justice system to reallocate resources that would ordinarily be used to address these issues. Based on average policing, courts, juvenile justice and detention costs, this equates to almost $471k per

[1] Helping Hands and Linking Youth program data, 2014.
[2] Chen et al in Australian Institute of Criminology, *Recidivism in Australia: findings and future research*, 2007, p.79.

annum[3], which is far greater than the amount that is expected to be invested in the program. The SROI ratio is 2:1 when only justice outcomes are included.

The following table is a summary of the value that is expected to be created for each stakeholder group.

Table S1.1 - Value created for each stakeholder group

Stakeholders	Outcomes due to Helping Hand and Linking Youth program	Value creation	Value per stakeholder group (FY15-FY19)
1. Young people	1.1 Increased self-esteem	$1.15m	**$3.8m (49%)**
	1.2 Increased engagement in meaningful activity	$1.15m	
	1.3. More positive connections to others	$0.6m	
	1.4 Reduced likelihood of detention or incarceration in the future	$1.0m	
2. Family and significant others	2.1 Improve communication between family members	$0.2m	**$0.4m (5%)**
	2.2 Increase engagement in lives of the young people in their care	$0.1m	
3. Community	3.1 Improved perceptions of young people	$0.3m	**$0.3m (4%)**
4. Justice system	4.1 Reduction in anti-social behaviour	$0.2m	**$3.3m (42%)**
	4.2 Decreased number of young people offending	$0.1m	
	4.3 Decreased number of young people in detention	$3.0m	
Total Value Created (FY15-19)		—	**$7.8m**
Investment		—	**$1.4m**
SROI Ratio		—	**6:1**

As with any financial modelling, it is expected that any changes in the variables would result in changes to the SROI ratio. In seven scenarios tested, the SROI ratio remains at 4:1 or above, indicating that the social value that is forecast to be created is likely to be greater than the investment that is forecast to be made in the program. It will be important to collect data related to the most sensitive variables over time to ensure that estimates are robust and to ensure that the program is creating the expected level of social return on investment. In particular, more data needs to be collected about the outputs and outcomes of the program, the comparator population (e.g. the offending

[3] Note: The justice system is expected to continue to experience benefits during, and two years beyond, the investment period therefore this amount pertains to FY15-FY21.

behaviour of young people in New England, NSW), and the value associated with the outcomes (e.g. the justice system costs).

Insights from the analysis

The Helping Hand and Linking Youth model has a number of critical elements that support young people to develop into healthy adults, as well as creating outcomes for other stakeholders:

Long-term, tailored approach

- In many cases support is provided for up to five years
- Young people with high needs are supported up to 12 hours per week

Mentoring relationship integrated into support

- The program manager and Aboriginal Mentor build trust with the young people and help them set goals
- Mentors have often been through similar experiences to the young people, which makes them easier to relate to

Engagement with culture and Elders

- Young people have the opportunity to connect or re-connect with culture, through engaging with Elders and cultural and art activities
- Young people who engage significantly with this aspect of the program experience numerous benefits including feeling a sense of belonging to a community, more pride in self and role in the community and increased connection to culture

Strong partnerships with other service providers and the justice system

- The program manager uses their strong network of relationships with local service providers to link young people to services and to influence the services delivered
- The justice system, especially the local police force, benefits from the closeness of the Helping Hand and Linking Youth staff with the local Aboriginal community

Recommendations

Based on the findings of the analysis we recommend that the Inverell Shire Council:

Funding the program

1. Secure funding for the full costs of the program for a five year period in recognition of the time taken to generate changes for the young people involved
2. Seek funding from the New South Wales Government in recognition of the significant justice system cost savings expected to be generated by the program

Demonstrating the value of the program

3. Share insights gained from the program with other organisations focused on youth justice diversion

4. Collect data on the activity delivered (outputs) and the changes experienced by stakeholders as a result of this activity (outcomes) on an on-going basis to improve the rigour of future analyses

About the project

The Department of the Prime Minister and Cabinet (the Department) commissioned Social Ventures Australia (SVA) Consulting to understand, measure and value the changes generated through the Indigenous Justice Programme (IJP). The Social Return on Investment (SROI) methodology was used to complete this analysis. The Helping Hand and Linking Youth program was one of the IJP funded projects analysed.

The Social Return on Investment (SROI) methodology was used to complete this analysis. SROI is a framework for understanding, measuring and accounting for social, economic and environmental value. It places a monetary value on the impact (the benefit) of an activity, and compares this with the cost incurred in creating that benefit. SROI is stakeholder informed which increases the depth of analysis required as it engages more broadly with those who experience change, than traditional cost-benefit analysis.

The SROI analysis looked at the investment that is forecast to be made and the outcomes that are forecast to be achieved for five years, from July 2014 to June 2019. Limited historical data was available to forecast the impact of the program in the forthcoming period. Professional judgements have been made based on stakeholder consultations and other data collected over time by the Helping Hand and Linking Youth program staff to represent the extent of change experienced by stakeholders and the value of these changes. Recommendations have been made to improve the rigour of future analyses.

Indigenous Justice Programme

The IJP is a competitive grants program administered by the Department that funds activities that seek to improve community safety by reducing the high rates of offending and incarceration of Indigenous Australians. Its objectives are to support safer communities by reducing Indigenous offending, and through that, reduce Indigenous victimisation and incarceration. The IJP seeks to achieve this objective through a national focus that complements State and Territory initiatives.

1. Introduction

1.1 Indigenous Justice Programme

Between 1990 and 2003, the Aboriginal and Torres Strait Islander Commission (ATSIC) administered the Australian Government's law and justice programmes for Indigenous Australians. Funding was allocated to a broad range of regionally-focussed programmes designed to complement existing services delivered by the States and Territories. Funding responsibility was transferred to the Attorney-General's Department in 2004-05 as part of the machinery of government changes following the abolition of ATSIC. The Programme was named the Prevention, Diversion and Rehabilitation Programme and later renamed the Prevention, Diversion, Rehabilitation and Restorative Justice Programme and then the Indigenous Justice Programme.

The Indigenous Justice Programme (IJP) is a competitive grants program administered by the Australian Government Department of the Prime Minister and Cabinet (the Department) that funds activities that seek to improve community safety by reducing the high rates of offending and incarceration of Indigenous Australians. The objective is to support safer communities by reducing Indigenous offending, and through that, reduce Indigenous victimisation and incarceration. The Programme seeks to achieve this objective through a national focus that complements State and Territory initiatives, as primary responsibility for criminal law and justice services lies with the States and Territories.

Service providers must provide accessible and culturally appropriate services to Indigenous Australians, regardless of gender, sexual preference, family relationship, location, disability, literacy or language, and demonstrate that the funding proposal will deliver justice outcomes. This means activities that result in a measurable reduction in the rates of offending or recidivism by Indigenous Australians. These activities can therefore be expected to lead to a reduction in Indigenous incarceration or detention and/or an increase in community safety.

In 2013-14 IJP funded 34 activities consisting of 12 prisoner through-care, six youth diversion, 13 youth prevention, and three restorative justice mediation activities.

The Indigenous Justice Programme was transferred to the Department of the Prime Minister and Cabinet as part of the machinery of government changes in FY14 and will form part of the Safety and Wellbeing Programme in FY15.

1.2 Project Objective

The Department has commissioned Social Ventures Australia (SVA) Consulting to understand, measure and value the changes generated by programs funded through the IJP. The Social Return on Investment (SROI) methodology was used to complete this analysis. Where relevant, a consistent approach was taken to analysing the different IJP programs. The analysis was undertaken to assist the Department and the Helping Hand and Linking Youth program run by the Linking Together Centre (LTC) to better understand and articulate the value of its program and to improve program delivery, including measurement and evaluation of the IJP.

This report outlines the findings of the forecast Social Return of Investment (SROI) analysis completed for the Helping Hand and Linking Youth program run by the LTC.

SROI is an internationally recognised methodology used to understand, measure and value the impact of a program or organisation. It is a form of cost-benefit analysis that

examines the social, economic, cultural and environmental outcomes created and the costs of creating them. The principles of this approach are set out in Appendix 1.

1.3 Project Methodology

This report outlines the findings of the forecast Social Return of Investment (SROI) analysis completed for the Helping Hand and Linking Youth program.

The analysis has been completed across six stages and is presented in Figure 1.1 and Table 1.1 below.

Figure 1.1 - Stages of project methodology

Table 1.1 - Project methodology

Stage	Description
Stage 1 Scope project	• Define the project scope including boundaries, timing for analysis, stakeholders and defining investment for the program
Stage 2 Understand the change	• Engage with stakeholders to understand the outcomes that are forecast to be generated through the program. This includes testing the relationship between objectives, inputs, outputs and outcomes • Develop the program logic
Stage 3 Measure change	• Identify and measure the outcomes that are forecast to be experienced by stakeholders through the program
Stage 4 Value change	• Identify relevant indicators and financial proxies to value the outcomes • Determine those aspects of change that would have happened anyway or are a result of other factors
Stage 5 Calculate the SROI	• Calculate the outcomes and compare to the investment of the program
Stage 6 Reporting	• Synthesise and present key findings

Stages 2, 3 and 4 (i.e., understand, measure and value stakeholder outcomes) are the key stages of analysis. As part of each stage, a number of questions need to be considered. These are outlined in Box 1.1 below and are included to highlight the types of issues being addressed.

Box 1.1 - Understand, measure and value

Understand the change

- What is the program logic?

- What is the stakeholder logic?
- What are the changes that matter most to different stakeholders?
- What are the links between the activities and different changes that are expected to be experienced by stakeholders?
- Are the changes consistent between stakeholder groups?

Measure the change

- How would we know if changes have happened?
- How would we measure changes for stakeholders when there is limited data and evidence available?

Value the change

- What is the value of the changes that are forecast to be experienced by different stakeholders?
- Using financial proxies, how valuable is a particular change?
- How long would the change last for (duration and drop off)?
- Would this value have been created anyway (deadweight)?
- Who else is forecast to be contributing to the value being created (attribution)?
- Would this value creation displace other value being created (displacement)?

1.4 Report Structure

The structure of the report is set out below.

- Section 1 includes a description of the project context and analysis
- Section 2 includes an overview of the program and context within which it operates
- Section 3 includes an outline of the scope of the SROI analysis and projected investment
- Section 4 describes the process of understanding the change experienced by the stakeholders
- Section 5 describes the measurement approach adopted for this project
- Section 6 describes the valuation approach adopted for this project
- Section 7 describes the approach for calculating the SROI ratio and tests assumptions
- Section 8 draws conclusions and synthesises the insights from this analysis
- Section 9 makes recommendations

- Appendices.

2. Overview and context of the program

2.1 Overview of the program

The Helping Hand and Linking Youth program in its current form began with funding from the Australian Government Attorney-General's Department for the Youth Initiative Activity run by the South Inverell Residents Association in 2005-06. In 2007-08 this activity was funded through the Indigenous Justice Programme. Since 2010-11, the program has shifted in focus from youth engagement activities to intensive case management and is administered by the Inverell Shire Council. The program is currently receiving funding from the Department of the Prime Minister and Cabinet.

The program provides intensive case management to Aboriginal youth (12 to 18 years of age) who have been incarcerated or are at risk of being incarcerated by assisting them to return to school or engage in training, make positive life choices and, as a result, reduce their contact with the justice system. The program is designed to address the underlying causes of offending and achieves this through appropriate referrals to other service providers, mentoring and a holistic approach to support which ensures the young people feel cared for and understood.

2.2 Context within which the program operates

The program works with Aboriginal young people in Inverell and surrounding areas who have either been incarcerated in the past or are at risk of incarceration in the future. The young people that the program works with face a number of social and economic risk factors for offending, including substance abuse, family dysfunction (family violence, child abuse and neglect), time in foster care, intergenerational offending, lack of role models, poor relations with the police, isolation from services, homelessness and a lack of education and employment opportunities. Many of the young people in the program experience a combination of these factors in their lives.[4]

A lack of alternative support for these young people inhibits their ability to live healthy lives and develop strong identities. This leads to a range of issues for the young people and society including low levels of engagement in education and training, poor health outcomes, lack of self-worth, anti-social and offending behavior and, ultimately, contact with the justice system.

[4] See Parliament of Australia, Inquiry into the high level of involvement of Indigenous juveniles and young adults in the criminal justice system, 2011.

3. Project Scope

3.1 Project boundaries and timing

The SROI Network promotes the use and development of the Social Return on Investment methodology internationally. There are two forms of SROI analyses described in the SROI Guide: a forecast and an evaluative SROI analysis produced by the Network.[5]

A forecast SROI analysis estimates the social value an organisation will create in the future. There is unlikely to be substantive evidence to support the value an organisation will create (because it has not happened yet). An evaluative SROI analysis estimates the social value an organisation has created in the past. In contrast to a forecast SROI analysis, an evaluative SROI should be based on evidence that has been collected over time.

The scope of this project represents a forecast SROI analysis of Helping Hand and Linking Youth for the investment period of the financial years 2015 to 2019 (five years). In this analysis we are projecting the impact of the program based on forecast investment in the program over this period. The rationale for this timeframe is that five years will be sufficient time for young people to experience substantial change. This is based on the experience of previous program participants and aligns with the re-offending patterns of Aboriginal young people (the target group of the program).[6] Analysis of a two year investment period of the financial years 2015 and 2016 was also undertaken. The results of this analysis are included in the sensitivity analysis (section 7.2).

Some of the outcomes experienced by stakeholders are projected to occur after the specified periods of investment. The timeframes during which these outcomes are likely to be experienced are listed in Appendix 6 (Duration). The period over which the outcomes are projected to occur are based on the experience of previous program participants.

The activities included in the scope of the analysis are those activities that will be delivered by Inverell Shire Council with funding from the IJP. These activities are outlined in the funding agreement between the Department and Inverell Shire Council, which auspices the LTC. Activities that will not be funded through the IJP are excluded in the scope of the analysis. These include other programs funded by the Department and the Australian Government more broadly, including funding for the facilities in which program activities are conducted.

3.2 Defining stakeholder groups

Stakeholders are defined as people or organisations that experience change, whether positive or negative, as a result of the activity being analysed.[7] For stakeholders to be included they must be considered material to the analysis. Materiality is a concept that is borrowed from accounting. In accounting terms, information is material if it has the potential to affect the readers' or stakeholders' decisions about the program or activity.

[5] The SROI Guide, released in May 2009 and updated in January 2012.
[6] In New South Wales, 61% of younger Aboriginal adults under the age of 26 return to custody within two years. Source: Parliament of Australia, *Inquiry into the high level of involvement of Indigenous juveniles and young adults in the criminal justice system*, 2011, p.249.
[7] The SROI Guide 2009, page 20.

According to the SROI Guide, a piece of information is material if leaving it out of the SROI would misrepresent the organisation's activities.[8]

The decision to include or exclude a stakeholder group was determined through the scoping and stakeholder consultation phases of the project. In the early stages of the project, the project team facilitated a program logic workshop with the Department during which the stakeholders to include and exclude from the analysis was discussed. At the first meeting with the Helping Hand and Linking Youth program staff this list was tested and refined. It was then used to inform the stakeholder consultations and data collection approach (see Section 4.1).

Stakeholder groups included in the analysis who are likely to experience changes are:

- Stakeholder 1: Young people that participate in the program
- Stakeholder 2: Families and significant others of young people that participate in the program
- Stakeholder 3: Community
- Stakeholder 4: Justice system (including police, courts, juvenile justice, and correctional/corrective services)

In addition, there is one material stakeholder groups that provides input to the program:

- Stakeholder 5: Department of the Prime Minister and Cabinet

Sub-groups within the stakeholder groups were also considered. Following initial discussions with the program manager, mental impairment and age were considered as sub-groups for the young people stakeholder group. During consultation with young people and other stakeholders, it became clear that young people in the program were not experiencing different outcomes depending on whether they had a mental impairment or not, or depending on their age, or any other characteristic.

The young people's stage of development (see section 4.4) influences the timing and extent of outcomes that the young people experience, however, the theory of change is consistent for all young people. Based on our consultation with the project staff, we have identified that the young people that they work with progress through four stages of development as a result of the program:

1. Stage A - Build trust and meet immediate needs
2. Stage B - Increase engagement and acceptance of boundaries
3. Stage C - Increase hope and motivation
4. Stage D - Make positive choices.

A final stage, Stage E - develop a strong identity, is a stage of development that in the context of Helping Hand and Linking Youth is aspirational.

Sub-groups such as the employment status of families and significant others were considered, however, no substantial differences between these groups and the change

[8] The SROI Guide 2009, page 9: http://www.thesroinetwork.org/publications/cat view/29-the-sroi-guide-2009?orderby=dmdate published&ascdesc=DESC.

they experienced as a result of the program, whether intentionally or unintentionally, were observed. For further details regarding decisions to include or exclude stakeholders, see Appendix 2.

3.3 Projected investment (inputs) and activities (outputs)

Investment

The investment, or inputs, that are forecast to be required to support the activities of the Helping Hand and Linking Youth program during the investment period include both cash investment as well as non-monetary contributions.

Monetary investment

There are two cash investments in Helping Hand and Linking Youth:

- Funding from the Department
- Time contributed by Inverell Shire Council staff.

The Helping Hand and Linking Youth program currently receives monetary investment from the Department. In FY15 the Department will provide $216,350 towards the program which will include funding for 2 full-time equivalent (FTE) employees, including the program manager.

Based on advice received from the Department, it is possible that the funding will be provided at the same level, without any increase CPI, over the forecast period.

The second cash investment in Helping Hand and Linking Youth is time contributed by members of Inverell Shire Council. The Council auspices the accounts of the LTC and provides it with executive management assistance, grant fund writing support, project management, information technology support, records management, human resources management and finance and accounting/payroll services. This support is currently provided to the LTC at a cost to the Council of $182,532 per annum. Based on stakeholder consultations, we have assumed that 20% of the amount contributed by the Council can be attributed to the program. It is assumed that the investment will be provided at the same level over the forecast period.

Non-monetary investment

There are two in-kind contributions to Helping Hand and Linking Youth:

- Unpaid extra time of the program manager
- Unpaid time contributed by volunteers.

The most significant of these, unpaid extra time of the program manager, usually arises because a particular young person experiences a period of crisis which requires immediate assistance beyond the amount of support that would normally be provided within standard working hours. Based on consultation with stakeholders, this has been calculated as 7 extra hours per week beyond the 35 hours specified under the employment agreement between Inverell Shire Council and the program manager. This time is expected to continue at this level in the forecast period.

The second in-kind contribution is volunteer time contributed by members of the community to the program. This includes facilitation of art and cultural activities, passing

down knowledge, stories and culture to the young people and spending time with the young men in the program in a Men's Shed. Based on consultation with stakeholders, this has been calculated as 15 hours of time per year for each volunteer.

If the proposed investment for FY15 is maintained, $1.4m is forecast to be invested into the program over the next five years. This includes cash investment from the Department of the Prime Minister and Cabinet ($1.1m) and the Inverell Shire Council ($182k) and in-kind investment from the Council and community volunteers. There is forecast to be approximately $5k per annum invested each young person in the program.

Investment Summary

Table 3.1 provides the summary of the investment, both monetary and non-monetary investment, into the Helping Hands and Linking Youth program during FY15 to FY19.

Table 3.1 - Investment in the program

Investment	Source	FY15 (upcoming year)	FY15-FY19 (next five years)	Rationale
Monetary	Department of the Prime Minister and Cabinet	$216,350	$1,081,750	Assumes that funding continues at FY15 levels ($216,350 per annum) for the next five years.
Monetary	Time contributed by employees of Inverell Shire Council	$36,506	$182,532	Assumes 20 per cent of time spent by members of Inverell Shire Council (other than the program manager - see next line) on the Linking Together Centre (amounting to $182,531.80) is spent on the program.
Non-monetary	Unpaid extra time of program manager	$12,710	$63,550	Assumes the program manager does 7 hours a week of extra time, in addition to a 35 hour week outlined in the funding agreement, based on stakeholder interviews.
Non-monetary	Community volunteer time	$8,103	$40,516	Assumes 20 members of the community will volunteer their time for 15 hours a year, calculated in accordance with the minimum wage in Australia ($16.37).
Total	**—**	**$273,670**	**$1,368,348**	**—**

Activities and outputs

The investment, or inputs, of the program are pooled together to deliver the activities of the program. All of the activities currently undertaken by Helping Hand and Linking Youth are expected to continue during the period of analysis.

