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Estimating the social impact of Gippsland's Neighbourhood Houses

Neighbourhood Houses Gippsland network
Final report

July 2020

Deloitte
Access **Economics**

Executive summary

Introducing neighbourhood houses

Neighbourhood houses are community centres that connect members of the community through social, educational, recreational activities. These houses connect participants within the local community through a diverse set of set of activities tailored to meet the unique needs of the local community.

Victoria's neighbourhood houses are split into 16 Neighbourhood House Networks, one of which is called Neighbourhood Houses Gippsland (NHG). NHG is a group of 20 neighbourhood houses spanning the following Local Government Areas (LGA): Bass Coast Shire, Baw Baw Shire, Latrobe City, South Gippsland Shire and Wellington Shire.

The most popular activities offered by NHG include office services, community lunches, physical activity, and access to information about available services, e.g. government support, accommodation services. These activities are primarily intended to benefit those who may be experiencing social isolation or disadvantage.

Scope of this project

Deloitte Access Economics was engaged by NHG to conduct a social return on investment (SROI) study, which seeks to measure the social impact of NHG member's activities, . The study examined the activities undertaken by NHG members between April 2019 and March 2020 reflecting a combination of business as usual operations and emergency response activities.

The aim of this project was to assist NHG members to gain a better understanding of their own impact on the local community, relative to the costs of undertaking and administering those activities. Once the net social return of an activity or program is better understood, it can help inform discussions with key stakeholders around future investments, and the likely impact of those investments. The project also aimed to demonstrate the ways in which NHG member's activities contribute to work undertaken by State Government agencies and other community organisations.

Measuring the benefits of Neighbourhood Houses Gippsland

In undertaking the SROI, a program logic model was developed to identify and map the broad range of NHG impacts. The model was developed in collaboration with representatives from each of the houses. It was also informed by consultations with state government and local community representatives.

The program logic identifies 15 short-term (<12 months), 19 medium-term (1-5 years) and 16 long-term outcomes (>5 years), which lead to **five key impact areas** in 2019:

- **Health and wellbeing:** improved physical, mental and personal health and wellbeing
- **Connectedness and/or reduced social isolated:** built community relationships and improved social connectedness
- **Safety:** developed a safe and supportive community
- **Resilience and pride:** provided access to essential resources and crisis support, and developed community pride of place and empowerment
- **Independence and productivity:** taught life skills

Building on the program logic, a framework for estimating social impact was developed. This involved identifying indicators and measures for each of the short- and medium-term outcomes.

The framework identifies the key assumptions and whether the outcome is reported using qualitative descriptions (e.g. quotes and examples from interviews), using quantitative data (e.g. reporting numbers of participants or hours), or monetised (a dollar value placed on the outcome).

While it is understood that NHG contributes to the outcomes identified, the design of this study is such that the realisation and quantum of these outcomes cannot be definitively attributed to the activities of NHG. This is reflected in the need to make some assumptions in the modelling of SROI. The limitations and assumptions of the analysis are reported transparently throughout the report.

Executive summary

Deloitte Access Economics modelling suggests that for every dollar invested into the Neighbourhood Houses of Gippsland, **\$2.78** is returned in economic and social benefits

Data and information used to inform this SROI study

This report has been informed by quantitative and qualitative analysis. The following data and information sources were used to inform the findings of this report:

- **Interviews with stakeholders from a number of government and community organisations**, in order to gain an understanding of the overall impact of the community houses.
- **Two workshops held with representatives from each of the NHG neighbourhood houses**. The intent of these workshops was to map the outcomes and benefits associated with the activities delivered by the houses, in order to develop the Program Logic model. This supported the collaborative development of the SROI framework.
- A **data collection tool** completed by all the NHG houses, which sought information the kinds of activities that the house offers and the number of participants engaged in the activities.
- Information from the **annual survey** undertaken by Neighbourhood Houses Victoria (NHVic).
- A **literature review** in order to develop the approach to monetising a number of the benefits associated with the activities.

Key findings

Based on the evidence accumulated in this report, Deloitte has estimated **the social return on investment for NHG is \$2.78 for every dollar invested in NHG's activities**. This means that for every dollar invested in NHG's activities, NHG delivers \$2.78 in social benefits for its community.

This estimate is based on the activities undertaken at NHG between April 2019 and March 2020. During this period, it is estimated that the **total costs of delivering NHG's activities were \$5.63 million (NPV)**. This cost comprises of volunteer time valued at \$1.78 million (NPV) and other expenses incurred by the houses valued at \$3.84 million (NPV).

The **total benefits of NHG's activities is estimated to be \$15.63 million (NPV)**. The largest monetised benefit is that of reduced social isolation, or improved social capital, amounting to \$6.98 million (NPV). This benefit is derived from a number of social activities that NHG offers like community lunches, morning teas, book clubs, gardening etc.

It is important to note that the benefits included in the above calculation are only those where it was possible to monetise the full benefit as a direct result of the houses' contribution. This estimate is considered conservative as several other social and economic benefits were identified as being delivered by the houses that could not be reasonably quantified with the data available, such as mental health outcomes, education and community safety benefits. These non-quantifiable benefits are described throughout the report in further detail.

Table i: summary of monetisable benefits

Outcome	Total undiscounted cash flow
Avoided health care and mortality costs due to increased physical activity	\$6,114,934
Value of improved social participation	\$754,421
Value of improved social capital	\$7,538,320
Value of community resilience (through emergency relief)	\$273,555
Value of improved volunteer wellbeing	\$2,175,581
Total benefits (undiscounted)	\$14,681,230

IN 2019-20,
\$1 INVESTED INTO
NEIGHBOURHOOD
HOUSES OF
GIPPSLAND
RESULTED IN \$2.78
IN ECONOMIC &
SOCIAL BENEFITS



SAFE, CONNECTED & THRIVING COMMUNITIES WITH A COLLECTIVE VOICE

Based on the available evidence, Deloitte Access Economics estimate that between April 2019 and March 2020 the social return on investment for NHG was \$2.78 for every dollar invested in NHG's activities. This benefit comprised:



HEALTH & WELLBEING

12,848 participants engaged in physical activities



Healthcare cost avoided due to NHG activities estimated at **\$1,222,987** p.a.



183 volunteers reduced social isolation, with quality of life (QOL) gain estimated at **\$435,116** p.a.



27 mental health support sessions offered



CONNECTED & REDUCED SOCIAL ISOLATION



38% of participants stated main benefits are meeting new participants, friends & spending time with others



QOL gain associated with increased **social engagement** estimated at **\$150,884** p.a.

QOL gain associated with this **increased social connection and inclusion** estimated at **\$1,507,664** p.a.



SAFETY



NHG members reached out to approx. **1,393** participants to **check in** on vulnerable participants



NHG members referred approx. 51 participants to **appropriate support agencies**



NHG members supported approx. **75** participants **affected by family violence**



RESILIENCE & PRIDE



Community lunches & gardening activities attended by 378 participants



Approx. **17,000** emergency food parcels provided



345 female sanitary products & **690** toiletries provided



166 participants accessed NHGs shower facilities



\$273,555 in emergency service and/or relief provided



INDEPENDENCE & PRODUCTIVITY



1,040 **computer classes** delivered to approx. **4,138** neighbourhood house participants



261 **writing classes** offered

367 sessions of **English classes** and 669 classes for **other languages** delivered



144 participants accessed **financial counselling / services**



Approx. **2,792** people accessed information about other government services

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Glossary

Acronym	Full name
DET	Department of Education and Training
DHHS	Department of Health and Human Services
EMV	Emergency Management Victoria
FY	Financial year
LGA	Local Government Area
NHCP	Neighbourhood House Coordination Program
NHG	Neighbourhood Houses Gippsland
NHVic	Neighbourhood Houses Victoria
NPV	Net present value
PA	Per annum
PICAL	Phillip Island Community and Learning Centre
SROI	Social return on investment

1 Purpose and scope of the report

1.1 Background and project scope

Conducted an SROI study on the Neighbourhood Houses Gippsland

Introducing neighbourhood houses

Neighbourhood houses are community centres that connect members of the community through social, educational, recreational activities. These houses connect participants within the local community through a diverse set of set of activities tailored to meet the unique needs of the local community¹. The neighbourhood houses and learning centres actively work to redress structural disadvantage, and provide an inclusive and supportive environment for people from diverse backgrounds and with varying abilities.²

While every house is unique, broadly speaking neighbourhood houses offer activities like health and wellbeing activities, community lunches, arts and crafts, computer classes, adult education and training, room hire and internet access.

By embracing principles like community ownership, community participation, inclusion and life long learning, neighbourhood houses foster community development and build facilitate connections between members of the community.

The role of Neighbourhood Houses Gippsland

Victoria's neighbourhood houses are split into 16 Neighbourhood House Networks, one of which is NHG. NHG is a group of 20 neighbourhood houses spanning the following LGAs: Bass Coast Shire, Baw Baw Shire, Latrobe City, South Gippsland Shire and Wellington Shire.

NHG is funded by the DHHS to provide services and support to all neighbourhood houses. The houses are funded through the Neighbourhood House Coordination Program (NHCP) and employs a network manager who supports neighbourhood houses within the geographical boundary.

The most popular activities offered by NHG members include office services, community lunches, physical activity, and access to information about available services, e.g. government support, accommodation services. These activities are primarily intended to benefit those who may

be experiencing social isolation or disadvantage.

Scope of this project

Deloitte Access Economics was engaged by NHG to conduct a SROI study, which seeks to measure the social impact of NHG's activities. The study examined the activities undertaken by NHG between April 2019 and March 2020 reflecting a combination of business as usual operations and emergency response activities.

The aim of this project was to assist NHG to gain a better understanding of its own impact on the local community, and to communicate this impact to key stakeholders. The project also aimed to demonstrate the ways in which NHG's activities contribute to work undertaken by Victorian Government agencies and other community organisations, such as:

- DHHS Outcomes' Framework
- Emergency Management Victoria's (EMV) Community Resilience Framework for Emergency Management.

