

YOUTH PREVENTION AND DIVERSION CIRCULAR HEAD ABORIGINAL CORPORATION



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 Department of the Prime Minister and Cabinet. We wish to acknowledge the contribution made by the team from the Department and the Circular Head Aboriginal Corporation (CHAC) to the project.

Project Summary

Key findings

- The Youth Prevention and Diversion program is likely to have a substantial impact on the lives of young Aboriginal people in Smithton (Tasmania) who are at risk of offending. This should have flow on effects to their families, the community mentors involved in the program and the justice system.
- If the current investment is maintained, \$847k 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 (\$694k) and cash and in-kind support from the Circular Head Aboriginal Corporation (\$154k). There is forecast to be approximately \$12k per annum invested 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 \$4.8m over the next five years (\$952k per annum).
- Almost half of this value (\$430k 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 \$4.8m in social value that is expected to be generated is compared to the anticipated \$0.8m 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 anticipated funding from the Department of the Prime Minister and Cabinet (approx. \$139k per annum) is considered independently, the Social Return on Investment ratio is 7:1.
- If the impact of the program on the justice system is isolated, the SROI ratio is 3:1. Investment into the program is justified even if the program was to be successful with only 1 in 5 young people who go through the program (SROI ratio is 1.4:1).
- 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 Youth Prevention and Diversion program

The Circular Head Aboriginal Corporation (CHAC) has delivered the Youth Prevention and Diversion program in Smithton, Tasmania since 2010. The program provides ongoing intensive and targeted case management to Aboriginal young people and connects them with school, family, and community. CHAC also offer a wraparound service through their other programs like employment and health services which support the youth in the program.

Impact of the Youth Prevention and Diversion program

"...CHAC [the program] has shaped who I am going to be. CHAC helped me realise what I hide and what I need to do to get where I want to be. They have shown me that I have talents..."

CHAC's Youth Prevention and Diversion program has historically worked with around 30 young people (aged 12 to 24) per year who are at risk of offending or entering the criminal justice system. The program assists these young people increase their self-esteem, return to school, engage in employment, make positive connections to others and avoid unlawful behaviour. The program has anecdotally been successful in achieving substantial changes in the lives of these young people despite the challenging circumstances. 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 2010 and 2013, 55 per cent of the young people involved in the program did not reoffend.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 Of the participants that did offend, 36 per cent re-offended only once.

The families (and significant others) of the young people that participate in the program, as well as the community members that mentor the young people, also benefit from the program. They are likely to continue to experience these benefits in the future.

"...Youth Justice Tasmania doesn't have the contacts, cultural context to work with these kids. Having CHAC [the program] means they get linked in to the support they need to get on the right track..."

Youth Justice Tasmania

Value of the changes generated by the program

There is social value associated with the outcomes of the Youth Prevention and Diversion 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 Youth Prevention and Diversion program for the stakeholders attributable to the projected investment during FY15 to FY19.

The anticipated investment of \$850k over 2015 to 2019 in the program will create approximately \$4.8m 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. \$139k 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 \$430k per annum³, which is far greater than the amount that is expected to be invested in the program. The SROI ratio is 3:1 when only justice outcomes are included.

¹ Youth Prevention and Diversion program data, 2014.

² Chen et al in Australian Institute of Criminology, *Recidivism in Australia: findings and future research*, 2007, p.79.

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.

The following table is a summary of the value that is expected to be created for each stakeholder group across FY15-19.

Table S1.1 - Value created for each stakeholder group

Stakeholder s	Outcomes due to Youth Prevention and Diversion	Value creation ('000)	Value per stakeholder group ('000)
1. Young people	1.1 Increased self-esteem	\$665	\$2,107 (44%)
	1.2 Increased engagement in meaningful activity	\$613	
	1.3. More positive connections to others	\$309	
	1.4 Reduced likelihood of detention or incarceration in the future	\$520	
2. Family and Significant Others	2.1 Improve communication between family members	\$107	\$150 (3%)
	2.2 Increase engagement in lives of the young people in their care	\$44	
3. Community mentors	3.1 Increased sense of pride from contribution to community	\$355	\$355 (7%)
4. Justice system	4.1 Reduction in anti-social behaviour	\$117	\$2,148 (45%)
	4.2 Decreased number of young people offending	\$116	
	4.3 Decreased number of young people in detention	\$1,916	
Total Value Created (FY2015-19)		—	\$4.8m
Investment		—	\$0.8m
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 eight scenarios tested, the SROI ratio remains at 3:1 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, and the comparator population (e.g. the offending behaviour of young people in Smithton/Wynyard).

Insights from the analysis

The Youth Prevention and Diversion 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:

Experienced, committed staff

- Dedication and the unique skills of the case worker are key to the success of the program, particularly in helping young people increase self-esteem
- The case worker and the CHAC CEO spend significantly more time supporting the young people than they are funded for
- The case worker / Elder having experienced similar challenges to those facing the young people and have proven their success in overcoming negative life circumstances

Long-term, tailored approach

- Long-term mentoring relationship between the case worker and the young people, that continues as young people consolidate positive changes
- Consistent, regular contact between the case worker and the young people (up to 10-20 hours per week in crisis periods), depending on the young person's needs

Local community knowledge

- The justice system, especially the local police force, benefit from the closeness of the CHAC staff with the local Aboriginal community

Establishment of support networks for the young people

- Integration of the mentoring relationship into broader programs
- Strong partnerships between the program and other community, education, health and welfare services
- Involving Elders in supporting the young people
- Involvement of Indigenous parents in the mentoring relationship (where appropriate), to improve parent-child relationships

"... All of my free time is dedicated to the kids. I talk to kids one on one. I would bring them to our home for dinner or a sleep in. This allows them to see how a loving and understanding household functions."

Case worker, CHAC

Recommendations

Based on the findings of the analysis we recommend that the Circular Head Aboriginal Corporation:

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 Tasmanian Government in recognition of the significant justice system cost savings forecast to be generated by the program

3. Resource the program with more than one person to ensure program sustainability and increase impact

Demonstrating the value of the program

4. Share knowledge of the program with other organisations focused on youth justice early intervention approaches
5. 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 this project

The Australian Government Department of the Prime Minister and Cabinet commissioned Social Ventures Australia (SVA) Consulting to understand, measure and value the changes generated through three programs funded through the Indigenous Justice Programme (IJP). The Youth Prevention and Diversion program was one of the funded programs 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 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 programs, 6 youth diversion programs, 13 youth prevention programs and 3 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 2013-14 and will form part of the Safety and Wellbeing Programme in 2014-15.

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 Youth Prevention and Diversion program ran by the Circular Head Aboriginal Corporation (CHAC), to better understand and articulate the value of programs, and to improve program delivery, including measurement and evaluation of the IJP.

This report outlines the findings of the forecast SROI analysis completed for the Youth Prevention and Diversion program run by CHAC.

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 Youth Prevention and Diversion program ran by CHAC in Tasmania.

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	<ul style="list-style-type: none"> Define the project scope including boundaries, timing for analysis, stakeholders and defining investment for the program
Stage 2 Understand the change	<ul style="list-style-type: none"> 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 and stakeholder logics
Stage 3 Measure change	<ul style="list-style-type: none"> Identify and measure the outcomes that is forecast to be experienced by stakeholders through the program
Stage 4 Value change	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Calculate the outcomes and compare to the investment of the program
Stage 6 Reporting	<ul style="list-style-type: none"> 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 is forecast to be experienced by different stakeholders?
- Using financial proxies, how valuable is a particular change?
- How long would the change last for (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.

2. Overview of the program and context within which it operates

2.1 Overview of the program

CHAC has delivered the Youth Prevention and Diversion program, funded by the Department of the Prime Minister and Cabinet since 2010-11. The purpose of the program is to provide ongoing intensive and targeted case management to Aboriginal youth (aged 12 to 24) at risk of offending or entering the criminal justice system by assisting them to return to school, engage in employment, make positive life choices and reduce recidivism.

Through improving social and employment outcomes and relationships with police and parents, participants are forecast to be less likely to offend and/or re-offend and reduce street crime, violence, anti-social behaviour and suicides within the community and improve community safety. CHAC also offer a wraparound service through their other programs like employment and health services which support the youth in the Youth Prevention and Diversion program.

2.2 Context

The program works with Aboriginal young people in Smithton and surrounding areas of Tasmania 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 behaviour and, ultimately, contact with the justice system.

The program services a rural location which exacerbates the disadvantage already experienced by the young people in the program. The program seeks to address this by offering a holistic approach to the support provided to the young people and collaborating with other service providers in the area.

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 the Youth Prevention and Diversion program for the investment period of 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 these periods. 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 programs).⁶ Analysis of a two year investment period of 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 experienced are listed in Appendix 6 (Duration). Once again, the period over which the outcomes are projected to occur are based on the experience of previous program participants and IJP program benchmarks.

The activities included in the scope of the analysis are those activities that will be delivered by CHAC with funding from the IJP. These activities are outlined in the funding agreement between the Department of the Prime Minister and Cabinet and CHAC. 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. Available at: [http://www.thesroinetwork.org/publications/doc details/241-a-guide-to-social-return-on-investment-2012](http://www.thesroinetwork.org/publications/doc%20details/241-a-guide-to-social-return-on-investment-2012)

⁶ In New South Wales, 61 per cent 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 phase of the project. In the early stages of the project, the project team facilitated a program logic workshop with the Department of the Prime Minister and Cabinet during which stakeholders to include and exclude from the analysis was discussed. At the first meeting with CHAC this list was tested and refined. Through consultations with the case manager and other stakeholders it was determined that there will be four material stakeholder groups that experience outcomes (see Section 4.1):

- 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 mentors
- Stakeholder 4: Justice system (including police, courts, juvenile justice, and correctional/corrective services)

In addition, there are two material stakeholder groups that provide input to the program:

- Stakeholder 5: Circular Head Aboriginal Corporation staff
- Stakeholder 6: Department of the Prime Minister and Cabinet

The other local community service providers that support the young people involved in the program, schools that the young people attend and Smithton community were not considered to have experienced a sufficient amount of change as a result of the program to be deemed material stakeholder groups for the purpose of the analysis.

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.

⁸ The [SROI Guide 2009](#), page 9.

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 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

Both monetary and non-monetary (in-kind) contributions are forecast to be required during the investment period to support the activities of the Youth Prevention and Diversion program.

Monetary investment

The Youth Prevention and Diversion program currently receives monetary investment from the Department of the Prime Minister and Cabinet. In the 2014-15 financial year the Department will provide \$138,725 toward the program which included funding for 1 full-time equivalent (FTE) senior coordinator and approximately 0.3 FTE support coordinator. Based on the advice received from the Department, it is assumed that the funding will be provided at the same level over the forecast period.

Non-monetary investment

Unpaid extra time of the case workers was the only in-kind investment included as part of the analysis. Unpaid extra time of the case worker 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 12 extra hours per week beyond the 38 hours specified in the Employment Agreement. This time is split between the Senior Coordinator and the CEO of CHAC, and is expected to continue at this level in the forecast period.

Community mentors also contribute some of their time to support the young people in 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 men's shed. However, this was not to be considered a material investment, as individually each community mentor provides only a small amount of their time and the value of that time is small compared to other investments made.

Investment Summary

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

Table 3.1 - Investment into Youth Prevention and Diversion program

Investment	Source	FY15 (current year)	FY15 to FY19 (next 5 years)	Rationale
Monetary	Department of the Prime Minister and Cabinet	\$138,725	\$693,625	Funding continues at 2014/15 levels Note: This excludes GST.
Non-Monetary	Unpaid extra time of employees	\$30,708	\$153,541	Coordinator and the CEO both contributed approximately 650 hours of extra time this financial year. Assume that the amount of extra time required would not change during the forecast period
Total	—	\$169,433	\$847,166	—

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 the Youth Prevention and Diversion program are expected to continue in the foreseeable future.