The core activity of Helping Hand and Linking Youth is individually tailored case management carried out by a dedicated program manager who supports each young person in a variety of ways depending on their needs and the level of support available outside of the program, which is often limited due to its rural location.

The support ranges from providing the young people with food and a place to go, to advocating on behalf of the young people and their families and significant others to education providers and in court. It can also include referrals and collaborating with other service providers, pathway planning and goal setting, mentoring, transporting, attending and supporting young people in court, legal appointments and appointments with other service providers and providing a link to their culture through interaction with local Elders. Part of the program design is to facilitate the creation of support networks for these young people outside of the program.

Approximately 86 young people are expected to participate in the program over the forthcoming five year period. Most are expected to receive support for 3 to 4 years (58%), the remainder for 5 or more years (26%) or 1 to 2 years (16%). Depending on their needs, they will meet with the program manager between twice a week and once a month.

Some of the young people's families and significant others will participate in some of these meetings. Approximately 63 family members and significant others are expected to meet with the program manager who will link them to other services which are relevant to the needs of the young person in their care as well as their individual circumstances.

The second type of activity carried out by the Helping Hand and Linking Youth program is the creation of a 'meeting place' for the young people at the LTC where social, cultural and community activities take place. The 'meeting place' has come about because the LTC has Aboriginal employees and a focus on Aboriginal culture (unlike most other service providers in Inverell) and its location in South Inverell, which is made up of a largely Aboriginal population, makes it easy to access and welcoming. The program is run out of the LTC which is critical to its success and acceptance by the South Inverell community. The expected output of this activity is that young people will visit the LTC on a weekly to monthly basis.

4. Understanding change

4.1 Stakeholder engagement

An SROI analysis requires that the material changes are described, measured and valued. The purpose of stakeholder engagement was to understand the relative importance of changes (or outcomes), how the stakeholders would prove and measure change, how they would place value on outcomes, the duration of outcomes and what proportion of the outcome is attributable to others or would have taken place anyway.[9]

Consultation

Based on previous experience with similar projects, and initial consultations with the program manager and the Department, it was determined that face-to-face interviews (between 30-60 minutes) of one to two people would be the most appropriate method for engaging most of the stakeholder groups.

All stakeholder groups considered to experience material changes have been consulted (see Table 4.1). SVA Consulting conducted the majority of the interviews in South Inverell. Telephone interviews were held where stakeholders were not available during the project team's visit to Inverell.

Information from each interview was recorded by hand or on a computer, which was then transferred into a spreadsheet containing the interview notes for each stakeholder. These were referred to throughout the analysis.

The interviews focused on the relative importance of outcomes, how the stakeholders would prove and measure change, how they would place value on outcomes, the duration of outcomes and what proportion of the outcome is down to others or would have taken place anyway.[10] The project team continued to interview stakeholders until no new themes were emerging. The age and cultural background of the young people make it difficult to test possible financial proxies.

Alternative engagement techniques, such as surveys, were considered to try to engage with a larger number of program participants and their family / significant others, however, it was determined that this would not be suitable for these stakeholder groups.

Below is a summary of stakeholder groups, the size of the group (currently) and the number of stakeholders engaged per group. All stakeholder groups included in the analysis were engaged through the consultation process.

Table 4.1 - Summary of interaction with stakeholder groups during analysis

Stakeholder Group	Size of group	Number involved in Consultation
Stakeholder 1: Young people	15 active /present clients	Three active clients
Stakeholder 1: Young people	16 past clients	Three informal interactions

[9] Please refer to Appendix 3 for the interview guides.
[10] Please refer to Appendix 3 for the interview guides.

Stakeholder Group	Size of group	Number involved in Consultation
Stakeholder 2: Families and significant others	Approximately 15 family / carer units for active clients	Two carers of active clients
Stakeholder 3: Community	Approximately 20 community members in local area (including Aboriginal Elders)	Three local Aboriginal Elders
Stakeholder 4: Justice system	Not available Includes members of police, courts, juvenile justice, child protection and correctional/corrective services	Three: local Police Inspector, representative of Juvenile Justice NSW that refers to the program and Aboriginal Community Liaison Officer
Stakeholder 5: Department of the Prime Minister and Cabinet	2,530 staff	One representative from the Department accompanied the Analyst during the site visit Additional 10 representatives of the Department engaged through workshops, project check-points, as well as provided feedback at key project junctions Shared SROI methodology and preliminary findings with approximately 30 staff from the Department through presentations
Helping Hand and Linking Youth employees	Approximately 5 staff	Two: program manager/Community Officer, and Centre Coordinator.
Employees of other local service providers	Not available Includes welfare agencies, employment agencies, counsellors and mental health support agencies	1. Deputy Principal of Inverell High School 2. TAFE employee 3. Southern Cross Distance Education employee 4. EACH (Social and Community Health) employee 5. Pathways employee
Employees of Inverell Shire Council involved with the program	Approximately 7 people	Two: Director and Executive Manager of Corporate & Economic Services

Stakeholder Group	Size of group	Number involved in Consultation
TOTAL	**—**	**20 interviews** **3 informal interactions** **10 Department representatives involved throughout the project** **30 Department staff presented to**

The nature of working in some Aboriginal communities is that it is difficult for outsiders to consult with the primary beneficiaries. This is heightened by the fact that the young people in the program have all experienced significant trauma in their lives and have a strong distrust of strangers. Due to historical and social factors, many of the young people and their parents and carers are reluctant to engage with people from outside of the South Inverell community. Despite the best efforts of the project team, there was a low sample size for the primary beneficiaries (young people) and their families and significant others. Factors that limited engagement with these groups include:

- Young people being too new to the program to be able to discuss changes that will be experienced
- Young people in situations that were not deemed suitable for interviewing (for example, dealing with ice/crystal meth use)
- Young people unexpectedly travelling out of the area
- Young people and their families and significant others feeling uncomfortable talking to the project team
- Family member in grieving.

The young people that did take part in the consultations struggled to express themselves. A language barrier, as well as limited vocabulary appeared to be limiting factors in these conversations. It was particularly challenging in trying to understand why things mentioned in the interviews were important to them and how the program supported them to get there.

Actions taken to overcome these challenges include the program manager trying to contact former clients; attempts to re-schedule the missed meetings; and an Aboriginal Mentor (a member of the program staff) participating in some interviews with the young people to help establish a level of trust with the young people and to enable the best possible responses from the young people. Direct interviews were supplemented with informal interactions with young people and observations of program activities (e.g. interactions between the program staff and young people in the program) during the site visit.

The changes that the young people and families and significant others identified that they experienced were included as outcomes in the program logic (see section 4.4). Their views on the importance of the different changes were used to prioritise the outcomes and inform the valuation of the outcomes (see section 6.1).

Because of the limited engagement with the young people and difficulty in mapping the chain of change based on the conversations that were had, the forecast outcomes had to

also be informed through the observations from other stakeholders about the changes that are likely to be experienced by the young people. The most meaningful way to gauge the changes experienced by these stakeholders and understand which were material changes was through the program staff, who are part of the community and have established trust with these stakeholders over a long period of time.

During the analysis, we worked with the program manager over three to four months, who was introduced to SROI principles and became deeply engaged in the SROI process and methodology. As a result, the program manager understood the need to collect information from stakeholders and did this throughout this period, which was then conveyed to us during our regular check-ins over the phone. As the program manager engages with each of the young people on a daily or weekly basis and records her observations in case notes, she was in a strong position to explain the changes experienced by the young people in the program to supplement the information obtained from the young people during interviews. The program manager conveyed this information by talking through each young person involved in the program individually, to ensure understanding of the specific changes experienced by him or her. This is captured in the assumptions about the quantity of young people that will experience outcomes (see Section 5.1), and was used to project the changes experienced by young people currently in the program, and those that will join the program, in the future.

The information provided by the program manager was verified by interviews with other stakeholders that had direct contact with the young people (for example, local service providers). Engaging a diverse range of other stakeholders in understanding the changes for the young people, ensured that the forecasts were not overly reliant on the opinion of the organisation staff and helped us identify strong trends / common themes. The project team continued to interview stakeholders until no new themes emerged. In addition, other sources of information were used to verify the stakeholder consultation, which are outlined in section 4.2.

In future, the young people will be engaged on an ongoing basis by the program manager to understand the changes that they are experiencing as a result of the program. This will involve the young people self-reporting on these changes and the data being recorded in a Social Outcomes Measurement and Evaluation Tool which has been developed as part of this analysis. For further detail, refer to recommendation 9.1 and an excerpt of the Social Outcomes Measurement and Evaluation Tool in Appendix 8.

Verification of results

Helping Hand and Linking Youth staff were involved in the verification of results at four main points: stakeholder consultations (through feedback on the program logic); the measurement phase (through feedback on the measurement approach); the valuation phase (through feedback on the calculation of the value of outcomes); and the reporting phase (through feedback on the draft report).

Interim findings of the analysis were also verified contemporaneously by the stakeholders during consultations through the testing of responses from others to enable us to see whether consistent messages were emerging from a stakeholder group. This process guided the selection of outcomes, indicators and financial proxies.

Relevant staff from the Department were also involved at each stage of the project. The report findings and recommendations were shared with relevant stakeholders of the program, including the program staff and Inverell Shire Council staff, which helped to verify the results and embed the recommendations for future outcomes measurement and evaluation. Given the barriers to establishing trust with the young people and the timeframe for sharing findings, it was not possible to share the findings with the young

people directly. It is anticipated that the program manager will share the analysis with the young people (including those who were interviewed) during her regular meetings with them. The report findings and recommendations will were be shared with other relevant stakeholders of the program, including the program staff and Inverell Shire Council staff including the young people, which will help helped to verify the results and embed the recommendations for future outcomes measurement and evaluation. Given the barriers to establishing trust with the young people and the timeframe for sharing findings, it was not possible to share the findings with the young people directly. It is anticipated that the program manager will share the analysis with the young people including those who were interviewed during her regular meetings with them.

4.2 Other sources of data used

Other data sources used to supplement consultation are outlined in the table below.

Table 4.2 - Other data sources used to supplement consultation

Data source	Description	Use in the SROI analysis
1. Data provided by the Department of the Prime Minister and Cabinet	• Indigenous Justice Programme Guidelines • Indigenous Justice Programme Service Delivery Standards • Organisational profile and project profile of program • Program budgets • Financial reporting by program • Performance reporting by program • Analysis of performance reporting by the Department • Funding agreement	• To understand investment in the program by the Department of the Prime Minister and Cabinet • To understand activities directly funded by the program • To understand change experienced by young people in the past as articulated in regular reporting to the Department • To understand the context and background to program
2. Data provided by the program manager	• Details of all clients that have been part of the program including: year they entered program, current involvement, current stage of development and predicted stage of development in two years' time as determined by the program manager. • Details and estimated number of family and significant others and community members who experience change as a result of the program.	• To calculate the quantity of young people who are forecast to be involved in the program during the investment period • To calculate the quantity of family and significant others and community members who experience change as a result of the program • To calculate financial proxies

3. Data provided by Inverell Shire Council	• Financial statements of Linking Together Centre • Amount of cash investment made by Council to Linking Together Centre (including the program)	• To understand revenue and cost base of the program • To understand investment in the program by Council
4. Population research	• Australian Bureau of Statistics:6530.0 -Household Expenditure Survey, Australia, Summary of Results 2009 -2010 • Australian Government Department of Human Services: Youth Allowance rates, Newstart rates • Australian Institute of Health and Welfare report on Youth Justice in Australia 2011 -12 • Productivity Commission • Fairwork Ombudsman: Minimum wage rates • Medicare Benefits Schedule (April 2014) • Senate Standing Committees on Legal and Constitutional Affairs, Report on value of a justice reinvestment approach to criminal justice in Australia, 2013 • NSW Police Recruitment website (NSW Government and NSW Police Force) • Report on Courts and Tribunal Services by NSW Government - Police & Justice Lawlink • Strategic Review of the NSW Juvenile Justice System	• To calculate financial proxies

4.3 Stakeholder outcomes

The stakeholder outcomes are judgements based on the data collected by the program, stakeholder consultation throughout this project, secondary research and SVA Consulting analysis. Throughout the data collection process attention was paid to all possible consequences that arise as a result of the activity: intended and unintended, positive and negative.

This section outlines the outcomes for the following stakeholders:

- Stakeholder 1: Young people
- Stakeholder 2: Families and significant others
- Stakeholder 3: Community

- Stakeholder 4: Justice system

The outcomes included in the SROI analysis are considered "material", that is, they are the significant and relevant changes that stakeholders experienced due to the Helping Hand and Linking Youth activities. Materiality is a concept that is borrowed from accounting. In accounting terms, information is material if it has the potential to affect the readers' or stakeholders' decision. According to the SROI Guide, a piece of information is material if leaving it out of the SROI would misrepresent the organisation's activities.

Defining the material outcomes for stakeholder groups is complex. When defining the material outcomes for each stakeholder group, an SROI practitioner must ensure that each outcome is unique or it would be considered double counting. This is difficult as the outcomes for each stakeholder group are necessarily related because they describe all of the changes experienced by the stakeholder. For example, people do not compartmentalise the different changes they experience. Outcomes also happen at different times throughout the period being analysed with different levels of intensity. There are also complex relationships between outcomes for different stakeholder groups.

Stakeholder outcomes were determined by applying the materiality test to the range of consequences identified in the program logic. This was done through initial consultations with the relevant stakeholders and employees of Helping Hand and Linking Youth. The materiality of outcomes was again tested when the number of people experiencing the changes were measured and valued (see Sections 5 and 6). No negative outcomes or unintended outcomes were found to be material.

The following sections outline the outcomes that are forecast to be experienced by each stakeholder group and the anticipated impact of these changes.

Stakeholder 1 - Young people

The young people involved in the program are Aboriginal young people, generally aged between 12-18 years who live in Inverell or surrounding areas. They are referred to the program mostly by Juvenile Justice NSW on the basis that they have been in juvenile detention or are at risk of being placed in juvenile detention.

The table below summarises inputs (investments in the program), outputs (summary of activity) and outcomes (changes) experienced by Stakeholder 1, including the estimated number of young people who are forecast to experience the outcomes.

Table 4.3 - Stakeholder 1 inputs, outputs and material outcomes

Inputs	Outputs	Material outcomes
Not material	Approximately 86 young people are expected to participate in the program over the forthcoming five year period. Most are expected to receive support for 3 to 4 years (58%), the remainder for 5 or more years (26%) or 1 to 2 years (16%). Depending on their needs, they will meet with the program manager between twice a week and once a month. Case management will involve: • Mentoring • Acting as intermediary, liaison and advocate to education providers • Legal advocacy • Referrals and collaborations with other service providers • Pathway planning and goal setting • Transport to and from court and other legal appointments, and appointments with other service providers • Providing a link to culture / local Aboriginal Elders • Social, cultural and community activities of the centre where the program is based Young people will visit the LTC on a weekly to monthly basis. The exact quantity and the type of these activities will be dependent on the individual needs of the young people participating in the program.	1.1 Increased self-esteem 1.2 Increased engagement in meaningful activity 1.3. More positive connections to others 1.4 Reduced likelihood of detention or incarceration in the future

The following section describes how outcomes are forecast to be experienced by young people. Each material outcome is being developed over time as young people progress through the program. The detail on the different stages the young people go through during the program is provided in Section 4.4 and 5.1.

1.1 Increased self-esteem

Young people engaged in the program increase their self-esteem by first feeling accepted and included by the program manager. The relationship that the program manager builds with the young people is an essential factor in helping the young people move closer towards realising their potential.

A variety of activities that the program manager engages the young people in provide opportunities to model positive behaviours, and to reinforce these through praise and rewards. Other individuals that support the young people in the program (e.g. Aboriginal Elders) are encouraged to acknowledge the young people's positive changes, no matter how small. This is a marked difference to how many of these young people would have been treated in the past by their parents, carers and other authority figures. In the past, many were led to believe that they were worthless and unworthy of respect, recognition

or praise. By treating them in a positive way, the young people start to build their self-esteem.

"One kid who was in jail is a totally different person because Kerrie knows how to connect with him... Now they know that there is someone who actually cares about their lives"

Aboriginal Elder

The next change seen in these young people is that they start believing in their own self-worth, become more confident in themselves and what they have to offer to the world, and expand their understanding of possibilities available to them in the future.

"The program gives the kids self-worth to say that they are as good as anyone else"

Director of Corporate & Economic Services, Inverell Shire Council

Program managers report that once the young people are able to start thinking about the future and set goals for what they want to achieve, they have developed resilience that will enable them to eventually cope on their own.

"I come here and feel better about me"

Young person

1.2 Increased engagement in meaningful activity

One of the first things the program manager works on with the young people is helping them to embed some routine and stability into their lives. This can be as little as getting them out of bed to go to school or training, arranging appointments that they have to attend or simply regularly spending time with them.

"I can't say enough positive things about this place from an educational perspective"

Southern Cross Distance Education teacher

Often the young people have been very neglected by their parents or carers and have had quite an unstable life including not having a stable place to live, being dismissed from school and interaction with the justice system. In these instances, the program manager becomes one of the few people in their lives that can provide them with support and security.

When the young person is ready, the program manager might start linking him or her into other activities, providing support to access other services such as drug and alcohol counselling and start setting higher standards of adherence to rules established by the program manager. At this point the program manager will often advocate on the young person's behalf to their school to facilitate their return (if possible) and provide any associated necessary support.

"One of the best things about the program is transport... [Young person] was coming in two days and then I wouldn't see him for four weeks... But now with Kerrie, they go to pick him up and drop him off'

Southern Cross Distance Education teacher

Through this work and with the help of others, the young person is then able to gain insight into their trauma and start developing the essential life skills such as self-regulation, self-care, relationship-building and communication.

As they progress through the program, the young persons' attitude towards school and education changes. They are more engaged and show a desire to apply themselves more to learning. Those that move into training instead of schooling are also seen making a concerted effort to succeed in their chosen area.

"The biggest problem for these boys is identity... they don't feel they fit in somewhere, they start messing up around the community...Here they do training, get chainsaw tickets, get involved in TAFE...Then they've got something to go on with further if they like"

Aboriginal Elder

These changes provide the foundations for reduced reliance on drugs and alcohol to self-sooth. The young people reduce their intake of drugs and alcohol as a result of counselling supplemented by support from the program manager, as well as a change in habits and behaviour as a result of obligations placed on them by school and training.

"I wouldn't be at school if it wasn't for Kerrie."

Young person

"When [young person] was working with the Centre he got [his] certificate in welding. He started working hard."

Carer of young person

1.3 More positive connections to others

Young people in the program build more positive connections to other people by first developing a positive relationship with the program manager, who provides young people with a safe place to access help, non-judgemental support and positive social interaction. The program manager tries to spend time with the young person doing activities that create positive shared memories, such as coming around for a cup of tea or talking to them in the car while driving them to a sporting activity.

This exercise shows the young person how positive relationships are created and the joy that this could bring to their lives. Once trust has been built, young people start looking up to the program manager, become more eager to please her and start modelling her behaviour.

"Kids look for people they can trust...trust is a big issue with them because they have been let down so many times...that's what they have found in Kerrie"

Aboriginal Elder

This relationship becomes an anchor for the development of other positive relationships. This is particularly important for how the young people start interacting with their family, and could be a very powerful change for them especially when the parents and carers engage in the process. Some young people also start expressing interest in understanding better where they come from and wanting to engage with the Aboriginal Elders in the community.

"He has made friends here at the Centre…with other boys. They build bonds, they are down to earth."

Carer of young person

Following this, the young people are able to identify the support they need and how to access it (Stage D). They are more connected to other support networks around them such as their school and Aboriginal Elders. The young people are also able to demonstrate their respect and empathy for others, which leads to the establishment of stronger and more positive relationships.