This project considered:

- 20 neighbourhood houses that comprise the NHG network, covering the following LGAs: Bass Coast Shire, Baw Baw Shire, Latrobe City, South Gippsland Shire, and Wellington Shire.
- The extent to which there were benefits from improved mental health and social isolation in the Gippsland region.
- The benefits emergency management, in particular the response, recovery, and resilience aspects of emergency management, affecting the Gippsland region during COVID-19 and the recent fires.

1) Neighbourhood Houses Victoria. (2020). What is a neighbourhood house? Retrieved from [here](#)

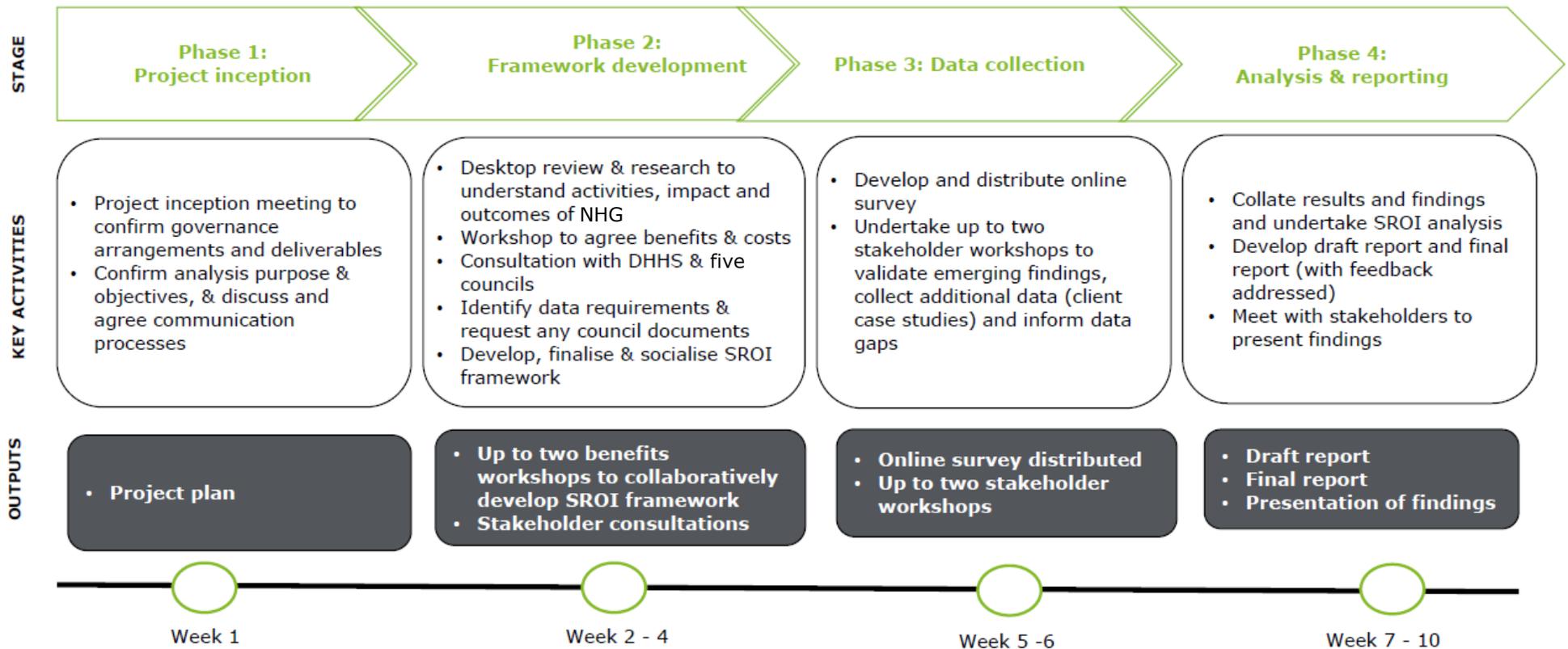
2) The Neighbourhood House and learning Centre Sector Framework (2003). Retrieved from [here](#)

1.2 Approach to this project

The project involved four stages from inception to analysis & reporting

Approach to this project

The following diagram outlines the high level approach to undertaking this project.



1.2 Approach to this project

Data and assumptions underpinning this SROI study

Data and information used to inform this SROI study

This report has been informed by quantitative and qualitative analysis. The following data and information sources were used to inform the findings of this report:

- **Interviews with stakeholders from a number of government and community organisations**, in order to gain an understanding of the overall impact of the community houses. This included involvement from each of the relevant Gippsland LGAs, DHHS, EMV, NHVic, the Victorian Council of Social Services, and the Department of Education and Training (DET).
- **Two workshops held with representatives from each of the NHG neighbourhood houses**. The intent of these workshops was to map the outcomes and benefits associated with the activities delivered by the houses, in order to develop the Program Logic model. This supported the collaborative development of the SROI framework.
- A **data collection tool** completed by all the NHG houses, which sought information on:
 - An overview of the house
 - The kinds of activities that the house offers
 - The number of participants engaged in the activities
 - Information about the volunteers
 - Information on the costs and funding of the house, e.g. annual reports.
- Information from the **annual survey** undertaken by NHVic
- A **literature review** in order to develop the approach to monetising a number of the benefits associated with the activities.

Assumptions and limitations

This SROI study has been prepared using the following assumptions and limitations:

- The analysis focused on the economic and social benefits derived from the activities undertaken by NHG between April 2019 and March 2020 in Victoria.
- The NHG network comprises of 20 neighbourhood houses, and the scope of this analysis is limited to the activities undertaken by these houses between April 2019 and March 2020.
- It was assumed that the costs of delivering activities between April 2019 and March 2020, was the same as the total expenses incurred by the houses in FY19 (July 2018 to June 2019). These costs were then inflated by 1.75% to FY20 values.
- The impacts of the COVID-19 pandemic began in early March, and it is likely several houses faced significant financial difficulties, which have not been completely captured in this report.
- The benefits associated with the activities undertaken between April 2019 and March 2020 are expected to accrue between FY20 and FY24
- This SROI study has adopted a modelling period of 5 years, starting in FY20. This reflects the period in which ongoing benefits can be estimated with a greater degree of certainty.
- In several cases, a quantitative or monetised approach to describing the impact was not considered to be a robust or effective manner of expressing impact. In these instances, qualitative data and case studies have been used.
- As per the Victorian Government (2014) guidelines, a 4% discount rate was used, reflecting the difficulties associated with quantifying some of the benefits from NHG's activities.
- This SROI has focused on areas that were of priority to NHG, and on areas where data was available or could be collected. As such, there are some outcomes in the program logic that have not been subject to detailed investigation in this report.
- While it is understood that NHG contributes to the outcomes identified, the design of this study is such that the realisation and quantum of these outcomes cannot be definitively attributed to the activities of NHG. This is reflected in the need to make some assumptions in the modelling of SROI.

1.2 Approach to this project

Guiding principles and structure of this report

Principles guiding this SROI study

A SROI study is a performance study used to evaluate the social returns of activities relative to the costs of undertaking and administering those activities. Once the net social return of an activity or program is better understood, it can help inform discussions around future investments, and the likely impact of those investments.

The following key principles underpinned the approach to this SROI study:

- 1 Worked closely with NHG and other stakeholders
- 2 Clearly articulated relevant theories that underpin all measurements and contribution of impact.
- 3 The SROI methodology only focused on issues that were central to NHG's vision and mission.
- 4 This SROI approach only included items that were regarded as material as per agreements with NHG.
- 5 This SROI study presented a conservative, lower bound estimate of the value of NHG's impact.
- 6 All underlying assumptions and calculations have clearly been documented to ensure that stakeholders have full transparency on the approach to this SROI.
- 7 Appropriate independent assurance has been sought to ensure the results of this SROI are reasonable.

Report structure

The remainder of the report follows the structure detailed below:

- Section 2: Introducing the Neighbourhood Houses Gippsland
- Section 3: Framework to identify social impact
- Section 4: Evidence on the benefits of Neighbourhood Houses Gippsland
 - Section 4.1 Health and wellbeing
 - Section 4.2 Connectedness and/or reduced social isolation
 - Section 4.3 Safety
 - Section 4.4 Resilience and pride
 - Section 4.5 Independence and productivity
- Section 5: Social Return on Investment for Neighbourhood Houses Gippsland
- References
- Appendix A: Detailed approach

2 Introducing the members of Neighbourhood Houses Gippsland

2.1 Overview of Neighbourhood houses in Victoria

Operations, governance and funding

There are approximately 400 neighbourhood houses located throughout metropolitan, regional and remote areas of Victoria.³ These houses are grouped into 16 regional neighbourhood house networks, with each network responsible for providing operational, resourcing and managerial support to the houses within its network. This includes managing finance, employment and governance of the network.¹

These neighbourhood house networks receive core funding from DHHS for their coordination activities through the NHCP. This funding received from DHHS is determined through a funding agreement, which sets out the number of hours of coordination to be provided by the network.²

DHHS aside, the activities of neighbourhood houses are also partially funded through small annual membership fees payable by users of the house.³ Some LGA's also provide grant funding to the neighbourhood house networks for the delivery of specific community based programs or projects that aid the delivery of council objectives.

Most of Victoria's neighbourhood houses and learning centres are represented by the industry peak body NHVic. NHVic is responsible for providing strategic leadership, and supports the houses by delivering state-wide advocacy, research, policy advice and information on legislative developments.⁴

Neighbourhood houses in Victoria are grouped into 16 regional networks. These networks link houses and local communities to other houses and communities at a regional level and facilitate:

- Individual support and resourcing to their members
- Early identification and support of neighbourhood houses experiencing difficulty
- Regional collaboration on issues, needs and projects among the membership
- Representation and advocacy on regional issues and needs to the ANHLC, and local and state governments.⁵

Vision

Strong, safe and vibrant communities that value diversity and gender equity.

