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Community Hubs Australia

Executive summary: Social return on investment evaluation of the National Community Hubs Program, 2023

February 2024

Executive Summary | Introduction

This report aims to highlight the impact of the National Community Hubs Program (NCHP) on local communities throughout Australia by estimating the social return on investment (SROI) of the program in 2023.

Background on the National Community Hubs Program

The National Community Hubs Program (NCHP) is delivered by Community Hubs Australia in partnership with local schools across Queensland, New South Wales, Victoria and South Australia. The program aims to engage and support culturally diverse families who are at risk of limited access to education, services and have limited opportunities for economic independence, and to provide them with the skills and connections to better integrate with, and succeed within, their communities.

The program was first established in 2013 and has grown to support over 14,000 families across 100 different hubs in 2023. The NCHP supports families through a range of activities, including; through the provision of formal and informal English language classes, playgroups and early education supports, skill development activities, supports for people to volunteer and access education, and provides a space for people to make friends and engage in their local communities.

Purpose of the report

Community Hubs Australia (CHA) engaged Deloitte Access Economics to undertake a comprehensive social return on investment (SROI) evaluation of the NCHP in 2023. This evaluation serves as an update to the <u>2019 SROI evaluation of the NCHP</u>, undertaken by Deloitte Access Economics in 2021.

Specifically, the SROI evaluation focuses on the impact of the NCHP across four pillars:

- Engagement: supporting families to connect and engage with their community.
- Early childhood: supporting learning and development of children and preparing children for school.
- English language: supporting culturally diverse families to learn and practise English.
- Vocational pathways: supporting families to find employment through the development of pathways through volunteering and access to formal and informal training opportunities.

Methodology

This evaluation followed the SROI framework developed by Deloitte Access Economics and CHA in 2021, and updated as part of the Data Collection Strategy Options report, delivered in 2022. This framework provides detailed guidance on how to measure the social impact of the NCHP across the four pillars, including required data collection and measurement approaches.

This SROI evaluation was undertaken using quantitative and qualitative evidence to identify the net social benefit of the NCHP. Data sources used to estimate the net social benefit include:

- 2023 Hub Census: a census of hub participants over a one-week period in August, 2023.
- English and Childminding assessment data: activity and outcomes data related to formal and informal English language programs delivered at community hubs.
- Hub Portal activity data: data on hub activities, referrals to external services and the number of families attending hubs, jobs secured and volunteers supporting the hub.
- Secondary data: data sourced from Government statistics websites and the 2019 SROI evaluation of the NCHP.

Net social benefits that could be monetised were then compared to total program costs (both financial and in-kind contributions) to identify the extent to which the NCHP program had produced a positive social impact in 2023.

Box E.1: What is an SROI evaluation?

A SROI is an analysis to measure the broad social benefits of a program in monetary terms relative to the investment required to deliver the program. A SROI goes beyond financial impacts and includes the measurement of impacts from a social perspective, including impacts that do not result in direct financial benefits.

Executive Summary | The Social return on investment of the National Community Hubs Program

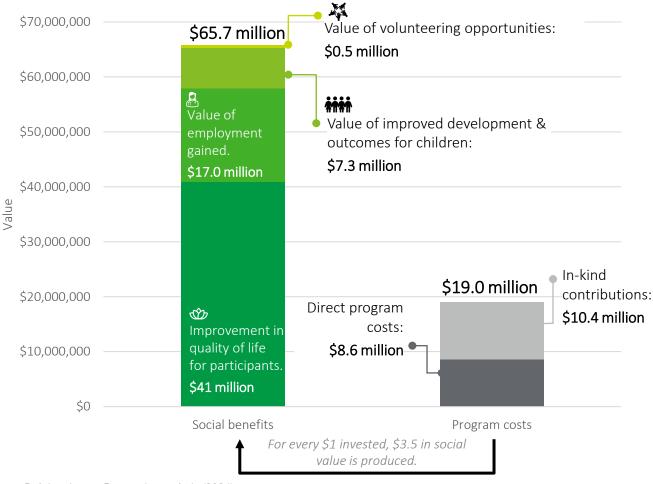
In 2023, the NCHP provided \$65.7 million in social benefits to Australia. This equates to a social return of \$3.5 for every \$1 invested in the program.