"Kerrie connects the kids with everyone else… it gives them a sense of control and tells them that you are the one that needs to turn your life around"

Aboriginal Elder

1.4 Reduced likelihood of detention or incarceration in the future

Because of their participation in the Helping Hand and Linking Youth program, the young people reduce their likelihood of being in detention or incarcerated in the future. This starts out when the program manager attends court and other legal appointments with the young person, and supporting them through this process. The young person is unlikely to have been supported in this way before by someone who has some degree of knowledge of the court system and knows how to support the young person to achieve the best outcome for them. This process enables the young person to be part of the program and not in juvenile detention. Through this, they gain an appreciation of the legal process as it applies to them.

Once the young person begins engaging with the program and accepting the boundaries placed on them by the program manager, such as making sure they attend all their legal and other appointments, they begin to develop an appreciation of the consequence of their actions. The program manager works intensively with the young person to think about the impact of their behaviour on others and on themselves. As a result of this, as well as the fact that the young person has developed a bond with the program manager and wants to please her, their behaviour improves and the incidence of violation of any court orders imposed on the young person is reduced.

"When [young person] was living in Coifs Harbour he had no motivation… He came to Linking Together and started doing things."

Carer of young person

This has a flow on effect for the incidence of antisocial behaviours, which are also reduced. The young person has increased their hope and motivation through working with the program manager and is beginning to see the benefits of not living a life of crime. The young person is also more occupied in that he or she is attending school or training more, and is likely to be playing sport or engaging in cultural activities through the program. As a result, the amount of minor offences and misdemeanours that often result from young people being bored and under occupied decline.

"What has changed because of the program? They are engaged in school, attendance is good, their behaviour has improved… There is less time lost due to discipline issues or suspension."

Deputy Principal, Inverell High School

When a young person reaches the point of exercising their own agency as a result of the program, they are less likely to be detained or incarcerated in the future as they are no longer exhibiting antisocial behaviour and offending, and have experienced lasting positive change through the program. They have reached a point where they will not relapse into criminal behaviour, or be influenced by others to do so. This requires

motivation on the part of the young person and support from the program manager and other people in their support networks, all of which has been largely as a result of their participation in the program.

Excluded Outcomes

Two outcomes - the creation of space to be outside normal pressures and access to fun recreational activities - were excluded from the analysis on the basis of relevance. These outcomes were found to be less relevant than other outcomes that were measured. Elements of these outcomes are also experienced though another outcome that was measured - more positive connection to others - where the young people feel a sense of belonging to a community and feel joy as part of this outcome.

It was hypothesised by the program manager that a potential negative change experienced by young people as a result of the program is 'family conflict as a result of confronting hard issues'. During consultations with young people they were asked if they experienced this outcome but they did not. The outcome was therefore excluded.

Stakeholder 2 - Families and significant others

Families and significant others includes parents and their partners, carers, siblings, aunts, uncles, cousins, grandparents and any other members of the family or significant others who are involved in the program.

The table below summarises inputs, outputs and outcomes experienced by Stakeholder 2, including the estimated number of young people who are forecast to experience the outcomes.

Table 4.4 - Stakeholder 2 inputs, outputs and material outcomes

Inputs	Outputs	Material outcome
Not material	Approximately 63 family members and significant others will meet with the program manager who will link them to other services which are relevant to the needs of the young person in their care as well as their individual circumstances. These include: • drug and alcohol counselling • welfare and other monetary support • legal support • education and training • employment Program managers will also provide advice to the families and significant others on how to better support the young person in their care. The amount of support received by this stakeholder group depends on how much they want to engage with the program manager and the program.	2.1 Improve communication between family members 2.2 Increase engagement in lives of the young people in their care

The following is a description of the outcomes that are forecast to be experienced by families and significant others due to their involvement with the program.

2.1 Improve communication between family members

One of the aims of the program is to improve the relationships of the young people and their families and significant others so the chances of the young person living a healthy and fulfilled life are increased. This can be extremely difficult to achieve as many of the young people regularly experience family violence, child abuse and neglect. Family is a barrier to success for many of the young people as most of them have drug and alcohol issues and are unemployed, which makes it difficult for the young people to be motivated, engage in school and training and develop self-esteem.

"The influence on parents is that Kerrie works with the parents and the kid… Now they have good communication"

Aboriginal Elder

The young people involved in the program often live away from their parents, or live with different combinations of family members and friends over time. It is not always appropriate for the young person to be re-engaged with their families (for example, due to a history of abuse or neglect). In these situations, it is important that the young person establishes strong relationships with other significant adults in their lives.

The stakeholder consultations with Helping Hand and Linking Youth staff and other services providers indicate that as a result of the program, and where appropriate, the young people are experiencing improved communication with family members. The program has had a positive influence on relations between family members despite the inherent obstacles in achieving this.

The family members or significant others of approximately half of the young people involved in the program (53%) are expected to experience this outcome. Over the five-year forecast period this equates to approximately 46 families or significant others.

"The biggest issue on this side of town were the family feuds. You don't hear that anymore"

Student Support Officer, TAFE

2.2 Increase engagement in lives of the young people in their care

An aim of the program is to actively involve the families and significant others of the young people in the program, the LTC and the young persons' development. Often the experience of families with government and other services has not been a positive one so they are wary to engage with the program. However, the community surrounding the LTC which includes many of the families of the young people has learnt to trust the Helping Hand and Linking Youth staff and view the program positively.

Involving families and significant others occurs through the program manager encouraging them to attend meetings with the young person, encouraging them to drop into the LTC, visiting the young person at home, encouraging family members to participate in cultural and other activities at the LTC, providing support where necessary (for example, support dealing with welfare agencies, counselling services and legal services) and advocating on behalf of the parents and carers to other service providers such as education providers.

Families and significant others would otherwise find it difficult to engage with government and community service providers due to a lack of trust, and a lack of understanding about how to engage with service providers. Often this is related to a perception that other service providers do not understand Aboriginal people or culture. As a result of the support provided by the program, families and significant others increase their

engagement with the program and, more importantly, the lives of young people. This change provides a significant benefit to the families and significant others of the young people as they can re-connect with the young person, feel a part of what the young person is doing in the program and are better able to help the young person in dealing with other service providers.

Approximately 73% of the families and significant others of the young people involved in the program are expected to experience this outcome. Over the five-year forecast period this equates to approximately 63 families or significant others.

The unique influence and effectiveness of the program manager for the achievement of this outcome is outlined below.

"Kerrie has a much greater understanding and connection to the family members of clients than I do…She meets with parents and gives them information… She has the relationships because she is part of the community"

EACH Youth Connections representative

"Without the program, we would lose the depth of knowledge and connections that Kerrie has."

Southern Cross Distance Education teacher

Excluded Outcomes

Following the routine and rules established by the program manager is a change that is experienced by the families and significant others when these are imposed on the young people through the program. This includes attending sessions with the program manager and the young person, attending appointments the young person has with other service providers, attending their own appointments and ensuring that the young person attends school or training. During consultation, families referred to their positive experience of following the routine and rules established by the program manager. Upon further interrogation, it was established that this was part of the chain of consequences for young people, but it was not material for the families and significant others and was therefore excluded.

Stakeholder 3 - Community

The community includes people who live in Inverell, particularly those who live in South Inverell where the program is based, and who engage with the young people in the program. This community is largely an Aboriginal population, including Aboriginal Elders, but also includes non-Aboriginal people including teachers.

The table below summarises inputs, outputs and the outcome forecast to experienced by Stakeholder 3.

Table 4.5 - Stakeholder 3 inputs, outputs and material outcome

Inputs	Outputs	Material outcome
In-kind support in the form of volunteer time	Key activities include mentoring the young people in an informal way through a men's shed, art and cultural activities and sporting activities. Members of the community including local Aboriginal Elders come together with the young people as a way of guiding the future generation and assisting with their personal development. The activities are usually semi-structured and are focused around establishing connections with the young people and passing down knowledge, stories and culture.	3.1 Improved perceptions of young people

The following is a description of the outcomes that are forecast to experienced by Stakeholder 3 due to their involvement with program.

3.1 Improved perceptions of young people

"I have seen big changes in them…Before they got into the program with Kerrie, they were horrible kids… Now they have matured…they have settled right down and are not as bad as they were"

Aboriginal Elder

The positive changes that happen to the young people were observed by numerous members of the community and reported during stakeholder consultations. Many community members – including Aboriginal Elders, police officers, members of Inverell Shire Council and other service providers - referred to changes in the young people and described how this had shifted their perception of them.

"One kid who was in jail is a totally different person now… he has come a long way"

Aboriginal Elder

Many members of the community described what the community and the young people were like before the program: "kids were walking the streets", "they'd be in jail" "before they wouldn't even say g'day to you".

As a result of the changes experienced by the young people, they are viewed more positively by the community. One example of this is an observation by an Aboriginal Elder that the young people develop a sense of routine and structure in their lives, as well as trust and respect for the program manager.

"I've seen the kids get structure and routine in their lives... they respect Kerrie for that routine which is good because with Aboriginal kids it's hard to earn respect and trust with them… if they can't get routine, nothing else can happen"

Aboriginal Elder

An important aspect of the program is its cultural dimension – the program aims to facilitate the development of the young person's cultural identity if this is something that they would like to do. For one young person who was particularly interested in learning

about his culture, the program manager linked him up with a local Aboriginal Elder who does cooking at the centre and encouraged him to help her. As a result, they developed a strong bond, she observed the changes he experienced and viewed him differently.

"[The young person] learnt a lot about his culture… I told him about my culture around here and he was fascinated… He was a totally different person, he couldn't do enough for you…. To see the change in him from the way he was before was a big difference"

Aboriginal Elder

One Aboriginal Elder who does art and cultural activities with the young people observed that the program has made the young people more respectful, happier, proud and motivated.

"Once they get [to the LTC] they get fired up to do a bit more stuff… they are happier too, they talk to you and ask what you are doing up at the centre… When I did didgeridoo making and painting with the boys they had pride in what they did… we did a show with the didgeridoos down town and they got very excited… It was great to see the boys out and about, and wanting to do more stuff…"

Aboriginal Elder

Excluded Outcomes

Other outcomes became evident through stakeholder consultations but were not considered to be material outcomes for the forecast SROI analysis. These were:

- Access to a meeting place
- Sharing cultural and social experiences with young people
- Establishing a cultural connection with the young people where knowledge, stories and culture can be passed down

Access to a meeting place came through consultation with this stakeholder group as the LTD provides adults in South Inverell with a friendly and Aboriginal place where they can come together with the young people in the program. Without the program and the LTC, adults in South Inverell commented that "there was nowhere else to go". Stakeholders also described how sharing cultural experiences with the young people occurs when adults in South Inverell who are Aboriginal engage in cultural activities with the young people such as storytelling and art making.

Establishing a cultural connection with the young people where knowledge, stories and culture can be passed down is relevant to the SROI analysis but was not considered to be significant and was therefore excluded. Stakeholder consultation indicated that this outcome would only be experienced by a small number of stakeholders during the investment period because of barriers to achieving this outcome including loss of knowledge and stories within the Aboriginal community and a lack of willingness to participate on the part of some of the young people.

Stakeholder 4 - Justice System

The justice system includes police, courts, juvenile justice, and correctional/corrective services.

Table 4.6 summarises inputs, outputs and outcomes that are forecast to be experienced by Stakeholder 4.

Table 4.6 - Stakeholder 4 inputs, outputs and material outcomes

Inputs	Outputs	Material outcomes
Not material	Not applicable	4.1 Reduction in anti-social behaviour 4.2 Decreased number of young people offending 4.3 Decreased number of young people in detention

The following is a description of the outcomes that are forecast to be experienced by young people due to their involvement with the program.

4.1 Reduction in anti-social behaviour

The objective of the justice system is to reduce crime and increase community safety. Young people that become involved in the justice system typically start displaying anti-social behaviour, progress to low-level offending and then on to more serious offending that results in juvenile detention.

As a result of the program, fewer young people engage in anti-social behaviour, which can range from minor offensive or harmful acts, to more serious criminal activity.[11] The stakeholder consultations indicated that this occurs because the program and the activities that it supports the young people to do "gives the kids something to do" and "keeps them off the streets", which means antisocial behaviour is less likely to occur.

"You hardly see any of them walking around now. They are either at school or doing the program."

Aboriginal Elder

Numerous stakeholders also referred to the violence that had perpetuated in the area where the LTC is located prior to the program.

"Before we had homes broken into every night here."

Aboriginal Elder

"Hardly a week went by before a house was vandalised or burnt out."

Director, Corporate & Economic Services, Inverell Shire Council

One of the most significant reasons that this change has occurred is because the program is designed to re-engage the young people in education or training.

"Education is important because it gives them something to do… This is reinforced by the rules/structure/routine. These things need to happen gradually"

[11] Australian Institute of Criminology, Key Issues in antisocial behaviour, Research in Practice Summary Paper No. 5, December 2009, page 1.

Program manager

For those young people in the program that are able to attend traditional high schools, it has been observed that their behaviour has improved since joining the program.

In a number of cases traditional schooling is no longer available for the young people as the local schools no longer allow them to attend. The program works closely with alternative education and training providers including Southern Cross Distance Education and TAFE to ensure a program is developed that is tailored towards the young person and in a format that will enable them to succeed. The program manager also spends a significant amount of time encouraging the young people to engage in education or training.

On a practical level, the centre also provides an essential link to the alternative education providers: it provides facilities for TAFE courses to be conducted at the centre and computers for those undertaking distance education to use. All of these factors increase the likelihood of engagement by the young person.

"If I was trying to do this on my own, it would be futile, absolutely futile… the program provides a really good support network. With me just on my own, why would they value going to school? It makes education a holistic experience, rather than an isolated boring thing for them to do."

Southern Cross Distance Education teacher

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 36 young people reducing their anti-social behaviour during and after their involvement with the program.

4.2 Decreased number of young people offending

The stakeholder consultations with Helping Hand and Linking Youth staff, local police, Juvenile Justice NSW and others indicate a clear link between the work done by the program and a decrease in the number of young people offending.

"What changes is that they get back into school… They reduce their drug and alcohol intake… They get to know their support networks… They reduce their offending… A lot of kids get on the right track thanks to this thing"

Juvenile Justice NSW representative

Collaboration between service providers was seen by stakeholders as crucial to ensuring that the young people do not offend or (in most cases) re-offend. For example, Juvenile Justice NSW is constrained in that it can usually only provide support for a young person for a period of three months. Because of this, Juvenile Justice NSW sees the Helping Hand and Linking Youth program as an essential partner to achieve successful outcomes for the young people.

"We are constrained by 3 months… You can't turn a life around in that time. But you can achieve something over a long period. This is what the Helping Hand and Linking Youth program can support."

Juvenile Justice NSW representative

Similarly, the local police in Inverell regard the program as an essential element to the reduction of young people in the community offending. They rely on the program

manager to act as an "unofficial conduit" between the community and the police force because of the "street credibility" that the program has. In collaboration with Helping Hand and Linking Youth, the police are able to deal with potential offenders in a more targeted and holistic way which has the effect of lowering overall rates of offending.

"In terms of offending the program has had a positive flow-on effect for us… because it has the tick of approval from the community, the program is extremely important to us in regards to maintaining law and order… it is an unofficial conduit between the community and us because people aren't comfortable with police"

Police Inspector, Inverell Police

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 20 young people reducing their offending behaviour during and after their involvement with the program.

4.3 Decreased number of young people in detention

The number of young people from Inverell and surrounding areas in detention is less as a result of the program. The program has also influenced the way that the local court is sentencing young people. For example, the program manager described how the courts are starting to include participation in the program as part of a young person's bail conditions. In this way, the program is facilitating a reduction of young people in detention immediately when they commence in the program. As a result it is expected that fewer young people will experience detention in the future. This is based on the high rates of recidivism amongst young people that have been in detention. This change has cost implications for the justice system, with potentially less resources required for juvenile detention.

Numerous stakeholders were confident that but for the program, the young people are likely to be in detention.

"Without Helping Hand there would be a lot more kids in custody… It would be like in Tamworth, which doesn't have the program"

Juvenile Justice NSW representative

"Without the program kids would be disengaged and wouldn't come to school... they would be destined for the unemployment line and our jail system"

Deputy Principal, Inverell High School

One particular young person is currently in detention following a 9 month period between offences, which was significant given his prior contact with the justice system. Helping Hand and Linking Youth staff as well as Juvenile Justice NSW and a teacher from Southern Cross Distance Education who worked closely with the young person emphasised that this was a substantial achievement for him.

"[The young person] spent time in the program, started meeting people and engaging with the cultural side of the program. It provided him with a deep and meaningful experience to feel part of a community… He did commit another crime, but since his involvement in the program it was 9 months for him not offending, when usually it would be two weeks… this was a huge step for him"

Southern Cross Distance Education teacher

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 58 young people avoiding detention immediately as a result of joining the program, 18 young people not being sentenced to detention during the program and 26 young people not being sentence to detention after their involvement with the program.

Excluded Outcomes

Other outcomes became evident through stakeholder consultations and were included in the program logic as material outcomes but were not considered to be material for the SROI analysis. These were:

- Decreased number of call-outs to investigate minor crimes
- Decreased number of young people charged by police
- Police receive more respect
- More reporting to police
- Increased awareness of issues in the community

We had limited engagement with police and there were no other data points available (in contrast to the other material outcomes) to ascertain the expected quantity of change for each of these outcomes. This could warrant further investigation in the future, but it is not material at this stage based on the evidence we have gathered.

4.4 The program logic that emerged from stakeholder consultations

The program logic tells the story of change that takes place as a result of Helping Hand and Linking Youth. The program logic includes information on:

- The issue that the program is seeking to address
- The key participants in the program
- The activities involved in the program
- The inputs required to generate the outcomes
- The outcomes of activities that occur through the program, for various stakeholders
- The overall impact of these outcomes.

The program logic that emerged from the stakeholder consultations was that the inputs of the program (monetary and non-monetary investment) will be collectively used to deliver the program activities. The combination of activities and the frequency of activities will be tailored to the needs of the young person. As a result of the activities, young people are expected to experience four material outcomes (described in section 4.4). These outcomes are anticipated to occur concurrently and to reinforce each other. For example, a young person who experiences increased self-esteem will increase their engagement in meaningful activity, which in turn increases their self-esteem.

The changes experienced by young people are expected to lead to outcomes for their families and significant others, and for the justice system. The overall impact of these outcomes is anticipated to be that young people take a positive pathway to adulthood by becoming healthier adults who are able to take responsibility for their own lives; living with more purpose; and are more grounded. Meanwhile, the community is expected to benefit through less burden on the justice system, healthier families and increased community cohesion and safety.

Development of the program logic

The first iteration of the program logic was developed with staff from the Department. Following this, substantial changes to the program logic took place during the initial stakeholder engagement. In particular, the outcomes experienced by young people emerged from consultations with them. For example, Outcome 1.1 is "increased self-esteem" which expresses how the young people's perception of themselves and self-confidence is increased as a result of the program. This was identified as an outcome following conversations with young people who said that the program "makes me feel happy" and "I come here and feel better about me." Outcome 1.2 is "increased engagement in meaningful activity" which captures the change that young people experience in engaging in school or other forms of education such as Distance Education or TAFE. The selection of this outcome came from conversations with the young people including one young man who said "I wouldn't be at school if it wasn't for Kerrie."

The concept that young people move through stages of development was identified in discussions with the program manager and other Inverell Shire Council staff. This concept was tested with other local service providers and against the notes collected during interviews with young people and their families and significant others. A summary program logic is included in Figure 4.1, and a more detailed representation of the outcomes is included in Figures 4.2 and 4.3 on the following pages. This is a forecast analysis, therefore it captures the consequences that are expected to be realised in the future as a result of the investment made into the program during the forecast period. Since information about what will happen in the future is not currently available, the short-term and the long-term consequences of the program are either assumed to be similar to the consequences observed for the stakeholders who have been in the program in the past or are inferred through the logic that some of the long-term consequences for stakeholders will occur in the future. No negative or unintended outcomes were identified that were material.