The core activity of the Youth Prevention and Diversion program is individually tailored case management carried out by a dedicated case worker 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 the remote 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 Aboriginal Elders and other members of the community. Part of the program design is to facilitate the creation of support networks for these young people outside of the program.

Approximately 69 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 (43%), the remainder for 5 or more years (23%) or 1 to 2 years (34%). Depending on their needs, they will meet with the case 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 35 family members and significant others are expected to meet with the case 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.

4. Understanding the change

4.1 Stakeholder engagement

An SROI analysis requires that the 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 case 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 Smithton. Some supplementary telephone interviews were held where stakeholders were not available during the project team's visit to Smithton, Tasmania. Observation of program activities (e.g. interactions between the program staff and young people in the program) also took place.

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 consultations
Stakeholder 1: Young people	Approximately 35 young people currently engaged through the program	Three active clients

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 consultations
Stakeholder 2: Families and significant others	Approximately 35 family / carer units (not all actively engaged with the program)	Two carers of active clients
Stakeholder 3: Community mentors	Approximately 25 community mentors actively engaged in supporting the young people	One community mentor who provides support to the 7Up Youth activity centre
Stakeholder 4: Justice system	Not available Included members of police, courts, juvenile justice, child protection and correctional/corrective services	One Youth Liaison Offices, Burnie Police One Youth Justice representative Two Child Protection Officers
Stakeholder 5: CHAC staff	38 staff	Five staff members
Stakeholder 6: Department of the Prime Minister and Cabinet	2,530 employees at the Department	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
Other local service providers	Not available Includes welfare agencies (e.g. Anglicare, Mission Australia), employment agencies, Men's Shed, counsellors and mental health support agencies	One Anglicare staff member
Total	—	17 interviews 10 Department representatives involved throughout the project 30 Department staff presented to

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 Circular Head 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 including a number of young people not showing up for an interview and another not feeling comfortable with speaking to the interviewers. The sample size used was based on the availability of stakeholders during the consultation period for the project.

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.

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 case 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 case 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 case manager engages with each of the young people on a daily or weekly basis and records his observations in case notes, he 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 case 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 case 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 case 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.

Verification of results

CHAC 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. In addition, the CHAC Board provided verbal feedback on the SROI findings at the reporting phase. Relevant staff from the Department were also involved at each stage of the project. It is anticipated that the report findings and recommendations will be shared with other relevant stakeholders of the program which will help to verify the results and embed the recommendations for future outcomes measurement and evaluation.

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	<ul style="list-style-type: none"> • 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 program • Funding agreement 	<ul style="list-style-type: none"> • To understand investment in the program by the Department • 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 case worker	<ul style="list-style-type: none"> • Details of all clients that have been part of the program including: year they entered program, current involvement, the outcomes achieved to date and the expected outcomes. • Details and estimated number of family and significant others, community mentors and organisations within the justice system who experience change as a result of the program. 	<ul style="list-style-type: none"> • To calculate the quantity of young people who will be involved in the program during the investment period • To calculate the quantity of young people who will experience change in the future, and flow on effects on justice system outcomes • To calculate the quantity of family and significant others and community mentors who experience change as a result of the program • To calculate financial proxies

Data source	Description	Use in the SROI analysis
3. Secondary research	<ul style="list-style-type: none"> • 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 • 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 	<ul style="list-style-type: none"> • 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 will arise as a result of the activity: intended and unintended, positive and negative.

This section outlines the stakeholder outcomes for the following stakeholders:

- Stakeholder 1: Young people
- Stakeholder 2: Families and significant others
- Stakeholder 3: Community mentors
- 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 Youth Prevention and Diversion program 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 CHAC. 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 over the five year investment period.

Stakeholder 1 - Young people

The young people involved in the program are Aboriginal young people, generally aged between 12-24 years and live in Smithton or surrounding areas. They are referred to the program mostly by Juvenile Justice Tasmania or police on the basis that they have been in juvenile detention or are at risk of being placed in juvenile detention. It is expected that the type of young people engaged through the program in the future will remain the same.

The table below summarises inputs (investment in the program), outputs (summary of activity) and outcomes (changes) that are forecast to be experienced by the young people.

Table 4.3 - Young people - Inputs, outputs and material outcomes

Inputs	Outputs	Material outcomes
Not material	<p>Approximately 69 young people are expected to participate in the program over the forthcoming five year period. Approximately 34% are expected to receive support for 1 to 2 years; 43% for 3 to 4 years and 23% for 5 or more years.</p> <p>The following activities are expected to be undertaken by the program to support the young people:</p> <ul style="list-style-type: none"> • 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 <p>The exact quantity and the type of these activities will be dependent on the individual needs of the young people participating in the program.</p>	<p>1.1 Increased self-esteem</p> <p>1.2 Increased engagement in meaningful activity</p> <p>1.3. More positive connections to others</p> <p>1.4 Reduced likelihood of detention or incarceration in the future</p>

Material Outcomes

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 case worker. The relationship that the case worker builds with the young people is an essential factor in helping them move closer towards realising their potential.

"...The time it takes to develop trust depends on the past trauma that these kids are dealing with. Some would click within a couple of months, others might take years. They decide when it is time, you cannot expedite it..."

Anglicare Tasmania

A variety of activities that the case worker engages the young people in provide opportunities to model positive behaviours, as well as reinforcing these through praise and rewards. Other individuals that support young people in the program (e.g. community Elders) are encouraged to recognise young people's positive changes, no matter how small.

"... All of my free time is dedicated to the kids. I talk to kids one on one. I would bring them to our home for dinner or a sleep in. This allows them to see how a loving and understanding household functions."

Case worker, CHAC

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 figures of authority. In the past many were often led to believe that they are worthless and unworthy of respect, recognition or praise. By treating them in a positive way, the young people start to build their self-esteem.

"...A lot of young people do not care about themselves because they are told that they do not matter. We are trying to reverse that. We tell them that they do matter but also we show them that. It is important that there are no surprises in how we interact with them. If we say we will do something we have to do it, otherwise we are risking of not only undermining all the efforts but have them reject us completely..."

Anglicare Tasmania

"...The main change is more self-confidence - I can talk to strangers, perform at school assembly, don't care what other people think, ask people for help when I need it rather than avoiding doing something or trying to do it by myself..."

Young person 1

"...CHAC helps break the cycle of kids being abandoned by their family and ending up in the system because no one cared enough about them to show what is right and what is wrong. A lot of problems that we are dealing with are generational. Family lacks parenting capacity. They are themselves often have been to prison, live on the dole, drink excessively or always high..."

Child Protection Services (NSW)

"...He did not use to talk at all. Now he is a very confident young man..."

Case Worker (CHAC)

The next change that is 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.

"...Praising these kids is very important in helping them develop self-esteem and confidence. We use different activities we engage them in to show that they could be good at something, that they could achieve things that they might have not expected of themselves. For example, we would organise an exhibition of paintings done by the young people. They receive praise for their work and are able to positively engage with community. The community changes their perception of these young people..."

Anglicare Tasmania

This is followed by the young people being able to start thinking about their future, dream big and set goals for how they will achieve their dreams. All of this adds to an increased self-esteem which was identified as the most important ingredient for the future success of the young people.¹¹

"...CHAC [the program] have shaped who I am going to be. CHAC helped me realise what I hide and what I need to do to get where I want to be. They have shown me that I have talents..."

Young person 1

"...When we start with them their goals do not go further than just waking up the next day. We help them think about education, jobs and other aspirations; having nice things; being someone in this work and to be accepted in the community they live in..."

Anglicare Tasmania

1.2 Increased engagement in meaningful activity

One of the first things that the case worker works on with the young people is helping them to embed a routine and some stability in their lives. This could be as little as calling them at the same time of the day to check in on their wellbeing, getting them out of bed to take them to school, arranging appointments that they have to attend or simply spending time with them.

The young people who join the program have often been very neglected by their parents or carers and often have quite an unstable life which could include not having a proper place to live, being expelled from school and facing juvenile court. The CHAC case worker often becomes the only person in their lives that offers a sense of calmness and security.

"...I am a lot better with my anger. Baldy [the case worker] taught me to count to 10 when I get really angry and about to do something stupid. He taught me that it takes a better man to walk away than to fight. I try very hard to listen to his advice. It is not always possible, like yesterday someone hit me first so I had to respond. But I am less angry generally so definitely I have changed..."

Young person 2

When the young person is ready, the case worker might start linking him/her into other activities, providing support to access other services, such as drug and alcohol counselling, and start setting higher benchmarks for adhering to the rules of behaviours which he has established. At this point the case worker often also advocates on the young person's behalf to the school to facilitate their return and to be provided with the necessary support when the young person is at school.

"...As a result of the trust that is created with the case worker, many young people show willingness to re-engage in school. The case worker facilitates repair of the relationship the young person has with school and provides them with a 'safety plan' to be able to self-regulate and respond to triggers in a proactive way, instead of letting the situation get out of control..."

Anglicare Tasmania

¹¹ Young people and some other stakeholders use CHAC to refer to the program, as this is often the only aspect of the organisations that they are aware of.

"...I started going to school, got my Ls and have developed a tight circle of friends at school..."

Young person 1

"...James's school attendance has improved dramatically. He is starting to enjoy school, so he goes because he wants to..."

Case worker (CHAC)

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.

"...The kids we work with behave exactly how they think. They are not able to understand what different emotions mean and how to manage these. The program helps them address their emotional immaturity and encourage new behaviours..."

Anglicare Tasmania

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

As they progress through the stages of development, the young peoples' attitude towards schooling and education changes. They are more engaged and show a desire to apply themselves to learning. Those that are ready to move into employment or choose that path instead of schooling also make a concerted effort to succeed in their chosen area.

This increased engagement in a meaningful activity, whatever that might be for each individual young person going through the program, is a key outcome experienced by the young people. The young people who succeed after the program are no longer roaming the streets or sitting at home doing nothing, instead these young people are more likely to be back at school and applying themselves to their studies, or pursuing a training course, or gaining work experience, or working.

"...I want to get a job on the farm. I no longer go to school - it is just not for me. But I love gardening, fishing or doing other things outside or with animals. My life would be a lot better thanks to Baldy [the case worker]..."

Young person 2

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 CHAC case worker, who provides young people with a safe place to access help, non-judgemental support and positive social interaction. The case worker tries to spend time with the young person in activities that create positive shared memories, such as going to a movie or having an ice-cream.

"...It is important that the same person does the same job. When workers change it creates a new trauma for these kids..."

Anglicare Tasmania

"...I would call Baldy [the case worker] straight away if there is anything happening in my life - good and bad things. He is like my uncle and Di [CHAC centre CEO] is like my aunty..."

Young person 2

"...Socialisation of the kid is a big part of what I try to do. He has no social skills. He grew up on a farm so he has no skills to even do some basic things for himself or understands how things are done..."

Case Worker, CHAC

This exercise shows 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 case worker, become more eager to please him and start modelling his behaviour.

"...I am trying very hard to be good. I now get into a lot less trouble. I am more confident to say "no" to friends and refuse to take blame for someone else..."

Young person 2

"...There is also an aspect of wanting to please me. I guess I play a role of a mentor or a role model that he looks up to. All of these kids see me as part of their family to a degree. I guess you could say that I have a very big family!..."

Case Worker, CHAC

"...The support provided by Baldy [the case worker] is just astronomical! He really gets these kids and is always there when they need him. He spends a lot of time with them. We do not have resources to provide such as intensive case management, plus we are not in Smithton so it is hard to come see the kids we work with too often..."

Anglicare Tasmania

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 / carers engage in the process.

"...When kids come in at the start you could see that they are very stressed and emotionally do not understand a calm state. When they start interacting with someone like Baldy [the case worker] they feel joy again. Often this is the very first time that they realise what a positive relationship might entail..."

Anglicare Tasmania

Some young people also start expressing interest in understanding better where they come from and wanting to engage with the Elders in the community.

