



**For
Change
Co.**

For Change Co.

Social Return on Investment (SROI) Report



Professional Disclosure

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***For Change Co. operated as Society Melbourne when the report took place, up until June 2021.**

Contents

Overview	04
home.plate	08
What happened in 2020?	09
Summary of key findings	10
SROI Methodology	14
Theory of change	16
Outcomes for young people	18
Outcomes for other stakeholders	24
SROI Ratio	28
Where to next - From the team	30
Appendices	31

Overview

About For Change Co.

For Change Co. is a social enterprise that works with young people at risk of, or experiencing homelessness. It supports them to learn hospitality skills and gain work experience, creating pathways out of the cycle of youth homelessness. For Change Co. does this through focussing on 5 pillars: housing, employment, education, confidence and community.

The four social enterprises that make the For Change Co. brand are:

- Crepes for Change (Food van)
- The Coffee Cart (RMIT and Chisholm)
- home.one (Brunswick)
- home.two (Parkville – University of Melbourne)

The Coffee Cart at RMIT, home.one and home.two are used to deliver the Hospitality Training Program which is referred to as home.plate. Crepes for Change and the Coffee Cart at Chisholm operate to raise funds for the program.



Purpose of this report

For Change Co. commissioned Social Ventures Australia (SVA) Consulting to determine the Social Return on Investment (SROI) of the home.plate Hospitality Training Program for 2021-2022, based on an evaluation of the program in 2020.

For Change Co. aims to use the SROI report to demonstrate the impact of home.plate. An SROI analysis seeks to compare the investment made into a program with the financial value of the economic, cultural and social outcomes created from the investment.

The report provides evidence of the impact created by the program in 2020, a year in which significant disruptions across the hospitality industry forced For Change Co. to reduce its training capacity and adapt program delivery. Based on this evidence, the report forecasts the social return on investment once the program operates at full training capacity in 2021, as well as the expected social return on investment when For Change Co. expands its capacity across a new venue in 2022, in alignment with the organisation's strategic plan.

	2020 HISTORICAL	2021 FORECAST	2022 FORECAST
 Trainees	13	18	30
 Venues	2	3	4
 Av. wages per trainee	\$2,356	\$5,624	\$5,624



Data Collection

For Change Co. has an evidence informed monitoring and evaluation framework in place. Through this evaluation, the organisational Theory of Change was refined and existing information collected was tested through a robust consultation process.

SVA spoke to a range of stakeholders to supplement some of the information that had been gathered by For Change Co. previously. A total of 15 stakeholders were consulted, including 7 trainees that were involved in the Hospitality Training program during 2020.

Trainee surveys are important to For Change Co. to guide their operational decision-making and understand impact. For Change Co. typically surveys participants prior to commencing a program, during the program and post-program and where relevant these results have been incorporated in this evaluation.