Figure 4.1 - Helping Hand and Linking Youth summary program logic

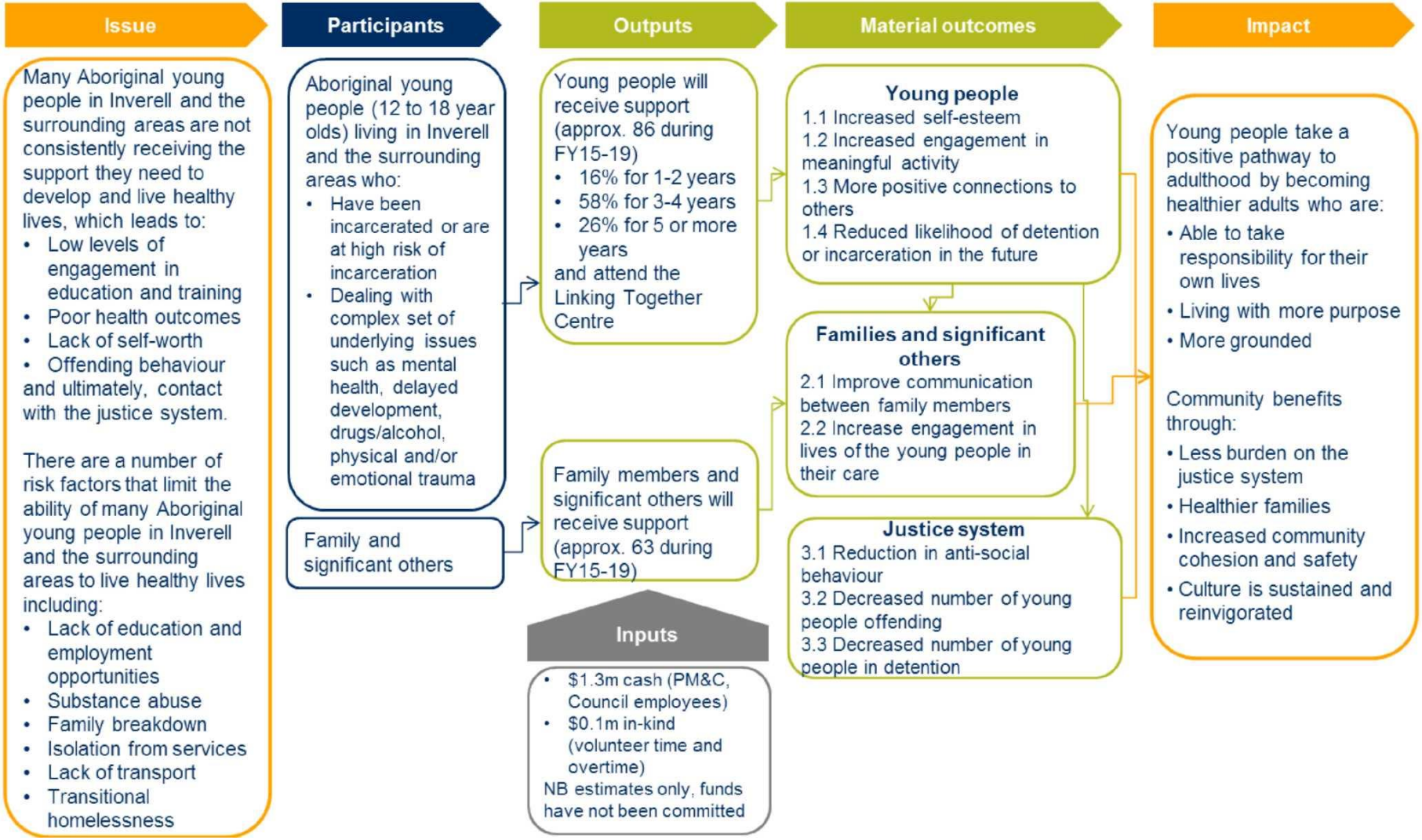


Figure 4.2 - Helping Hand and Linking Youth program logic - Outcomes for the young people

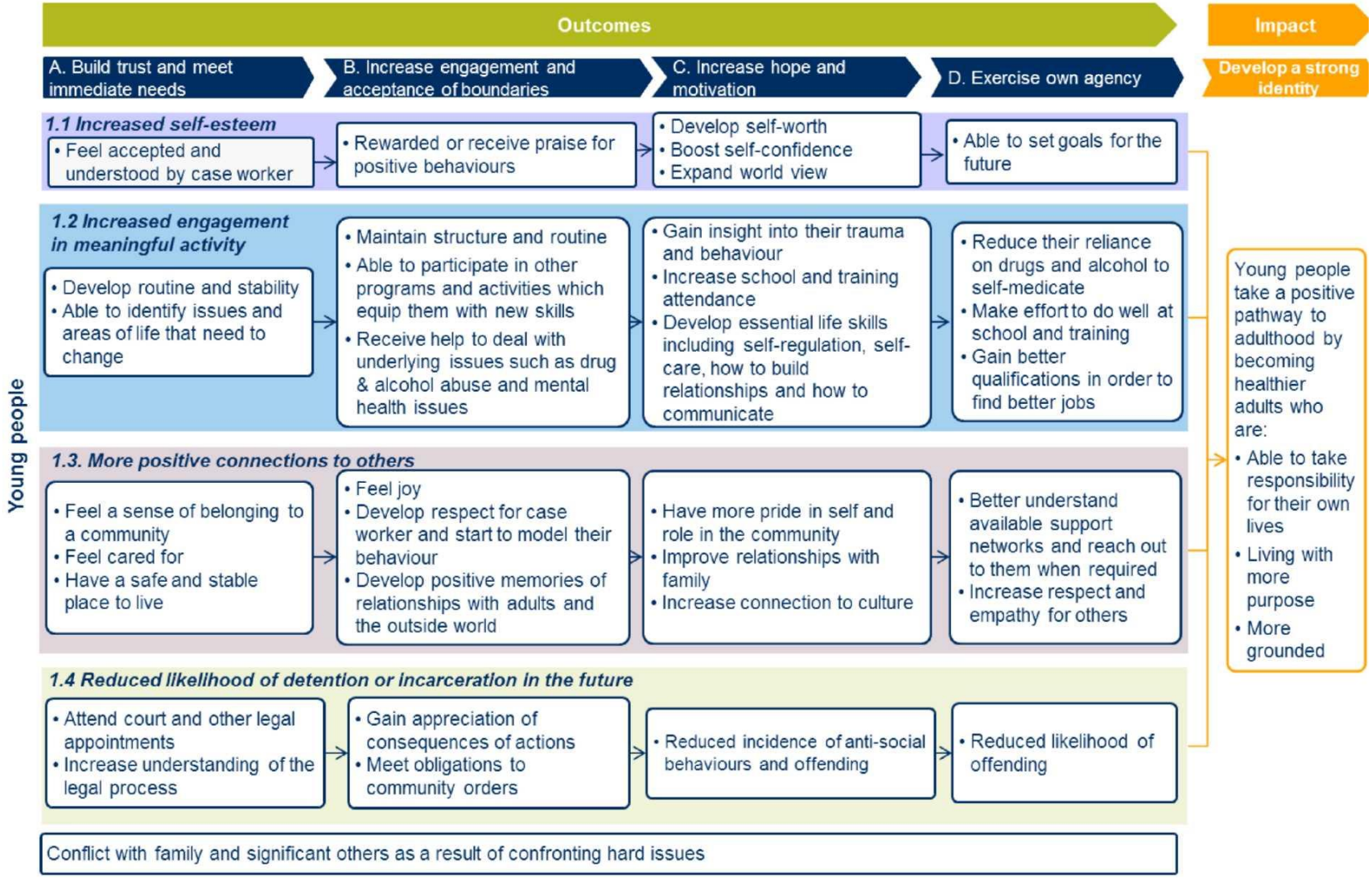
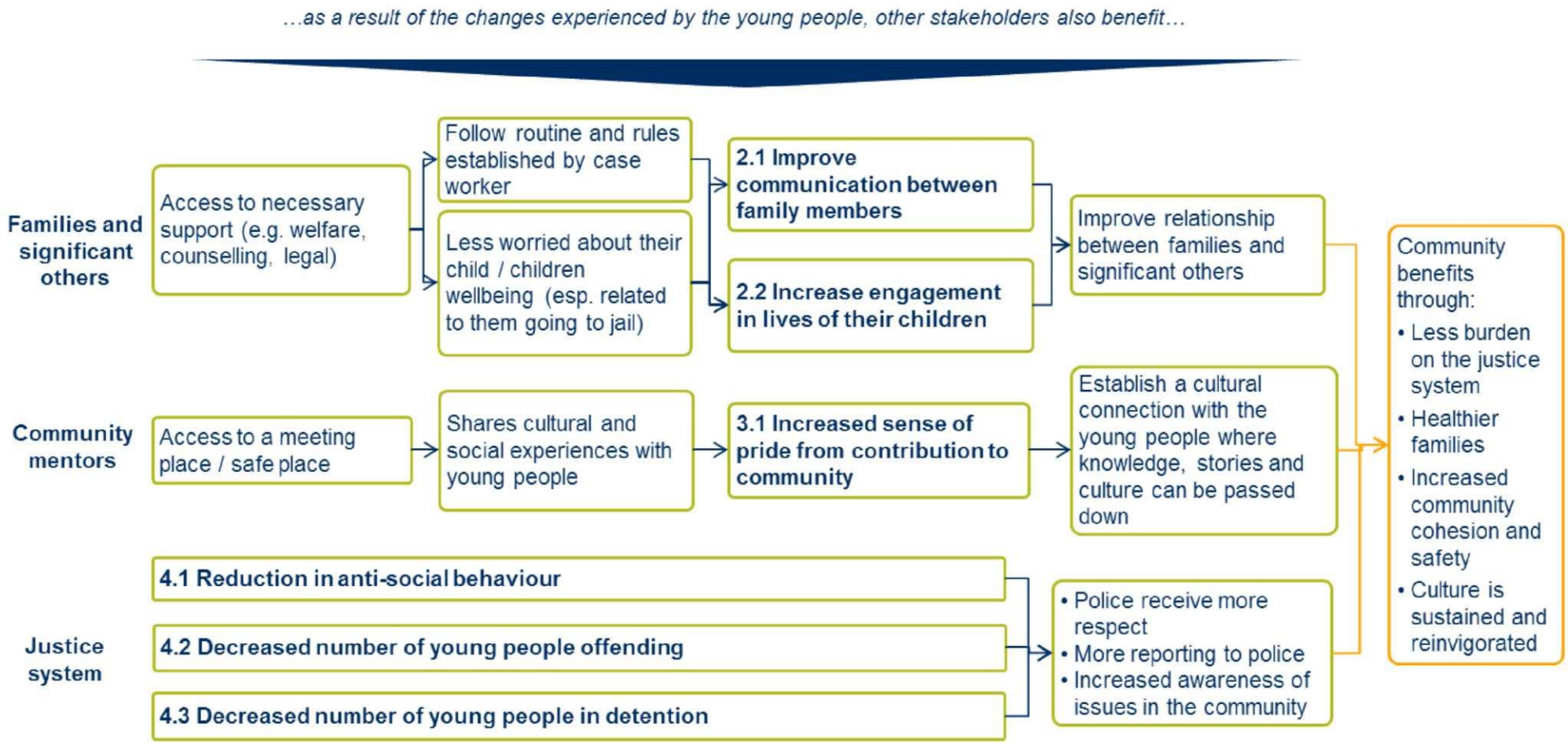


Figure 4.3 - Helping Hand and Linking Youth program logic - Outcomes for Other stakeholders



5. Measuring change

5.1 Measurement approach

Modelling the quantity of young people that will experience change

At the commencement of this project, there had been little quantitative data collected over time to indicate the changes experienced by stakeholders and the quantities of stakeholders experiencing those changes. Section 9.1 of the report provides recommendations on how this approach can be adopted to improve the measurement approach through ongoing and consistent data collection in the future. The recommended approach involves collecting quantitative data that indicates how many participants have experienced outcomes as a result of the program.

For the current analysis we developed an understanding of the changes experienced by stakeholders through stakeholder consultations, which was confirmed and refined through regular conversations with the program staff. We identified that young people progress through up to five stages of development as a result of their involvement in the program. Each stage lays the foundation for the next stage of the journey. The five stages of development for the young people are (Figure 5.1):

A. Build trust and meet immediate needs

B. Increase engagement and acceptance of boundaries

C. Increase hope and motivation

D. Exercise own agency

IMPACT. Develop a strong identity*

**This stage is not experienced during engagement with the program.*

Figure 5.1: Five stages of development of young people

Given the interconnected nature of change experienced by these young people, it is inevitable that the young people continue to experience change from earlier stages when they move on to later stages.

Existing program participants

To quantify and project the change that is forecast to be experienced by the program participants, information on the past and current program participants was collected. The information contained the names of the program participants, date when they started the program and date when they discontinued / graduated from the program, if applicable.

This information helped to identify the stage of development that the young people reached during the time with the program and if they continue their involvement with the program, where they are likely to be in five years' time.

It is expected that some service users will not make any progress during the forecast period. This assumption was based on conversations with the young people and the program manager. For these young people, it is expected that they will continue to be engaged in the program for some time but will eventually disengage. The impact of the program on young people is neutral, and they are not counted in the analysis as stakeholders who experience change.

To quantify and project the change that is forecast to be experienced by the program participants, information on the past and current program participants was collected. The information contained the names of the program participants, date when they started the program and date when they discontinued / graduated from the program, if applicable. This information helped to identify the stage of development that the young people reached during their time with the program and if they continue their involvement with the program, where they are likely to be in five years' time. Information collected is represented in the Figure 5.2 below.

Information collected is summarised in the Figure 5.2 below.

Figure 5.2: Projected change for the current cohort of young people

Source: Helping Hand and Linking Youth data; stakeholder engagement and SVA Consulting analysis

**Some young people are not expected to move from one stage to another and therefore, it is assumed that they do not experience material change. These young people are not counted in the analysis.*

Future program participants

Over the forecast period new young people will join the program. It is impossible to know exactly what the characteristics of these young people will be and what their experience will be during the program. Therefore, to project the changes experienced by this group of young people, we used information from the past and the current cohorts to estimate the length of time these young people will be in the program, how quickly they will progress through the stages of development and how much change they will experience as a result.

Analysis of the available data revealed that the young people the program works with fall roughly into three levels of need: medium needs, high needs and very high needs. These levels correspond with the time they spent involved with the program (i.e. young people with higher needs stay involved with the program for longer than young people with lower needs). The level of need also determines how much change the young people are likely to experience. Figure 5.3 depicts the classification (low, high and very high needs) and the success rate of the past and existing cohort of the young people engaged in the program. The success rate for a young person indicates the chance of them achieving the final stages of development as a result of the program.

Figure 5.3: Classification and the success rate of the past and the current cohort of young people

Source: Helping Hand and Linking Youth data; stakeholder engagement and SVA Consulting analysis

Over the forecast period it was assumed that 13 new young people will join the program each year. This is based on three assumptions: (i) the program is expected to accommodate 13 new young people each year from FY15; (ii) each young person experiences intensive case management for approximately 12-15 months, before transitioning to a situation where they require less support; and (iii) the level of need and success rate of the young people based on the analysis described above. Young people that join the program are expected to be at a stage of development prior to stage A. Figure 5.4 shows the change projected to be experienced by the new young people who will join the program over the next 5 years.

Figure 5.4: projected changes experienced by the new young people who will join the program over the forecast period

Source: SVA Consulting analysis

We modelled where each of the young people in the program would be along the stages of development at the beginning of the investment period (the beginning of FY15) and the end of the investment period (the end of FY19) based on their length of time in the program and our understanding of how the young people progressed through the program. We then grouped the young people according to how far they had progressed through the stages, and therefore the changes they had experienced. Each of the young people in the program falls into only one of these groups, which means that no double counting occurs.

Modelling the quantity of other stakeholders that will experience change

To understand if the change will occur for other stakeholders we used both the information collected through the stakeholder consultation, as well as the data collected by the organisation as part of their reporting requirements to the Department.

Family and significant others

Based on consultations with the program manager and interviews with family members and significant others, it was identified that approximately 53% of families and significant others of the young people have experienced increased communication as a result of the program and 73% have experienced increased engagement in the lives of the young people. These changes are likely to happen to the families and significant others where the young person has successfully reached Stages C and D of the development journey.

Community

Based on the consultations with the program managers and interviews with the community members, it was identified that all community members that directly engage with the young people during the program experience the change.

It is assumed that the number of the community members who are engaged with the young people will increase in line with the growth in the number of the young people in the program.

Justice System

The amount of change experienced by the justice system is related to the number of young people that change and how they change. Indicators capture the number of young people that experience change when they have just joined the program, during the program and after the program, as well as the expected benefits to the justice system during each of these periods of time.

For example, when the young people join the program they are usually already facing charges for an offence. The program manager supports them in court and in most cases these young people avoid going to juvenile detention. Each of these episodes provides a direct benefit to the justice system and therefore is counted separately.

When estimating the likelihood of young people not offending during or after the program, data collected by the SVA Consulting and anecdotal evidence from the program staff on the offence rates of their clients has been used to inform our quantity estimates.

Indicators of change

Both objective and subjective outcome indicators were identified during stakeholder consultation. An indicator is credible if it can demonstrate that the outcome will be achieved. A mixture of subjective and objective indicators allows the creation of a more robust measurement. This information was used to develop a tool for the program team to collect data to prove that the outcomes are happening.

Tables 5.1 and 5.2 summarise the indicators used to forecast the outcomes for this SROI analysis.

Table 5.1 Indicators for Young people stakeholder group outcomes – 1. Young people

Change in stage of development	Indicator Outcome 1.1 Increased self-esteem	Indicator 1.2 Increased engagement in meaningful activity	Indicator 1.3 More positive connections to others	Indicator 1.4 Reduced likelihood of detention or incarceration in the future	Quantity 5Y Forecast
# young people that joined the program during the investment period and will reach Stage A	# young people whose self-esteem will increase from extremely low to very low during the investment period	# young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a very small extent during the investment period	# young people whose connections increase from extremely weak to very weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a large likelihood during the investment period	3
# young people that joined the program during the investment period and will reach Stage B	# young people whose self-esteem will increase from extremely low to low during the investment period	# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a small extent during the investment period	# young people whose connections increase from extremely weak to weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a moderate likelihood during the investment period	8
# young people that joined the program during the investment period and will reach Stage C	# young people whose self-esteem will increase from extremely low to below average during the investment period	# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a moderate extent during the investment period	# young people whose connections increase from extremely weak to fairly weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a small likelihood during the investment period	33

Change in stage of development	**Indicator Outcome 1.1 Increased self-esteem**	**Indicator 1.2 Increased engagement in meaningful activity**	**Indicator 1.3 More positive connections to others**	**Indicator 1.4 Reduced likelihood of detention or incarceration in the future**	**Quantity 5Y Forecast**
# young people that joined the program during the investment period and will reach Stage D	# young people whose self-esteem will increase from extremely low to average during the investment period	# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a large extent during the investment period	# young people whose connections increase from extremely weak to average during the investment period	# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a very small 1likelihood during the investment period	20
# young people that will move from Stage A to Stage B during the investment period	# young people whose self-esteem will increase from very low to low during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a small extent during the investment period	# young people whose connections will increase from very weak to weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a moderate likelihood during the investment period	0
# young people that will move from Stage A to Stage C during the investment period	# young people whose self-esteem will increase from very low to below average during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a moderate extent during the investment period	# young people whose connections will increase from very weak to fairly weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a small likelihood during the investment period	2

Change in stage of development	Indicator Outcome 1.1 Increased self-esteem	Indicator 1.2 Increased engagement in meaningful activity	Indicator 1.3 More positive connections to others	Indicator 1.4 Reduced likelihood of detention or incarceration in the future	Quantity 5Y Forecast
# young people that will move from Stage A to Stage D during the investment period	# young people whose self-esteem will increase very low to average during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a large extent during the investment period	# young people whose connections will increase from very weak to average during the investment period	# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a very small likelihood during the investment period	1
# young people that will move from Stage B to Stage C during the investment period	# young people whose self-esteem will increase from low to below average during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a small extent to being engaged to a moderate extent during the investment period	# young people whose connections will increase from weak to fairly weak during the investment period	# young people whose likelihood of detention/incarceration will reduce from a moderate likelihood to a small likelihood during the investment period	2
# young people that will move from Stage B to Stage D during the investment period	# young people whose self-esteem will increase from low to average during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a small extent to being engaged to a large extent during the investment period	# young people whose connections will increase from weak to average during the investment period	# young people whose likelihood of detention/incarceration will reduce from a moderate likelihood to a very small likelihood during the investment period	7

Change in stage of development	**Indicator Outcome 1.1 Increased self-esteem**	**Indicator 1.2 Increased engagement in meaningful activity**	**Indicator 1.3 More positive connections to others**	**Indicator 1.4 Reduced likelihood of detention or incarceration in the future**	**Quantity 5Y Forecast**
# young people that will move from Stage C to Stage D during the investment period	# young people whose self-esteem will increase from below average to average during the investment period	# of young people whose engagement in a meaningful activity will increase from being engaged to a moderate extent to being engaged to a large extent during the investment period	# young people whose connections will increase from fairly weak to average during the investment period	# young people whose likelihood of detention/incarceration will reduce from a small likelihood to a very small likelihood during the investment period	10

Table 5.2 - Indicators for other stakeholder group outcomes – 2. Families and Significant Others

Outcomes	Indicator	Quantity 5Y Forecast
2.1 Improve communication between family members	# of families and significant others which program managers report as having improved communication	46
2.2 Increase engagement in lives of the young people in their care	# of families and significant others where program managers report as having increase engagement in lives of young people in their care	63

Table 5.2 - Indicators for other stakeholder group outcomes – 3. Community

Outcomes	Indicator	Quantity 5Y Forecast
3.1 Improved perceptions of young people	# of community Elders and other members of the community that report that they are directly engaging with the young people and improving their perception of them # of community Elders and other members of the community that the program manager reports are directly engaging with the young people and improving their perception of them	38

Table 5.2 - Indicators for other stakeholder group outcomes – 4. Justice system

Outcomes	Indicator	Quantity 5Y Forecast
4.1 Reduction in anti-social behaviour	# young people that have reduced the frequency of anti-social behaviours they engage in	36
4.1 Reduction in anti-social behaviour	# young people that have exited the program who are not engaging in anti-social behaviours after the program	36
4.2 Decreased number of young people offending	# of young people not offending during the program	20
4.2 Decreased number of young people offending	# of young people not offending after the program	20
4.3 Decreased number of young people in detention	# of young people avoiding detention immediately after joining program	58

Outcomes	Indicator	Quantity 5Y Forecast
4.3 Decreased number of young people in detention	# of young people not in detention during the program	18
4.3 Decreased number of young people in detention	# of young people not in detention after the program	26

This forecast SROI analysis was used to provide guidance to the Department and the Helping Hand and Linking Youth program staff about what outcomes should be measured in the future, and what the indicators of the outcomes experienced by the stakeholder groups should be. A Social Outcomes Measurement and Evaluation Tool has been developed for this purpose. Table 5.2 shows the indicators that will be used as part of the Social Outcomes Measurement and Evaluation Tool. Both subjective and objective indicators are included. This will facilitate more robust evaluation of the program in the future than has been possible in this analysis.