"...Young Koori boys respond well to older men of their culture taking them under their wing. These men are able to utilise a concept of shame very effectively and we start seeing powerful changes. Having an older Aboriginal mentor from who the child can get support and balance from leads to powerful changes..."

Child Protection Services (NSW)

Later in their development, the young people are able to identify the support they need when required and know how to access it. They are also a lot more connected into other support networks around them such as school and the broader community. Young people are also able to demonstrate respect and empathy for others, which would eventually facilitate establishment of deep positive relationships. This outcome captures the extent to which the young people are able to relate and connect to others. This is different to the outcome 1.1 which captures their internal feeling about themselves; or outcome 1.2 which is about the young people actually doing something meaningful.

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 case worker 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.

"...Baldy [the case worker] helped to convince the judge to allow me to go to the Live Free Tasmania camp for six months instead of going to Ashley [youth detention centre] for three months..."

Young person 2

"...We couldn't do our work without someone like CHAC [the program] - we don't have the time, resources or cultural skills..."

Child Protection Services (NSW)

Once the young person begins engaging with the program and accepting the boundaries placed on them by the case worker, 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 case worker 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 case worker and wants to please him, their behaviour improves and the incidence of violation of any court orders imposed on the young person is reduced.

"...I used to steal, break into places and even assaulted the police officers, but I am now working very hard to not do bad things..."

Young person 2

"...Help from Baldy [the case worker] to keep me out of trouble is very important to me. I do not want to go to jail..."

Young person 2

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 case worker 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.

"...If it wasn't for Baldy [the case worker] I would be in prison or doing something stupid on the streets..."

Young person 2

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 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 are unlikely to 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 case worker and other people in their support networks, all of which has been largely as a result of their participation in the program.

This is a change that is important to young people in and of itself because it is a foundation for positive change in the future. This change captures the shift in the behaviour, attitude and beliefs of the young people who can now not only distinguish the difference between right and wrong, but also understand the importance placed on being law-abiding in a society and self-regulate own behaviours that is aligned with expectation of the community.

"...We are hoping to see changes in child's beliefs about norms and behaviours that are acceptable. This 10 year old child is already talking about things that would definitely lead to him going to jail. For example, talking about bashing people to get what you want, hiding identity to escape police finding him and smoking weed. We want to build a strong network around the child to help break his existing pattern of behaviour and thinking. CHAC [the program] is particularly important to us as the child is placed with an Aboriginal family and they are able to work with them in a culturally appropriate manner..."

Child Protection Services (NSW)

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 based on the information collected from the stakeholder interviews. Elements of these outcomes are also experienced through 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.

Through stakeholder consultation, a negative outcome that may be experienced by the young people - 'family conflict as a result of confronting hard issues' - was found to be not significant as the quantity of young people who experienced this change was low.

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 who are involved in the program.

The table below summarises inputs, outputs and outcomes forecast to be experienced by families and significant others, including the estimated number of people who will experience the outcomes.

Table 4.4 - Families and significant others - Inputs, outputs and material outcomes

Inputs	Outputs	Material outcomes
Not material	<p>Approximately 35 family members and significant others are expected to engage with the case 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.</p> <p>Families and significant others will be linked in to other services which are relevant to their individual circumstances. These could include:</p> <ul style="list-style-type: none"> • drug and alcohol counselling • welfare and other material support • legal support • education and training • employment <p>The case worker will also coach the families and significant others to provide better support to the young person in their care.</p> <p>The amount of support received by this stakeholder group will depend on how much they want to engage with the case worker and the program.</p>	<p>2.1 Improve communication between family members</p> <p>2.2 Increase engagement in lives of the young people in their care</p>

Material Outcomes

The following is a description of the outcomes 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.

"...In 90% of cases we work it is the parent's fault what is happening to these young people. That is why we cannot just deal with the kids. Engaging the family is critical to our success. One of the kids I work with used to be flogged with a poly-pole by his dad if he came home without drugs. How can we succeed when he is coming home to this?..."

Case Worker, CHAC

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.

"...Stability at home is key to helping the program achieve significant changes for the young people. Therefore, the program proactively tries to link them in with the support they need to provide a stable and safe place for young people to live in..."

Anglicare Tasmania

"...CHAC has been very good to us. I do not know where I would have been without them..."

Mother of a young person

The stakeholder consultations with CHAC 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.

"...Most families get to the stage where they want to re-build their relationships. Families are engaged in a similar way through the program, perhaps just not as intensively. Because of not being able to support the families in a more intensive way, we do not see them changing as much. However, the change that does happen such as improved communication is key to maintaining the changes we are trying to achieve with the young people..."

Anglicare Tasmania

The family members or significant others of approximately one-third of the young people involved in the program (32%) are expected to experience this outcome to a significant degree. Over the five-year forecast period this equates to approximately 22 family members or significant others.

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 Centre 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 Centre which includes many of the families of the young people have learnt to trust CHAC staff and view the program positively.

Involving families and significant others occurs through the case worker encouraging them to attend meetings with the young person, encouraging them to drop into the Centre, visiting the young person at home, encouraging family members to participate in cultural and other activities at the Centre, 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.

"...Without CHAC families would see each other less often..."

Child Protection Services (NSW)

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 is significant for the families and significant others as they develop a more positive relationship with the young person in their lives. They benefit from being able to take more responsibility for the young person and enjoy playing a more active role.

The family members or significant others of approximately one-third of the young people involved in the program (32%) are expected to experience this outcome to a significant degree. Over the five-year forecast period this equates to approximately 22 family members or significant others.

"...Readiness of the parents to change is hugely important in helping us to see an ongoing and lasting change. Once we gain their trust in us and the process, many of them are eager to step up to the plate and become more engaged in the lives of their children..."

Anglicare Tasmania

"...Johnny does not like to come see me when I am drinking wine. He now visits me more often because I stopped drinking now for more than a month. It is very important that he wants to come spend time with me..."

Mother of a young person

"...One kid recently came back to us to ask if we could help him get back into high school. My initial thought was that he just wanted to sell drugs there, so initially I would not have a bar of it. But then I have seen that his mum has straightened up. If the family is doing better, kid would also want to straighten up. Suddenly you see a hope that things could be better for him..."

Case worker, CHAC

Excluded Outcomes

Other outcomes became evident through stakeholder consultations and were included in the chain of change, however, they were not at the end of the outcome chain which is a point at which outcomes were measured.

Excluded outcomes were:

- Access to necessary support (e.g. welfare, counselling, legal)
- Follow routine and rules established by case worker
- Less worried about the young persons' wellbeing (especially related to them going to detention)

Access to the necessary support by families and significant others was not considered to be a material change during the investment period because it was relevant but not significant. This support is received sporadically and is more likely to be received towards the beginning of the investment period than throughout. For some families and significant others no support is received. For this reason, this outcome was not considered to be significant to the SROI analysis.

Following the routine and rules established by the case worker is a change that is mostly experienced by the families and significant others when these are imposed on the young people through the program. This includes attending sessions with the case worker and

the young person, attending appointments with the young person, attending their own appointments and ensuring that the young person attends school or training. In discussions with stakeholders, this was not seen as a material outcome of the program as it was more focussed on the activity rather than what results from the activity. For this reason, this outcome was excluded as not relevant to the SROI analysis.

Family and significant others being less worried about the young persons' wellbeing (especially related to them going to detention) came through consultation with this stakeholder group as the program provides them with comfort that the young person is being cared for and supported. However, in further discussions with stakeholders this was not seen as a material outcome for families and significant others as it was related to the young person's experience. For this reason, this outcome was excluded as not relevant to the SROI analysis.

Stakeholder 3 - Community mentors

Members of the Smithton community are involved in mentoring the young people in the program in an informal way through a men's shed, art, cultural activities and sporting activities. Members of the community including Aboriginal Elders come together with the young people to guide the future generation and assist 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.

The table below summarises inputs, outputs and the outcome forecast to be experienced by Community mentors.

Table 4.5 - Community mentor - Inputs, outputs and material outcome

Inputs	Outputs	Material outcome
Not material	Approximately 43 community mentors will mentor the young people in an informal way through a men's shed, art and cultural activities, and sporting activities.	3.1 Increased sense of pride from contribution to community

Material Outcomes

The following is a description of the outcome forecast to be experienced by the community due to their involvement with the program.

3.1 Increased sense of pride from contribution to community

"...I would take him shopping with me, so that people see him as normal. He used to knick things from everywhere so eventually places would not allow him to come in..."

Case worker, CHAC

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

The impact of this change on community mentors was particularly pronounced. By bringing younger and older people (who can have a particularly negative view) together there are opportunities to learn from each other and to challenge stereotypical views and

misconceptions. The community mentors benefit from this interaction by being able to use their own life experiences to guide the young people. They feel a sense of satisfaction that their experiences and knowledge are valuable and feel pride that they are contribute to young people's development and stronger community relations.

"...Community also sees this kid in a different light..."

Case worker, CHAC

Approximately 43 community mentors are forecast to experience this outcome in the forthcoming five-year period.

Excluded Outcomes

Other outcomes became evident through stakeholder consultations which are the necessary pre-cursors (i.e. they are not at the end of the outcome chain) for other more important changes to be realised.

Excluded outcomes were:

- Access to a meeting place
- Sharing cultural 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 stakeholder consultations as an outcome of the program as the centre where the program is based provides people in the community with a friendly place where young people and the community mentors can come together. However, this outcome was not considered material on its own. Therefore, it was excluded for the purposes of the SROI analysis.

Sharing cultural experiences with the young people occur when members of the Aboriginal community engage in cultural activities with the young people such as storytelling and art making. This outcome was excluded from the SROI analysis as it was not material on its own.

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.

The table below summarises inputs, outputs and outcomes forecast to be experienced by the justice system.

Table 4.6 - Justice system - Inputs, outputs and material outcomes

Inputs	Outputs	Material outcomes
None	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

"...Youth Justice Tasmania doesn't have the contacts, cultural context to work with these kids. Having CHAC means they get linked in to the support they need to get on the right track..."

Youth Justice Tasmania

These outputs were determined through stakeholder consultation with local police, Juvenile Justice Tasmania, child protection services and CHAC staff.

Material Outcomes

The following is a description of the outcomes forecast to be experienced by the justice system as a result of 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.¹² 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. The local Major has shared with the CHAC CEO that he believed that as a result of the work that the program has done there was less property damage in the area, particularly the incidences of graffiti and minor property theft. As a result of these changes, the local police have observed less frequent callout and less time spent on patrolling the streets to monitor community and property safety.

"...[Name] is a good kid so I don't understand why he keeps doing all these bad things. Baldy [the case worker] is the only person that was able to influence him. I just do not know what to do with him...If it wasn't for him, [Name] would have been in jail..."

Mother of a young person

¹² Australian Institute of Criminology, Key Issues in antisocial behaviour, Research in Practice Summary Paper No. 5, December 2009, page 1: http://www.aic.gov.au/documents/D/C/6/%7bDC62C09C-D5CE-4444-BC40-428791263953%7drip05_001.pdf

"...Western Police district, where the program works, has seen a 29% drop in young people being charged by police this year. Kids that are in trouble in the past are now misbehaving less, getting into trouble with police less..."

Youth Liaison Officer, Burnie Police

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. 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.

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 47 young people reducing their anti-social (68% of participants).

4.2 Decreased number of young people offending

The data collected by the program and the stakeholder consultations with the Youth Prevention and Diversion program staff, local police, Juvenile Justice Tasmania and others indicate a clear link between the work done by the program and a decrease in the number of young people offending.

Between 2010 and 2013, 55 per cent of the young people involved in the program did not reoffend. 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).¹³ Of the participants that did offend, 36 per cent re-offended only once.

The collaboration established 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 Tasmania can usually only provide a limited support for a young person due to its limited resources and being located a one hour drive out of Smithton. Because of this, Juvenile Justice Tasmania sees the Youth Prevention and Diversion program as an essential partner to achieve successful outcomes for the young people.