The social return on investment of the National Community Hubs Program

This evaluation estimates that the NCHP delivered benefits of \$65.7 million to the Australian society in 2023. As the NCHP was delivered with resources valued at \$19.0 million (including direct program costs and in-kind contributions), it is estimated that the program had a SROI of 3.5 in 2023 (Chart E.1). The social impact of the NCHP can be broken down by the following categories:

- Improvements in quality of life for participants: Through improvements in social connections, access to services and improved confidence and skills, hubs contributed to improved social cohesion and the quality of life of participants, valued at \$41 million in 2023 (62.2% of total social impact)
- Value of employment gained by participants: hub activities supported participants to find 422 jobs in 2023, generating \$17 million in social benefits (25.9% of total social impact)
- Value of improved development outcomes for children: the program provided children with access to playgroup, child health nurses and other development supports, generating \$7.3 million in social benefits in 2023 (11.1% of social impact)
- Value of volunteering opportunities: hubs provided 43,000 hours of volunteering opportunities to people throughout the community, generating social benefits of \$0.5 million (0.7% of total social impact).

The social benefits generated by the NCHP is made possible by the significant in-kind contributions of communities. Approximately 55% of the estimated cost of delivering the program is attributable to in-kind contributions, such as volunteering, free services provided in hubs, and school contributions. This highlights the strong community partnership model of the program and how it can generate significant benefits to society. Chart E.1: Net social benefits and costs of the NCHP in 2023



Notes: Individual categories may not add to total due to rounding.

Executive Summary | SROI of the NCHP by State

Across states, the SROI ratios of the NCHP varied from \$2.9 to \$3.8 in 2023. This variation does not reflect differences in the quality of hubs but reflects how many families access them, which may be dependent on the population density of the regions where they are located.

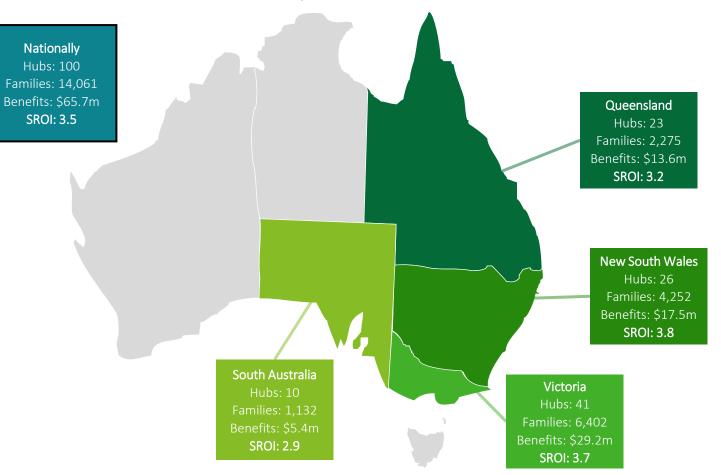
SROI of the NCHP by state

The SROI of the NCHP is disaggregated by state, to show the broad-based impact that the program had in 2023, across Australia.

The SROI ratio of the NCHP in 2023 varied from \$2.9 to \$3.8 across states, per \$1 invested in the program. This variation is due to differences in the number of families accessing hubs across the states.

For example, when compared to other states, hubs in New South Wales reached the largest number of families on a per hub basis, providing services to an average of 163 families per hub. In comparison, hubs in South Australia reached an average of approximately 113 families per hub. This difference in the number of families accessing each hub results in New South Wales hubs being able to generate a higher level of social benefits relative to its cost base (in comparison to South Australian hubs).

The causes of the differences in access to hubs across states was not in-scope for this evaluation, but a likely explanation is the variation in the size of populations that live near the hubs in different states (i.e. population density). Figure E.2: Net social benefits and costs of the NCHP in 2023, by state



Executive Summary | Engagement

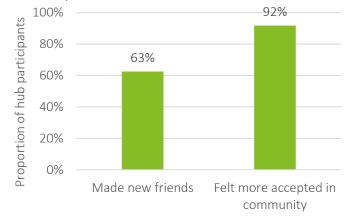
Community hubs had a significant impact on the quality of life of culturally diverse families in 2023 by supporting them to feel engaged in their community.