Table 5.3 - Indicators used in this analysis and in the Social Outcomes Measurement and Evaluation Tool – 1. Young people

Outcomes	Questions in the Social Outcomes Measurement and Evaluation Tool	Response options	Respondent
1.1 Increased self-esteem	Rate your level of agreement with the following statements[12]: • I feel that I am a person of worth, at least on an equal plane with others. • I feel that I have a number of good qualities. • All in all, I am inclined to feel that I am a failure. • I am able to do things as well as most other people. • I feel I do not have much to be proud of. • I take a positive attitude toward myself. • On the whole, I am satisfied with myself. • I wish I could have more respect for myself. • I certainly feel useless at times. • At times I think I am no good at all.	Strongly agree Agree Disagree Strongly disagree Responses automatically tally into the following self-esteem scale: High Normal Low Very Low	Young person
1.2 Increased engagement in meaningful activity	What is the core activity that the young person is engaged in?	At school Further studying/training Working Looking for work Looking after children Not currently engaged in a meaningful activity Other	Young person
1.2 Increased engagement in meaningful activity	How would you rate their level of engagement with the core activity?	Very engaged Somewhat engaged Struggling to engage Not engaged	Program manager

[12] Based on the Rosenberg Self Esteem Scale.

Outcomes	Questions in the Social Outcomes Measurement and Evaluation Tool	Response options	Respondent
1.3 More positive connections to others	Rate your level of agreement with the following statements[13]: • People don't come to visit me as often as I would like • I often need help from other people but can't get it • I seem to have a lot of friends • I don't have anyone that I can confide in • I have no one to lean on in times of trouble • There is someone who can always cheer me up when I'm down • I often feel very lonely • I enjoy the time I spend with the people who are important to me • When something's on my mind, just talking with the people I know can make me feel better • When I need someone to help me out, I can usually find someone	Strongly agree Agree Disagree Strongly disagree Responses automatically tally into the following connection scale: High; Normal; Low; Very Low	Young person
1.4 Reduced likelihood of detention or incarceration in the future	Exhibited anti-social behaviour in the last six months	Never Very rarely Occasionally Frequently Very frequently	Young person
1.4 Reduced likelihood of detention or incarceration in the future	Committed a criminal offence in the last six months	No Property offence Violent offence Other - minor offence Other - major offence	Young person
1.4 Reduced likelihood of detention or incarceration in the future	Sentenced to community-based supervision in the last six months	No Yes Waiting to find out	Young person

[13] Based on the Household, Income and Labour Dynamics Australia Survey.

Outcomes	Questions in the Social Outcomes Measurement and Evaluation Tool	Response options	Respondent
1.4 Reduced likelihood of detention or incarceration in the future	Sentenced to detention in the last six months	No Yes Waiting to find out	Young person
1.4 Reduced likelihood of detention or incarceration in the future	Has been in detention / prison in the last six months	No Yes - most of the time Yes - some of the time	Young person

6. Valuing change

6.1 Financial proxies

Financial proxies are used to value an outcome where there is no market value. The use of proxies in this SROI forms a critical component of the valuation exercise as most of the outcomes identified have no market values. There are a number of techniques used to identify financial proxies and value outcomes. Importantly, within an SROI, the financial proxy reflects the value that the stakeholder experiencing the change places on the outcome. This could be obtained directly through stakeholder consultation, or indirectly through research. Techniques for valuing outcomes are included in Appendix 4.

Financial proxies in this SROI analysis have been identified using the revealed preferences technique for the young people, and families and significant others stakeholder groups. The resource reallocation technique was used to develop financial proxies for the justice system. Where relevant, for consistency the same financial proxy values have been used across the different IJP programs analysed in the project.

For the outcomes experienced by the young people, the financial proxies capture the full value of the outcome across the stages of development. For example, when considering the outcome *1.1 Increased self-esteem*, a proxy was developed to capture the full benefit to the young person who will experience stages A, B, C and D of development during their time in the program. This is the point in time that the young person is able to exercise their own agency (Stage D).

The main challenge faced when determining the most appropriate proxy for the outcomes experienced by the young people was being able to capture the full value of the outcome they will achieve when they reach their full potential within the program. During the consultation stage we were only able to engage with the young people that were at the beginning of their journey with the program. We therefore had to rely on the anecdotal evidence provided by the program managers about how the young people would potentially value the different changes.

While the age and communication skills of the young people made it difficult to test possible financial proxies, some testing did take place. One young person who was asked how much he would pay to experience the same changes as the program gave him said "whatever it costs, I would pay". With another young person, flashcards were used which had the names of different things he liked to do (i.e. play football, ride a motorbike, use his mobile phone, fishing) on them. He was asked to order these from his least to most favourite activities, and then to place the program among them according to how much he valued it compared to the other items. These responses were considered when developing the financial proxies.

It was also not feasible to test the final financial proxies directly with the program beneficiaries, in part due to a limited cognitive ability of clients and difficulty in accessing family / significant others. However, the proxies were sense tested with the Department as well as program managers to make sure they are relevant and are not over-valuing or under-valuing the change that is created as a result of the program. The final proxies that were chosen relate specifically to the outcomes experienced.

Table 6.1 shows the full value of the financial proxies for each of the outcomes, as well as a description and rationale for selecting each proxy.

Table 6.1 - Financial proxies used in the SROI analysis – 1. Young people

Outcomes	Financial proxy description	Full proxy value	Rationale
1.1 Increased self-esteem	Cost of counselling sessions required to achieve the same outcome (assumes need 367 sessions to achieve a full outcome)	$26,023	The work program managers' do with the young people has a similar impact as counselling sessions.
1.2 Increased engagement in meaningful activity	Independence test for Youth Allowance	$26,201	Young people qualify for the independence test once they have participated in full-time paid employment for at least 18 months within any two year period. This approximates the market value of engagement in a meaningful activity.
1.3. More positive connections to others	Cost of running an afterschool activity centre	$12,840	Through a group activity the young people access a support network.
1.4 Reduced likelihood of detention or incarceration in the future	Difference between annual Newstart allowance and minimum wage	$19,081	Participation in unlawful behaviour has a negative impact on employment prospects, increasing the likelihood that the young person will be receiving income support (Newstart allowance) rather than being employed (receiving minimum wage). The difference between the minimum wage and the Newstart allowance amount approximates the value of avoiding unlawful behaviour.

Table 6.1 - Financial proxies used in the SROI analysis – 2. Families and Significant Others

Outcomes	Financial proxy description	Full proxy value	Rationale
2.1 Improve communication between family members	Cost of family group therapy for one year (10 sessions)	$7,388	Replacement valuation: Cost of treatment addressing family communication issues.

Outcomes	Financial proxy description	Full proxy value	Rationale
2.2 Increase engagement in lives of the young people in their care	Average weekly expenditure on recreation by the lowest gross household income quintile in NSW	$3 575	A family's weekly recreational spend is indicative of the cost of families doing activities together, which involves families and significant others engaging with the lives of young people.

Table 6.1 - Financial proxies used in the SROI analysis – 3. Community

Outcomes	Financial proxy description	Full proxy value	Rationale
3.1 Improved perceptions of young people	Cost of volunteer time contributed by a community member to the program, based on the assumption that ongoing support during the formative / development years of the young person is required (i.e. 5 years), at a rate of 2 hours per week	$8,512	The community members who volunteer their time for the young people in the program improve their perception of the young people as a result of interacting with them.

Table 6.1 - Financial proxies used in the SROI analysis – 4. Justice System

Outcomes	Financial proxy description	Full proxy value	Rationale
4.1 Reduction in anti-social behaviour	Additional cost of policing to monitor anti-social behaviours of young people in the community	$3,324	Time reallocated towards other activities, as a result of decreased need in the community to patrol at night and maintain safety.
4.2 Decreased number of young people offending	Average costs to the justice system per young person offending (excluding costs associated with policing anti-social behaviour)	$5,180	Aggregate of police costs, court costs and juvenile justice costs which are all costs incurred when a young person offends.
4.3 Decreased number of young people in detention	Difference between average detention cost and average cost of community based supervision	$33,096	Resource reallocation: Government can reallocate funding for juvenile justice as a result of participants in the program being supported by the program managers.
4.3 Decreased number of young people in detention	Average cost of juvenile justice stay	$35,028	Resource reallocation: Government can reallocate funding for juvenile justice as a result of participants in the program avoiding contact with juvenile justice.

If a young person progresses through one or more stages of development, he or she is deemed to have experienced all four outcomes. The significance of the change depends on the number of stages that the young person moves through during the investment period. Most of the young people will only experience some stages of development, and therefore some part of the outcome, during the investment period. This is because some clients started the program before the investment period, and others will not progress through all stages during the investment period.

Therefore, a proportion of the value of each financial proxy has been applied that corresponds to the specific change that different young people experience during the investment period. It was assumed that each stage of development is equally valuable to the young people, i.e. each stage of development is equal to the 25% of the total value of the outcome (and therefore the financial proxy value). The number of stages each young person is able to experience during the investment period determines the value he or she derives from the program. Table 6.2 shows the proportion of value that is assigned to the change based on the indicator used to measure that change.

Table 6.2 - Indicators used in the SROI analysis

Indicator	Extent of change	% of value
# young people that joined the program during the investment period and will reach Stage A	One stage	25%
# young people that joined the program during the investment period and will reach Stage B	Two stages	50%
# young people that joined the program during the investment period and will reach Stage C	Three stages	75%
# young people that joined the program during the investment period and will reach Stage D	Four stages	100%
# young people that will move from Stage A to Stage B during the investment period	One stage	25%
# young people that will move from Stage A to Stage C during the investment period	Two stages	50%
# young people that will move from Stage A to Stage D during the investment period	Three stages	75%
# young people that will move from Stage B to Stage C during the investment period	One stage	25%
# young people that will move from Stage B to Stage D during the investment period	Two stages	50%
# young people that will move from Stage C to Stage D during the investment period	One stage	25%

For a detailed description of the valuation of each of the outcomes including the calculations and the source of the financial proxy, please refer to Appendix 7.

6.2 SROI Filters

To present an accurate view of the value created through the Helping Hand and Linking Youth program, valuation filters (SROI filters) are applied to the financial proxies. This is

in accordance with the SROI principle of not over-claiming. The SROI filters adopted for this project are discussed in Appendix 5.

Different techniques were used to identify the most appropriate filter for each of the outcomes.

Deadweight

To estimate how much of the change will happen anyway (i.e. without the intervention of the project) where possible a comparable population data was used. In other cases, stakeholders were asked to estimate the degree to which they believe the change will occur anyway.

Attribution

An estimate of how much of the change is forecast to be as a result of other stakeholders or activities which were not included in the investment was determined through stakeholder engagement. The attribution assumption is the same across all four outcomes as the input from other stakeholders will not contribute towards one specific outcome, instead their input will contribute to all of the outcomes.

However, attribution of these other stakeholders will differ for different stages of development the young person is at. At early stages of the development, project activities will be at the core of the changes experienced by the young people. At later stages attribution will increase as young people become more connected into other support networks.

Displacement

Stakeholder engagement was used to identify if any of the outcomes will displace other activities. No activities were identified that will be displaced as a result of the activities of the program.

Duration and Drop-off

Duration refers to how long an outcome lasts for. Through stakeholder consultation, as well referring to industry benchmarks, it was projected that outcomes experienced during the Stages A, B and C will only last for the duration of the program, however, outcomes experienced during Stage D of development will continue for another 2 years after the duration of the program.

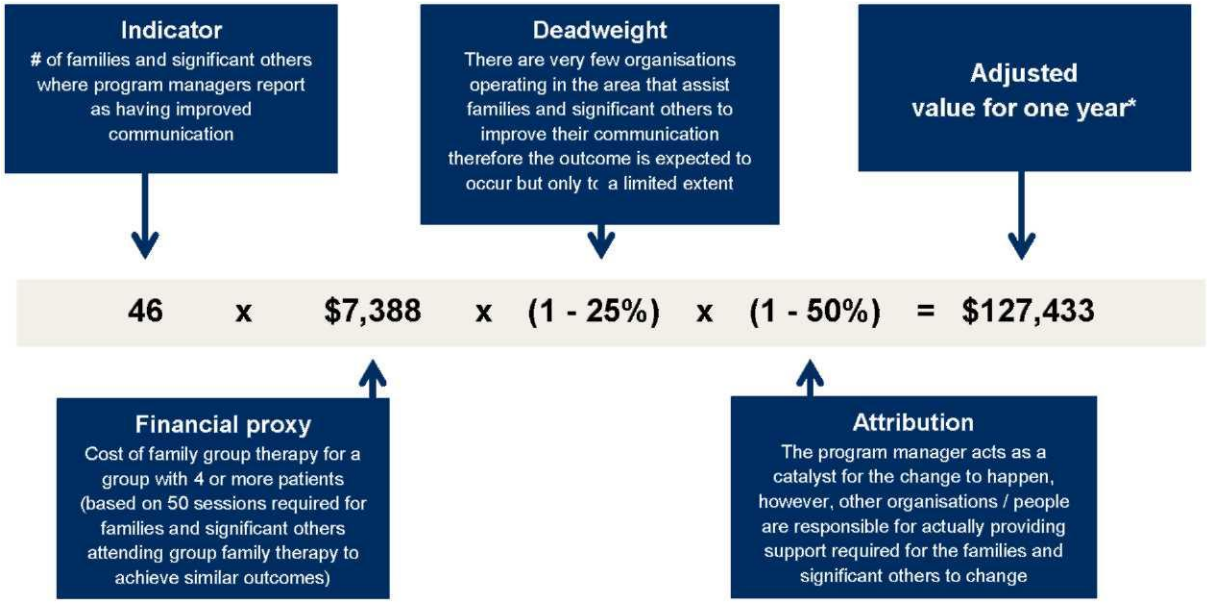
Drop-off recognises that outcomes may continue to last for many years but in the future may be less or, if the same, will be influenced by other factors. Through stakeholder consultation, it was determined that the influence of the program will diminish at a rate of 50% per annum after the program.

The specific SROI filters applied to each outcome in this analysis are included in Appendix 6.

The application of the SROI filters calculates an adjusted annual value for each financial proxy identified for the analysis. This adjusted value represents the value of the outcome that can be solely attributed to the investment described in this analysis.

A worked example of the adjusted value for the *2.1 Improved communication between family members*, a change experienced by family and significant others, is included in Figure 6.1 below.

Figure 6.1 - Worked example for adjusted value of the outcome



**Note: Duration is one year*

Please note that this outcome will last for 5 years which is the period of the investment. The drop-off per cent has not been applied, so the Adjusted Value reflects the value that is forecast to be created in one year.

6.3 Value of outcomes

The total adjusted value is the value calculated for each outcome, which takes into account the following components:

- Financial proxy: value of the outcome
- SROI filters: accounting for whether the outcome happened anyway (deadweight), who else contributed to the change (attribution), whether the outcome displaced other activities or outcomes (displacement) and the how long the outcome lasts for (duration and drop off)
- Quantity: the number of stakeholders experiencing an outcome

The following table is a summary of the total adjusted for all of the outcomes experienced by each stakeholder group.

Table 6.2 - Total adjusted value of outcomes

Outcomes	**Total value for outcome**
1. Young people	—
1.1 Increased self-esteem	$1,154,585
1.2 Increased engagement in meaningful activity	$1,151,668
1.3. More positive connections to others	$569,687

Outcomes	Total value for outcome
1.4 Reduced likelihood of detention or incarceration in the future	$959,488
2. Families and significant others	—
2.1 Improve communication between family members	$223,010
2.2 Increase engagement in lives of the young people in their care	$147,804
3. Community	—
3.1 Improved perceptions of young people	$313,363
4. Justice system	**—**
4.1 Reduction in anti-social behaviour	$178,735
4.2 Decreased number of young people offending	$143,100
4.3 Decreased number of young people in detention	$2,976,699
TOTAL	**$7,818,138**

All of the outcomes identified as material (relevant) to the stakeholders are also material (significant) based on the total value they create for each of the stakeholder groups and their comparison to other stakeholder groups. Therefore, no outcomes were excluded after completion of the valuation stage of the analysis.

For a detailed description of the valuation of each of the outcomes, please refer to Appendix 7.

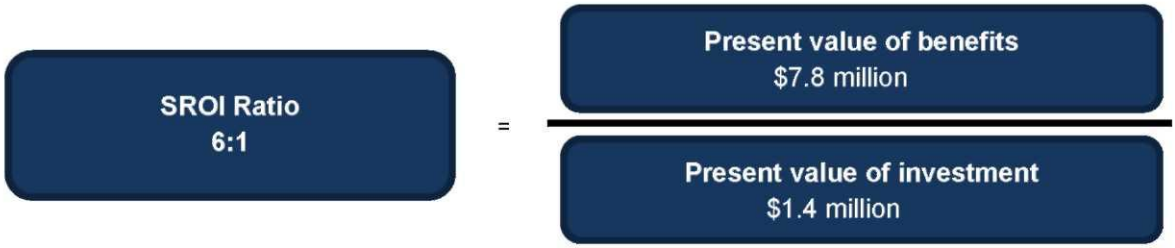
7. Calculating the SROI and testing assumptions

7.1 SROI Ratio

Figure 7.1 - SROI ratio

The Helping Hand and Linking Youth program is forecast to deliver an SROI ratio of 6:1 based on the projected investment and operations for the financial years FY15 to FY19.

That is, for every $1 invested, approximately $6 of social value is forecast to be created.