"...Don't get a lot of kids in youth justice from Smithton compared to other areas..."

Youth Justice Tasmania

Similarly, the local police in Smithton regard the program as an essential element to the reduction of young people in the community offending. They rely on the case worker 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 CHAC, 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. This has cost implications for the justice system, with potentially less resources needed to monitor, apprehend and rehabilitate offenders.

"...Less time is needed to go to Smithton — we can just phone up CHAC now and check in, we have an immediate point of contact, rapport and respect. We don't have time to build rapport..."

Youth Justice Tasmania

¹³ Chen et al in Australian Institute of Criminology, *Recidivism in Australia: findings and future research*, 2007, p.79.

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 32 young people not offending (46% of participants).

4.3 Decreased number of young people in detention

The number of young people from Smithton and surrounding areas in detention is less as a result of the program. The program has influenced the way that the local court is sentencing young people. For example, the case worker 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.¹⁴ 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.

"...Baldy [the case worker] helped me to get out of trouble with police. He supported me in court. Instead of going to detention, I am going to "Free Tasmania" camp for 6 month. I am very excited. It will be good to be away from home for a while. Time at the camp would allow me to think about what I have done. I have been there once for one week and it was wicked. At camp I cannot get in trouble. It is in my nature to find myself in trouble. I often get into fights or do stupid things..."

Young person 2

Over the five-year forecast period it is estimated that this outcome will be associated with approximately 37 young people avoiding detention immediately after joining the program (54% of participants), 13 young people not being in detention during the program (19% of participants) and 16 young people not being in detention after the program.

Excluded Outcomes

Other outcomes became evident through stakeholder consultations and were included in the program logic as 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

"[There is a] really good relationship between police and young people now. Police can help young people out of abuse (e.g. young person was a target of paedophile and got

¹⁴ Tasmanian Institute of Law Enforcement Studies, *The Concentration of Offending and Related Social Problems in Tasmanian Families*, Briefing Paper no.8, 2008.

them out), more reporting to police, police more aware of issues in the community, able to act on the information"

Youth Liaison Officer, Burnie Police

When the expected quantity of change for each of these outcomes was considered it was found to be low, which indicates that the outcomes are not significant for the purposes of the SROI analysis. On their own, these outcomes are not material, however, they are important indicators that other more significant changes are likely to occur.

4.4 The program logic that emerged from stakeholder consultations

The program logic (or theory of change) tells the story of change that takes place as a result of Youth Prevention and Diversion program. The program logic includes information on:

- The issue that the Youth Prevention and Diversion program is seeking to address
- The key participants in the Youth Prevention and Diversion program
- The activities involved in the program
- 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 4.3). 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, the community mentors that are involved in the program and 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. In consultations with young people we heard about the importance of what might be seen as relatively small changes that have resulted from the program, such as "not reacting to people as much", "going up and talking to strangers at school" and asking people for help when needed rather than avoiding doing things". As a result we restructured the program logic to add more foundational immediate outcomes.

Our conversations with the case manager and CEO of CHAC, and the local service delivery organisations, helped us to describe more precisely the activities that are delivered. We revised the program logic to take into account their input. We also tested the negative outcomes identified by the Department with the stakeholders in Smithton and found that these were either not occurring to any significant extent, or were not occurring as a result of the program.

The concept that young people move through stages of development was identified in discussions with the CHAC 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.

The final iteration of the program logic is included in Figures 4.1, 4.2 and 4.3 on the following pages. This represents engagement of all stakeholders. The outcomes described in the program logic are directly related to the outcomes expected to be experienced by different stakeholders in the SROI analysis, which are described in Section 4.3. The blue banner at the top of Figure 4.2 shows the stages of development that young people progress through during the program. These stages are described in Section 5.1. The outcomes that are numbered are those that either occur at the end of the chain of change, and there was sufficient evidence available to quantify how many stakeholders experienced the outcome. These are known as the material outcomes (discussed further in Section 5.1).

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.

Figure 4.1 - Youth Prevention and Diversion summary program logic

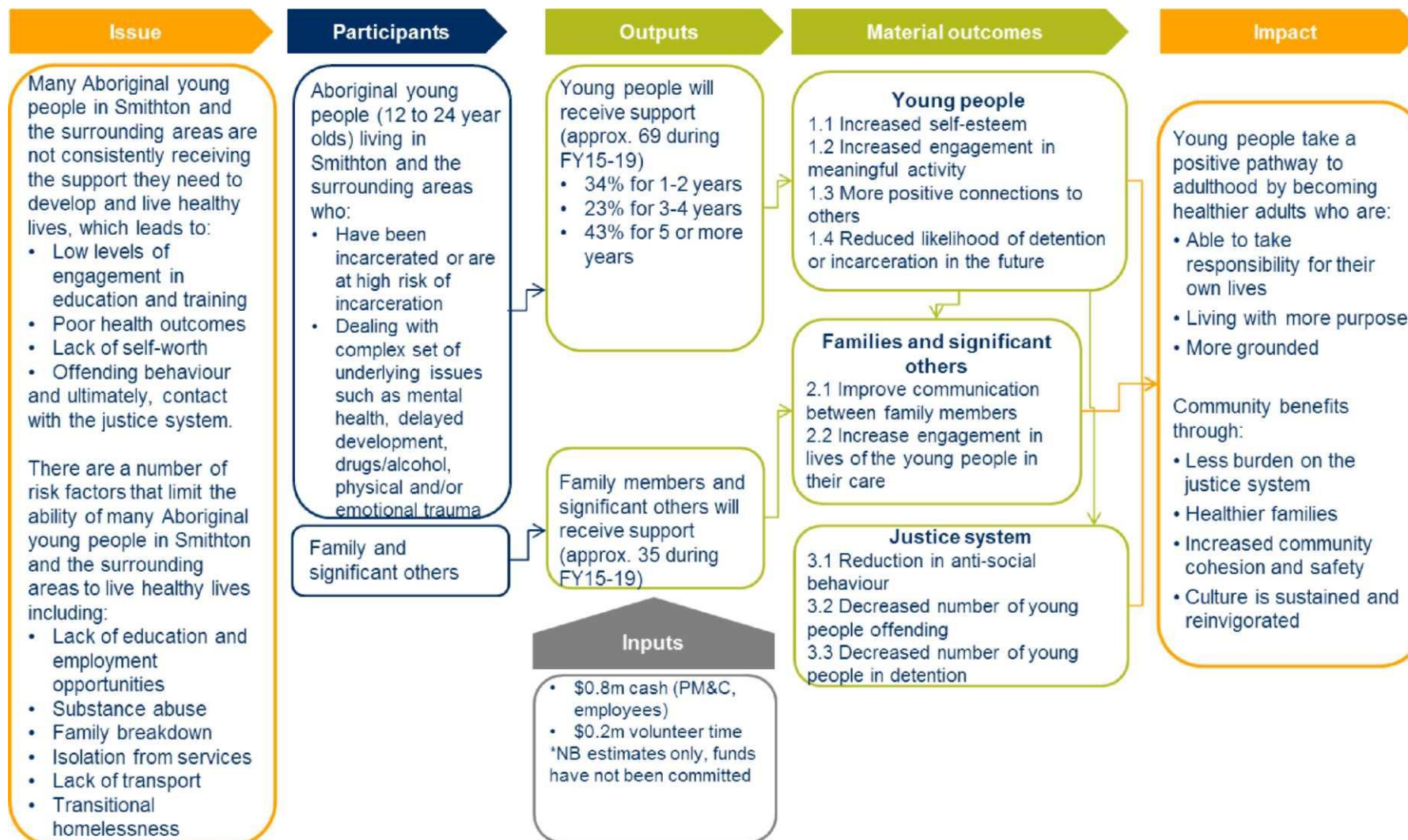


Figure 4.2 - Youth Prevention & Diversion program logic - Outcomes for the young people

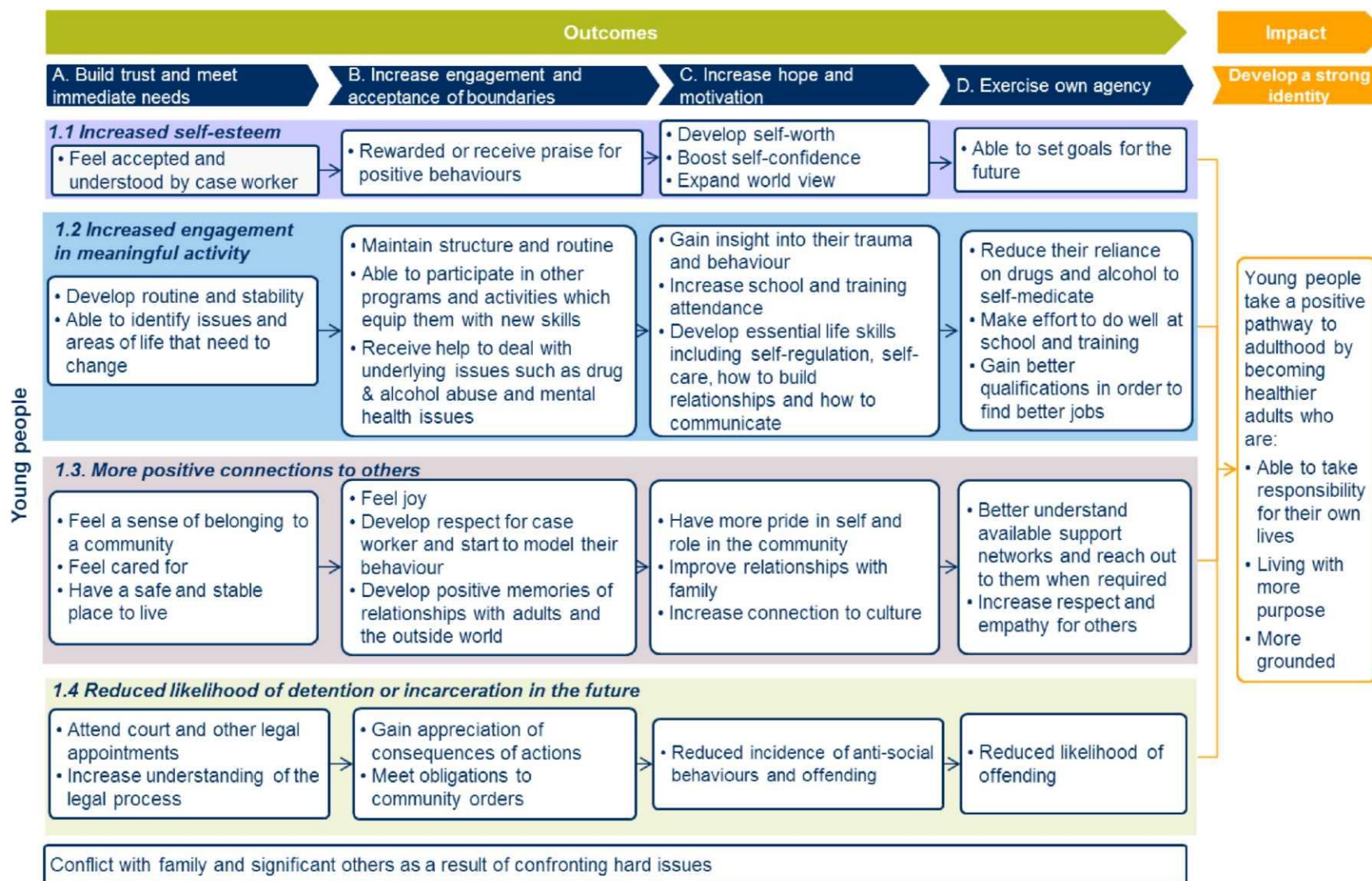
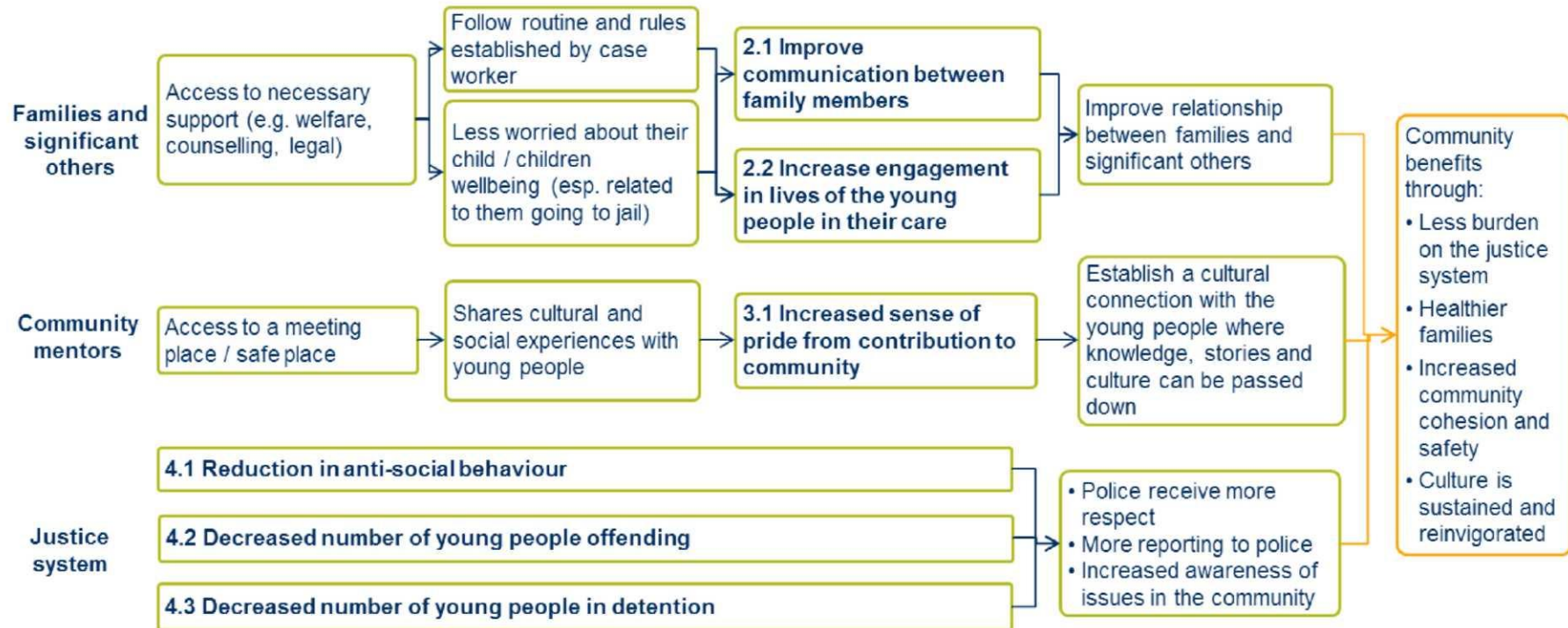