Interviews





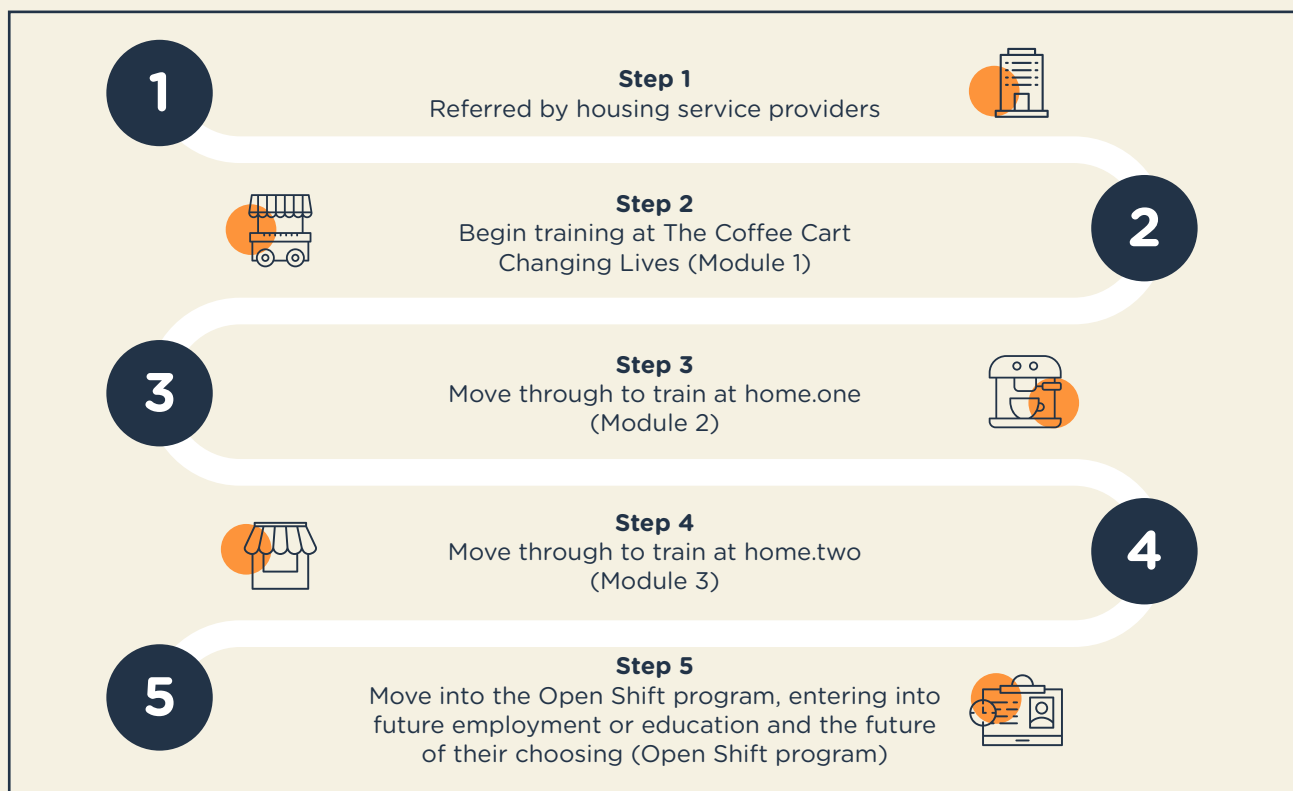
home.plate

For Change Co.'s home.plate is a paid, on the job training program that works to support participants to create their own pathway out of the cycle of youth homelessness.

The program has been designed based on evidence of what works to support youth employment¹ and follows a 'three module' model, with participants training and working at three different For Change Co. venues, building their knowledge and skills as they transition from the quietest to the busiest venues.

The program looks to not only build hospitality skills for participants, but to also build broader employability skills and experiences. The program creates a community of support for the participants and seeks to develop confidence and goal-setting behaviours which the young person can take with them as they pursue the next stage of education and employment in their pathway out of the cycle of homelessness.

For Change Co. works within the broader ecosystem aiming to end youth homelessness. The program is anchored around key partnerships including with housing support providers Launch Housing and Melbourne City Mission, and with a network of employers to help graduates move into more long-term employment upon program completion. Extra workshops are also offered within the program structure to enhance participants' skills and experiences including financial wellbeing, employability and individualised guidance.



1. Mackenzie, D et al 2016. The cost of Youth Homelessness in Australia. Swinburne University, Melbourne; Morrell S, Taylor R & Kerr, C. 1998. Unemployment and young people's health. Medical Journal of Australia; and Swami, N. 2018. The Grim Cycle of Homelessness and Unemployment. University of Melbourne.

What happened in 2020?



13

young people were
involved in home.plate



1,259

hours of work
experience provided



11,117

coffees
made

2020 was a difficult year for many, and it was no different for For Change Co.. Young people were disproportionately affected by the impacts of COVID-19, with youth unemployment soaring. Thankfully, many young people at high-risk of homelessness received reprieve through the Australian government's support programs including JobKeeper and JobSeeker. This meant that for most of For Change Co.'s 13 trainees this year, the economic impact of COVID-19 was manageable.

Most of the trainees worked at the Coffee Cart or home. one at some point in the year. During this time, For Change Co. provided monthly personalised support to program participants through phone calls. At times, these were simply an opportunity to connect with someone outside of their place of residence and track their current living situation, financial security and social connectedness. This also served as an opportunity to plan and discuss their participation in the program.

Four out of five of For Change Co.'s venues shut very early on in March 2020 and did not reopen until late 2020 and early 2021.

This meant the majority of the Hospitality Training Program was only delivered through module 1 and module 2.

With such a large portion of the operations shut, the team spent this time strengthening the foundations of the organisation and piloting additional products and services including retail food, meal delivery, 'SmartMeals' for housing service providers and hampers. This time gave For Change Co. an opportunity to explore different opportunities for revenue and impact generation, whilst ensuring that For Change Co. was set and ready to reopen post-COVID.

"I got a few shifts at home.one after a lockdown and it really helped to connect with people and gave me peace of mind. Even before COVID, For Change Co. helped with my mental health because I could talk to the trainers. I see them as friends. They've always been really helpful and open to helping in whatever way possible."