About the SROI Ratio

This analysis has discussed a number of issues that need to be considered when interpreting the SROI ratio. Some of the key issues include:

- The values for the projected benefits are estimates and provide an indication of the value that is forecast to be generated through the Helping Hand and Linking Youth program only.
- The SROI ratio represents the additional value created, based on the SROI principles. This is the unique value that is created by the program attributable to the investment for this specific period
- SROI ratios should not be compared between organisations without having a clear understanding of each organisation's mission, strategy, program or stakeholder logic, geographic location and stage of development. A judgement about investment decisions can only be made when using comparable data.
- No discount rate was used to discount future benefits that are forecast to be realised or the investment that is forecast to be made into the program during FY15 to FY19. The reason for this is two-fold: (i) an application of the discount rate is not material to the analysis as most of the change is expected to occur during the defined investment period; and (ii) the outcomes experienced are not linked to the year in which they occur, instead they either occur or not and when they do occur they are only valued once. One exception is outcomes in the Stage D which are expected to last after the investment period; however, this represents only a small portion of the total outcomes created.

7.2 Testing assumptions

It is important that the SROI calculations are tested by understanding how the judgements made throughout the analysis affect the final result.

In this section, SVA Consulting identified the judgements that are most likely to influence the SROI ratio, and consider how sensitive the ratio is to changes in these judgements. To decide which judgements to test, two key questions were considered:

- How much evidence is there to justify our judgement? The less evidence available, the more important it is to test
- How much does it affect the final result? The greater the impact, the more important it is to test.

The assumptions that were tested in the sensitivity analysis for this report are in Table 7.1 below.

Table 7.1 - Sensitivity analysis on identified variables

Variable	Baseline judgement	New Assumption	SROI Ratio
—	Baseline	—	6:1
1. Investment period	5 year forecast	2 year forecast	6:1
2. Quantity: Projected case load	13 new young people per annum	7 new young people p.a	4:1
2. Quantity: Projected case load	13 new young people per annum	25 new young people p.a	10:1
3. Quantity: Mix of young people in the new intake by level of need	Mix based on historic participation and success and program manager's expectation of likelihood of the current cohort progressing through the stages of development. Mix of the young people based on support needs assumed to be: Medium need: 16% High need: 28% Very high needs: 56%	Assume mix of new young people is skewed towards medium and high need: Medium need: 80% High need: 15% Very high needs: 10%	7:1

Variable	Baseline judgement	New Assumption	SROI Ratio
4. Financial proxy: Value of detention outcomes for the justice system	Saving between $33k and $35k per young person who are unlikely to end up in detention	Halve the financial proxy value ($17k to $18k per young person)	5:1
4. Financial proxy: Value of detention outcomes for the justice system	Saving between $33k and $35k per young person who are unlikely to end up in detention	Double the financial proxy value ($66k and $70k per young person)	8:1
5. Financial proxy: Outcome 1.1	Financial proxy calculated using Medicare schedule fee for consultation with a counsellor at $98 per session	Apply higher rate of $228 per session based on a rate recommended for the practitioners by Australian Psychological Society	7:1
6. Attribution	Attribution for young people outcomes matched to stage of development: Stage A = 0% Stage B = 25% Stage C = 25% Stage D = 50% Attribution for the justice system outcomes is in line with the assumptions for the young people (i.e. indicators of change are linked to the stages of young people's development)	Assume equal attribution of 50% for young people outcomes across all stages of development 50% attribution for the justice outcomes	4:1
7. Duration	When young people reach Stage D, outcomes last for 2 years beyond the investment period In all previous stages of development, outcomes last only for the duration of the investment period	Assume all outcomes last for the duration of the investment period	5:1

As with any financial modelling, it is expected that any changes in the variables would result in changes to the SROI ratio. This sensitivity analysis is a useful indicator of which variable/s have the most significant impact on the ratio. The most sensitive variables are

2: Projected caseload quantity, and 4: Financial proxy: Value of detention outcomes for the justice system.

However, in all scenarios tested the SROI ratio remains above 1:1, indicating that social value that is forecast to be created is likely to be greater than the investment that is forecast to be made in the program. It will be important to collect data related to the most sensitive variables to ensure that these assumptions are robust and monitor any departures from the baseline judgements to ensure that the program is creating the expected level of social return on investment.

8. Conclusion

This section summarises the conclusions of the SROI analysis.

8.1 Summary of value created

This project projected the costs and expected benefits of Helping Hand and Linking Youth over five years. Stakeholder consultation was a key component of the analysis in order to identify and understand the changes likely to be created in the future. The SROI analysis then measured and valued the outcomes forecast to be experienced by stakeholders.

The Helping Hand and Linking Youth program has a substantial impact on the lives of young Aboriginal people in Inverell, New South Wales who have been incarcerated or are at risk of incarceration. This has positive flow-on effects for the young people's families, the community and the justice system.

The total value created by the program is the unique value created by Helping Hand and Linking Youth for the stakeholders attributable to the projected five year investment. The following table is a summary of the value that is forecast to be created for each stakeholder group.

Table 8.1: Value created for each stakeholder group (before discount rate applied)

Stakeholders	Outcomes due to Helping Hand and Linking Youth program	Value creation	Value per stakeholder group (FY15-FY19)
1. Young people	1.1 Increased self-esteem	$1.15m	**$3.8m (49%)**
	1.2 Increased engagement in meaningful activity	$1.15m	
	1.3. More positive connections to others	$0.6m	
	1.4 Reduced likelihood of detention or incarceration in the future	$1.0m	
2. Family and significant others	2.1 Improve communication between family members	$0.2m	**$0.4m (5%)**
	2.2 Increase engagement in lives of the young people in their care	$0.1m	
3. Community	3.1 Improved perceptions of young people	$0.3m	**$0.3m (4%)**
4. Justice system	4.1 Reduction in anti-social behaviour	$0.2m	**$3.3m (42%)**
	4.2 Decreased number of young people offending	$0.1m	
	4.3 Decreased number of young people in detention	$3.0m	

Stakeholders	Outcomes due to Helping Hand and Linking Youth program	Value creation	Value per stakeholder group (FY15-FY19)
Total Value Created (FY15-19)		—	**$7.8m**
Investment		—	**$1.4m**
SROI Ratio		—	**6:1**

Our analysis indicates that Helping Hand and Linking Youth is forecast to deliver $7.8 million of social value in a five year period between FY15 and FY19. Based on a projected investment of $1.4 million, this results in an SROI ratio of 6:1. That is, approximately $6 of value is forecast to be created for every $1 invested in Helping Hand and Linking Youth activities. If the anticipated funding from the Department of the Prime Minister and Cabinet (approx. $216k per annum) is considered independently, the Social Return on Investment ratio is 7:1.

Due to the program preventing young people from engaging in anti-social and criminal behaviour, it is forecast that it will be possible for the justice system to reallocate resources that would ordinarily be used to address these issues. Based on average policing, courts, juvenile justice and detention costs, this equates to almost $471k per annum[14], which is far greater than the amount that is expected to be invested in the program. The SROI ratio is 2:1 when only justice outcomes are included.

8.2 Insights

The Helping Hand and Linking Youth program's intensive support model leads to a holistic transformation of young people's lives that will enable them to break the cycle of offending and re-offending. It has a number of critical elements:

Long-term, tailored approach

This analysis suggests that intensive rather than short term or piecemeal support is required to transform the lives of young people with high support needs who experience multiple risk factors for offending, such as alcohol and drug use, mental health and family dysfunction.

A successful transition to adulthood requires the young people to have their basic needs met (such as having a safe place to stay), to engage in meaningful activities and to develop positive connections to others. The program achieves this by focusing on the underlying causes of offending and providing an unwavering support for the young people, which many have not experienced in the past. Movement through these stages of development, as documented in Section 4.4 and summarised in Figure 4.4, are the long-term benefits of reduced offending and reduced incarceration.

It takes a long time to reap all the benefits of the program; however even relatively small changes experienced by the young people are significant given the challenges they face in their lives.

[14] Note: The justice system is expected to continue to experience benefits during, and two years beyond, the investment period therefore this amount pertains to FY15-FY21.

Mentoring relationship integrated into support

Mentoring is a key component of the program's success, as it allows a focus on goal setting, personal growth and maximising the young person's potential. Mentoring is carried out by the program manager and the Aboriginal Mentor, in both a structured and unstructured way that is tailored to the needs and stage of development of the young person.

Mentoring facilitates the achievement of all of the outcomes by the young people. It contributes to the establishment of trust between the young person and the program manager / Aboriginal Mentor, which allows the young person to learn from these adult role models and emulate their behaviour.

A critical element of the mentoring is the mentors' similar experiences to the young people, which makes them easier to relate to and makes the support grounded to the young people's own experience.

Engagement with culture and Elders

The program assists the young people to connect or re-connect with their Aboriginal culture. This takes place in a variety of forms including by introducing the young people to Aboriginal Elders in the community, spending time in the Men's Shed for young men and Aboriginal Elders to meet and share experiences, and cultural and art activities.

The level of engagement in cultural aspects of the program depends on the young person; some become more involved in this aspect of the program than others. For those that do engage, they experience numerous benefits including feeling a sense of belonging to a community, more pride in themselves and their role in the community and increased connection to culture.

Strong partnerships with other service providers and the justice system

The program manager has fostered relationships with a range of service providers in the community including drug and alcohol counsellors, education providers, homelessness services and government agencies.

This has two main consequences. The first is that it creates collaboration - the program manager works with other service providers to deliver activities or programs tailored to the needs of the young people. These include art making, cultural activities, and short courses developed with TAFE that are relevant to or popular with the young people. The result is greater impact for the young people through pooling of resources and skills of multiple service providers.

The second main consequence is that the young people are more likely to engage with the other service providers and receive better care and support as a result of the program. The program is one of the few Aboriginal service providers in Inverell, and it has developed a strong rapport with the local Aboriginal community, including the families and significant others of the young people and the young people themselves. They feel more comfortable reaching out to the program manager than many other service providers in the community. As a result of the program, including through the program manager attending appointments with the young people, the connection between the young people and other services providers is strengthened and the young people benefit from the services.

The effectiveness of these partnerships is heavily reliant on the personal relationships of the program manager with other service providers.

Intermediary for the justice system

As a result of the program, the number of young people from Inverell and surrounding areas who are in juvenile detention is less. This came through strongly in stakeholder consultations including consultation with the program manager about the experiences of current and past cohorts of young people who have been involved with the program. . Between 2012 and 2014, 71 per cent of the young people involved in the program did not reoffend (22 of 31 clients).[15] This compares favourably to multiple studies of youth recidivism that have found the juvenile reoffending rate to be 68 per cent (i.e. only 32% did not reoffend).[16]

Those involved in administering the justice system, especially the local police force, benefit from the closeness of the LTC staff with the local Aboriginal community as well as the trust and respect the program receives. The local police rely on the program manager to bridge the gap between the Aboriginal community and themselves, as they acknowledge that many people are unwilling to engage with police without the program manager playing an intermediary role.

The program is also beginning to increase efficiency in the local court system by influencing the sentencing of young people who are part of the program. It is becoming increasingly common for the courts to include participation in the program as part of a young person's bail conditions. Through this, the program facilitates less young people in detention immediately and, since rates of recidivism are high among young people, less young people in detention in the future.

The financial benefit that the justice system experiences as a result of the program is a reallocation of resources that would ordinarily be used up in addressing antisocial behaviour, offending and detention of the young people in the program.

Due to the program preventing young people from engaging in anti-social and criminal behaviour, it is forecast that it will be possible for the justice system to reallocate resources that would ordinarily be used to address these issues. Based on average policing, courts, juvenile justice and detention costs, this equates to almost $471k per annum[17], which is far greater than the amount that is expected to be invested in the program. The SROI ratio is 2:1 when only justice outcomes are included.

[15] Helping Hands and Linking Youth program data, 2014.
[16] Chen et al in Australian Institute of Criminology, *Recidivism in Australia: findings and future research*, 2007, p.79.
[17] Note: The justice system is expected to continue to experience benefits during, and two years beyond, the investment period therefore this amount pertains to FY15-FY21.

9. Recommendations

This section suggests recommendations for the Helping Hand and Linking Youth program on how to improve outcomes measurement for the future and other actions that build on the insights from the analysis.

9.1 Recommendations to improve outcomes measurement

At the commencement of this project, there had been little data collected over time to indicate the changes experienced by stakeholders and quantities of stakeholders experiencing those changes. Through stakeholder consultation, and working with the program manager, we developed an understanding of the changes experienced by stakeholders and constructed a dataset of changes experienced by stakeholders that had been involved with the program in the past.

To indicate the quantity of young people that will experience the outcomes we:

- Mapped the experience of past and current clients - start date, end date, status, stage of development reached
- Projected the stage of development reached by the current clients in the next two and five years, based on stakeholder consultation
- Grouped clients into three categories based on the length of time spent in the program
- Modelled the projected stage of development reached by future clients (based on the experience of past and current clients).

We have made the following professional judgements in our modelling of the changes young people will experience:

- If clients do not progress through one or more stages of development, they do not experience change
- If clients do progress through one or more stages of development, they experience all four of the material outcomes
- The outcomes are experienced differently across the stages of development
- 13 new young people join the program per annum
- The movement of future clients through the program will match the movement of past clients. This approach is described in detail in Section 5.1.

The analysis included in this report is reliant on estimates made by the organisation, based on the program manager's extensive knowledge of the young people. We cross-checked the estimates and assumptions with other stakeholders, including our notes from interviews with the young people themselves, and tested them against population data (where relevant). The willingness and ability of young people to engage in the consultation process (for example, due to mental incapacity or a lack of trust for the interviewers) also limited the engagement of young people in this analysis.

To improve the rigour of future analyses, Helping Hand and Linking Youth program staff should collect data on the activity delivered (outputs) and the changes experienced by

stakeholders as a result of this activity (outcomes) on an on-going basis. Helping Hand and Linking Youth program staff should focus on answering these five questions:

1. Who is changed?

2. How do they change?

3. How do you know that they have changed?

4. How much is as a result of you?

5. How important are the changes?

To order to answer these questions, Helping Hand and Linking Youth should track for each young person that they work with:

- Date commenced with the program (start date) and date exited the program (end date)
- Program engagement (e.g. active, inactive)
- Activities that the program provides (e.g. recreation, mentoring)
- Progress towards the achievement of each of the outcomes (increased self-esteem; increased engagement in meaningful activity; more positive connections to others; reduced likelihood of detention or incarceration in the future)
- Number of years that the outcome is experienced for
- Background (e.g. education level; employment history; mental health issues; housing situation; alcohol and drug use; offending history)
- Other support services accessed (i.e. to indicate who else is contributing to change, this will be used to calculate attribution in the future).

A Social Outcomes Measurement and Evaluation Tool has been developed as a part of this project.

Due to the nature of the program and the number of young people in the program, the Social Outcomes Measurement and Evaluation Tool was developed with the following objectives in mind:

- Simple - not over-burdensome on program staff or undermine their ability to deliver the project, including the critical relationship development aspect of the program;
- Meaningful - helping the program staff to deliver optimally against their objectives;
- Timely - allowing for regular collection and monitoring of data to allow for course corrections;
- Transparent - negative findings are identified, acknowledged and addressed;
- Context-aware - clear about how changes in the environment of the project impact on project outcomes (e.g. changes to youth justice approaches in different

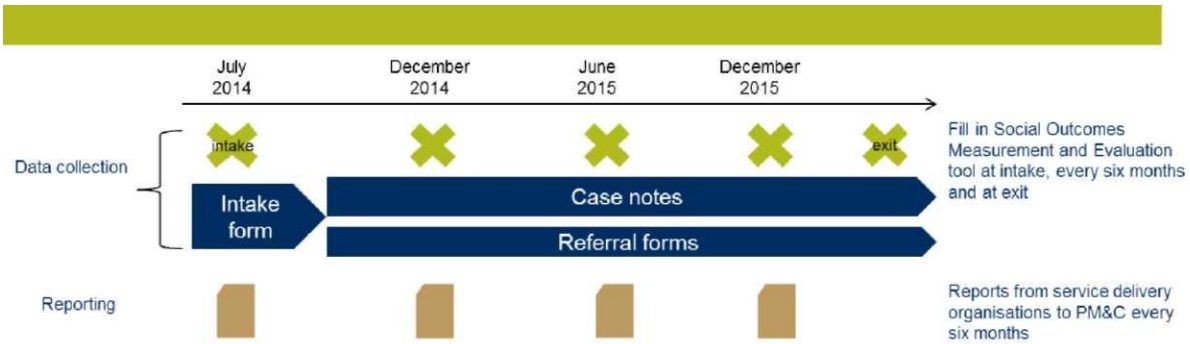
states and territories); and Provide value - to young people, to program staff, as well as funders.

The Social Outcomes Measurement and Evaluation Tool is designed so that the young people self-select whether they are experiencing change as a result of the program. For Outcome 1.1 (Increased self-esteem), the young people are asked to answer a questionnaire based on Rosenberg's Self-Esteem scale, which has been proven to provide accurate representation of an outcome of self-esteem. Based on these responses, the program manager can record whether the young person's self-esteem is very low, low, normal or high. Similarly, for Outcome 1.3 (Positive connection to others) the young person is asked to answer questions about their connection to the people around them which were designed with reference to The Household, Income and Labour Dynamics in Australia survey conducted by the University of Melbourne, which is widely used by Australian and International researchers and by the Australian Government. The Social Outcomes Measurement and Evaluation Tool will enable objective and subjective indicators to be used. The tool should be used by program staff to evaluate all young people in the program, including those that this analysis found to have experienced no change as a result of the program and therefore were not counted as stakeholders who experience change.

It is recommended that data be collected during the course of each interaction between the case worker and the young person and checked on intake, at six monthly intervals and at exit from the program. Regular monitoring of data could be used to demonstrate to young people the progress that they have Social Outcomes Measurement and Evaluation Tool made and to assist the case worker better plan how each young person is supported and how to balance competing needs of different young people with limited resources.

The Social Outcomes Measurement and Evaluation Tool has been developed to be integrated into other monitoring and reporting that the program manager already undertakes. Figure 9.1 indicates the proposed timing for using the Social Outcomes Measurement and Evaluation Tool (the green crosses) and how it can be used as a resource for the program manager to assist with other information collection.

Figure 9.1: Proposed timing of capturing data through the Social Outcomes Measurement and Evaluation Tool



Helping Hand and Linking Youth staff should also capture the number of families and community members that it interacts with and periodically assess the changes and the value they derive, as a result of the program. This could help to identify ways how these stakeholders should be involved in the program in the future, to generate the most value for both the young people and these stakeholder groups. This could be achieved through a short face-to-face or telephone survey conducted on an annual basis. These steps will aid in communicating the full impact that the program is having across the different stakeholder groups.

In future it may be possible to compare the outcomes achieved by the program with the outcomes achieved by similar programs, and with changes in the population. This will help to understand the relative effectiveness of the program.

9.2 Other recommended actions

As a result of the insights of this analysis, the following actions are also recommended for the Helping Hand and Linking Youth program:

Funding the program

1. Secure funding for the full costs of the program for a five year period in recognition of the time taken to generate changes for the young people involved

The young people require intense, long-term support to avoid offending or re-offending and to develop the sense of identity necessary to maintain a positive path into adulthood. The average length of time that a young person spending as an active member of the program is 12-15 months, however they can remain in contact with the Helping Hand and Linking Youth staff and continue to engage with the program for up to 5 years. To ensure continuity of support for these young people, it is recommended that the program is funded from periods greater than two years at a time, ideally for up to 5 years.

2. Seek funding from the New South Wales Government in recognition of the significant justice system resource reallocations expected to be generated by the program

The program is expected to generate significant resource reallocations for the justice system. The justice system is administered by the New South Wales Government. It is recommended that Helping Hand and Linking Youth program staff share the findings of the analysis with the state government and seek funding to support its activities. As the current primary funder, the Department could play a role in communicating the credentials of the program to the relevant section of the New South Wales Government.

Demonstrating the value of the program

3. Share insights gained from the program with other organisations focused on youth justice diversion

Stakeholder consultations indicated that Helping Hand and Linking Youth program staff are keen to learn more about the effectiveness of the program, share their experiences and learn from the experience of similar programs. As the program has many of the characteristics recognised as best practice in programs for Aboriginal youth at risk, the program staff should seek out opportunities to share the program design, implementation and impact with other IJP youth justice diversion programs. This could take the form of conference presentations, seminars, and/or participation in research studies.