Figure 4.3 - Youth Prevention and Diversion program logic - Other stakeholders

...as a result of the changes experienced by the young people, other stakeholders also benefit...



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 CHAC 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

Five stages of development



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

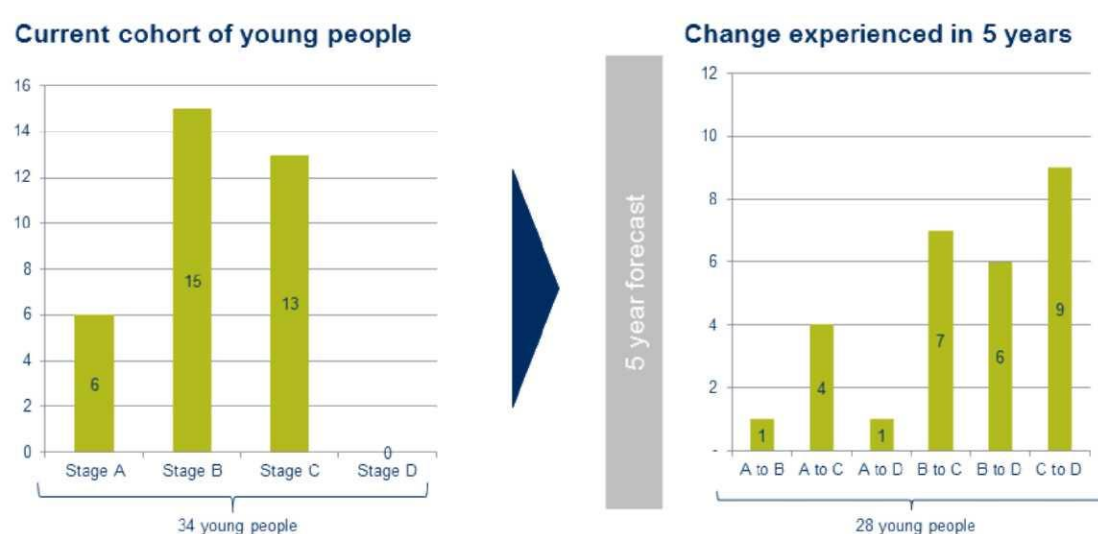
To quantify and project the change that is forecast to be experienced by the program participants, information on the past and current program participants was collected. The information contained the names of the program participants, date when they started the program and date when they discontinued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

Information collected is summarised in the Figure 5.2 below.

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



Source: CHAC data; stakeholder engagement and SVA analysis

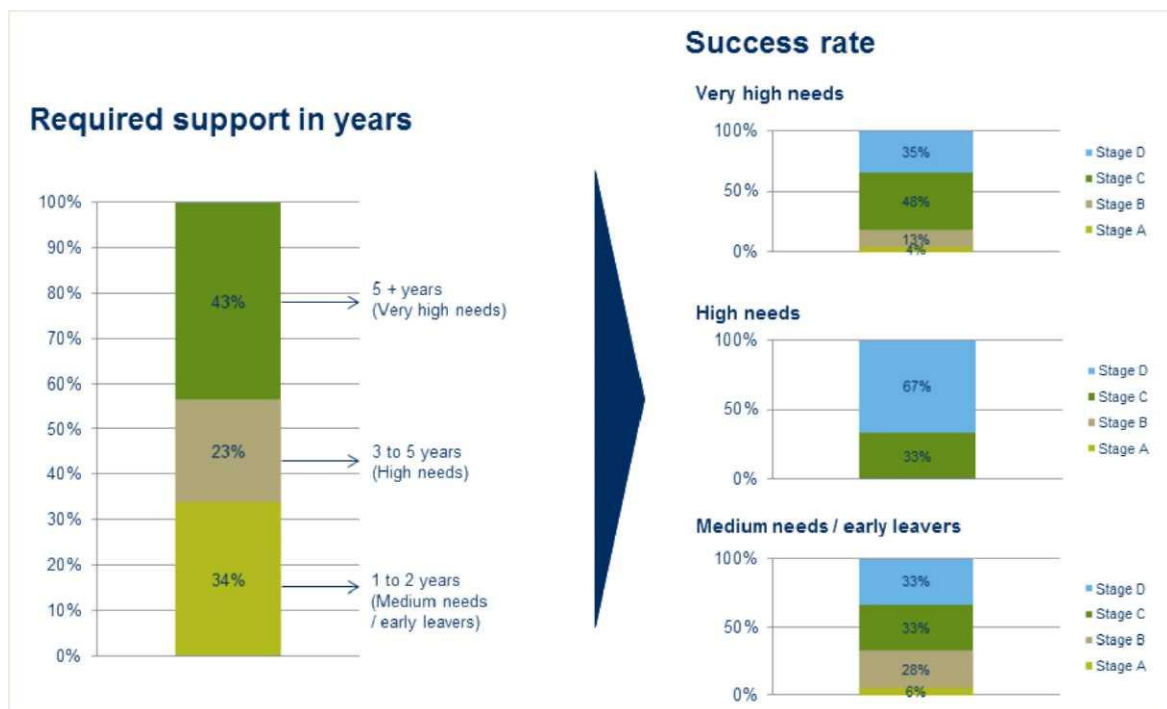
**Some young people are not expected to move from one stage to another and therefore, it is assumed that they do not experience any change. These young people are not counted in the analysis.*

Future program participants

Over the forecast period new young people will join the program. Today 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 the information from the past and the current cohort to estimate the length of time these young people will be in the program, how quickly they move through the stages of development, and how much change they will experience as a result. This information was obtained through extensive discussion with the case manager about each client's experience of the program.

Analysis of the available data revealed that the young people that 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 in the program (i.e. young people with higher needs stay in the program 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 classification and the final stage of development that the young people will reach with the program (defined as program "success rate" in the graph below) based on the experience of the past and the existing cohort of the young people engaged in the program.

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



Over the forecast period it was assumed that eight new young people will join the program each year. This is based on four assumptions:

1. The previous attrition rate of approximately five young people per annum;
2. Many of the existing cohort no longer requires intensive support freeing up the case worker to support more young people intensively;
3. The level of need and their success rate (based on the analysis described above);
4. 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 that is forecast to be experienced by the future intake of young people over the next five years.

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



At June 2014 there were 34 participants in the program. Based on current and past program participation levels, if investment continues at the current level, it is forecast that 75 young people will participate in the program over FY2015-19.

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 progress 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.

The indicators for each outcome have been mapped onto the stages of development (see Table 5.1). Young people's movement through the stages of development has been used to estimate the extent of change they are expected to experience within the forecast period. Indicators were identified for each of the outcomes experienced by the young people to capture both where the program participants will start at the beginning of the investment period and where they are forecast to end up at the end of the investment period (or when they leave the program). For example, a young person that is forecast to move from Stage A to Stage C in the forecast period will be counted as having increased their level of self-esteem from very low to below average. These indicators will be used in the future measurement and evaluation approach for the program (see recommendation in section 9.1).

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 engagement, as well as the data collected by the organisation as part of their reporting requirements to the Department.

Family and significant others

Based on the consultations with the case worker and interviews with the family members, it was identified that approximately 50 per cent of the families and significant others of young people in the program experience the changes. These changes are likely to happen to the families (and others) where the young person has successfully reached Stages C and D of the development journey.

Community mentors

Based on the consultations with the case worker and interviews with the community mentors, it was identified that all community mentors that directly engage with the young people during the program experience the outcome for this stakeholder group.

It is assumed that the number of the community mentors 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 forecast to be experienced by the justice system is related to the number of young people that change and how they change. Outcome 4.1 ("Reduction in anti-social behaviour") relates to first point of contact between a young person and the justice system. This contact results from the young person engaging in anti-social behaviour that the police respond to. Outcome 4.2 relates to the second stage in this process, when the young person is deemed to have offended and the justice system responds through investigating the offending behaviour, engaging the young person in a youth restorative process and allocating a youth justice worker to supervise the young person (carried out by police), finalising the matter in court (carried out by the court system) and supervising the young person (carried out by Juvenile Justice NSW). Finally, Outcome 4.3 relates to the point where the young person is in juvenile detention, and is therefore no longer being supervised in the community. Therefore there is no double counting between these outcomes.