- TRAINEE

Summary of key findings

The social value created has been modelled for three scenarios:

SCENARIO	2020 SIGNIFICANTLY REDUCED CAPACITY	2021 FULL CURRENT CAPACITY	2022 EXTENDED CAPACITY ADDITIONAL VENUE
 Training venues	2	3	4
 Trainees	13	18	30
 Av. wages per trainee	\$2,356	\$5,624	\$5,624

It is forecast that in 2021 - 2022:



\$772k - \$1,111k (50%)
of total value is created for young people



**\$358k-
\$420k**

is the value to trainees of gaining paid work experience



**\$42k-
\$70k**

is the value of improved pathways into employment for young people



Improved **confidence** and **hospitality skills** and **paid work experience** are significant outcomes for young people



**\$133k-
221k**

of total social value is created for homelessness



**\$476k-
\$793k**

of total social value is created for Government in the form of reallocation or reduction of costs associated with youth unemployment and homelessness

The investment in 2020 generated a range of outcomes for stakeholders to the total present value of \$573,000. The SROI ratio is 1:1.28 which indicates, for every \$1 invested, \$1.28 of social and economic value was created in 2020. Given the significant disruptions experienced by For Change Co. during 2020, an SROI ratio above 1 is notable.

The social return on investment calculated in 2020 was then used to forecast the expected social and economic value likely in the future. The forecasted SROI ratio below can be interpreted as a range between expected impact of the program operating in 'normal' circumstances (forecasted as 2021) and the likely impact of expanded capacity through an additional venue (2022).



Total value

The total present value of the social value expected to be created from the investment is:

2021: **\$1.44m**

2022: **\$2.18m¹**



SROI per \$1

For every \$1 invested, the amount of social and economic value expected to be created is:

2021: **\$2.21**

2022: **\$2.84**



1. A compound rate of 1.44% p.a. was applied to the total value of investments to calculate present value. This captures the time value of money and allows us to compare like-for-like investments. This rate was chosen as it is the Reserve Bank of Australia's average cash rate for the period Jan 2017 - Jan 2020 (pre-COVID).

The SROI analysis revealed insights about For Change Co.'s impact:

1.

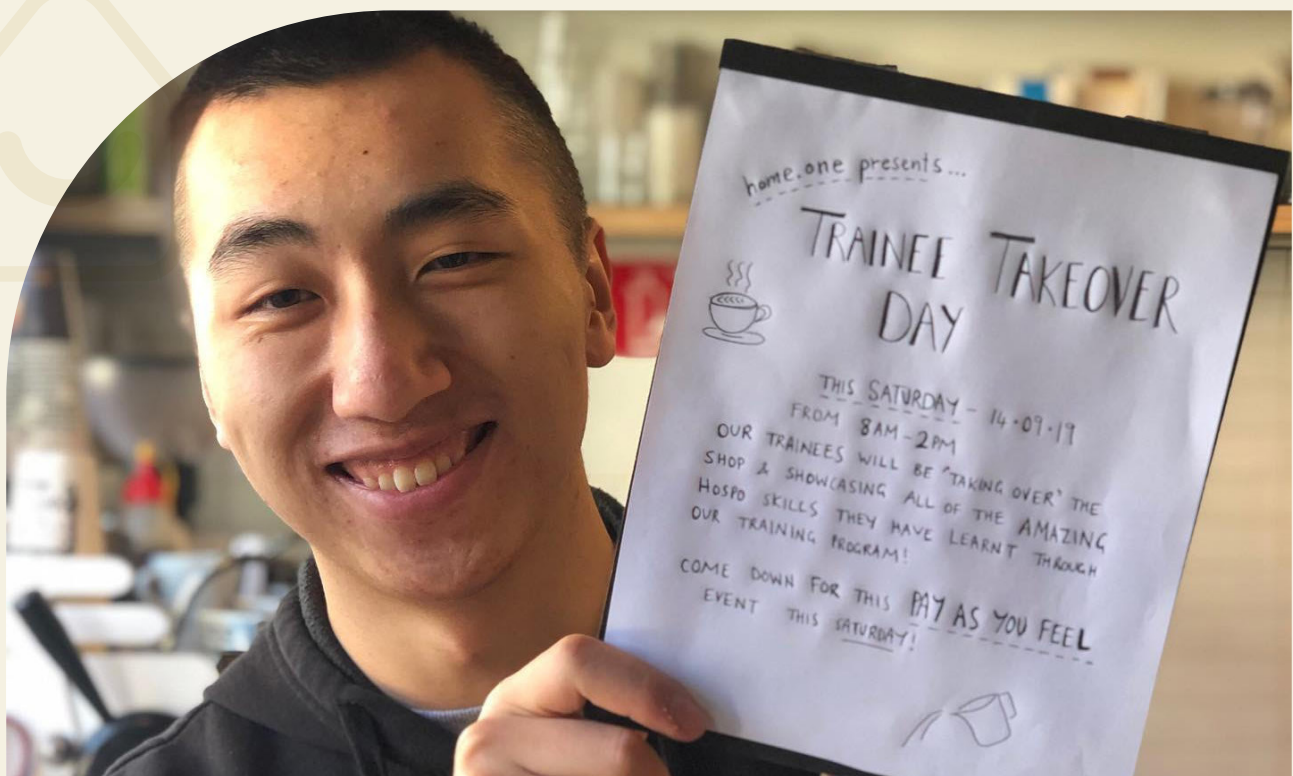
For Change Co.'s home. plate program can bring purpose and direction to young people's lives. The opportunities within the program to meet new people and the routine of the program motivates them, makes them more confident and increases their self-worth. Their wellbeing improves and these outcomes are important in breaking the cycle of homelessness.