This evaluation found that community hubs made a significant contribution to improved feelings of belonging and engagement in communities for those that participated, generating a monetisable improvement in quality of life. Hubs facilitate social connections through their open door and placed-based delivery approach and array of group activities. Through the 2023 Hub Census, most hub participants identified that they felt more accepted in their communities (92%) and had made new friends (63%) due to their engagement with community hubs. Further, hubs provided opportunities for people to engage in volunteering activities, helping hub participants to develop new skills and generate valuable services that provide benefits to the community. This all leads to a tangible improvement in quality of life of hub participants which is a direct result of hub participation.

Reduced social isolation and improved community connections

Results from the 2023 Hub Census showed that, since coming to hubs, **63% of participants reported making new friends** that they feel they can talk to, while **92% reported feeling more accepted in their communities.**

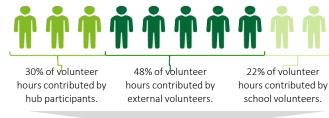
Chart E.2. Reported outcomes by participants due to participating in community hubs



Source: Deloitte Access Economics analysis using data from the 2023 Hub Census.

Facilitated opportunities to volunteer that benefit broader society

Figure E.3. The impact of volunteering at hubs Hubs supported community members to volunteer 43,000 hours in 2023:



This led to significant personal benefits generated for the broader community.

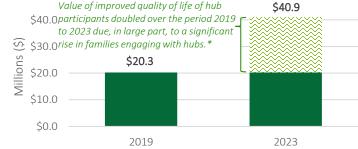
Volunteers delivered \$1.9 million in services that benefited the broader community. Volunteers gained \$0.5 million in personal benefits due to the skills gained and satisfaction associated with meaningful volunteering.

Source: Deloitte Access Economics estimates using Hub Portal activity data.

Improved quality of life of participants

This evaluation finds that community hubs contributed to a 1.1 percentage point improvement in the quality of life of adult hub participants in 2023, valued at \$2,007 per participant (totaling \$41 million across all hubs). This benefit is driven by a range of factors, including improved social connections, improved skills and improved access to services within their community.

Chart E.3. The value of quality of life improvements associated with participation at the community in 2019 and 2023



Notes: See Appendix for notes on calculations of this benefit. *Changes in social benefits of the NCHP between 2019 and 2023 are caused by a range of factors, including inflation, slight methodological changes and changes in activity. Therefore, any comparison should be treated with caution.

Source: Deloitte Access Economics analysis using data from the 2023 Hub Census and 2019 NCHP SROI evaluation.

Executive Summary | Early childhood

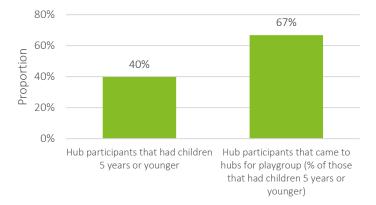
Community hubs improved educational outcomes for children through providing access to playgroups and supporting improved parent engagement in early education.

Child development is a key focus of community hubs throughout Australia. In 2023, 85% of hub participants with children aged 5 years or younger brought their children to the hub. Community hubs assist a child's development through several pathways. First, hubs deliver playgroups and other services, which have been shown to support the physical, cognitive, and social development of participating children, and improve their school readiness. Hubs also impact a parent's ability to support their child's education, including through improved English competency and awareness of the school. Finally, hubs provide important access to support for families through services provided at hubs, and referrals to services such as child health and early intervention. Together, hub activities are estimated to have contributed to an improvement in outcomes and reduced developmental delays for children participating in hubs, valued at \$7.3 million in 2023.

R Hubs provide access to early childhood programs for culturally diverse families with children

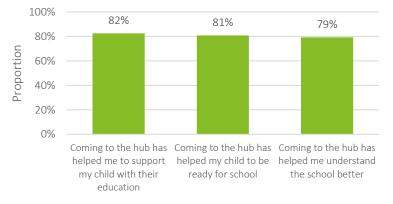
Community hubs play an important role in supporting child development. It is estimated that approximately 4,000 children accessed playgroups for the first time in 2023 through a connection with a community hub. Further, hubs provide support for parents to better engage in their child's education, including through improved English competency, improved understanding of the school, and improved confidence to engage in their child's education. Evidence shows that these activities can have significant impacts on a child's educational outcomes, which leads to improved employment outcomes throughout their life. In 2023, the NCHP's impact on improving early childhood outcomes of children that participate in hubs is valued at \$6.5 million.