In addition, we also capture the direct benefit to the justice system of CHAC staff supporting the young person to avoid detention immediately as they join the program. For example, when the young people join the program they are usually already facing charges for an offence. The case worker supports them in court and in most cases these young people avoid going to 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 as a result of the program, data collected by the agency 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 CHAC 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 stakeholder group 1 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 re-offending	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	15
# 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	10

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 re-offending	Quantity 5Y Forecast
# 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	9
# 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 1 likelihood during the investment period	7
# 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	1

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 re-offending	Quantity 5Y Forecast
# 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	4
# 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	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 re-offending	Quantity 5Y Forecast
# 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	6
# 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	9

Table 5.2 - Indicators for stakeholder group 2, 3 and 4 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	22
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	22

Table 5.2 - Indicators for stakeholder group 2, 3 and 4 outcomes – 3. Community mentors

Outcomes	Indicator	Quantity 5Y Forecast
3.1 Increased sense of pride from contribution to community	# of community Elders and other members of the community that directly engage with the young people and who report improved perception of them	43

Table 5.2 - Indicators for stakeholder group 2, 3 and 4 outcomes – 4. Justice system

Outcomes	Indicator	Quantity 5Y Forecast
4.1 Reduction in anti-social behaviour	# young people that will reduce the frequency of anti-social behaviours they engage in	25
4.1 Reduction in anti-social behaviour	# young people that will exit the program who are not engaging in anti-social behaviours after the program	22
4.2 Decreased number of young people offending	# of young people not offending during the program	14
4.2 Decreased number of young people offending	# of young people not offending after the program	18

Outcomes	Indicator	Quantity 5Y Forecast
4.3 Decreased number of young people in detention	# of young people avoiding detention immediately after joining program	37
4.3 Decreased number of young people in detention	# of young people not in detention during the program	13
4.3 Decreased number of young people in detention	# of young people not in detention after the program	16

This forecast SROI analysis was used to provide guidance to the Department and CHAC 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 5.1 and 5.2 show 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.

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.

The financial proxies approximate the value of the outcome from the stakeholder's point of view.

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 experience the full benefit of the outcomes from the program. During the consultation stage we were only able to engage with the young people that were only at the beginning of their journey with the program and therefore only starting to experience changes. We therefore had to rely on the anecdotal evidence provided by the case worker about how the young people would potentially value the material outcomes.

For the outcomes experienced by the justice system, the financial proxies cover the unique costs associated with young people avoiding involvement with each stage of the justice system. For example, the financial proxy value for outcome *4.3 Decrease in number of young people in detention* includes the costs of detention but not those costs associated with young people's journey to detention, such as police costs and court costs, as these are allocated to the other justice system outcomes.

It was also not feasible to test the financial proxies directly with the stakeholders, 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 of the Prime Minister and Cabinet, as well as the CHAC case worker to make sure they are relevant and are not over or under-valuing the change that is created as a result of the program. Other financial proxies considered include group personal development workshops for Outcome 1.1 Increased self-esteem. This financial proxy was replaced with individual counselling sessions as young people in the Smithton community have more ready access to, and are more likely to participate in, individual counselling sessions than group workshops to increase their self-esteem.

For the other stakeholders, a different financial proxy was identified for each of the material outcomes they experience.

In future SROI analyses it will be critical for stakeholders to be more fully involved in the development and testing of financial proxies. Investigation of the cost savings and resource reallocation that result from young people's participation in the program will provide a more sound basis on which to assess the impact of the program in the future.

In particular, these could relate to the value of young people's participation in the workforce as a result of the program. The proposed approach to future measurement and evaluation of the program is discussed in Section 9.1.

Table 6.1 shows the full value of the proxies for each of the outcomes, description and the rationale for selecting the 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)	\$27,660	The work case worker conducts with the young people is of similar impact as counselling sessions. Some case workers are trained counsellors.
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	Being in detention or jail 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. Family 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.
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 Tasmania	\$3,014	A family's weekly recreational spend is indicative of the cost of families doing activities together, which involves parents engaging with the lives of their children.

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

Outcomes	Financial proxy description	Full proxy value	Rationale
3.1 Increased sense of pride from contribution to community	Cost of volunteer time contributed by a community mentors to the program, reduced by a percentage to reflect the assumption that the community mentors who engage with the young people in the program started with some positive perception of the young people	\$8,512	The community mentors 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.

Outcomes	Financial proxy description	Full proxy value	Rationale
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 case worker
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

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 per cent 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 -Proportion of the financial proxy value assigned to each Indicator type for the young people

Change in stage of development	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%

Change in stage of development	Extent of change	% of value
# 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 Youth Prevention and Diversion 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 and Appendix 6.

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 program), where possible comparable population data was used. In other cases, stakeholders were asked to estimate the degree to which they believe the change will occur anyway. The deadweight differs across different stakeholders and for different outcomes for stakeholders.

Attribution

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

However, attribution of these other stakeholders differs for different stages of development the young person is on. At early stages of the development, project activities are core to the changes experienced by the young people. At later stages attribution increases 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 which 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, it was projected that outcomes experienced during the Stages A, B and C would only last for the duration of the program, however, outcomes experienced during Stage D of development would continue for another 2 years after.

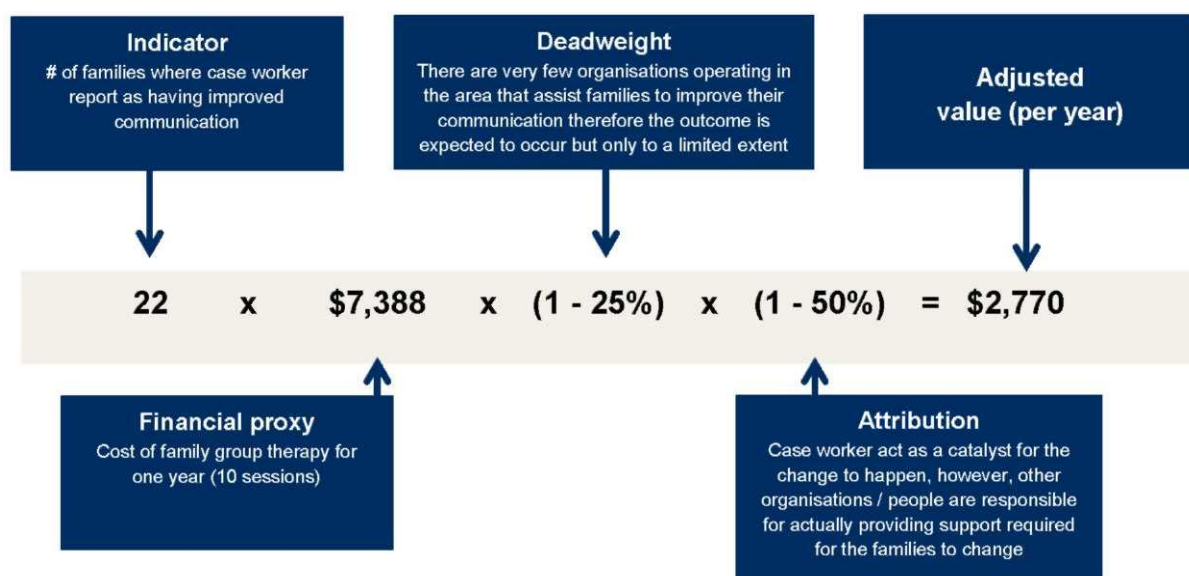
Drop-off recognises that outcomes may continue to last for many years but in the future may be less, or if the same, will be influenced by other factors. Through stakeholder consultation, it was determined that the influence of the program would diminish at a rate of 50% per annum after the program.

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 Improve 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



Please note that this outcome lasts for two years after interacting with the program. Also the drop-off per cent has not been applied, so the Adjusted Value reflects the value 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 would have happened anyway (deadweight), who else will contribute to the change (attribution), whether the outcome will displace other activities or outcomes (displacement) and the how long the outcome will last for (duration and drop off)
- Quantity: the number of stakeholders that will experience an outcome

The total adjusted value for outcomes sums the value created for each group of stakeholders experiencing change and also incorporates duration and drop-off. The following table is a summary of the total adjusted for all of the outcomes experienced by each stakeholder group.

Table 6.3 - Total adjusted value of outcomes

Outcomes	Total value for outcome
1. Young people	—
1.1 Increased self-esteem	\$665,251
1.2 Increased engagement in meaningful activity	\$613,356
1.3. More positive connections to others	\$308,809
1.4 Reduced likelihood of detention or incarceration in the future	\$520,108
2. Family and significant others	—
2.1 Improve communication between family members	\$106,657
2.2 Increase engagement in lives of the young people in their care	\$43,521
3. Community mentors	—
3.1 Increased sense of pride from contribution to community	\$354,595
4. Justice system	—
4.1 Reduction in anti-social behaviour	\$116,705
4.2 Decreased number of young people offending	\$115,581
4.3 Decreased number of young people in detention	\$1,915,668

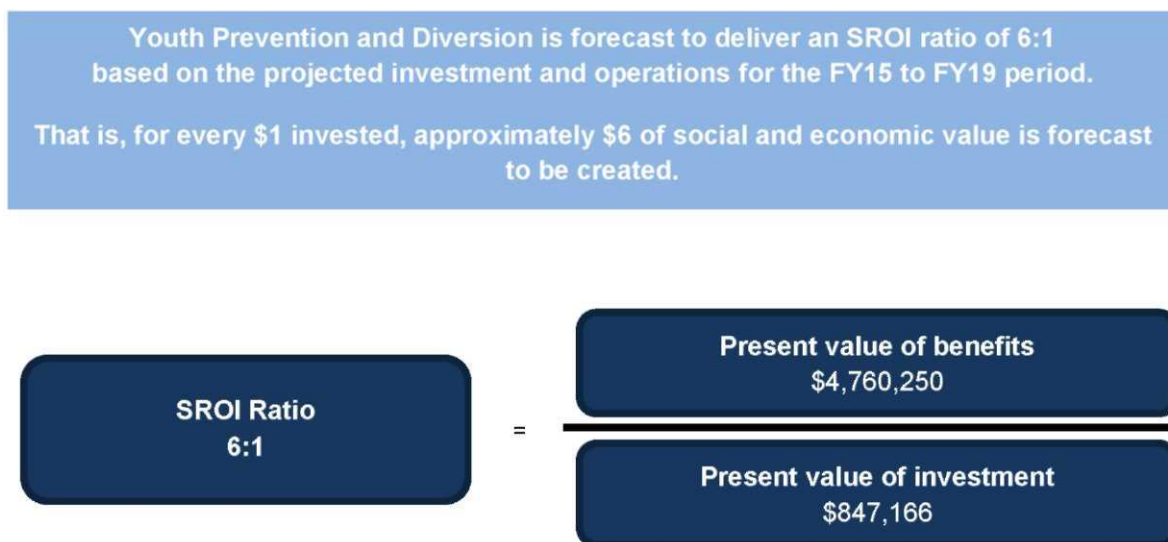
All of the outcomes identified as material (relevant) to the stakeholders are also material (significant) based on the total value they create for each of the stakeholder groups and their comparison to other stakeholder groups. Therefore, no outcomes were excluded after completion of the valuation stage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

For a detailed description of the valuation of each of the outcomes, please refer to the impact map.

7. Calculating the SROI and testing assumptions

7.1 SROI Ratio

Figure 7.1 - SROI ratio



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 project benefits are estimates and provide an indication of the value that is forecast to be generated through the Youth Prevention and Diversion 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: 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 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, it is only a small share of the total value of the outcomes that are forecast to be 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	8 new young people per annum	4 new young people p.a.	4:1
2. Quantity: Projected case load	8 new young people per annum	16 new young people p.a.	9:1
3. Quantity: Mix of young people in the new intake by level of need	Mix based on historic participation and success and case workers view on success of the current cohort. Mix of the young people based on support needs assumed to be: Medium need: 34% High need: 23% Very high needs: 43%	Assume mix of new young people is skewed towards medium and high need: Medium need: 60% High need: 30% Very high needs: 10%	6:1
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	Halve the financial proxy value (\$17k to \$18k per young person)	5:1

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	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	<p>Attribution for young people outcomes matched to stage of development:</p> <p>Stage A = 0%</p> <p>Stage B = 25%</p> <p>Stage C = 25%</p> <p>Stage D = 50%</p> <p>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)</p>	<p>Assume equal attribution of 50% for young people outcomes across all stages of development</p> <p>50% attribution for the justice outcomes</p>	4:1
7. Duration	<p>When young people reach Stage D, outcomes last for 2 years beyond the investment period</p> <p>In all previous stages of development, outcomes last only for the duration of the investment period</p>	Assume all outcomes last for the duration of the investment period	5:1

Variable	Baseline judgement	New Assumption	SROI Ratio
8. Multiple variables	<p>Mix based on historic participation and success and case workers expectation of likelihood of the current cohort progressing through the stages of development.</p> <p>Mix of the young people based on support needs assumed to be:</p> <ul style="list-style-type: none"> • Medium need: 16% • High need: 28% • Very high needs: 56% 	<p>Assume:</p> <p>1) mix of new young people is skewed towards med need:</p> <ul style="list-style-type: none"> • Med need: 80% • High need: 15% • Very high needs: 10% <p>2) equal attribution of 50% across all stages of development</p> <p>3) all outcomes last for the duration of the investment period</p>	3:1

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.