2.

For Change Co. provides a safe space for the young people to learn real and soft skills necessary to succeed in any workplace. The program is flexible and For Change Co. meets the young person where they are at in their skills and then works with them through their journey. Tailored support is not uncommon in this industry, however at For Change Co. not only is the training content tailored to each person but there is flexibility built into the approach and delivery. For Change Co. is constantly looking for new ways to support trainees to enhance their skills.

3.

For Change Co. strengthens the programs of partner homelessness support organisations. This is done by providing employment opportunities and paid work experience opportunities to the young people in the Foyer programs of homelessness support organisations. The other way in which For Change Co. does this is by adding to the support network of the young person. Often the case worker of the young person provided by the homelessness support organisation is focussed on crisis support, whilst For Change Co. adds to the young person's network by providing healthy relationships, clear boundaries and social connection with the local community.



Key features of home.plate

The following elements of the home.plate program are key drivers of social and economic value for young people and other stakeholders.



Post graduate assistance is provided to gain employment (interview prep/references; referrals)



Strong relationship with support services and the community



For Change Co. is independent, flexible and responsive to participant and customer needs



Tailored support based in evidence is provided to trainees (Advantaged Thinking Framework)



Trainees receive real-world training and paid employment



Training is holistic including hospitality skills, confidence, wellbeing, independence and work rights



Opportunities to step up are embedded (trainee takeover day; progression of modules)

SROI Methodology

The Social Value principles are the foundation of an SROI analysis.

Social Value Principles

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

The SROI analysis followed a four step process. The first step included understanding the scope of the analysis, refining the Theory of Change and determining the stakeholders for consultation.

The next step involved consultation with stakeholders and the collection of data related to the outcomes in the Theory of Change. The third stage focused on analysing the data and developing the SROI Impact Map. The final stage was reporting the impact through the SROI report.

The outcome of the SROI analysis is a story about the value of change created, relative to the investment. The SROI ratio is a shorthand for all of the value for all of the stakeholders. For example, a ratio of 3 :1 indicates that an investment of \$1 delivers \$3 of social value.

The SROI analysis four step process:

1. **Scope**
2. **Consult**
3. **Analyse**
4. **Report**



Valuation

Financial proxies are used to value an outcome where there is no market value. Importantly, the financial proxy reflects the value that the stakeholder experiencing the change places on the outcome. This was a critical part of the valuation exercise in this analysis as many of the outcomes identified had no market values. The valuation technique predominantly used in this SROI analysis is known as 'revealed preferences', which is when a financial proxy is inferred from the value of a related market price.

To ensure the valuation did not overclaim For Change Co.'s impact, SROI filters were applied. These include deadweight (whether the change would have happened without For Change Co.), attribution (who else contributed to the change), displacement (whether another change has been displaced), and duration and drop-off (how long the change lasts and whether the investment diminishes over time).

See appendix for further information on the SROI methodology.

Theory of change

The Theory of Change represents how For Change Co. seeks to address the issue it has identified and achieve the positive impact it desires. However it's important to note For Change Co. works in an ecosystem of services that all together, lead to the long-term impact of breaking the cycle of homelessness for young people.

This higher-level Theory of Change represents the ecosystem in which For Change Co. operates. To understand For Change Co.'s impact, it is important to understand they adapt their style to work with existing players in this sector. The employment and personal development skills that For Change Co. provide is a crucial piece of the puzzle to breaking the cycle of homelessness.

ISSUE	ECOSYSTEM	OUTCOMES	IMPACT
Nearly 28,000 young people are at risk of or are experiencing homelessness in Australia. Unemployment is a significant contributing factor to housing instability and homelessness.	Government sets policy and alongside investors and philanthropists, invests in infrastructure and services that support to address youth homelessness.	• Appropriate supply of housing stock • Appropriate support services • Strong economy that leads to the creation of jobs	Young people who participate in For Change Co. programs break the cycle of homelessness.
	FUNDING  Education providers which support young people to develop skills and knowledge required to access employment opportunities.	YOUNG PEOPLE AT RISK OF OR EXPERIENCING HOMELESSNESS WHO: • Are supported to improve their educational outcomes	
	Housing and homelessness organisations which provide housing assistance, mental health support and a support network.	• Are supported to access appropriate housing	
	For Change Co., which provides paid work experience opportunities, hospitality skills training and employment.	• Are confident and equipped with job ready skills, work experience, and professional networks	



Outcomes for young people

The total social value created for young people (trainees) is expected to be between \$772,000 - \$1,111,000 in 2021- 2022.