Appendix 1. Social Return on Investment

The SROI methodology was first developed in the 1990s in the USA by the Roberts Enterprise Development Fund, with a focus on measuring and evaluating organisations that provided employment opportunities to previously long-term unemployed. During the early to mid-2000s, the United Kingdom (UK) Office of the Third Sector provided funding to continue the development and application of the SROI methodology, resulting in the formation of the UK SROI Network.

The SROI principles developed through the UK SROI Network guide SROI analyses. These principles, described in Table A1.1, form the basis of an SROI.

Table A1.1 - SROI Principles

Principle	**Definition**
1. Involve stakeholders	Stakeholders should inform what gets measured and how this is measured and valued.
2. Understand what changes	Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.
3. Value the things that matter	Use financial proxies in order that the value of the outcomes can be recognised.
4. Only include what is material	Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.
5. Do not over claim	Organisations should only claim the value that they are responsible for creating.
6. Be transparent	Demonstrate the basis on which the analysis may be considered accurate and honest and show that it will be reported to and discussed with stakeholders.
7. Verify the results	Ensure appropriate independent verification of the analysis.

Appendix 2. Rationale for inclusion and exclusion of stakeholders

The table below identifies the stakeholders and the rationale for including or excluding them from the SROI analysis.

Table A2.1 -Stakeholder groups included or excluded from the SROI analysis

Stakeholder Group	Included / Excluded	Rationale for Inclusion / Exclusion
Stakeholder 1: Young people	Included	• Young people are the primary targets of the program. • By taking part in the program, the lives of the young people are likely to be significantly impacted.
Stakeholder 2: Families and significant others	Included	• The Helping Hand and Linking Youth program engages with the families and significant others of the young people that participate in the program. • By taking part in the program, the lives of young people are likely to be significantly impacted, which will affect the lives of this stakeholder group.
Stakeholder 3: Community	Included	• The young people that participate in the program engage with members of the community. • Through these interactions this group experiences changes.
Stakeholder 4: Justice system	Included	• The young people that participate in this program are at high risk of interacting with the justice system. • By taking part in the program, the lives of young people are likely to be significantly impacted, which will affect the demands on this stakeholder group.
Stakeholder 5: Department of the Prime Minister and Cabinet	Included	• The Department of the Prime Minister and Cabinet is the primary source of funding for the program. • The Department, however, do not experience significant change as a result of the program.
Helping Hand and Linking Youth staff	Excluded	• The staff and Board members are a valuable input for the program delivery; however they did not experience change themselves outside their usual responsibilities.

Stakeholder Group	Included / Excluded	Rationale for Inclusion / Exclusion
Inverell Shire Council	Included	• The Council invest cash and time in the program • However, the Council itself does not experience material outcomes. The outcomes experienced by the Community capture the experience of the Council. These were not accounted for separately to avoid double counting.
Inverell Shire Council staff	Excluded	• The Council staff are important contributors towards achieving change, and they are remunerated for their efforts, but the changes they experience are not material.

Appendix 3. Interview guides

The following are interview guides used to guide conversations with the young people, staff at LTC and others.

Interview guide - Young people

Disclaimer

Our intent is to get as much background on the young people we will be interviewing from the case managers, this will allow us to focus on a smaller number of questions with the young people themselves;

The list of questions is not necessarily in the order that they will be asked. The aim of the interview is to keep the conversations fluid and as open as possible and the questions below serve merely as a guide.

Before each interview with a young person, we will check explicitly with their case manager if there are any sensitive areas that we should avoid such as asking about their past or the future, or their relationships with their family. If such areas exist, the interviewer will not touch upon those areas in conversations with the young people.

Introduction

My name is [Name], and I'm from Sydney. I work at Social Ventures Australia (SVA), which is an independent non-profit organisation. We work with organisations that are doing good things to help them increase the impact of their activities.

We are working with the Linking Together Centre to understand and measure the impact of the Helping Hand and Linking Youth program. This conversation is to understand the changes experienced by the young people taking part in the program, and also your personal experience of working with the Linking Together Centre.

No information will be used in any way that reveals your identity. If you feel uncomfortable, you can stop the interview at any point.

Background

1. Tell me about yourself

2. How long have you been involved with the program?

Inputs, outputs and outcomes

1. What made you want to join the program? What were you hoping to change in your life?

2. What do you do as part of the program?

3. What were some of the things that changed for you soon after you started the program?

4. Specifically, describe what the program helped you do once you started?

5. How important was this support? Do you think you could have gotten support with these things somewhere else?

6. What are some of the good and bad things that have happened in your life because of the program?

7. [Prompts for areas to explore: Offending; Health (mental & physical wellbeing); Relationships / Friendships; Education; Employment; Community Engagement?]

8. What things do you do differently now that you didn't do before the program?

Measuring and valuing change

1. Based on what you told me as well as what I have heard about the experiences young people report about the program, I would like you to help me understand how much these different things happen to you. I will read these out to you and I would like you to tell me if you have experienced this not at all, a little bit, quite a bit, or a lot? (Interviewer to tick the correct response).
[Options for measuring change: Ask young people to pick cards with different sized shapes to represent how much change they experience; ask them to work alone to tick boxes; ask them to move to a point in a line; if speaking with groups of young people, could ask them to ask each other in pairs or put their hands up]

2. How important were these changes to you? (interviewer to tick the correct response)
[Rating: Not important, a little important, Important, critical, N/A]

3. We are trying to understand how valuable the program is to you. As the world works on dollars and cents, we're trying to put this in dollar terms. We can do this by comparing what's changed for you to the value of other ways that could have happened, or by understanding how the program ranks compared to other things you like.

   [Options for testing value:

   Stated preferences technique

   - Value game: So, I'd like to ask you to order these 5 things in order of the most important thing to you to the least important thing to you. Where would you put the program in this order? [Need to develop a list of 5 things or activities that young people like and that have a market value]

   - Willingness to pay: If you could have the money that it costs to deliver the program in your pocket instead ($x), what would you do with it? How much, if any, would you spend on attending the program? [Need to determine cost per participant]

   Revealed preferences technique

   - Replacement valuation: What are some things you could do that would come closest to getting you the same changes you have experienced through the program? [Need to develop a list of 5 things or activities that young people do and that have a market value]'

4. What do you think would be different in your life if you weren't involved in this program?

5. [Another way to ask:] If the program did not exist, how much of these things would have happened to you anyway?

6. What do you think the changes you have seen in your life will mean for your future?

7. What are some of your plans for the future? Have you always had these plans or you have changed them since starting the program?

8. How long will / did the changes you spoke about last for?

9. If you were to leave the program today, how long would you continue to experience the changes you described?

10. You told me that some things are different for you now since joining the program, is that just because of being part of this program or because of some other things or people helping too? [For example, are there any other organisations involved? What has been the impact of your teachers or employer?]

11. Has anything changed for your family as a result of your involvement with the program?

12. Are the any other changes you would like to share with me that have happened since joining the program?

Interview guide - Staff

Disclaimer

The list of questions is not necessarily in the order that they will be asked. The aim of the interview is to keep the conversations fluid and as open as possible and the questions below serve merely as a guide.

Introduction

My name is [Name], and I'm from Sydney. I work at Social Ventures Australia (SVA), which is an independent non-profit organisation. We work with organisations that are doing good things to help them increase the impact of their activities.

We are working with the Linking Together Centre to understand and measure the impact of the Helping Hand and Linking Youth Program. This conversation is to understand the changes experienced by the young people taking part in the program, and also your personal experience of working with the Linking Together Centre.

No information will be used in any way that reveals your identity. If you feel uncomfortable, you can stop the interview at any point.

Background

1. How long have you been working with the organisation?

2. Please describe your key duties, roles and responsibilities

3. How many young people have you worked with in the past and how many are you working with now?

4. Who are the other stakeholders in the program?

Program activities and inputs/investment

I would like to understand more about the program.

1. Have there been any changes to the program in the past, including level of investment (financial or otherwise) and type of support provided to young people?

2. If so, why did the program change?

3. For the program to run the way it does, what additional un-paid time or community resources are required? How much un-paid time or resources is needed per week/month?

4. Is the program likely to continue in the future?

5. Are you expecting any changes to the program, including level of investment and type of support provided to young people?

6. Would these changes be likely to change the outcomes experienced by young people and other stakeholders?

About the changes experienced by the young people

I would like you to consider some of the changes in the lives and behaviour which you have observed in the young people under your care or more broadly participating in the program.

If you would find it helpful, use specific examples of stories or experiences you have shared with the young people, though it is not necessary to reveal their names.

Background

Please tell me a little bit about the young people who you currently work with

1. What are the situations / circumstances that bring them into the program?

2. Are there key categories of young people who participate (e.g. genders, ages, level of involvement, length of involvement, family circumstances, past involvement in justice system)?

3. How do you support these young people?

4. How often do you see them?

5. How long do you work with each young person?

6. How do you work with other organisations? How significant is the impact of other organisations in being able to successfully do your job?

7. Is there anything else that we need to know about the young people or the program which would influence our understanding of the changes they might experience and the impact of the program on their lives?

Measuring and Valuing Impact

Thinking about young people you worked with both past and present ...

1. What specifically do the young people hope to change in their lives by being part of the program?

2. What are some of the most important changes, good and bad, that these young people experience as a result of the program?

    a. [Prompts for areas to explore: Offending; Health (mental & physical wellbeing); Relationships / Friendships; Education; Employment; Community Engagement?]

    b. Do these changes affect their families in any way? How?

3. Specifically, what things do they do differently as a result of the program that they didn't do before?

4. Which of the changes that you have described are:

    a. The most important / significant to the young people? Why?

    b. Important to other stakeholders? Why?

5. What activity is linked to what outcomes?

6. What do these changes mean for the future of these young people?

7. How would young people value the changes?

    a. What are some other things young people could have done that would have led them to experience the same changes?

    b. What are some things or activities that young people like to do (and that have a market value)?

8. From your experience, before these young people come into the program what sort of support or governmental services would have they been using?

    a. For example: welfare services/Centrelink, doctors/hospitals, child protection, police…

    b. Do they continue using or contacting these services more or less during the time at the program and after case management ceases? How much less e.g. one less police call out per person, 6 months less working with employment service provider? Is there data available on service use?

    c. Are there cost savings associated with decreased service use?

9. How would their lives have been different if this program did not exist?

    a. What sort of services and support would have they received?

    b. To what extent do you think these young people would have been able to achieve the things you have seen them do, if the program did not exist?

10. The changes in the lives of the young people, how long each of them is likely to last for?

11. What percentage or number of young people have experienced these outcomes, and to what extent? How important are these changes to the young people? Who else contributed to these changes? What would have happened if the program wasn't there? How long is each of these changes likely to last for?

About your experience of working with the organisation

Measuring and Valuing Impact

1. How does having this job make you feel?

2. Were there any immediate changes to your life/wellbeing that you noticed after starting work here?

    a. How are these changes different to those experienced in previous workplaces?

3. What are some of the new competencies and skills that you have developed from working here?

    a. How important are they to you?

    b. Do you think you would have acquired similar skills and competencies in other jobs that were available to you? Why or why not? How big is the difference?

4. What has changed in your life as a result of working for the program?

    a. Is there anyone else who has been affected by these changes besides yourself as a result of your working for the program? (for example, members of your family, friends etc)

5. Is there anything that you do differently now that you did not do before you started working here?

6. Are there any negative changes as a result of having a job here?

7. What do you believe would be different now in your life if you had not got this job?

8. Were there any other factors / organisations / people which contributed to the changes you told me about?

9. How long would the impacts you spoke about last?

10. Are the any other feelings you can share with me that you have experienced since having this job?

Interview guide - Other organisations

Disclaimer

The list of questions is not necessarily in the order that they will be asked. The aim of the interview is to keep the conversations fluid and as open as possible and the questions below serve merely as a guide.

Introduction

My name is [Name], and I'm from Sydney. I work at Social Ventures Australia (SVA), which is an independent non-profit organisation. We work with organisations that are doing good things to help them increase the impact of their activities.

We are working with the Linking Together Centre to understand and measure the impact of the Helping Hand and Linking Youth program. This conversation is to understand the changes experienced by the young people taking part in the program, and also your personal experience of working with the Linking Together Centre.

No information will be used in any way that reveals your identity. If you feel uncomfortable, you can stop the interview at any point.

Background

1. How long have you been working for your organisation?

2. Please describe your key duties, roles and responsibilities

3. How is your organisation involved with the program, or the young people who participate in the program??

4. How long has your organisation been involved with program?

5. What made you want to get involved with the program?

6. How many young people have you worked with in the past and how many are you working with now? How many of them have been involved in the program?

7. What do you put into the program? Time? Effort? Money?

About the changes experienced by the young people

I would like you to consider some of the changes in the lives and behaviour which you have observed in the young people participating in the program.

If you would find it helpful, use specific examples of stories or experiences you have shared with the young people, though it is not necessary to reveal their names.

Measuring and Valuing Impact

Thinking about young people you worked with both past and present.

1. What specifically do the young people hope to change in their lives by being part of the program?

2. What are some of the most important changes, good and bad, that these young people experience as a result of the program?

    a. [Prompts for areas to explore: Offending; Health (mental & physical wellbeing); Relationships / Friendships; Education; Employment; Community Engagement?]

    b. Do these changes affect their families in any way? How?

3. Specifically, what things do they do differently as a result of the program that they didn't do before?

4. Which of the changes that you have described are

    a. The most important / significant to the young people? Why?

    b. Which of these changes are important to other stakeholders? Why?

5. What activity is linked to what outcomes?

6. What do these changes mean for the future of these young people?

7. How would young people value the changes?

    a. What are some other things young people could have done that would have led them to experience the same changes?

    b. What are some things or activities that young people like to do (and that have a market value)?

8. How would their lives have been different if this program did not exist?

    a. What sort of services and support would have they received?

    b. To what extent do you think these young people would have been able to achieve the things you have seen them do, if the program did not exist?

9. For the changes described in the lives of the young people, how long is each of them is likely to last for?

About the changes experienced by you and your organisation

Measuring and Valuing Impact

1. What has changed for you and your organisation as a result of being involved with the program? Which changes are most important?

2. What do you hope your involvement with the program will lead to in the future?

3. Are there any negative factors arising from your involvement with the program?

4. How do you measure the changes (outcomes) you have described above?

5. How would you value these outcomes?

6. Is there a financial proxy you can use to value that outcome?

7. From your experience, before these young people come into the program what sort of support or governmental services would have they been using?

    a. For example: welfare services/Centrelink, doctors/hospitals, child protection, police…

    b. Do they continue using or contacting these services more or less during the time at the program and after case management ceases? How much less

e.g. one less police call out per person, 6 months less working with employment service provider? Is there data available on service use?

c. Are there cost savings associated with decreased service use?

8. What would have happened for you and your organisation without the program?

9. What other organisations or people, if any, played a role in helping you achieve the changes you described?

10. How long would you continue to experience the outcomes you described if your organisation was no longer involved in the program?

11. Has being involved in the program displaced other activities or outcomes you would have done / achieved?

Appendix 4. Valuation techniques

Technique	Description and examples
Cash transaction	An actual cash saving or cash spent by the stakeholder group. For example: • A reduction in welfare payments is a direct cash benefit to the Government
Value of resource reallocation	A program or service results in outcomes that allow resources to be used in different ways. For example: • A reduction in crime may not result in less cost to the justice system because there is not a change in the overall costs of managing the justice system (so it is not a "cash transaction"). However, a value can be placed on the amount of resources that can be reallocated for other purposes
Revealed preferences	This is when a financial proxy is inferred from the value of related market prices. This can be achieved in the following ways: • Is there something in a stakeholder's group behaviour that will reveal the value of an outcome? For example, we may observe that stakeholders with less depression are now socialising more and going out for dinner with friends. The financial proxy is therefore the value of the dinners • Through stakeholder consultation, is there a similar service or program that would achieve the same amount of change? This is often referred to as a "replacement valuation"
Stated preferences	This is when stakeholders are explicitly asked how much they value an outcome. This can be done in a number of ways: • Stakeholders are asked their "willingness-to-pay" or willingness-to-avoid" to achieve the outcome These are hypothetical cash transactions. • Stakeholders are asked to make a choice based on a series of options presented to them through "participatory impact" exercises. This can also be referred to as "choice modelling".

Appendix 5. SROI Filters - general assumptions

1. Deadweight - Deadweight is an estimation of the value that would have been created if the activities from the program did not happen. An outline of the deadweight categories adopted for this analysis is included in Table A5.1.

Table A5.1 - Deadweight description

Category	Assigned deadweight
1. The outcome would not have occurred without the activity	0%
2. The outcome would have occurred but only to a limited extent	25%
3. The outcome would have occurred in part anyway	50%
4. The outcome would have occurred mostly anyway	75%
5. The outcome occurred anyway	100%

2. Displacement - Displacement is an assessment of how much of the activity displaced other outcomes. An outline of the displacement categories adopted for this analysis is included in Table A5.2.

Table A5.2 - Displacement description

Category	Assigned deadweight
1. The outcome did not displace another outcome	0%
2. The outcome displaced another outcome to a limited extent	25%
3. The outcome partially displaced another outcome	50%
4. The outcome displaced another outcome to a significant extent	75%
5. The outcome completely displaced another outcome	100%

3. Attribution - Attribution reflects the fact that the investment and core program activity is not wholly responsible for all of the value created. An outline of the attribution categories adopted for this analysis is included in Table A5.3.

Table A5.3 - Attribution description

Category	Assigned deadweight
1. The outcome is completely a result of the activity and no other programs or organisations contributed	0%
2. Other organisations and people have some minor role to play in generating the outcome	25%
3. Other organisations and people have a role to play in generating the outcome to some extent	50%

Category	Assigned deadweight
4. Other organisations and people have a significant role to play in generating the outcome	75%
5. The outcome is completely a result of other people or organisations	100%

4. Duration and Drop-off - Duration refers to how long an outcome lasts for. Drop-off recognises that outcomes may continue to last for many years but in the future may be less, or if the same, will be influenced by other factors. The drop-off rate indicates by what percentage the value of the outcome declines each year. An outline of the drop-off categories adopted for this analysis is included in Table A5.4.