- NHVic, 2020

Purpose statement

Building sustainable community connections with choice, opportunity and flexibility that is responsive to local needs and issues.

- NHVic, 2020

1) Neighbourhood Houses Victoria. (2020). What is a neighbourhood house network? Retrieved from [here](#)

2-4) Neighbourhood Houses Victoria. (2020, February). Neighbourhood House Networks: an information resource. Retrieved from [here](#)

5) Neighbourhood Houses Victoria. (2020). What is a neighbourhood house network. Retrieved from [here](#)

2.2 Overview of Neighbourhood Houses Gippsland

NHG's 20 houses aim to create a safe and connected community

NHG is one of the 16 neighbourhood house networks. NHG is a group of 20 neighbourhood houses spanning the following LGAs: Bass Coast Shire, Baw Baw Shire, Latrobe City, South Gippsland Shire and Wellington Shire. A list of the houses that belong to the NHG network can be found in the diagram below.



Vision

Safe, connected and thriving communities with a collective voice.

- NHG, 2020

Mission statement

To facilitate support and strengthen the capacity of the Network Members through advocacy and leadership. NHG works within a Community Development framework and values diversity and inclusion

- NHG, 2020

Activities

The most popular activities offered by NHG members include office services, community lunches, physical activity, and access to information about available services, e.g. government support, accommodation services. These activities were offered by 95% of NHG's 20 houses between the period of April 2019 and March 2020. This is shown on the following page, along with a breakdown of the activities offered across all the houses.

DRAFT

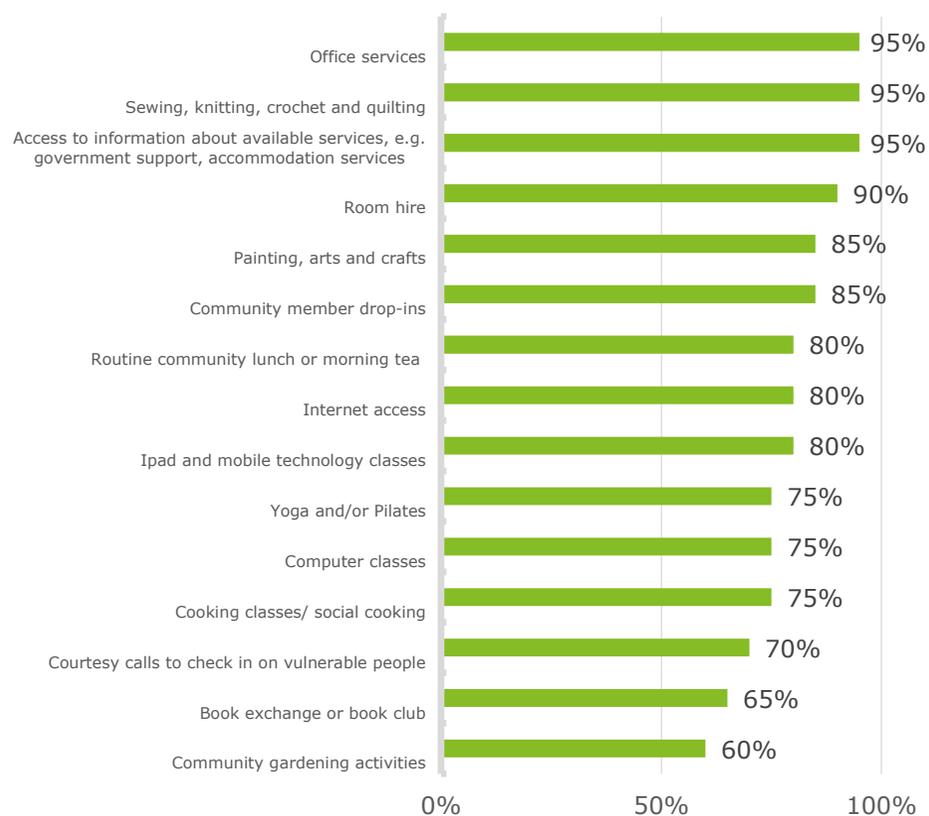
2.2 Overview of Neighbourhood Houses Gippsland

Activities primarily benefit lonely and socio-economically disadvantaged participants

Activities

The graph indicates NHG's most popular activities offered amongst its network of 20 houses.

Chart 1: Most popular activities offered by NHG from April 2019 to March 2020



Source: Deloitte Access Economics survey data (2020)

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Survey data suggest that the greatest beneficiaries of NHG's activities are:

- **Participants who may be experiencing loneliness or social isolation** – 65% of houses
- **Socio-economically disadvantaged participants** – 50% of houses

Other cohorts who are also expected to benefit from NHG's activities according to survey data include participants with mental health issues, retirees, men, women, parents, migrants and refugees, and participants with a disability. This data suggests that NHG's activities are generally geared towards the more vulnerable cohorts of society, however each house offers a unique suite of activities tailored to meeting the needs of its individual community.

Funding

NHG member's activities are primarily supported through grant funds. This includes funding from DHHS for a minimum of 25 hours per week for the houses to operate and coordinate activities.

Total revenue for the network in FY19 amounted to \$4.08 million. This excludes revenue from Yarram Neighbourhood House and Neerim District Community House due to financial information being unavailable (note that an average was used to account for these missing costs in the SROI modelling).

Governance

NHG employs a Network Manager for 29 hours per week. The Network Manager is responsible for coordination with the houses, and works alongside the Committee of Governance.

NHG is managed by a Committee of Governance comprising of 5 members. The committee is responsible for all financial management, strategic direction, employment relations and governance matters for the network.

3 Framework to identify social impact

3.1 Framework

Developing the program logic model and social impact framework

Program logic

A program logic model was used to identify and map the broad range of impacts of NHG and formed the basis of the social impact framework.

A program logic model is a schematic representation that describes how a program is intended to work. It shows the relationship between inputs, activities, outputs and outcomes.

The program logic used as part of the impact analysis was developed collaboratively following stakeholder consults with key stakeholders, as well as through a workshop with all nineteen of the houses in the NHG network.

The resulting program logic model demonstrates NHG service offerings across each of the houses, in aggregate, and outlines the key areas of impact as described by the houses themselves (each component of the program logic model is explained in Appendix A in full report).

Four groups of stakeholders were identified who are positively impacted by the NHG houses. These include individuals, families, the broader community and the broader social services system.

The program logic developed details 15 short-term (<12 months), 19 medium-term (1-5 years) and 16 long-term outcomes (>5 years), which lead to five key impact areas in 2019:

- **Health and wellbeing:** improved physical, mental and personal health and wellbeing
- **Connectedness and/or reduced social isolated:** built community relationships and improved social connectedness
- **Safety:** developed a safe and supportive community
- **Resilience and pride:** provided access to essential resources and crisis support, and developed community pride of place and empowerment
- **Independence and productivity:** taught life skills.

Social impact framework

The framework for estimating social impact is based on the program logic. For each short- and medium-term outcome, indicators and measures were developed.

It was agreed that NHG members were confident in their direct contribution to short- and medium-term outcomes. The long-term outcomes were considered indirect outcomes which are influenced by NHG along with a range of external influences. In these cases, NHG's contribution is smaller and less clear. Short- and medium-term outcomes are therefore reported with greater certainty.

The framework then differentiated between existing and potential data sources. For those outcomes reported in the findings, these are consolidated into existing data sources. For outcomes that have not been substantiated for this report, potential data sources are still listed and could be explored in future research.

Finally, the framework identifies the key assumptions and whether the outcome is reported using qualitative descriptions (e.g. quotes and examples from interviews), using quantitative data (e.g. reporting numbers of participants or hours), or monetised (a dollar value placed on the outcome).

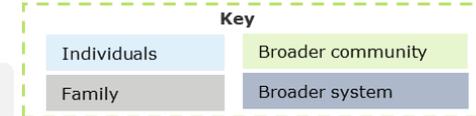
The framework developed to guide the analysis is provided in full in Appendix B in full report. It is intended that this framework can be used by NHG in future to help structure strategic decision making and for future impact measurement.

The next section on findings provides a summary for the 17 outcomes explored in detail for this report. This is then followed by a full description, evidence and finding for each outcome.

3.2 Program logic model

NHG's vision:

To enable safe, connected and thriving communities with a collective voice



Inputs	Activities	Outputs	Short term outcomes (<12 months)	Medium term outcomes (1-5 years)	Longer term outcomes (>5 years)
<ul style="list-style-type: none"> • Funding • Staff • Committee • Volunteer • Donated items • User contributions 	<ul style="list-style-type: none"> • Workshop/information session/tutored learning • Services/support • Administrative support • Committee meetings • Community partnerships and projects/programs • Creative activities • Emergency relief • Filling gaps for other services • Childcare • Contribute towards community-based research • Adult, Community and Further Education (ACFE) • Transportation • Advocacy • Community leadership and development • Referral to other services • Information provision • Volunteer program • Disability services • Venue hire • Auspicing • Free computer use and internet access • Environmental/sustainability activities • Communication hub 	<ul style="list-style-type: none"> • Number of event attendances • Number of activities attendees • Number of contact hours • Number of tutored classes/workshops/information sessions conducted • Number of services/support groups • Number of social groups • Services implemented as a result of a pilot project • Newsletters/materials/deliverables produced • Local community member satisfaction • Number of volunteers • Number of volunteer hours • Number of community projects/improvements implemented 	Health and wellbeing <ul style="list-style-type: none"> Increased wellbeing through volunteering Increased self-worth Increased awareness of importance of physical activity Increased opportunities for individuals to become physically active 	<ul style="list-style-type: none"> Increased self-confidence Increased feelings of mental wellbeing Increased levels of physical activity Increased feelings of individual empowerment 	<ul style="list-style-type: none"> Increased quality of life for participants as a result of increased opportunities and pathways Increased self-determination Improved physical health, mental health, and wellbeing
			Connectedness and/or reduced social isolation <ul style="list-style-type: none"> Reduced social isolation and loneliness Increased community involvement and awareness of local groups/events Increased inclusion of diverse groups 	<ul style="list-style-type: none"> Increased broader social engagement Increased feelings of connection and inclusion within the local community Increased ability to foster and maintain relationships Increased community connection and cohesion Increased participation of diverse groups in the community 	<ul style="list-style-type: none"> Increased community contribution Increased community inclusivity and connectivity
			Safety <ul style="list-style-type: none"> Neighbourhood House is seen as a safe haven location 	<ul style="list-style-type: none"> Increased feelings of safety Reduced levels of family violence Increased referrals to appropriate agencies/services 	<ul style="list-style-type: none"> Increased community safety
			Resilience and pride <ul style="list-style-type: none"> Increased sense of belonging and community spirit Increased access to emergency services or relief Increased number of community members contributing ideas for house programs and offerings 	<ul style="list-style-type: none"> Increased feeling of community empowerment Increased levels of place-based programs and activities Increased number of employment opportunities Increased civic participation 	<ul style="list-style-type: none"> Increased adaptability to acute emergency response Increased community sustainability and resilience Increased community pride and ownership Reduced intergenerational disadvantage Increased capacity in the broader community service system
			Independence and productivity <ul style="list-style-type: none"> Increased awareness of employment opportunities Increased knowledge of financial and legal services Increased awareness of community government services Increased access to educational opportunities/courses Increased access to work experience for volunteers 	<ul style="list-style-type: none"> Increased participation in educational courses and training Increased community capacity Increased levels of employment for volunteers and clients 	<ul style="list-style-type: none"> Increased levels of employment and workforce participation Increased development of life-long skills Improved levels of educational attainment Increased stability and independence in life Increased economic productivity within the community

3.3 SROI framework

The program logic model was then used to create this SROI framework, which guides the structure and analysis undertaken in this report.

Category	Outcome	Related outcomes in program logic	Qualitative	Quantitative	Monetised	Page
 Health and wellbeing	<ul style="list-style-type: none"> Increased feelings of mental wellbeing 		✓	✓		22-23
	<ul style="list-style-type: none"> Increased feelings of individual empowerment 	<ul style="list-style-type: none"> Increased self-worth Increased self-confidence Increased feeling of community empowerment 	✓	✓		22
	<ul style="list-style-type: none"> Increased levels of physical activity 	<ul style="list-style-type: none"> Increased awareness of importance of physical activity Increased opportunities for individuals to become physically active 		✓	✓	24
	<ul style="list-style-type: none"> Increased wellbeing through volunteering 			✓	✓	25
 Connectedness and/or reduced social isolation	<ul style="list-style-type: none"> Increased inclusion of diverse groups 	<ul style="list-style-type: none"> Increased participation of diverse groups in the community 	✓	✓		26
	<ul style="list-style-type: none"> Increased broader social engagement 	<ul style="list-style-type: none"> Increased community involvement and awareness of local groups/events Increased number of community members contributing ideas for house programs and offerings Increased civic participation 		✓	✓	27
	<ul style="list-style-type: none"> Increased connection and inclusion within the local community 	<ul style="list-style-type: none"> Increased ability to foster and maintain relationships Reduced social isolation and loneliness Increased community connection and cohesion 		✓	✓	28

3.3 SROI framework

Category	Outcome	Related outcomes in program logic	Qualitative	Quantitative	Monetised	Page
 Safety	<ul style="list-style-type: none"> Increased safety 	<ul style="list-style-type: none"> Neighbourhood house is seen as a safe haven location 	✓	✓		29
	<ul style="list-style-type: none"> Reduced levels of family violence 			✓		29
	<ul style="list-style-type: none"> Increased referrals to appropriate agencies/services 		✓	✓		30
 Resilience and pride	<ul style="list-style-type: none"> Increased sense of belonging and community spirit 		✓	✓		31
	<ul style="list-style-type: none"> Increased levels of place-based programs and activities 		✓			31
	<ul style="list-style-type: none"> Increased levels of place-based programs and activities Increased access to emergency services or relief 		✓	✓	✓	32-34
 Independence and productivity	<ul style="list-style-type: none"> Increased access to educational opportunities/courses 	<ul style="list-style-type: none"> Increased participation in educational courses and training Increased number of employment opportunities Increased community capacity 	✓	✓		35
	<ul style="list-style-type: none"> Increased access to financial and legal services 		✓	✓		36
	<ul style="list-style-type: none"> Increased awareness of government services 			✓		36

4 Evidence on the benefits of Neighbourhood Houses within Gippsland



4.1 Health and wellbeing

Increased mental health and individual empowerment

Increased mental health

Description

Participants have indicated they experienced improved personal wellbeing and confidence due to attending NHG member houses. Some health and wellbeing activities include women’s support group, terminal illness and disabled support groups, and community member drop-ins.

Evidence

Survey data suggests that:

- Three houses offered **mental health support activities** for 15 participants over 27 sessions hosted between April 2019 and March 2020
- Eight houses offered a **parental support group**. The houses offered 253 sessions between April 2019 and March 2020 to an average of 56 participants
- Six houses offered a **terminal illness or disability support group** assisting 70 participants through a total of 141 sessions
- Six houses offered 209 sessions of **men’s shed activities** for approximately 62 participants
- 5 houses offered a **women’s support group**. Together these houses offered 240 support sessions to an average of 62 participants
- Four houses offered a **substance abuse group** supporting an average of 28 participants through 382 sessions.

Key finding



It is estimated that **15** participants directly engaged in **27** sessions of **mental health support activities**. Many participants engaged in other activities which would also contribute towards improved mental health outcomes.

Increased individual empowerment

Description

A key outcome of the services and support provided by NHG is to equip participants with the qualities to be strong and confident in the lives that they lead.

Evidence

Survey data suggests that:

- Ten houses offered **employment support services**. Collectively, these houses offered 268 sessions for approximately 40 participants between April 2019 and March 2020
- Eight houses offered a **parental support group**. The houses offered 253 sessions between April 2019 and March 2020 to an average of 56 participants
- One house provided **childcare services** for 16 children between April 2019 and March 2020, assisting parents to engage in economic activity.

Case study: Empowering mothers returning back to work

Many participants visiting Warragul Neighbourhood House are women who have recently had a child and have been out of the workforce for a period of time.

To re-engage and transition women back into working life, Warragul Neighbourhood House offers activities to help these women build back up their confidence.

The activities are tailored to the women’s needs, whether they enter back into the workforce in a different career or provide support and services to accommodate work life and being a parent.

4.1 Health and wellbeing

Honeybell's pawesome therapy



Case study: Pawesome Therapy

Pawesome Therapy: Honeybell Lollipop is blazing a trail to be the first therapy dog specifically trained to work in an Australian neighbourhood house. Introduced at 9 weeks old, Honeybell Lollipop already has a strong community following and a public profile.

She primarily meets and greets people using the Foodbank and accessing supports. She is a popular attendee of the community lunches and attends outside /community events as arranged.

The Latrobe Health Advocate, who was appointed by the State Minister of Health, provides independent advice to the Victorian Government on behalf of Latrobe Valley communities on system and policy issues affecting their health and wellbeing. The Advocate recently completed a round of community engagement in the Latrobe Valley and identified social inclusion and mental health and wellbeing as areas of critical community concern.

As a therapy dog, Honeybell helps alleviate stress on individuals and improves community connections, lifts spirits and lessens depressions and decreases feelings of isolation and alienation. Honeybell also provides comfort, encourages communication, increases socialisation and decreases anxiety. The work in this area has already received extensive media coverage and community attention.

Honeybell also frequents community engagements. On one of her outings, she made friends with a little girl who was scared of dogs. After this encounter and with support from her family, the little girl was brave and overcame her fears of dogs. After this encounter with Honeybell, the little girl and her family welcomed a golden retriever puppy of their own, naming him Duke Kaboom.

Community feedback has been very positive with many participants coming to the house to visit Honeybell. Overall, Honeybell has been making a strong impact on the community by connecting participants and improving mental health and wellbeing.





4.1 Health and wellbeing

Increased levels of physical activity

Increased levels of physical activity

Description

Across the neighbourhood houses, a variety of health and wellbeing activities are offered for participants to engage in physical activity. These activities include:

- Yoga and/or Pilates
- Tai Chi Classes
- Dance Classes
- Walking/running groups

By participating in these activities, NHG member participant's are given the opportunity to engage in physical activities which they may not have access to otherwise.

Evidence

This outcome is calculated as the avoided health care costs due to increased physical activity.

The analysis identified **32,121** individual participants engaged in a physical activity offered by NHG between April 2019 and March 2020.

Key findings



12,848 participants continue to be engaged in physical activities offered by NHG members.



Healthcare cost avoided for all active persons because of NHG health and wellbeing activities is estimated to total **\$1,222,987** per year.

To avoid duplication of avoided health care costs, of all participants, it is assumed that 80% attended only one type of physical activity offered – totalling **25,697** unique participants.

For the purposes of this report, it is assumed that **50%** of participants who engage in the other health and wellbeing activities offered would not be physically active if not for involvement with the NHG.

Outcome

Value of avoided health care costs due to increased physical activity

Number of adults that are physically inactive (n)

9,774,533 (number of adults in Australia that are physically inactive)

Health care cost per physically inactive person (\$)

\$719,000,000 (total healthcare costs associated with physical activity, Australia wide)
/
9,774,533 (number of adults that are physically inactive)
= **\$95.19 per person** (inflated to 2020 financial year dollars)

Number of adults that would not exercise if NHG did not offer physical activity (n)

32,121 (number of participants that attended NHG for physical activity)
*
80% (percentage of participants attending NHG for only one type of physical activity)
*
50% (percentage of participants who would not be physically active if NHGs did not offer physical activities - assumption)

Total benefit (\$p.a.)