Paid work experience

40% (\$358,000 - \$420,000) of the social value is expected to be created for trainees through paid work experience. The young people that For Change Co. assists are at risk of, or experiencing homelessness and as a result, it is difficult if not unlikely for them to be able to secure paid work experience. Often many of them have not had prior work experience and so the opportunity that For Change Co. provides is very important to them.

Employment and work experience are significant factors to breaking out of the cycle of homelessness for the young people.

“Once I started working at For Change Co., I had more experience on my resume. It helped me get a job.”

- TRAINEE





Increased confidence

A significant outcome for young people in the program is increased confidence. This outcome equates to approximately 11% of the total social value created (\$84,000 - \$141,000). Confidence is a core pillar of For Change Co.'s Hospitality Training Program and is based on evidence of what works in addressing youth homelessness. Many young people who have experienced homelessness are unable to access appropriate support, resulting in a lack of life skills which negatively impacts their confidence. Therefore, positive reinforcement and a consistent and supportive workspace clearly seeks to build the young person's confidence and, in doing so, assists them in accessing employment and education opportunities.

For Change Co. adopts an Advantaged Thinking approach in their program in which they focus on the strengths of trainees and tolerate minor slip ups – especially in the beginning as the young people find their way. This ultimately, directs young people to see themselves as able to find employment, participate in education; and eventually move out of the foyer accommodation.

“I think For Change Co. are very sophisticated as opposed to other social enterprises in this area because they understand that you need to take a holistic view to support.”

- COMMERCIAL PARTNER



Improved social connection and feeling supported

Based on the consultations completed during the evaluation, over 80% of trainees feel a sense of improved social connection and support from For Change Co.. This equates to 5% of the total social value forecasted (\$30,000 - \$50,000). Many trainees identified the social connection they felt at For Change Co. as being important to them. This is cultivated by the culture of the businesses, the strengths-focused approach to working with the young people and the friendships that are built by trainers and other staff.

The growth in the support system of the young person is very important to their journey out of homelessness and into employment. This is because it helps them become more independent and also more confident in their own value and abilities.

“Even when it was lockdown For Change Co. would call nearly every month and check-in with me.”

- TRAINEE



Improved wellbeing and motivation

For many of the young people, being at risk of, or experiencing homelessness is tough on their mental wellbeing and feelings of self-worth. The struggle to find a job takes a toll on their mental state, especially when facing other barriers to employment such as discrimination. For many, the above award wages provided to gain hospitality work experience through For Change Co. is a coveted opportunity. All the young people involved experienced an improvement in their wellbeing after joining the program, to varying extents. This outcome equated to 6% of the total social value forecasted (\$40,000 - \$67,000).

"I was facing a lot because I couldn't find a job. So getting a job helped me be happier."

- TRAINEE

"I was happier and my wellbeing was better because of For Change Co.."

- TRAINEE



Gain hospitality skills

The Barista and hospitality training that young people receive at For Change Co. is very high quality. The young people are progressed through three modules which build on their skills gradually and ensures the trainee is ready to progress to the next level. They meet the young person at their level and support them to grow their skills. Trainees also indicated For Change Co. has strict criteria and high expectations of them to progress through the modules.

This goal-orientated learning motivates the young people to continue to work towards progressing through the program. The expected social value created for this outcome is between \$150,000 - \$251,000 which is 19% of the total social value created in 2021.

"I think there aren't many places where they let you make coffee first. At For Change Co., you're learning how to make coffees from the first day."

- TRAINEE



Increased understanding of work rights

For Change Co. provides training to the young people on what to expect from their employment. For some of the young people involved in the program that had prior hospitality or work experience, they did not know or understand the full extent of their work rights. Some had bad experiences of underpayment or verbally abusive bosses and the experience with For Change Co. helped to reset their outlook towards employment. This outcome is forecasted to be between \$27,000 - \$44,000 in 2021 and 2022 respectively.

“For Change Co. would explain all about underpayment I asked a lot of questions about that as I didn’t know about that before.”

- TRAINEE



Improved pathways into employment

Despite the lockdowns in 2020 and the hit that the hospitality industry took, five of the trainees involved in the program had some form of employment outside of For Change Co. at some point in the year. This is a significant achievement given the rise in unemployment during this time and reduced capacity of For Change Co., speaking to the high quality of their training program. In 2021, the Open Shift element will be established whereby For Change Co. will formally look to place graduate trainees in jobs.

As such, the forecasted social value is between \$42,000 - \$70,000 in 2021 - 2022. It is important to note that For Change Co. not only prepares young people for employment in the hospitality industry, but also prepares them to think boldly about their future employment and career and supports them on the journey where possible.