Chart E.4. Reported statistics on hub participants with children and engagement in playgroups at hubs



Source: Deloitte Access Economics analysis using data from the 2023 Hub Census

Chart E.5. Reported impact of hub participation on school readiness and child engagement for participants with children 5 years or younger

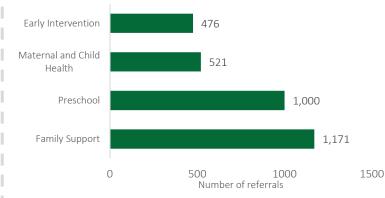


Source: Deloitte Access Economics analysis using data from the 2023 Hub Census

Hubs provide access to early childhood supports for culturally diverse families with children

Community hubs further support child participants by referring parents to a wide array of supports and services to meet the needs of their children and support their development. In 2023, the NCHP was **estimated to have reduced the need for in-school support for children with development delays, valued as a cost-savings of \$0.8 million.**

Chart E.6. Referrals to education and child health services by community hubs



Source: Deloitte Access Economics analysis using data from the Hub Portal activity data

Executive Summary | English

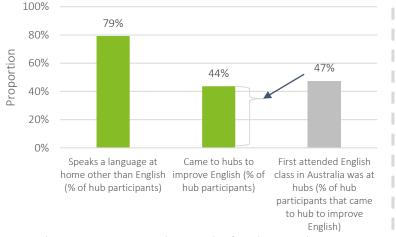
Community hubs provide hub participants with access to English classes through informal and formal activities and increases their exposure to English language conversation through group activities. This exposure improves participants' confidence and competency.

The monetary value of benefits associated with the English language pillar were not estimated in isolation in this evaluation. This is because English language contributes to the other benefits measured, such as social participation and employment. Therefore, the estimated value of other benefits is, in part, attributable to the English language pillar. English language competency is a significant need of families when they first join a community hub. According to the 2023 Hub Census, approximately 44% of adults that engage in a community hub do so to learn English, half of which are seeking to engage in English classes for the first time in Australia. As shown in the 2019 SROI evaluation, improvements in English language competency lead to improved outcomes and greater engagement in society, including: a greater likelihood in gaining employment, improved understanding and ability to navigate the community and services, and a higher likelihood of being more satisfied with social connections.

Hubs provide access to English classes for culturally

Community hubs play an important role in providing access to English courses. Approximately 79% of hub participants speak English as a second language, or do not speak English. Further, 44% of hub participants come to hubs to learn English, half of which are accessing English classes for the first time in Australia.

Chart E.7. Reported statistics on use of English and engagement in hubs for English classes by hub participants

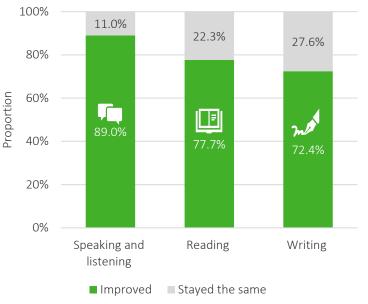


Source: Deloitte Access Economics analysis using data from the 2023 Hub Census

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English classes at hubs lead to improved English competency of participants

Chart E.8. Self-rated improvement in English language due to English learning classes held at hubs



Source: Deloitte Access Economics analysis using data from the 2023 English and Childminding assessment data

• The impact of English competency on the confidence of hub participants

Engagement with English classes at community hubs led to improved self-confidence, confidence engaging with others and improved job confidence in 2023. This further contributes to other outcomes, such as improvements in quality of life and pathways into employment.

Chart E.9. Self-rated improvement in confidence due to English classes held at hubs



Source: Deloitte Access Economics analysis using data from the 2023 English and Childminding assessment data

Note: totals may not equal 100% due to rounding error

Executive Summary | Vocational pathways

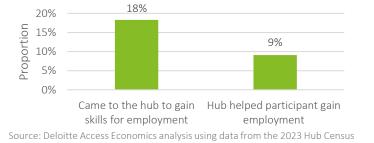
Community hubs support participants to build pathways to employment by encouraging volunteering and providing adults with access to formal and informal training opportunities.