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. The scenarios that produce the SROI ratios furthest from the baseline of 6:1 are those considered to be less likely to occur than the scenarios that produce ratios the same as or closest to the baseline.

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 the Youth Prevention and Diversion program over a five year period (July 2014 to Jun 2019). 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 experienced by stakeholders.

The Youth Prevention and Diversion program has had a substantial impact on the lives of young Aboriginal people in Smithton (Tasmania) who are at risk of offending, which has flow on effects to their families, community mentors and the justice system. Between 2010 and 2013, 55 per cent of the young people involved in the program did not reoffend.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 per cent did not reoffend).¹⁶ Of the participants that did offend, 36 per cent re-offended only once.

The total value created by the program is the unique value created by the Youth Prevention and Diversion program for the stakeholders attributable to the projected investment during FY15 to FY19. The following table is a summary of the value created for each stakeholder group.

Table 8.1 - Value created for each stakeholder group

Stakeholders	Outcomes due to Youth Prevention and Diversion	Value creation ('000)	Value per stakeholder group ('000)
1. Young people	1.1 Increased self-esteem	\$665	\$2,107 (44%)
	1.2 Increased engagement in meaningful activity	\$613	
	1.3. More positive connections to others	\$309	
	1.4 Reduced likelihood of detention or incarceration in the future	\$520	
2. Family and Significant Others	2.1 Improve communication between family members	\$107	\$150 (3%)
	2.2 Increase engagement in lives of the young people in their care	\$44	
3. Community mentors	3.1 Increased sense of pride from contribution to community	\$355	\$355 (7%)

¹⁵ Youth Prevention and Diversion program data, 2014.

¹⁶ Chen et al in Australian Institute of Criminology, *Recidivism in Australia: findings and future research*, 2007, p.79.

Stakeholder s	Outcomes due to Youth Prevention and Diversion	Value creation ('000)	Value per stakeholder group ('000)
4. Justice system	4.1 Reduction in anti-social behaviour	\$117	\$2,148 (45%)
	4.2 Decreased number of young people offending	\$116	
	4.3 Decreased number of young people in detention	\$1,916	
Total Value Created (FY2015-19)		—	\$4.8m
Investment		—	\$0.8m
SROI Ratio		—	6:1

Our analysis indicates that the Youth Prevention and Diversion program will deliver \$4.8m of social value in a five year period between FY15 and FY19. Based on a projected investment of \$850k, 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 the program activities. If the anticipated funding from the Department of the Prime Minister and Cabinet (approx. \$139k 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 \$430k per annum, which is far greater than the amount that is expected to be invested in the program. The SROI ratio is 3:1 when only justice outcomes are included.

8.2 Insights

The Youth Prevention and Diversion 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:

Experienced, committed staff

Dedication and the unique skills of the case worker are key to the success of the program, particularly in helping young people increase self-esteem. A number of program design elements have been identified as critical in being able to achieve these results: long-term intervention, continuity of relationship, intensive effort that is responsive to the needs of the individual young people and culturally appropriate support.

However, the young people never really consider themselves to be part of the program. They always refer to the case worker as the key and only reason they see change in their lives. This is because of the bond that is created between the case worker and the young people, the individual support that they receive and the amount of time the case workers spends with each young person individually. This relationship is fundamental to young people increasing their self-esteem which is the most valuable outcome from the perspective of the young people.

The case worker and the CHAC CEO spend significantly more time supporting the young people than they are funded for. The young people that the program works with require a significant amount of support and individual oversight. This means that the case worker and the CHAC CEO often have to provide support to the young people outside of their working hours. This time is essential to the success of the program, as the young people need to not only hear but to see that someone cares enough for them to be there for them when needed.

Long-term, tailored approach

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

A successful transition to healthy adulthood increases as young people are able to not only satisfy their basic needs but also work to develop self-esteem, engage in meaningful activities and develop positive connections with the work around them. Only this holistic transformation allows long-term benefits of reduced unlawful behaviour and reduced risk of recidivism to be experienced.

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

The five stages of the journey are documented in Section 4.4 and summarised in Figures 4.2. These five stages represent the path young people embark on during the program and continue to develop after they exit the program.

Local community knowledge

Those involved in administering the justice system, especially the local police force, benefit from the closeness of the CHAC staff with the local Aboriginal community as well as the trust and respect the program receives from the young people. The local police rely on the case worker to bridge the gap between the Aboriginal community and police, as they acknowledge that many people are unwilling to engage with police without the case worker 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 fewer young people entering detention immediately and, since rates of recidivism are high among young people, fewer young people in detention in the future.

Establishment of support networks for the young people

The young people that CHAC works with often do not have strong support networks. An explicit aim of the work that the CHAS staff do is to establish connections between the young person, their families and significant others (where it is helpful to do so) and other responsible adults within the community. The CHAC headquarters provides a friendly place where the young people and people in the community can come together.

9. Recommendations

This section suggests recommendations for CHAC 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 CHAC staff, 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
- 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
- Eight 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 case manager's extensive knowledge of the young people involved. We cross-checked the estimates and assumptions with other stakeholders, including our notes from interviews with 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 cognitive impairment) was also a limitation of this analysis.

To improve the rigour of future analyses, CHAC 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. CHAC 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 important are the changes?
5. How much is as a result of you?

To order to answer these questions, CHAC 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)
- Any unintended or negative outcomes that arise
- 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)

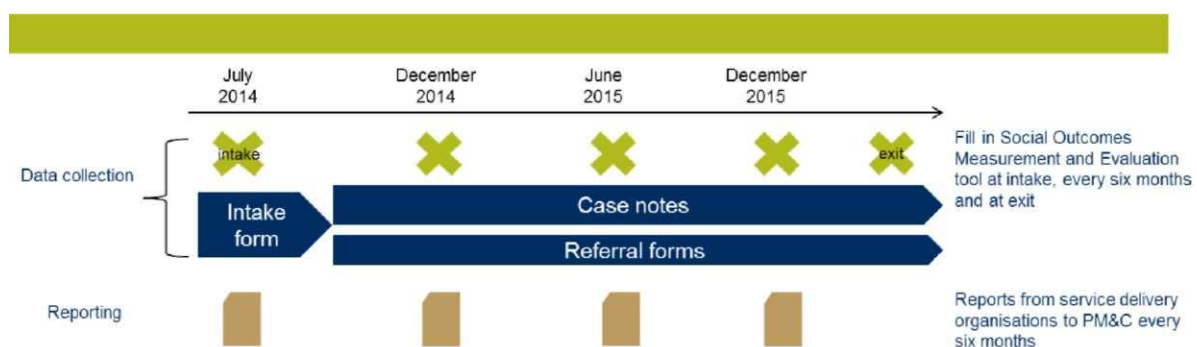
A Social Outcomes Measurement and Evaluation Tool has been developed as part of this project.

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 (More positive connections 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.
- It is recommended that data be collected on intake of the young person, at six monthly intervals and at exit from the program. Regular monitoring of data will be useful for demonstrating to the young people what progress that they have made and to engage them in their journey through the program. It will also help them to demonstrate the importance of these changes to stakeholders and how much is as a result of the project, as the tool allows for information to be recorded about other services that the young person is using. The tool should also assist the program manager to 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



CHAC staff should also capture the number of families and adults in South Inverell 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 from the analysis, the following actions are also recommended for the Youth Prevention and Diversion 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 Department of the Prime Minister and Cabinet contribute the majority of the funding to CHAC. This investment supports 1.3 FTE case workers to work a standard 38 hour working week (1,824 hours per year). On average, the program staff have been working an additional 300 hours per year. This extra time equates to \$170k in in-kind investment into the program. It is recommended that CHAC seeks funding that reflects the full cash and in-kind investment required for the program to ensure that it can be delivered on a sustainable basis.

There is a range of risk factors that may make young people more likely to engage in antisocial behaviours. The young people in the Youth Prevention and Diversion program are exposed to many of these risk factors, such as low socio-economic conditions; low education; lack of employment opportunities; mental health issues; and lack of appropriate housing.¹⁷ As a result they require intense, long-term support to avoid re-offending and to develop the sense of identity necessary to maintain a positive path in life. The average length of time that has been spent in the program is five years. To ensure continuity of support for these young people, it is recommended that the program is funded from periods greater than two years, ideally for five years or more.

2. Seek funding from the Tasmanian Government in recognition of the significant justice system cost savings forecast to be generated by the program

The Youth Prevention and Diversion program is expected to generate significant cost savings for the justice system. The justice system is administered by the Tasmanian Government. It is recommended that CHAC share the findings of the analysis with the state government and seek funding to support its activities. As the current primary funder, the Department of the Prime Minister and Cabinet could play a role in communicating the credentials of the program to the relevant section of the Tasmanian Government.

3. Resource the program with more than one person to ensure program sustainability and increase impact

The success of the program is heavily reliant on one key figure, the case worker. The strength of the relationship between the case worker and the young people is critical to the success of the program. However, it poses a risk to the sustainability of the program.

¹⁷ The Senate, Legal and Constitutional Affairs References Committee, Value of a justice reinvestment approach to criminal justice in Australia, June 2013, Paragraph 2.50.

Proactive succession planning is required and could be achieved by bringing on-board a trainee to be skilled up to support the work of the case worker. CHAC had a young person who was employed as a trainee in the past, which was reported to be hugely successful, however, this person had to be let go due to reduced program funding.

Demonstrating the value of the program

4. Share knowledge of the program with other organisations focused on youth justice diversion

Youth Prevention and Diversion program has many of the characteristics recognised as best practice in programs for Indigenous youth at risk.¹⁸ These include:

- Long-term mentoring relationship between the case worker and the young people, that continues as young people consolidate positive changes
- Consistent, regular contact between the case worker and the young people (up to 10-20 hours per week), depending on the young person's needs
- Integration of the mentoring relationship into broader programs
- Strong partnerships between the program and other community, education, health and welfare services
- Involving Elders in supporting the young people
- Involvement of Indigenous parents in the mentoring relationship (where appropriate), to improve parent-child relationships
- The case worker / Elder having experienced similar challenges to those facing the young people and have proven their success in overcoming negative life circumstances.

CHAC should seek out opportunities to share its program design, implementation and impact with other organisations focused on supporting young people at risk, particularly Aboriginal young people. This could take the form of conference presentations, seminars, or research studies.

¹⁸ Australian Institute of Health and Welfare, [Mentoring programs for Indigenous youth at risk](#) (Resource sheet no.22 produced for the Closing the Gap Clearinghouse, September 2013).

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, that 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Youth Prevention and Diversion engages with the majority of 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 mentors	Included	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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: Circular Head Aboriginal Corporation staff	Included - inputs only	<ul style="list-style-type: none"> • CHAC staff and Board members are a valuable input for the Youth Prevention and Diversion program service delivery; however they did not experience change themselves outside their usual responsibilities.
Stakeholder 6: Department of the Prime Minister and Cabinet	Included - inputs only	<ul style="list-style-type: none"> • 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.