“I think definitely being financially stable and budgeting. Being able to afford things. It’s the most essential thing. I don’t think I would be able to do this without them. It’s hard to find a job without experience.”

- TRAINEE



Develop workplace soft-skills

Many young people identified that the standard of training and workplace behaviour at For Change Co. is very high compared to other hospitality organisations. The soft skills of identifying an appropriate work culture, customer service, communicating with the team, being organised and maintaining a routine are some of the skills built through this program. Whilst some soft skills are developed explicitly in the program, For Change Co. facilitates organic professional growth through a supportive learning environment for the young people. Over 90% of young people consulted experienced this outcome and it equated to 5% of the total social value created (\$40,000 - \$67,000).

"I wasn't very professional and a bit immature before. For Change Co. gave me an opportunity to grow and act professionally in the workplace. "

- TRAINEE

"I probably would have been kicked out after a month if it was elsewhere. They gave me access."

- TRAINEE

"For Change Co. taught me about networking a lot. The main thing they gave me is the connections with other people"

- TRAINEE

"I am more introverted, and it was hard for me to talk to customers but For Change Co. helped me to interact with others. It's a learning environment and it gave me a lot of skills socially. Everyone is patient with you and they understand you."

- TRAINEE



Improved financial literacy

Although ad-hoc in 2020, For Change Co. provides a range of workshops with experts on superannuation, tax, and budgeting to the trainees and trainers. These workshops aim to equip the young people with useful information that they may not get from other sources. These workshops are extremely useful to some young people, whilst others indicated they already knew some of the information. The workshops will be further expanded over 2021 to be more tailored and relevant to the trainees.

"Even during the shut-down, we get to attend workshops and improve your resume. Just now we had a workshop on how to do your taxes & super. I think this information you can get anywhere but this info is personalised. "

- TRAINEE



Outcomes for other stakeholders

The investment in 2020 also generated social value for other stakeholders including homelessness support organisations that For Change Co. partners with and the trainers / staff that work with trainees. The forecasted total social value created for other stakeholders is between \$842,000 - \$1,352,000 (52% of total value).



Homelessness support organisations

For Change Co. strengthens the programs of its partners. The homelessness support organisations that For Change Co. works with do not provide employment opportunities within their Foyer programs, and through partnering with For Change Co., are able to provide a different service to the young people they assist. For Change Co.'s outcomes also affect the care that housing support workers are able to provide. The support workers are able to use the experience of the Hospitality Training Program in the care they provide and better address the young people's issues. For instance, work with For Change Co. can be used as an example of meeting goals and the housing support worker can guide the young person to pursue their other goals through this. This outcome equates to \$133,000 - \$221,000 in 2021 and 2022. This is around 10% of the forecasted total social value created by For Change Co..

"The For Change Co. partnership affects the whole program."

- HOMELESSNESS SUPPORT ORGANISATION

"There's a different expectation placed on the young person at For Change Co.. It can come across to our engagement with our staff. It brings direct evidence to the young person and others in the support system that there is opportunity to intercept."

- HOMELESSNESS SUPPORT ORGANISATION



Trainers

For Change Co. employs staff across their three venues to train the young people involved in the Hospitality Training program and manage the day-to-day operations of the social enterprises. The main outcome that trainers identified they experienced was the ability to work within hospitality whilst contributing to eliminating youth homelessness. All of the trainers interviewed were grateful they were able to help make a change in another person's life through their jobs. This outcome is forecasted to be valued between \$59,000- \$71,000 in 2021 – 2022.

For Change Co. also provides professional development workshops to trainers to help them improve their skills. The trainers identified that these sessions help them understand trainee needs and address these within their work, where possible.

“I’ve pretty much always worked in hospitality so it wasn’t too hard to get a job like this but the difference is that here you get to be friends with the trainees. It’s a rewarding career.”

- TRAINER

“You have some really successful trips where you feel like you’ve turned something around for a trainee. It’s not always going to happen. But there are definitely days where I feel like the trainees look up to me and I can pass on the experience I had when I first got involved.”

- TRAINER



Commercial partners

For Change Co. works with a range of commercial partners including organisations that provide the venues and Open Shift employers. The most significant outcome for commercial partners is the ability to meet their social procurement targets as a result of working with For Change Co.. Many of the current commercial partners are interested in contributing to eliminating youth homelessness and see For Change Co. as a way to not only do that directly, but raise awareness for the issue with the commercial partner's customers / students. This outcome was valued between \$12,000 - \$16,000 in 2021 and 2022.

Commercial partners also gain general public awareness from being associated with For Change Co., and therefore the outcome of being recognised as a good corporate citizen has also been valued.

“Part of the reason we got them on is because it works really closely with students.”

- COMMERCIAL PARTNER

“For us it was about engaging the space and bringing it to life. We were also interested to raise awareness about youth homelessness amongst our students. That was a key factor for us.”