Community hubs play a broad role in supporting culturally diverse families to gain employment. Hubs support participants in learning essential skills such as English language, resume writing and interview skills. Further, hubs support access to training and education, through the provision of courses in floristry and barista training among others, as well as referrals to training and education programs. Hubs also link people with opportunities in the workforce through connections with the local school and other organisations in their communities. In 2023, it is estimated that the NCHP generated \$17.0 million in social benefits associated with supporting people to find employment.

The impact of community hubs upon employment outcomes for participants

In 2023, approximately one in five people came to hubs to gain skills to support them to find employment. Hub leaders reported that they directly supported participants to access **422 jobs in 2023, generating a social benefit of \$17.0 million.** Further, through the 2023 Hub Census, 9% of hub participants identified that the hub helped them gain employment, including through indirect supports (such as skill development). Due to difficulties in identifying attribution, the impact of indirect supports provided by hubs on employment is not monetised.

Chart E.10. Reported statistics on reasons for engaging in hubs and access to employment



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Increased confidence

Some culturally diverse families are fully qualified and capable of working but lack the confidence in a new country with a different language. Hubs provide an opportunity for these individuals to gain confidence through English language classes, general conversation and interview role-play.

Exposure to experiences

Through volunteering opportunities, community hubs provide participants with opportunities to gain experience in fields of work they have an interest in, leading to employment outcomes through exposure to work experience.

Direct matching

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In some cases opportunities arise where community hubs can directly match hub participants with employment opportunities, either at the host school or with an associated party.

Higher education support

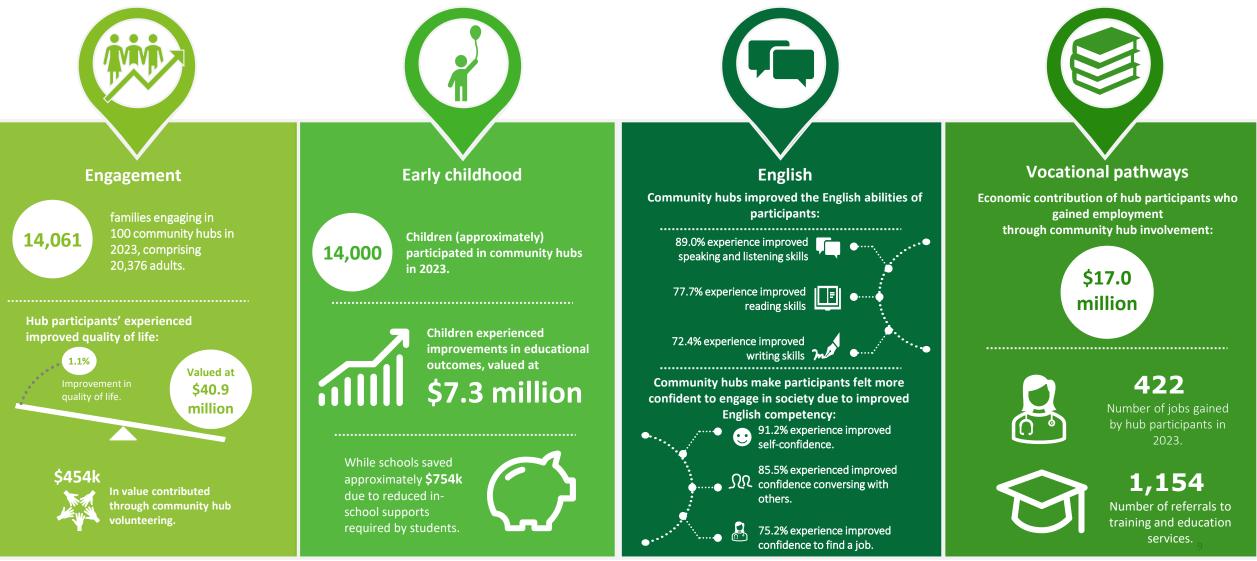


Some hub participants are supported through community hubs to complete higher education qualifications which bolster their relevant experience. In 2023, hubs made 1,154 referrals to training and education services.

The S In 2023

The SROI of the NCHP is 3.5

In 2023, it is estimated that the NCHP produced social benefits of approximately \$65.7 million.



^No monetised benefits were calculated for the English domain. This is because English is viewed as an input into the other domains. Therefore, benefits measured in other domains are attributable, in part, to English.

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