Local community service providers	Excluded	<ul style="list-style-type: none"> • Many of the young people that participate in the program also access the services of community service providers. • There is some direct interaction between the program and community service providers; however, they do not experience significant change as a result of the program.
Schools	Excluded	<ul style="list-style-type: none"> • The program has some interactions with the schools of the young people that it works with. • However, this interaction is limited to one off cases and is not considered significant to the school.
Smithton community	Excluded	<ul style="list-style-type: none"> • As a result of the young people changing their behaviour it is anticipated that the community will experience some benefit (e.g. safer, more positive environment). • However, there is no information currently available to points available to assess the extent of change that they will experience as a result of the program.

Appendix 3. Interview guides

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 [], and I'm from Melbourne. 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 CHAC to understand and measure the impact of the program. I would like to interview you about your experiences with the program. I will ask you some questions about yourself, and what has changed for you because of being part of the Youth Prevention and Diversion program.

This is not a test and your answers will be confidential. 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 Youth Prevention and Diversion Program?

Inputs, outputs and outcomes

3. What made you want to join the program? What were you hoping to change in your life?
4. What do you do as part of the program?
5. What were some of the things that changed for you soon after you started the program?
 - a. Specifically, describe what the Youth Prevention and Diversion Program helped you do once you started?

- b. 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 Youth Prevention and Diversion Program?
 - c. [Prompts for areas to explore: Offending; Health (mental & physical wellbeing); Relationships / Friendships; Education; Employment; Community Engagement?]
7. What things do you do differently now that you didn't do before the program?

Measuring and valuing change

8. 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]
9. How important were these changes to you? (interviewer to tick the correct response)
[Rating: Not important, a little important, Important, critical, N/A]
10. 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]*

11. What do you think would be different in your life if you weren't involved in this program?
 - a. *[Another way to ask:]* If the program did not exist, how much of these things would have happened to you anyway?
12. What do you think the changes you have seen in your life will mean for your future?
 - a. What are some of your plans for the future? Have you always had these plans or you have changed them since starting the program?
13. How long will / did the changes you spoke about last for?
 - a. If you were to leave the program today, how long would you continue to experience the changes you described?
 - b. 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?]*
14. Has anything changed for your family as a result of your involvement with the program?
15. Are there any other changes you would like to share with me that have happened since joining the program?

Figure A3.1: Interview guide - Young people

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 Melbourne. 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 Circular Head Aboriginal Corporation to understand and measure the impact of the Youth Prevention and Diversion 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 Circular Head Aboriginal Corporation.

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.

5. 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?
6. If so, why did the program change?
7. 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?
8. Is the program likely to continue in the future?
9. Are you expecting any changes to the program, including level of investment and type of support provided to young people?
10. 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

11. What are the situations / circumstances that bring them into the program?
12. 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)?
13. How do you support these young people?
14. How often do you see them?
15. How long do you work with each young person?

16. How do you work with other organisations? How significant is the impact of other organisations in being able to successfully do your job?
17. 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 ...

18. What specifically do the young people hope to change in their lives by being part of the program?
19. 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?
20. Specifically, what things do they do differently as a result of the program that they didn't do before?
21. 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?
22. What activity is linked to what outcomes?
23. What do these changes mean for the future of these young people?
24. 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)?
25. 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?

26. 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?
27. The changes in the lives of the young people, how long each of them is likely to last for?
28. 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 Youth Prevention and Diversion Program?
 - a. Is there anyone else who has been affected by these changes besides yourself as a result of your working for the Youth Prevention and Diversion 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 there any other feelings you can share with me that you have experienced since having this job?

Figure A3.2: Interview guide - Staff

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 Melbourne. 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 Circular Head Aboriginal Corporation to understand and measure the impact of the Youth Prevention and Diversion 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 Circular Head Aboriginal Corporation.

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 .

8. What specifically do the young people hope to change in their lives by being part of the program?
9. 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?
10. Specifically, what things do they do differently as a result of the program that they didn't do before?
11. 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?
12. What activity is linked to what outcomes?
13. What do these changes mean for the future of these young people?
14. 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)?
15. 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?
16. 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

17. What has changed for you and your organisation as a result of being involved with the program? Which changes are most important?
18. What do you hope your involvement with the program will lead to in the future?
19. Are there any negative factors arising from your involvement with the program?
20. How do you measure the changes (outcomes) you have described above?

21. How would you value these outcomes?
22. Is there a financial proxy you can use to value that outcome?
23. 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?
24. What would have happened for you and your organisation without the program?
25. What other organisations or people, if any, played a role in helping you achieve the changes you described?
26. How long would you continue to experience the outcomes you described if your organisation was no longer involved in the program?
27. Has being involved in the program displaced other activities or outcomes you would have done / achieved?

Figure A3.3: Interview guide - Other Organisations

Appendix 4. Valuation techniques

Technique	Description and examples
Cash transaction	<p>An actual cash saving or cash spent by the stakeholder group. For example:</p> <ul style="list-style-type: none"> A reduction in welfare payments is a direct cash benefit to the Government
Value of resource reallocation	<p>A program or service results in outcomes that allow resources to be used in different ways. For example:</p> <ul style="list-style-type: none"> 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	<p>This is when a financial proxy is inferred from the value of related market prices. This can be achieved in the following ways:</p> <ul style="list-style-type: none"> 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	<p>This is when stakeholders are explicitly asked how much they value an outcome. This can be done in a number of ways:</p> <ul style="list-style-type: none"> Stakeholders are asked their "willingness-to-pay" or willingness-to-avoid" to achieve the outcome <p>These are hypothetical cash transactions.</p> <ul style="list-style-type: none"> 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 displacement (%)
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 attribution to others (%)
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%

Category	Assigned attribution to others (%)
3. Other organisations and people have a role to play in generating the outcome to some extent	50%
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 drop-off (%)
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 quantities and filters - applied in this analysis

Outlined below are the quantities and filters applied to the analysis, including the rationale.

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%	Case 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	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	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 period	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%	

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 average during the investment period	25%	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%		25%	young people made during the investment period.	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 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.

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# 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 from low to average during the investment period	25%		0%		38%		2	50%	Influence of the program is decreased over time as young people move on.
# young people whose self-esteem will increase from below average to average during the investment period	25%		0%		50%		2	50%	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	0%	Nothing is displaced	0%	Attribution to other stakeholders changes as young people go through the stages of development	NA	0%	See rationale for Outcome 1.1

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 small extent during the investment period	27%	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%		13%	(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%	
# 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%	
# 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%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# 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 - Stage c - 25%, Stage D - 50%). Average attribution is calculated, based on the journey 25%; the young people made during the investment period.	NA	0%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# young people whose connections will increase from very weak to weak during the investment period	25%		0%		25%		NA	0%	See rationale for Outcome 1.1
# young people whose connections will increase from very weak to fairly weak during the investment period	25%		0%		25%		NA	0%	
# young people whose connections will increase from very weak to average during the investment period	25%		0%		33%		2	50%	See rationale for Outcome 1.1

Indicators	Deadweight %	Deadweight	Displacement %	Displacement	Attribution %	Attribution	Duration (beyond investment period)	Drop-off %	Drop-off
# young people whose connections will increase from weak to fairly weak during the investment period	25%		0%		25%		NA	0%	See rationale for Outcome 1.1
# young people whose connections will increase from weak to average during the investment period	25%		0%		38%		2	50%	See rationale for Outcome 1.1
# 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	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	NA	0%	See rationale for Outcome 1.1
# 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%	

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 small likelihood during the investment period	15%	a history of previously juvenile detention. The inverse of 85% is the 15% deadweight.	0%		17%	young people made during the investment period.	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			0%		25%		2	50%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1
# 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%	See rationale for Outcome 1.1

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 small likelihood during the investment period	15%		0%		25%		NA	0%	See rationale for Outcome 1.1
# young people whose likelihood of detention/incarceration will reduce from a moderate likelihood to a very small likelihood	15%		0%		38%		2	50%	See rationale for Outcome 1.1
# 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 where case 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%	Case 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 where case managers report as having increase engagement in 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 their children	0%	Nothing is displaced	50%	Case 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 mentors

3.1 Increased sense of pride from contribution to community

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 mentors to interact with the young people in a positive environment. Otherwise, the only thing that was visible to community mentors 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 that have exited the program who are unlikely to offend 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 case 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 case 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 that have exited the program and are unlikely to offend 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	\$27,660 (100% of outcome) Cost of counselling sessions required to achieve the same outcome (assumes need 367 sessions to achieve a full outcome)	The work case managers' conduct with the young people is of similar impact as counselling sessions. Some case managers are trained counsellors.	<ul style="list-style-type: none"> 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 (293 hours). The number of hours to achieve the change was estimated using an assumed case load of 28 young people per month, which was spread across medium (34%), high (23%) and very high needs (43%) young people which was based on historic data. An assumption was made, based on conversations with the case manager, that high needs young people would take up twice as much time than medium needs individuals and very high needs three times. That meant that medium needs client would require 48 hours of support to achieve change, High need 383 hours and Very High needs 449 hours. The average is 293 hours per young person. Full value of the outcomes is therefore \$98 multiplied by 293 which equals \$27,660. 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 \$6,915). 	Medicare MBS Online ¹⁹

¹⁹ 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.	<ul style="list-style-type: none"> 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 ²⁰ Department of Human Services ²¹
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	<ul style="list-style-type: none"> 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

²⁰ Australian Government, Fair Work Ombudsman, [Minimum wages](#).

²¹ 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	\$19,081 (100% of outcome) Difference between annual Newstart allowance and minimum wage	Being in detention or jail 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.	<ul style="list-style-type: none"> 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 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	<ul style="list-style-type: none"> 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

²² Australian Government, Fair Work Ombudsman, [Minimum wages](#).

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	\$3,014 Average weekly expenditure on recreation by the lowest gross household income quintile in Tasmania	A family's weekly recreational spend is indicative of the cost of families doing activities together, which involves parents engaging with the lives of their children.	<ul style="list-style-type: none"> The average weekly expenditure on recreation by the lowest gross household income quintile in Tasmania was determined to be \$57.97 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 \$3,014. 	Australian Bureau of Statistics (ABS) ²⁴ Stakeholder consultation

3. Community mentors

Outcomes	Financial proxy	Financial proxy rational	Financial proxy calculation	Financial proxy source
3.1 Increased sense of pride from contribution to community	\$8,512 Adjusted cost of volunteer time contributed by a community mentor to the program	The community mentors 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. Value is reduced by a percentage to reflect the assumption that the community mentors who engage with the young people in the program started with some positive perception of the young people	<ul style="list-style-type: none"> 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 mentor 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	<ul style="list-style-type: none"> 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. 	NSW Police ²⁵

²⁵ New South Wales Policy Recruitment, Working Conditions, http://www.police.nsw.gov.au/recruitment/the_lifestyle/general_duties/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 antisocial behaviour)	Aggregate of police costs, court costs and juvenile justice costs which are all costs incurred when a young person offends.	<ul style="list-style-type: none"> This proxy was broken down into three streams of costs: police costs, court costs and Juvenile Justice costs. <p><i>Police costs</i></p> <ul style="list-style-type: none"> 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 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. <p><i>Court costs</i></p> <ul style="list-style-type: none"> The average net expenditure per finalisation of a matter in Australian local courts (\$404) and District Courts (\$4915) was averaged, amounting to \$2,660. <p><i>Juvenile Justice costs</i></p> <ul style="list-style-type: none"> 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. <p>This amounted to a total cost to the justice system per young person per annum of \$5,180.</p>	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	\$33,098 Difference between average detention cost and average cost of community based supervision	Resource reallocation: Government can reallocate funding for juvenile justice as a result of participants in the program being supported by the program managers	<p><i>Average cost of detention</i></p> <ul style="list-style-type: none"> 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. <p><i>Average cost of community-based supervision per person</i></p> <ul style="list-style-type: none"> 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. <p>The difference between the average detention cost and average cost of community based supervision was \$33,098.</p>	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	Resource reallocation: Government can reallocate funding for juvenile justice as a result of participants in the program avoiding contact with juvenile justice.	<ul style="list-style-type: none"> 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. 	—

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](#).