Table A5.4 - Drop-off description

Category	Assigned deadweight
1. The outcome lasts for the whole period of time assigned to it	0%
2. The outcome drops off by 25% per year from year 2 on	25%
3. The outcome drops off by 50% per year from year 2 on	50%
4. The outcome drops off by 75% per year from year 2 on	75%
5. The outcome drops off completely by the end of the time period	100%

Appendix 6. SROI Filters - applied in this analysis

1. Young People

1.1 Increased self-esteem

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose self-esteem will increase from extremely low to very low during the investment period	25%	Program managers reported that the young people they work with present with a range of mental health issues, most of which are not diagnosed. The Health and Well-being of Incarcerated Adolescents study by the Royal Australasian College of Physicians (2011, p.22) estimates that up to 75% of young people in the youth justice system fulfil the criteria for one or more diagnosable psychiatric disorders. The inverse of 75% is the 25% deadweight.	0%	Nothing is displaced	0%	Attribution to other stakeholders changes as young people go through the stages of development (Stage A -0%, Stage B - 25%; Stage C - 25%, Stage D - 50%). Average attribution is calculated, based on the journey the young people made during the investment period.	NA	0%	No drop-off because outcome lasts only during the program
# young people whose self-esteem will increase from extremely low to low during the investment	25%		0%		13%		NA	0%	
# young people whose self-esteem will increase from extremely low to below average during the investment period	25%		0%		17%		NA	0%	
# young people whose self-esteem will increase from extremely low to average during the investment period	25%		0%		25%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose self-esteem will increase from very low to low during the investment period	25%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# young people whose self-esteem will increase from very low to below average during the investment period	25%		0%		25%		NA	0%	
# young people whose self-esteem will increase very low to average during the investment period	25%		0%		33%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose self-esteem will increase from low to below average during the investment period	25%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# young people whose self-esteem will increase very low to average during the investment period	25%		0%		38%		2	50%	Influence of the program is decreased over time as

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose self-esteem will increase from below average to average during the investment period	25%		0%		50%		2	50%	young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

1.2 Increased engagement in meaningful activity

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a very small extent during the investment period	27%	The young people who are engaged in the program have already been in contact with the law and in most circumstances are already facing court. Based on the 2009 NSW Department of Juvenile Justice Young People in Custody Health Survey (p.16), the proportion of Aboriginal young people in custody in NSW who were attending school, TAFE or worked in the 6 months before custody was 27%, which is the deadweight.	0%	Nothing is displaced	0%	Attribution to other stakeholders changes as young people go through the stages of development (Stage A -0%, Stage B - 25%; Stage C - 25%, Stage D - 50%). Average attribution is calculated, based on the journey the young people made during the investment period.	NA	0%	No drop-off because outcome lasts only during the program
# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a small extent during the investment period	27%		0%		13%		NA	0%	
# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a moderate extent during the investment period	27%		0%		17%		NA	0%	

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of young people whose engagement in a meaningful activity will increase from not being engaged at all to being engaged to a large extent during the investment period	27%		0%		25%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a small extent during the investment period	27%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a moderate extent during the investment period	27%		0%		25%		NA	0%	

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of young people whose engagement in a meaningful activity will increase from being engaged to a very small extent to being engaged to a large extent during the investment period	27%		0%		33%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# of young people whose engagement in a meaningful activity will increase from being engaged to a small extent to being engaged to a moderate extent during the investment period	27%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# of young people whose engagement in a meaningful activity will increase from being engaged to a small extent to being engaged to a large extent during the investment period	27%		0%		38%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# of young people whose engagement in a meaningful activity will increase from being engaged to a moderate extent to being engaged to a large extent during the investment period	27%		0%		50%		2	50%	

1.3. More positive connections to others

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose connections increase from extremely weak to very weak during the investment period	25%	The ability to make positive connection is also reliant on the ability of the young people to maintain positive relationships with those around them. When suffering from a psychiatric disorder this is extremely hard. The same source for deadweight is used as for outcome 1.1.	0%	Nothing is displaced	0%	Attribution to other stakeholders changes as young people go through the stages of development (Stage A - 0%, Stage B - 25%; Stage C - 25%, Stage D - 50%). Average attribution is calculated, based on the journey the young people made during the investment period.	NA	0%	No drop-off because outcome lasts only during the program
# young people whose connections increase from extremely weak to weak during the investment period	25%		0%		13%		NA	0%	
# young people whose connections increase from extremely weak to fairly weak during the investment period	25%		0%		17%		NA	0%	
# young people whose connections increase from extremely weak to average during the investment period	25%		0%		25%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose connections will increase from very weak to weak during the investment period	25%		0%		25%		NA	0%	No drop-off because outcome lasts only during

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose connections will increase from very weak to fairly weak during the investment period	25%		0%		25%		NA	0%	the program
# young people whose connections will increase from very weak to average during the investment period	25%		0%		33%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose connections will increase from weak to fairly weak during the investment period	25%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# young people whose connections will increase from weak to average during the investment period	25%		0%		38%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose connections will increase from fairly weak to average during the investment period	25%		0%		50%		2	50%	

1.4 Reduced likelihood of detention or incarceration in the future

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a large likelihood during the investment period	15%	The young people who are engaged in the project have already been in contact with the law and in most circumstances are already facing court. The 2009 NSW Department of Juvenile Justice Young People in Custody Health Survey (p.13) states that 85% of the Aboriginal young people reported having a history of previously juvenile detention. The inverse of 85% is the 15% deadweight.	0%	Nothing is displaced	0%	Attribution to other stakeholders changes as young people go through the stages of development (Stage A -0%, Stage B - 25%; Stage C - 25%, Stage D - 50%). Average attribution is calculated, based on the journey the young people made during the investment period.	NA	0%	No drop-off because outcome lasts only during the program
# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a moderate likelihood during the investment period	15%		0%		13%		NA	0%	
# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a small likelihood during the investment period	15%		0%		17%		NA	0%	
# young people whose likelihood of detention/incarceration will reduce from an extremely large likelihood to a very small likelihood during the investment period	15%		0%		25%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a moderate likelihood during the investment period	15%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program
# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a small likelihood during the investment period	15%		0%		25%		NA	0%	
# young people whose likelihood of detention/incarceration will reduce from a large likelihood to a very small likelihood during the investment period	15%		0%		33%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose likelihood of detention/incarceration will reduce from a moderate likelihood to a small likelihood during the investment period	15%		0%		25%		NA	0%	No drop-off because outcome lasts only during the program

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose likelihood of detention/incarceration will reduce from a moderate likelihood to a very small likelihood during the investment period	15%		0%		38%		2	50%	Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years
# young people whose likelihood of detention/incarceration will reduce from a small likelihood to a very small likelihood during the investment period	15%		0%		50%		2	50%	

2. Family and Significant others

2.1 Improve communication between family members

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of families and significant others which program managers report as having improved communication	25%	Based on interviews: There are very few organisations operating in the area that assist families to improve their communication	0%	Nothing is displaced	50%	Program managers act as a catalyst for the change to happen, however, other organisations / people are responsible to actually providing support required for the families to change	2	50%	In line with assumptions for young people. Once families have experienced this outcome, it lasts for at least 2 years after interacting with the project

2.2 Increase engagement in lives of the young people in their care

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of families and significant others where program managers report as having increase engagement in the lives of young people	25%	Based on interviews: there are very few organisations operating in the area that assist families to increase their engagement in the lives of young people	0%	Nothing is displaced	50%	Program managers act as catalyst for the change to happen, however, other organisations / people are responsible to actually providing support required for the families to change	2	50%	In line with assumptions for young people. Once families have experienced this outcome, it lasts for at least 2 years after interacting with the project

3. Community

3.1 Improved perceptions of young people

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of community Elders and other members of the community that directly engage with the young people and report improved perception of them	0%	Based on interviews: it is unlikely that the perceptions of the young people would have changed, as the program is the only opportunity for the community members to interact with the young people in a positive environment. Otherwise, the only thing that was visible to community members is the antisocial behaviours displayed by the young people	0%	Nothing is displaced	50%	Based on interviews: some of the change is due to other networks that young people access	5	50%	Outcome lasts during the time of the project / investment period, which is 5 years

4. Justice System

4.1 Reduction in anti-social behaviour

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people that have reduced the frequency of anti-social behaviours they engage in	0%	All young people in the program are high risk of offending and all engage in persistent anti-social behaviours	0%	Nothing is displaced	25%	Presence of other support networks also plays a role in reduced level of anti-social behaviours.	NA	0%	No drop-off because outcome lasts only during the program
# young people that have exited the program who are not engaging in anti-social behaviours after the program	15%	Report on the profile of YP in custody (2009 NSW Department of Juvenile Justice Young People in Custody Health Survey) found that 85% of the Aboriginal young people in custody reported having a history of previous juvenile detention.	0%	Nothing is displaced	50%	Presence of other support networks also plays a role in reduced level of anti-social behaviours. Higher role assumed once YP leaves the program.	2	50%	In line with assumptions for young people. Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

4.2 Decreased number of young people offending

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of young people not offending during the program	15%	Report on the profile of YP in custody (2009 NSW Department of Juvenile Justice Young People in Custody Health Survey) found that 85% of the Aboriginal young people in custody reported having a history of previous juvenile detention.	0%	Nothing is displaced	25%	Presence of other support networks also plays a role in on-going reduction in offending by these young people.	NA	0%	No drop-off because outcome lasts only during the program
# of young people not offending after the program	15%	Report on the profile of YP in custody (2009 NSW Department of Juvenile Justice Young People in Custody Health Survey) found that 85% of the Aboriginal young people in custody reported having a history of previous juvenile detention.	0%	Nothing is displaced	50%	Presence of other support networks also plays a role in on-going reduction of offending by these young people. Higher role assumed once YP leaves the program.	2	50%	In line with assumptions for young people. Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

4.3 Decreased number of young people in detention

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of young people avoiding detention immediately after joining program	0%	Young people have already committed the offence, and based on the consultations with the program managers it was clear that most of them would have been sent to detention. Therefore no deadweight	0%	Nothing is displaced	0%	At the beginning, all outcome is attributable fully to the program and the role that program managers have in securing the freedom of the young people	NA	0%	No drop-off because outcome lasts only during the program
# of young people not in detention during the program	15%	Report on the profile of YP in custody (2009 NSW Department of Juvenile Justice Young People in Custody Health Survey) found that 85% of the Aboriginal young people in custody reported having a history of previous juvenile detention.	0%	Nothing is displaced	25%	Presence of other support networks also plays a role in on-going reduction of recidivism by these young people.	NA	0%	No drop-off because outcome lasts only during the program

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# of young people not in detention after the program	15%	Report on the profile of YP in custody (2009 NSW Department of Juvenile Justice Young People in Custody Health Survey) found that 85% of the Aboriginal young people in custody reported having a history of previous juvenile detention.	0%	Nothing is displaced	50%	Presence of other support networks also plays a role in on-going reduction of recidivism by these young people. Higher role assumed once YP leaves the program.	2	50%	In line with assumptions for young people. Influence of the program is decreased over time as young people move on. Outcome occurs when young people are in the program and lasts for 2 additional years

Appendix 7. Financial proxies

Outlined below are the rational and the details of the calculations for the financial proxies for each outcome.

1. Young People

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
1.1 Increased self-esteem	**$26,023 (100% of outcome)** Cost of counselling sessions required to achieve the same outcome (assumes need 276 sessions to achieve a full outcome)	The work program manager's conduct with the young people is of similar impact as counselling sessions.	• Medicare schedule fee for individual session with a non-clinical psychologist 50+ min ($98) multiplied by the average number of hours per individual young person to achieve the change (276 hours) • The number of hours to achieve the change was estimated using an assumed case load of 15 young people per week, which was spread across medium (16%), high (58%) and very high needs (26%) young people which was based on historic data • An assumption was made, based on conversations with the program manager, that high needs would take up twice as much time than medium needs individuals and very high needs three times • The average number of hours spend by the program manager per group of young people was then calculated, based on the assumption above and the spread across medium (16%), high (58%) and very high needs (26%) which amounted to approximately 2 hours for medium needs, 1 hour for high needs and 4 hours for very high needs • That meant that medium needs clients would require 108 hours of support to achieve change, high needs clients 120 hours and very high needs clients 600 hours. The average is 276 hours per young person. • Full value of the outcomes is therefore $98 multiplied by 276 which equals $26,023. This value was proportionately applied to each indicator to capture the exact change that was experience by the program (e.g. value of one step towards the outcome is 25% of the total which equals to $6,506).	Medicare MBS Online[18]

[18] Australian Government, Medicare MBS Online.

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
1.2 Increased engagement in meaningful activity	**$26,201 (100% of outcome)** Independence test for Youth Allowance	Young people qualify for the independence test once they have participated in full-time paid employment for at least 18 months within any two year period. This approximates the market value of engagement in a meaningful activity.	• To apply for an income support from the government, known as a Youth allowance, the applicant must meet the independence test. • The independence test was calculated by first multiplying hourly minimum wage for 18 years olds ($11.18) and the minimum number of hours per week that must be worked (30 hours) • The minimum number of weeks required to achieve change was then calculated, based on an assumption that it would take 18 months to achieve change • The independence test amount was then reached by multiplying the first amount ($11.18 by 30 hours) with the minimum number of weeks (78 weeks), which equals $26,201 • This value was proportionately applied to each indicator to capture the exact change that was experience by the program (e.g. value of one step towards the outcome is 25% of the total which equals to $6,550)	Fair Work Ombudsman[19] Department of Human Services[20]
1.3. More positive connections to others	**$12,840 (100% of outcome)** Cost of running an afterschool activity centre	Through a group activity the young people access a support network.	• The cost of running an afterschool activity centre for one year was calculated by first adding the estimated costs of running a centre (staff, rent, utilities, food and activities) to reach a total of $107,000 • Based on the assumption that the centre would have an average of 25 students at the centre, this equals an average cost of $4,280 per student per year • An assumption was made that the time required for a student attending the centre to reach similar outcomes would be 3 years, amounting to the full cost per student of $12,840 • This value was proportionately applied to each indicator to capture the exact change that was experience by the program (e.g. value of one step towards the outcome is 25% of the total which equals to $3,210).	Stakeholder consultation

[19] Australian Government, Fair Work Ombudsman, Minimum wages.
[20] Australian Government, DHS, Independence for Youth Allowance.

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
1.4 Reduced likelihood of detention or incarceration in the future	**$19,081 (100% of outcome)** Difference between annual Newstart allowance and minimum wage	Engaging in unlawful behaviour has a negative impact on employment prospects, increasing the likelihood that the young person will be receiving income support (Newstart allowance) rather than being employed (receiving minimum wage). The difference between the minimum wage and the Newstart allowance amount approximates the value of avoiding unlawful behaviour.	• The value of the minimum wage was determined, which amounts to $622 a week • Multiplying the minimum wage per week by 52 weeks a year, the value of the minimum wage is calculated as $32,354 per annum • Next, the value of the Newstart allowance was determined, based on the maximum amount that could be obtained for a single with no children. This amounted to $13,273 per annum • The difference between these two amounts was then calculated, which amounted to $19,081 • This value was proportionately applied to each indicator to capture the exact change that was experience by the program (e.g. value of one step towards the outcome is 25% of the total which equals to $4,770).	Fair Work Ombudsman[21] Department of Human Services[22]

2. Family and Significant others

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
2.1 Improve communication between family members	**$7,388** Cost of family group therapy for one year (10 sessions)	Cost of treatment addressing family communication issues	• The cost of family group therapy was calculated based on the Medicare Benefits Schedule (as at April 2014) for family group therapy given under the direct continuous supervision of a medical practitioner other than a psychiatrist and involving members of a family and persons with close personal relationships with that family for a group with 4 or more patients. The hourly rate for this was determined to be $147.75. • An assumption was made that 50 sessions, or approximately once a week for a year, would be required to achieve similar outcomes • This amounted to a total cost of $7,388.	Medicare MBS Online[23]

[21] Australian Government, Fair Work Ombudsman, Minimum wages.
[22] Australian Government, DHS, Payment rates for NewStart Allowance - single, no children, over 22 years.
[23] Australian Government, Medicare MBS Online.

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
2.2 Increase engagement in lives of the young people in their care	**$3,575** Average weekly expenditure on recreation by the lowest gross household income quintile in New South Wales	A family's weekly recreational spend is indicative of the cost of families doing activities together, which involves parents engaging with the lives of young people	• The average weekly expenditure on recreation by the lowest gross household income quintile in NSW was determined to be $68.75 per week • An assumption was made that a year, being 52 weeks, was the time required by the families to achieve similar outcomes • This amounted to a total cost of $3,575.	Australian Bureau of Statistics (ABS)[24] Stakeholder consultation

3. Community

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
3.1 Improved perceptions of young people	**$8,512** Cost of volunteer time contributed by a community member to the program	The community members who volunteer their time for the young people in the program improve their perception of the young people as a result of interacting with them.	• The hourly cost of volunteer time was calculated based on the minimum wage in Australia, being $16.37 per hour • An assumption was made about the time required for a community member to achieve a similar outcome through volunteering their time and providing ongoing support during the formative/developmental years of a young person. It was assumed that this would require a volunteer contributing 2 hours per week for 5 years, amounting to 520 hours of time • This amounted to a total cost of $8,512.	Fair Work Ombudsman Stakeholder engagement

[24] Australian Bureau of Statistics, 6530.0 - Household Expenditure Survey, Australia, Summary of Results 2009 - 2010.

4. Justice System

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
4.1 Reduction in anti-social behaviour	**$3,324** Additional cost of policing to monitor anti-social behaviours of young people in the community	Time reallocated towards other activities, as a result of decreased need in the community to patrol at night and maintain safety	• The additional cost of policing was calculated by first determining the average annual base wage for a Constable Level 3 in the New South Wales Police Force, being $68,414 per annum • An assumption was made, based on police data, that a police officers would work an average of 38 hours per week, which amounts to an average hourly wage of $34.62 • Next, the percentage of time dedicated to policing "anti-social behaviour" on the street per annum was determined. To do this, it was assumed that one incident per month occurred (12 incidents per annum), which took 4 hours to resolve and required 2 police officers to address. • To determine the value of time dedicated to policing "anti-social behaviour", the police officer's hourly wage ($34.62) was multiplied by 96 (being 12 x 4 x 2) which amounted to a total of $3,324. • This proxy was broken down into three streams of costs: police costs, court costs and Juvenile Justice costs	NSW Police[25]

[25] New South Wales Policy Recruitment, Working Conditions.

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
4.2 Decreased number of young people offending	**$5,180** Average costs to the justice system per young person offending (excluding costs associated with policing anti-social behaviour)	Aggregate of police costs, court costs and juvenile justice costs which are all costs incurred when a young person offends.	*Police costs* • The cost of policing was calculated by first determining the average annual base wage for a Constable Level 3 in the New South Wales Police Force, being $68,414 per annum • An assumption was made, based on police data, that a police officers would work an average of 38 hours per week, which amounts to an average hourly wage of $34.62 • An assumption was made that the three main areas of police investigation time would be: (1) picking up young people, interviewing them, filling out paperwork (2) youth justice restorative processes (3) allocating a youth justice worker for community service supervision • It was assumed that the average time taken to carry out these activities would be: (1) 4 hours (2) 8 hours (3) 5 hours • Using the average hourly wage, it was determined that the cost of policing would be (1) $138 (2) 277 (3) 173, amounting to a total cost of police time of $589 *Court costs* • The average net expenditure per finalisation of a matter in Australian local courts ($404) and District Courts ($4915) was averaged, amounting to $2,660 *Juvenile Justice costs* • The daily cost of supervision of a juvenile offender in the community was determined to be $23 • It was assumed, based on AIHW Youth Justice data, that the average number of days spent supervising a juvenile offender is 84 days • This amounted to total Juvenile Justice costs of $1,932. This amounted to a total cost to the justice system per young person per annum of $5,180.	Stakeholder interviews, NSW Police website, report on Courts and Tribunal Services by NSW Government - Police & Justice Lawlink[26], the Department of Juvenile Justice[27] and Australian Institute of Health and Welfare[28]

[26] NSW Justice, Court and Tribunal Costs.
[27] New South Wales Government, Department of Juvenile Justice, A Strategic Review of the NSW Juvenile Justice System.
[28] Australian Institute of Health and Welfare, Youth Justice in Australia 2011 -12.

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
4.3 Decreased number of young people in detention	**$33,096** Difference between average detention cost and average cost of community based supervision	Government can reallocate funding for juvenile justice as a result of participants in the program being supported by the program managers	*Average cost of detention* • The average cost of detention per young person was calculated based on the median duration of detention (days) and the total cost of detention per detainee per day • The median duration of detention was determined, based on AIHW Youth Justice data, to be 63 days and the total cost per detainee per day was calculated as $556, based on Juvenile Justice data • This amounted to an average cost of detention per young person as $35,028. *Average cost of community-based supervision per person* • The median duration of community-based supervision was determined to be 84 days, based on AIHW Youth Justice data. The cost of community-based supervision per day was determined to be $23, based on Juvenile Justice data • This amounted to an average cost of community-based supervision per young person as $1,932. The difference between the average detention cost and average cost of community based supervision was $33,098.	Department of Juvenile Justice[29] and Australian Institute of Health and Welfare[30]
4.3 Decreased number of young people in detention	**$35,028** Average cost of juvenile justice stay	Government can reallocate funding for juvenile justice as a result of participants in the program avoiding contact with juvenile justice.	• The average cost of detention per young person was calculated based on the median duration of detention (days) and the total cost of detention per detainee per day • The median duration of detention was determined, based on AIHW Youth Justice data, to be 63 days and the total cost per detainee per day was calculated as $556, based on Juvenile Justice data • This amounted to an average cost of detention per young person as $35,028.	Department of Juvenile Justice[31] and Australian Institute of Health and Welfare[32]

[29] New South Wales Government, Department of Juvenile Justice, A Strategic Review of the NSW Juvenile Justice System.
[30] Australian Institute of Health and Welfare, Youth Justice in Australia 2011 -12.
[31] New South Wales Government, Department of Juvenile Justice, A Strategic Review of the NSW Juvenile Justice System.
[32] Australian Institute of Health and Welfare, Youth Justice in Australia 2011 -12.