\$1,222,987

*For a full description of the available evidence to support this finding, see Appendix.



4.1 Health and wellbeing

Increased wellbeing through volunteering

Increased wellbeing through volunteering

Description

NHG houses provide a variety of services to the community. In doing so, the houses act as a conduit; bringing together participants who wish to engage with their community through volunteer work. There is a wealth of evidence of how participating in volunteering promotes understanding between community groups and helps to build community social networks and cohesion.¹ Furthermore, engaging in volunteering has shown to increase mental and physical wellbeing.²

Evidence

This outcome is measured using the value of improved volunteer wellbeing:

- Between April 2019 and March 2020, there was a total of **366** volunteers that worked across the neighbourhood houses.
- The total number of hours that these volunteers worked per week during the period of April 2019 and March 2020 was **1,122** hours (3.07 hours per volunteer per week).

It was assumed that **50%** of volunteers would have long-term engagement as a volunteer at the houses, and benefit from reduced social isolation. This

Key findings



183 unique volunteers received reduced social isolation benefits by volunteering at the neighbourhood houses.



The quality of life gain associated with this outcome is estimated to total **\$435,116** per year.

1) Medibank. (2020). 7 ways volunteering can improve your life. Retrieved from [here](#)
 2) Bank of England. (2014). In giving, how much do we receive. Retrieved from [here](#)
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totalled **183** unique volunteers that receive improved social capital through volunteering at neighbourhood houses.

Outcome
Value of improved volunteer wellbeing
=
Reasonable contribution to indicator as a result of attending NHG (%)
12% (percentage of variation in social capital explained by involvement in the local community)
+
9% (percentage of variation in social capital explained by friends' informal socialisation)
+
8% (percentage of variation in social capital explained by cultural activities)
x
Variation in quality of life explained by indicator (%)
61% (percentage of variation in quality of life explained by the five domains of quality of life (mental health, social participation, physical health, sociodemographic, socioeconomic)
*
6% (percentage of variation in quality of life explained by social participation)
x
Value of one quality adjusted life year (\$)
\$216,727 (value of one statistical life year)
x
Number of NHG volunteers achieving this outcome in Apr 19 to Mar 20 (n)
366 (total number of volunteers across all houses)
*
50% (percentage of volunteers receiving social capital benefits – assumption)
=
Total benefit (\$p.a.)
\$435,116*

4.2 Connectedness and/or reduced social isolation

Increased inclusion of diverse groups



Increased inclusion of diverse groups

Description

NHG continues to support the provision of community development programs and activities that lead to strengthening outcomes by supporting diversity and promoting community participation and inclusion.

Evidence

Survey and consultation data suggests that:

- One house offered **multicultural social gatherings** for 40 participants over 3 sessions hosted between April 2019 and March 2020
- Three houses offered **Multicultural Women's Group weekly meetings** which provides a social setting for women to broaden their networks and learn about Australia and each other's culture.

Key finding



An estimated **40** participants engaged in **3** sessions of **multicultural social gatherings** to improve the inclusion of diverse groups



Case study: Establishing connection with Aboriginal and Torres Strait Islander participants

An Aboriginal and Torres Strait Islander woman responded to Morwell's flyers for The Getting Ahead Program in 2019. The aim of the project is to help participants understand the nature of poverty and wealth in Australia and provide them a range of tools to improve finances, housing and relationships.

Her dream was to work as a painter and decorator in her own business. She is now working as a painter and decorator with a local Aboriginal community enterprise

Through her links with The Gathering Place, an initiative based in Morwell, which provides individuals and families the opportunity to come together to learn, share and celebrate culture, Traralgon Neighbourhood Learning House has established links with the local Aboriginal community.

Traralgon Neighbourhood Learning House is now exploring culturally sensitive program delivery options, tailored to suit the needs of the Aboriginal community.

For the first time in 2019, at the Traralgon Neighbourhood Learning House annual general meeting, a smoking ceremony and Welcome to Country was delivered.

This case study shows the circular impact of contributing to the development of an individual and building relationships and connections with all community members and their culture.

4.2 Connectedness and/or reduced social isolation

Increased broader social engagement



Increased broader social engagement

Description

Through the houses, participants have engaged in a number of activities and events about their community and the wider Gippsland region, thus making them more socially connected.

Not all of those who engage in the activities and events will go on to engage in greater levels of social participation. For those who do, this outcome cannot be attributed to NHG alone. This outcome contributes to NHG's impact of connectedness and/or reduced social isolation.

Evidence

This outcome is calculated using the value of increased social participation.

Social participation is closely linked with a person's engagement with social community activities and, therefore, their health related quality of life – an influencing factor of quality of life.¹

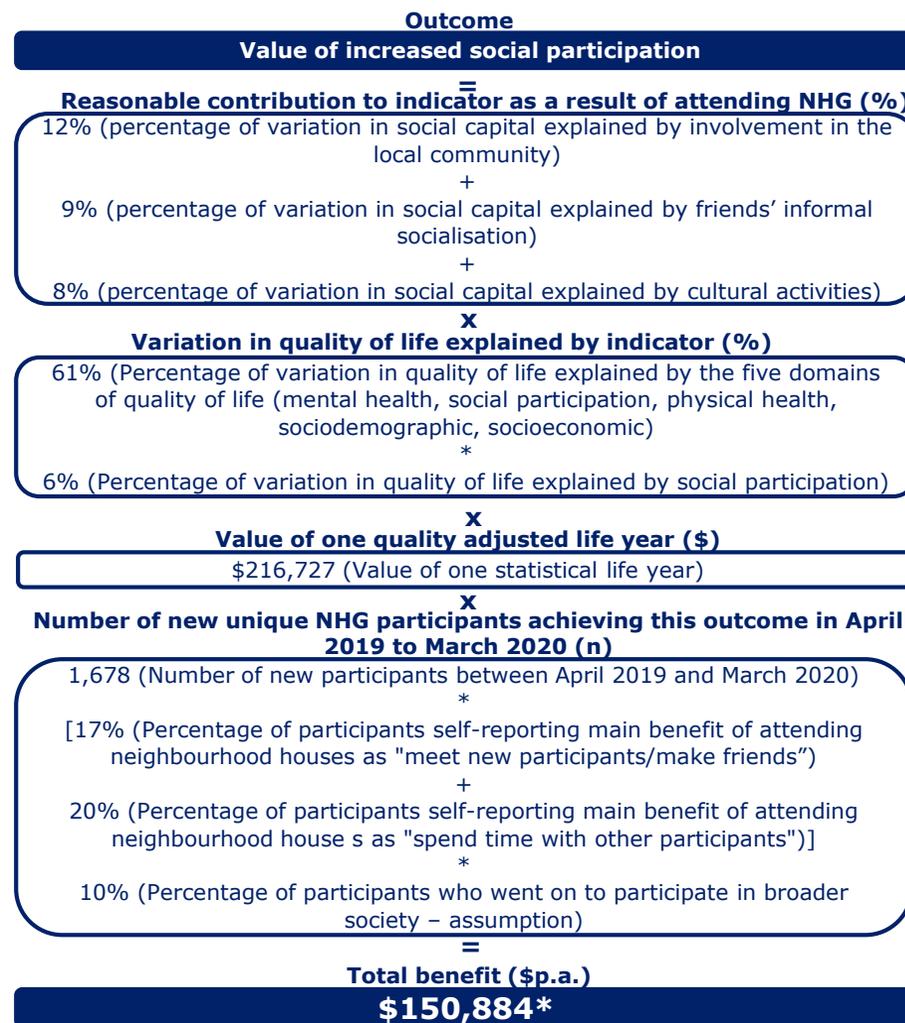
The houses recorded **1,678** new participants attended activities related to increase social connectedness and/or reduced social isolation. Using evidence from the 2017 participant census, described in more detail in the Appendix, 38% of participants stated the main benefits of attending the houses are meeting new participants, friends and spending time with other participants, totalling **634** new unique participants attended the houses on a regular basis.

Key finding



The quality of life gain associated with this outcome is estimated to total **\$150,884** per year.

¹ Andonian & MacRae, 2011; Karimi & Brazier, 2016
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*For a full description of the available evidence to support this finding, see Appendix.

4.2 Connectedness and/or reduced social isolation

Increased connection and inclusion within the local community



Increased connection and inclusion within the community

Description

As highlighted in the 'Increased broader social engagement' outcome, NHG runs many activities for participants. These activities include:

- Routine community lunch or morning tea
- Book exchange or book club
- Community gardening activities

By participating in these activities, NHG participants are exposed to increased opportunities to connect and be apart of their community – including with participants who they would otherwise not come into contact with.

Evidence

This outcome is measured using the value of improved social capital.

An estimated **634** new unique participants attended NHG on a regular basis. For the purposes of this report, we have assumed that these **634** participants experienced improved social capital and reduced social isolation. Improved social capital and reduced social isolation has been demonstrated to improve quality of life.

Key findings



634 new unique participants attended NHG activities related to increase social connectedness and/or reduced social isolation between April 2019 and March 2020.



The quality of life gain associated with this outcome is estimated to total **\$1,507,664** per year.

Outcome

Value of improved social capital

=

Reasonable contribution to indicator as a result of attending NHG (%)

12% (percentage of variation in social capital explained by involvement in the local community)
+
9% (percentage of variation in social capital explained by friends' informal socialisation)
+
8% (percentage of variation in social capital explained by cultural activities)

X

Variation in quality of life explained by indicator (%)

61% (Percentage of variation in quality of life explained by the five domains of quality of life (mental health, social participation, physical health, sociodemographic, socioeconomic)
*
6% (Percentage of variation in quality of life explained by social participation)

X

Value of one quality adjusted life year (\$)

\$216,727 (Value of one statistical life year)

X

Number of NHG participants achieving this outcome in Apr 19 to Mar 20 (n)

1,678 (Number of new participants between April 2019 and March 2020)
*
[17% (Percentage of participants self-reporting main benefit of attending neighbourhood houses as "meet new participants/make friends")
+
20% (Percentage of participants self-reporting main benefit of attending neighbourhood houses as "spend time with other participants")]

=

Total benefit (\$p.a.)