- COMMERCIAL PARTNER



Community

For Change Co. is a social enterprise and meeting market needs is important to support their mission. The customers are contributing to a sustainable business that supports a good cause and this creates value for them. This outcome has been forecasted to be valued between \$12,000 - \$16,000 in 2021 - 2022.

“Amazing coffee, delightfully kind staff and delicious treats. Plus it’s all for a good cause!”

- HOME.ONE CUSTOMER



Government

By assisting young people at risk of, or experiencing homelessness, to develop the skills required to join the workforce, For Change Co. is decreasing the prevalence of youth unemployment. This has a value to Government through the relocation or reduction of welfare payments to unemployed young people. This outcome has been forecasted to be between \$476,000 - \$784,000 in 2021 - 2022. Another \$6,000 - \$9,000 of social value is expected to be created in the reallocation or reduction of administration costs from government services such as Job Active in 2021 - 2022. This is because the young people are less likely to utilise these services after being involved in the Hospitality Training Program.

“I admire the wonderful volunteers and dedicated trainees and it’s hugely rewarding to see the progress in confidence, customer service and barista skills. Every morning I buy my coffee from For Change Co., it’s always delicious and delivered with a smile.”

- FOR CHANGE CO. CUSTOMER

“The staff are super friendly and the coffee is the best! I come here every day before work / I highly recommend it as they use profits to help those in need.”

- HOME.ONE CUSTOMER



SROI Ratio

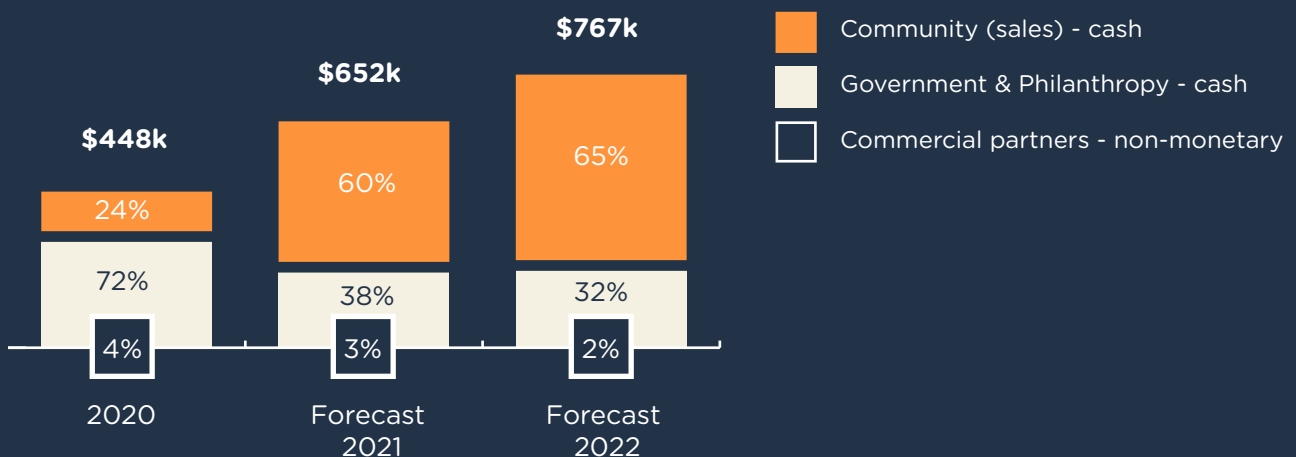
Inputs

The investment included in an SROI analysis is a valuation of all the inputs required to achieve the outcomes that will be described, measured and valued.

Both monetary (cash) and non-monetary (in-kind) contributions are considered. The total investment in For Change Co. during 2020 was \$447,000 (monetary and non-monetary) and expected to rise as full capacity is reached in 2021 and then capacity is expanded in 2022.

Both direct and indirect program costs were considered in the SROI investment that are related to the Hospitality Training Program.

Total monetary and non-monetary investment



Note: 2020 was an unprecedented year of large scale disruption in the industry and in which government support (e.g. Job Keeper) was a significant portion of total revenue.

Social value created

The social value created has been modelled for three scenarios:

SCENARIO	2020 SIGNIFICANTLY REDUCED CAPACITY	2021 FULL CURRENT CAPACITY	2022 EXTENDED CAPACITY ADDITIONAL VENUE
 Training venues	2	3	4
 Trainees	13	18	30
 Av. wages per trainee	\$2,356	\$5,624	\$5,624

The investment in 2020 generated a range of outcomes for stakeholders to the total present value of \$573,000. The SROI ratio in 2020 was 1:1.28, which is a notable achievement given the disruptions faced in the industry and by For Change Co. during this year. The total social value and SROI are forecast to increase in 2021-22.