\$1,507,664*

*For a full description of the available evidence to support this finding, see Appendix.

4.3 Safety



Increased safety and reductions in family violence

Increased safety

Description

Neighbourhood houses are seen as a safe place to contact support networks or other service providers for those requiring extra assistance.

Participants comment that neighbourhood houses have a welcoming and friendly environment. This haven provides a safe space for all participants, regardless of religion, creed, ability or race to engage in social activities or with the house's staff members free from discrimination.

Evidence

Survey data suggests that:

- Fourteen houses engaged in **courtesy calls to check in on vulnerable participants** within the community. These houses reached out to 1,393 participants between April 2019 and March 2020
- Seventeen houses offered **community member drop-ins** for an estimated 2,399 participants between April 2019 and March 2020
- Two houses indicated that they offered visitors to the neighborhood house **referrals to community safety and family support agencies**. It is estimated that these houses referred 51 participants to the relevant agencies between April 2019 and March 2020.

Key finding



It is estimated that NHG members reached out to approximately **1,393** participants to check in on vulnerable participants, which has improved the safety of the community.

Case study: Supporting individuals during the COVID-19 pandemic

Particularly during the COVID-19 pandemic, houses have undertaken wellbeing checks on vulnerable community members to ensure their remain connected and safe during this period.

The Rosedale community includes a proportion of older participants who live alone. During the COVID-19 pandemic lock-down, one lady was in hospital and she was worried about her cat, as there was no one caring for it.

She was prematurely discharged from the hospital to care for her cat. Rosedale Neighbourhood House therefore provided the lady with meals and would check-up on her regularly through phone calls. When she did not answer a check-up call from the house, a staff member went to check up on her and found that she had collapsed on the ground. The staff member called the ambulance and the lady received medical treatment.

Reduced levels of family violence

Description

Neighbourhood houses play an important role in supporting victims of family violence.

Evidence

Survey data suggests that:

- Nine houses have offered their **support to victims of family violence**. It is estimated that these houses have collectively assisted around 75 participants that have been affected by family violence.

Key finding



It is estimated that NHG members has supported approximately **75** participants that have been affected by family violence, which has improved the safety of the community.

4.3 Safety

Neighbourhood houses are a safe haven



Increased referrals to appropriate agencies/services

Description

When possible, houses will provide immediate support and services for participants requiring assistance.

However, in some circumstances when the houses are not able to provide direct services, they will provide support and information for participants to engage with appropriate agencies/services.

These agencies/services are more specialised, and are able to provide tailored support to meet the needs of the participant.

Effective and efficient referral practices support participants access to the care and support of other services, and ensures they receive the help they required.

Evidence

Survey data suggests that:

- Two houses indicated that they offered visitors to the neighborhood house **referrals to the appropriate support agencies**. It is estimated that these houses referred 51 participants to the relevant agencies between April 2019 and March 2020.

Key finding



It is estimated that NHG members has referred approximately **51** participants to the **appropriate support agencies**, which has **improved the safety of the community**.

Case study: Neighbourhood houses a safe haven for the community

A common theme throughout stakeholder consultations and workshops, is the safe and welcoming nature of neighbourhood houses.

Stakeholders mention that participants that attend the houses may not feel comfortable going directly into government organisations to access the services they require.

The neighbourhood houses act as an intermediary for service provision, providing a safe and inclusive environment for vulnerable or disadvantaged groups.

A stakeholder mentioned the reason that neighbourhood houses are seen as a safe place is that it is not affiliated with other services. For example, going to an organisation asking for services around mental health may bring stigma or attention to those wanting to receive help. However, participants coming into the houses feel welcomed and are never judged by the staff members. Participants are also provided with options and pathways, and never feel like they are forced into a decision.

Many areas of Gippsland are the most disadvantaged areas in Victoria. There is also a lack of family violence services and interventions for those experiencing domestic violence.

The neighbourhood houses set in and play an essential role in providing options to participants and pathways for them to access services or help they required.



4.4 Resilience and pride

Sense of belonging and more place-based programs and activities

Increased sense of belonging and community spirit

Description

Through their sheer existence, neighbourhood houses targets loneliness and social isolation every day by offering a safe and inclusive space for participants to reach out for a sense of belonging.

Despite the many reasons that may bring a person into a Neighbourhood House, each and every person that walks through the doors benefits from an increased sense of community connection and solidarity.

Evidence

Survey data suggests that:

- Sixteen houses hosted a total of 385 **routine community lunches or morning teas** for approximately 280 participants between April 2019 and March 2020
- Twelve houses offered roughly 567 **community gardening activities** for approximately 98 participants between April 2019 and March 2020
- Six houses offered a **community newsletter** which were sent out to an estimated 4,492 recipients.

Key finding



The houses have created a sense of belonging and community spirit through its **community lunches and gardening activities**, which were attended by an estimated **378** participants.

More place-based programs and activities

The demographic profile which build each communities shape the neighbourhood houses and the services they deliver. Each house focuses on different support areas, responding to the needs of the community.

One of their greatest strengths is to provide services to a whole range of participants. For a community that has a high population of migrants, the houses can focus on courses which develop digital skills or running weekly play groups.

Some Neighbourhood Houses also have government services within them, such as Medicare, so that participants can access these services when they go to the house.





4.4 Resilience and pride

Increased access to emergency services or relief

Description

Several essential services provided by the houses within the Gippsland Network include emergency food parcels, female sanitary products, access to shower facilities and access to the internet. During the COVID-19 pandemic, the need for emergency food parcels was particularly evident, with many houses increasing their monthly 'food bank' expense to address the increased demand of this service. The support and contribution of the houses during the pandemic are likely to be much greater, as the scope of this project only includes up to March 2020, when the pandemic's impact first surfaced.

Evidence

Data was collected and collated from the Deloitte Access Economics data collection tool for April 2019 to March 2020. Survey participants were asked to estimate the value of goods/services supplied between the specified study period. Where cost estimates were unavailable, an average cost of goods/services was used to determine the total cost. Figures reported are aggregated across all activities that were offered by the houses which were contributed to increased community resilience and pride.

- Internet access was provided to **5,042** participants, with an additional **5,001** participants gaining access to information about available services
- **1,079** recycling programs and **1,000** native plant propagation programs were provided
- Over **1,400** other activities were provided to increase access to emergency service or relief

Outcome	
Value of increased emergency services or relief	=
Value of emergency food parcels (\$)	\$192,292
Value of female sanitary products (\$)	\$14,925
Value of toiletries (\$)	\$8,406
Value of shower facilities access (\$)	\$596
Value of internet access (\$)	\$19,200
Value of relevant activities (COVID-19 and bush fire support) (\$)	\$38,135
Total benefit (\$)	\$273,555

Key findings



Approximately **17,000** emergency food parcels were provided, valued at approximately **\$192,292**.



345 female sanitary products worth **\$14,925** and **690** toiletries valued at **\$8,406** were distributed from NHG.



166 participants accessed NHGs shower facilities worth **\$596**.



A total estimate of **\$273,555** in emergency service and/or relief was given to the community.



4.4 Resilience and pride

An emergency food relief program making an impact that matters

Case study: Phillip Island Community and Learning Centre (PICAL) Pantry

PICAL has operated a emergency food relief program since 2008, catering to vulnerable locals who lack the means to adequately provide for themselves.

The “PICAL Pantry” operates every weekday, and has grown to become the largest emergency food relief provider in the entire region. Over the last three years, demand has increased by 6.2% per month, driven by population growth, economic downturn and a larger proportion of the workforce having casual employment.

Due to the COVID-19 pandemic, the region has been impacted by unprecedented job losses, financial difficulties and economic crash. As a consequence, in March and April 2020, PICAL was suddenly confronted with a doubling of demand for emergency food relief. For the months of March, April and May 2020, while the pandemic was at its peak, PICAL’s spending on emergency food relief increased to nearly \$3,000 per month. This is a ten-fold increase in it’s usual set budget for this program at around \$300 per month.

PICAL is also working with local community gardens and backyard vegetable growers to maximise the propagation of raw ingredients. Most of the relief programs have been converted to the provision of cooked/frozen finished meals (as it is a more efficient means of stretching supplies further), and it is endeavouring to attract local support from mainstream metropolitan food relief services.



Case study: Providing bathroom access for the most vulnerable participants

Warragul Community House has a large bathroom built for participants with disability.

In March 2020, the house fitted a key box and key on a chain, and gave the key box code to local emergency support centres that interact with Warragul Community House. Local emergency support centre staff then pass on the code to participants who do not have permanent accommodation so that they can access the bathroom when they need it.

Having the code means bathroom users do not have to come into Warragul Community House and ask to use the bathroom, potentially in front of others, therefore maintain their privacy. Towels and basic toiletries are also provided for users.

Feedback from users has been positive with one user telling staff that they loved the bathroom and it was easy to access.

The bathroom access is a win-win situation for the Warragul Community House. They are able to provide a useful service and are able to work with other emergency relief providers, and users get to use a bathroom in privacy and peace.



4.5 Independence and productivity

Increased access to educational opportunities

Increased access to educational opportunities and/or courses

Description

The houses offer a vast array of educational activities that enhance the skills of the community. These activities span from general educational activities, like writing and languages, to more specialised classes like mobile technology or first aid courses.

Evidence

Survey data suggests that:

- Fifteen houses cumulatively offered approximately 1,040 **computer classes** to approximately 4,138 neighbourhood house participants between April 2019 and March 2020.*
- Sixteen houses cumulatively offered approximately 567 **iPad and mobile technology classes** to roughly 1,733 participants.*
- Eight houses offered a total of 261 **writing classes** to approximately 53 participants.
- Seven houses offered a total of 367 sessions of **English classes** to 24 participants while 4 houses offered a total of 669 classes for **other languages** to 48 participants.
- Nine of the 11 houses that offered **first aid courses**, offered an accredited first aid course. Between April 2019 and March 2020 delivered a total of 140 first aid courses to roughly 2,087 participants.

Key finding



NHG has provided access to a variety of educational opportunities and courses to an estimated **8,059** participants. This is likely to be an underestimate considering that many houses offer additional courses to those outlined above.

Case study: Courage through adversity

The neighbourhood houses offer a range of courses, proving an opportunity for participants to develop soft and hard skills. Other courses provide life skills for individuals, and allow participants the chance for them to gain confidence in themselves.

One participant attended a program designed to build life skills for women. She details how the program was a catalyst for her realising she had rights and would ask for help.

The women mentions that she was abused as a child, and it was only until listening to the first session of the course, did she understand she had worth and that she, as a woman, could say 'no' in situations.

Having partaken in the course and understanding her rights, she built up the courage to approach a psychologist to receive counselling.

Through the program, she has gained confidence and awareness for her own needs, and it has changed her life for the better. She thanks the staff at the Traralgon Neighbourhood House for their support and for offering this course.

* Please note some participants are likely to have attended more than one class, hence these figures do not represent the number of unique participants. It is also worth noting that courses are not accredited courses unless otherwise stated.



4.5 Independence and productivity

Access to professional services and awareness of Government services

Case study: Delivering low/pro bono legal services

A woman came into one of the houses as a volunteer, after losing her law license. She went back to study and got her legal license, and now works in Melbourne. From the relationship she developed with the neighbourhood house, she now works from the house, offering pro/low bono legal services for those who require this service.

Increased access to financial and legal services

Description

A handful of neighbourhood houses in the Gippsland network provide financial and legal services. The financial services that are provided by the houses are offered free of charge, and provide participants knowledge with managing their finances. Legal services are not a formal service provided by the houses but one house provided low/pro bono legal service.

Evidence

Survey data suggests that:

- One house **offered financial counselling/services** to approximately 144 neighbourhood house participants, of which, 48 participants are dependent on this service
- Two houses **offered free financial literacy services** run by tutors to provide guidance to participants to manage their finances.

Key finding



3 neighbourhood houses have provided over **144** participants with financial counselling/services

Increased awareness of Government services

Description

NHG provides support for participants to access government services such as Medicare and Centrelink. Some of these services are provided within the houses themselves, with staff members helping participants with filling out forms. Other times, the houses' staff members will direct participants to existing government services.

Evidence

Survey data suggests that:

- Nineteen houses **offered access information about available services** to approximately 2,792 neighborhood house participants
- Seven houses offered access to **Centrelink and Medicare services** for approximately 45 participants
- Two houses **provided access to NDIS services** for 9 participants between April 2019 and March 2020.

Key finding



NHG has assisted approximately **2,792** participants in accessing information about available services

5 Social Return on Investment key findings

5.1 Monetised benefits of Neighbourhood Houses Gippsland

Based on activities undertaken between April 2019 and March 2020

Table 1: Total undiscounted cash flow of benefits

Outcome	Total undiscounted cash flow	Benefit type	Value per annum
Avoided health care and mortality costs due to increased physical activity	\$6,114,934	Ongoing	\$1,222,987
Value of improved social participation	\$754,421	Ongoing	\$150,884
Value of improved social capital	\$7,538,320	Ongoing	\$1,507,664
Value of community resilience (through emergency relief)	\$273,555	Once off	\$273,555 (once off)
Value of improved volunteer wellbeing	\$2,175,581	Ongoing	\$435,116
Total benefits (undiscounted)	\$14,681,230		

5.2 Costs of Neighbourhood Houses Gippsland

Operational costs including the cost of volunteer time

Operational costs excluding volunteer labour

Description

Each neighbourhood house under the Gippsland network accrue expenses to run the activities, employ staff members (does not include volunteer services costs) and run the houses themselves. Some of the expenses to run the houses include:

- Administration costs
- Staff training and welfare
- Staff wages
- Project expenses

Evidence

The total expense for each house was obtained through individual Houses' annual report or financial statements for the most available report. The costs of operating the houses and their activities between April 2019 and March 2020 were assumed to be the same value as the costs reported by houses in their financial report or financial statement.

All costs were inflated to financial year 2020 given the timeline of this project (end March 2020).

Total expense (excluding volunteer time)



For the period of April 2019 and March 2020, the total expense (excluding volunteer time) was approximately **\$3,844,799**.

Cost of volunteer time

Description

Volunteers contribute their time to organise and run several activities within the houses. The time that the volunteers dedicate to the houses as a volunteer could be time used elsewhere, for example at paid-employment and earning a wage. There, the labour cost associated with volunteering needs to be included as a cost of running activities.

Evidence

53,856 hours of volunteer work was recorded by NHG. Volunteer hours are valued at \$33.12 based on the average hourly earnings of a non-managerial role in the community and social service sector adjusted for inflation using the consumer price index.

Cost of volunteer time



For the period of April 2019 and March 2020, the cost of volunteer time was approximately **\$1,783,491**.

Table 2: Total undiscounted cash flow of costs

Costs	FY19 (\$2020)
Total expenses (excluding volunteer time)	\$3,844,799*
Volunteer time	\$1,783,491
Total	\$5,628,270

Source: Calculations by Deloitte Access Economics (2020), data provided by NHG (2020).

Note: The costs are based on financial year 2019 and have been inflated to FY2020 assuming a 1.7% inflation rate. Therefore, the figures vary from the sum of the actual costs reported in the period.

*NHG report that total NHCP funding received by the houses during the 2019/20 financial year was \$1,720,921.

5.3 Social return on investment

Key findings

Based on the evidence accumulated in this report, Deloitte has estimated **the social return on investment for NHG is \$2.78 for every dollar invested in NHG's activities**. This means that for every dollar invested in NHG's activities, NHG delivers \$2.78 in social benefits for its community.

This estimate is based off the activities undertaken at the houses between April 2019 and March 2020. During this period, Deloitte estimated that the **total costs of delivering NHG's activities were \$5.63 million (NPV)**. This cost comprises of volunteer time valued at \$1.78 million (NPV) and other expenses incurred by the houses valued at \$3.84 million (NPV).

The **total benefits of NHG's activities is estimated to be \$15.63 million (NPV)**. The largest monetised benefit is that of reduced social isolation, or improved social capital, amounting to \$6.98 million (NPV). This benefit is derived from a number of social activities that NHG offers like community lunches, morning teas, book clubs, gardening etc.

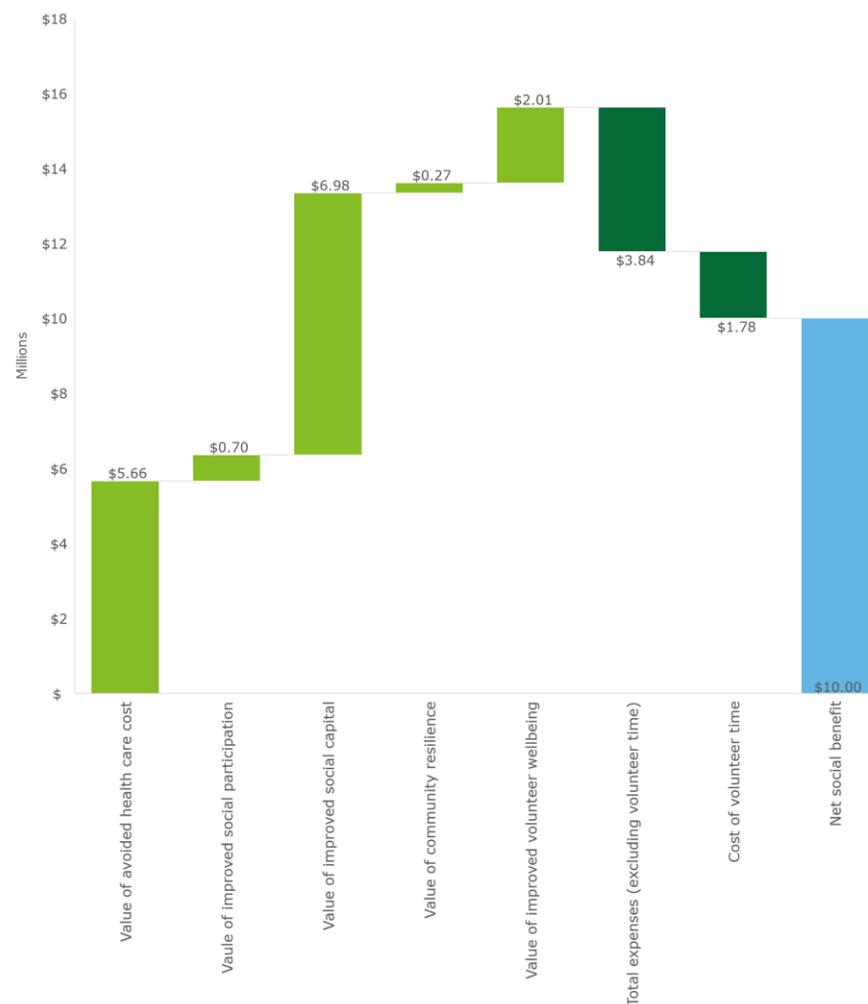
The avoided health care costs from physical activity offered by NHG is the second largest benefit amounting to \$5.66 million (NPV). The houses deliver running/walking groups, yoga, Pilates, dance classes and Tai Chi which play an important role in maintaining the physical wellbeing of the community.

Other important benefits captured in this analysis include the value of improved social participation (\$0.70 million NPV), the value of community resilience and emergency relief (\$0.27 million NPV) and the value of improved volunteer wellbeing (\$2.01 million NPV).

Together, the **net social benefit of NHG's activities between April 2019 and March 2020 is estimated at \$10.00 million (NPV)**. From an SROI perspective, this means that for every dollar invested in NHG's activities, NHG produces \$2.78 in social benefits for its community.

These results are considered conservative and are likely to understate the value of NHG's activities as they include the costs of all NHG's activities, but exclude many benefits which could not be monetised including those associated with educational activities.

Chart 2: Detailed summary of social return on NHG from April 2019 to March 2020



Source: Deloitte Access Economics calculations (2020)

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Appendix A: Detailed approach to measuring benefits



Health and wellbeing

Increased levels of physical activity

Value of avoided health care costs due to increased physical activity

Description

The National Physical Activity guidelines recommends at least 150 minutes of moderate-intensity physical activity over at least five sessions in a week to be considered 'physically active' (DHS 2019).

Several factors may explain why adults are insufficiently inactive including:

- Lack of parks, footpaths and sport/recreation facilities
- Increasingly placing value on cars, television and computers (making physical activity a less natural part of our lives)
- Increasing number of sedentary jobs
- Busier lives making individuals time poor (WHO 2008).

Being sufficiently physically active lowers the risk to diseases including cardiovascular, cancers, musculoskeletal and type 2 diabetes. Physical activity also helps to improve mental health and other health risk factors such as being overweight or having high blood pressure (AIHW 2017).

Number of adults that are physically inactive (n)

The Australian Bureau of Statistics (ABS) Australian Demographics Statistics, Sep 2017 (ABS 2018) summary indicated that there were 17,148,303 Australians aged 15 years or older.

According to the Australian Health Survey: Physical Activity, 2011-2012 (ABS 2013), 43% of adults were physically active – indicating that 57% of Australians aged 15 years or older were physically inactive. This resulted in 9,774,533 number of Australians aged 15 years or older who were physically inactive.

Health care cost per physical inactive person (\$)

The cost of physical inactivity was sourced from The cost of physical inactivity October 2008 (Medibank 2008). The direct net cost of physical inactivity in Australia in 2007/08 was valued at \$719 million/per annum. The healthcare cost per person due to being physically inactive was then inflated to 2020 financial year dollars – this amount was \$95.19.

Number of adults that would not exercise if NHG did not offer physical activity (n)

Between April 2019 and March 2020, NHG recorded 32,121 participants that attended NHG for physical activity. For the purposes of this report, and with consultation with NHG, it was estimated that 20% of participants attended more than one type of physical activity. Therefore, the remaining 80% of participants that attended only one type of physical activity was included in the model, to remove double counting of avoided health care costs.

A second assumption was included to consider the proportion of participants who would not be physically active if NHG did not offer physical activities. There are some activities offered by the houses which can be continued if no longer offered or the houses did not exist. Therefore, only a proportion of the avoided health care costs due to increased physical activities offered by the houses can be attributed to NHG. For the purposes of this report, we have assumed that 50% of participants would not be physical active if it were not for the physical activities offered by the houses.

Connectedness and/or reduced social isolation

Increased connection and inclusion within the local community



Value of improved social capital

Description

Social capital is defined as something that “generates positive externalities for member[s] of a group...achieved through share[d] trust, norms, and values...[arising] from informal forms of organisations based on social networks and associations...and their consequent effects on expectations and behaviour” (Durlauf & Fafchamps, 2004).

Social capital can be described by its cognitive and structural constructs. The cognitive constructs of social capital are the norms, values and beliefs that affect a person’s participation in society such as trust and reciprocity. Whereas, the structural constructs of social capital are a person’s observable social interactions and networks (Agampodi et al., 2015, Inaba et al., 2015).

Social capital can also be described in terms of whether it is “bonding”, “bridging” or “linking”. Bonding social capital refers to relationships between homogenous members of a community. Bridging social capital refers to relationships between heterogeneous members of a community. Linking social capital refers to relationships across societal gradients, such as those of power (Agampodi et al., 2015).

Reasonable contribution to indicator as a result of attending NHG (%)

A study by Bjørnskov and Sønderskov (2013) found that involvement in the local community, friends' informal socialisation and cultural activities explained approximately 12%, 9% and 8% – respectively – of variation in social capital at the individual level.

This is supported by a meta-analysis of studies measuring social capital was conducted by Agampodi et al. (2015). The results of this meta-analysis suggest that the social and cognitive constructs of social capital most commonly associated with health are social trust, sense of belonging, social cohesion, group membership and social support. Noting that heterogeneity

between the studies was present, even in the measurement of variables.

Social capital has also been shown to affect a person’s level of social participation – an indirect outcome of MNH (Cox, 2002).

Variation in quality of life explained by indicator (%)

A Layte et al. (2013) study of determining quality of life in individuals aged 50 and above found that 61% of the total variance in quality of life could be explained by six domains. Of these six domains, mental health was found to explain 6.3% of the explainable variance.

Value of one quality adjusted life year (\$)

The value of one quality adjusted life year (QALY) is estimated to be \$213,000 in 2019 dollars, based on the Department of Prime Minister and Cabinet value of statistical life (PMC, 2019)

Number of new unique NHG participants achieving this outcome in April 2019 to March 2020 (n)

Between April 2019 and March 2020, there were 1,678 new participants that attended connectedness and/or reduced social isolation activities at NHG. However, it is important to note that a proportion of these participants were one-off or infrequent attendees to NHG and were therefore, unlikely to have experienced the benefit analysed in this section.

A 2017 Neighbourhood House Participant Survey indicates that 17.4% of participants selected “meet new participants/make friends” as the main benefit of attending MNH, while 20.4% selected as “spend time with other participants”. This data was used to capture participants that would have long-term engagement with NHG and therefore obtained increased social participation – totalling 634 new unique participants attending NHG on a regular basis.



Health and wellbeing

Increased wellbeing through volunteering

Value of improved volunteer wellbeing (same as value of improved social capital)

Description

NHG houses provide a variety of services to the community. In doing so, the houses act as a conduit; bringing together participants who wish to engage with their community through volunteer work. There is a wealth of evidence of how participating in volunteering promotes understanding between community groups and helps to build community social networks and cohesion.¹ Furthermore, engaging in volunteering has shown to increase mental and physical wellbeing.²

Reasonable contribution to indicator as a result of attending NHG (%)

A study by Bjørnskov and Sønderskov (2013) found that involvement in the local community, friends' informal socialisation and cultural activities explained approximately 12%, 9% and 8% – respectively – of variation in social capital at the individual level.

This is supported by a meta-analysis of studies measuring social capital was conducted by Agampodi et al. (2015). The results of this meta-analysis suggest that the social and cognitive constructs of social capital most commonly associated with health are social trust, sense of belonging, social cohesion, group membership and social support. Noting that heterogeneity between the studies was present, even in the measurement of variables.

Social capital has also been shown to affect a person's level of social participation – an indirect outcome of MNH (Cox, 2002).

Variation in quality of life explained by indicator (%)

A Layte et al. (2013) study of determining quality of life in individuals aged 50 and above found that 61% of the total variance in quality of life could be explained by six domains. Of these six domains, mental health was found to explain 6.3% of the explainable variance.

Value of one quality adjusted life year (\$)

The value of one quality adjusted life year (QALY) is estimated to be \$213,000 in 2019 dollars, based on the Department of Prime Minister and Cabinet value of statistical life (PMC, 2019)

Number of NHG volunteers achieving this outcome in April 19 to March 20 (n)

Between April 2019 and March 2020, there was a total of 366 volunteers across NHG. However, it is important to note that these volunteers may have obtained similar benefits if they volunteered at other organisations. For the purposes of this report, we have assumed that 50% of these volunteers would receive social capital benefits by doing volunteer work at the houses.

Connectedness and/or reduced social isolation

Increased broader social engagement



Value of social participation

Description

Through NHG, participants have engaged in a number of activities and events about their community and the wider Gippsland region, thus making them more socially connected.

Not all of those who engage in the activities and events will go on to engage in greater levels of social participation. For those who do, this outcome cannot be attributed to NHG alone. This outcome contributes to NHG's impact of connectedness and/or reduced social isolation.

Reasonable contribution to indicator as a result of attending NHG (%)

A study by Wiegerink et al. (2006) found that building and maintaining positive social relations was closely related to improving social participation for adolescents and young adults with cerebral palsy. Social participation is closely linked with a person's engagement with social community activities and, therefore, their health related quality of life – an influencing factor of quality of life (Andonian & MacRae, 2011; Karimi & Brazier, 2016).

For the purposes of this report, we have assumed that the variation in social participation explained by attending NHG is equivalent to the variation in social capital explained by attending NHG.

Variation in quality of life explained by indicator (%)

For the purposes of this report, we have assumed that the variation in quality of life explained by social participation is equivalent to the variation in quality of life explained by social capital.

Value of one quality adjusted life year (\$)

The value of one quality adjusted life year (QALY) is estimated to be \$213,000 in 2019 dollars, based on the Department of Prime Minister and Cabinet value of statistical life (PMC, 2019)

Number of new unique NHG participants achieving this outcome in April 2019 to March 2020 (n)

Between April 2019 and March 2020, there were 1,678 new participants that attended connectedness and/or reduced social isolation activities at NHG. However, it is important to note that a proportion of these participants were one-off or infrequent attendees to NHG and were therefore, unlikely to have experienced the benefit analysed in this section.

A 2017 Neighbourhood House Participant Survey indicates that 17.4% of participants selected "meet new participants/make friends" as the main benefit of attending MNH, while 20.4% selected as "spend time with other participants". This data was used to capture participants that would have long-term engagement with NHG and therefore obtained increased social participation – totalling 634 new unique participants attending NHG on a regular basis.

Unfortunately, data for the proportion of NHG participants who subsequently went on to participate in broader society was not available. For the purposes of this report, we have assumed that 10% of participants who selected "meet new participants/make friends" and "spend time with other participants" as the main benefit of attending NHG, experienced this outcome between April 2019 and March 2020 – totalling 63 participants.

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