Total value

The total present value of the social value expected to be created from the investment is:

2021: \$1.44m

2022: \$2.18m¹



SROI per \$1

For every \$1 invested, the amount of social and economic value expected to be created is:

2021: \$2.21

2022: \$2.84

1. A compound rate of 1.44% p.a. was applied to the total value of investments to calculate present value. This captures the time value of money and allows us to compare like-for-like investments. This rate was chosen as it is the Reserve Bank of Australia's average cash rate for the period Jan 2017 - Jan 2020 (pre-COVID).

Where to next – From the team

For now, For Change Co. is firmly committed to getting back to pre-COVID trading revenue and training program capacity. This will demonstrate a strong bounce back from the situation that For Change Co. found themselves in during COVID, and be a clear indicator of the strength of the model.

For Change Co. is also focusing strongly on building partnerships. The organisation has always known that the goal of eliminating youth homelessness in Melbourne is a significant one, and as such have worked to be a part of and to create communities of support towards achieving this mission.

For Change Co. is focusing strongly on building the 'Open Shift' (employment network) partnerships to ensure that every participant of the training program is able to experience a smooth transition from the program and into permanent employment. Along with this, For Change Co. is currently seeking new partnerships for hosting their wonderful coffee carts and cafes. Through connecting with others who are united by the cause, we can offer the opportunity to be involved with social change every day.

There are several ways in which you can make a contribution to support the work of For Change Co.:

	Become a philanthropic donor - although For Change Co. generates the majority of our revenue through trade, philanthropy and donations allow us to build our capacity and to create more opportunities to change the lives of young people experiencing or at-risk of homelessness.
	Become an Open Shift partner - if you own or manage a small to medium business in Melbourne and are often recruiting, being an Open Shift partner offers you the perfect opportunity to hire incredibly talented young people who have graduated from our training program and who are ready to take their next step towards independence.
	Invite us to set up a cafe or coffee cart - if you work for a corporate organisation, university or simply know a great space where one of our cafes or coffee carts would fit in perfectly, we would love to chat more about how we can create a space that feeds and caffeinates your community whilst creating change for the lives of young people.
	Visit one of our venues or have our Crêpes for Change Food Truck come to you - put your money where your mouth is by making sure that you get your daily coffee with a side of good feels or have our food truck cater for your next event and share the good with your family and friends.

Appendix: Value created

The total value created by For Change Co. is the unique value created for the stakeholders attributable to the real and expected investment in that year. The following table summarises the value created for each stakeholder group in 2020 and forecasted values for 2021 when the program is at full capacity and 2022 when the capacity is expanded further.

Notes:

1. All values have been rounded to the nearest \$1,000 or the nearest %.
2. As with any financial modelling, it is expected that any changes in the variables would result in changes to the SROI ratio. As such a range of forecast SROI ratios have been provided, whereby the reduced capacity of 2020 is the conservative lower value and full capacity in 2023 is the upper value.
3. For further information on the calculation of value and assumptions made, please request a copy of the SROI Impact Map from For Change Co..



		2020		2021		2022	
Stakeholder	Outcome	Value (\$'000)	Total value by stakeholder (\$'000)	Value (\$'000)	Total value by stakeholder (\$'000)	Value (\$'000)	Total value by stakeholder (\$'000)
Trainees	Gain paid work experience	\$92	\$276	\$358	\$772	\$420	\$1,111
	Gain hospitality skills	\$55		\$150		\$251	
	Increased understanding of work rights	\$19		\$27		\$44	
	Develop workplace soft-skills (customer service & communication, organisation, routine)	\$29		\$113		\$188	
	Improved social connection / feeling supported	\$22		\$7		\$11	
	Improved financial literacy	\$0.10		\$20		\$33	
	Improved wellbeing and motivation	\$25		\$40		\$67	
	Increased confidence	\$23		\$84		\$141	
	Improved pathways into employment	\$11		\$42		\$70	
Homelessness support organisations	Strengthen their program offering by providing genuine employment opportunities	\$96	\$96	\$133	\$133	\$221	\$221
Trainers	Professional Development including greater understanding of trainee needs	\$2	\$47	\$3	\$59	\$4	\$71
	Rewarding career	\$45		\$56		\$67	
Commercial Partners	Community recognition as a good corporate citizen	\$3	\$29	\$3	\$29	\$3	\$29
	Ability to meet social procurement targets / impact goals	\$26		\$26		\$26	
Community	Contribute to a sustainable / eco friendly business	\$8	\$8	\$12	\$12	\$16	\$16
Government	Reallocation or reduction of administration costs of unemployment services (Job Active)	\$4	\$131	\$6	\$476	\$9	\$793
	Reallocation or reduction of welfare payments (JobSeeker)	\$127		\$470		\$784	
	Total		\$588		\$1,481		\$2,242
	Total present value (including discount rate 1.44%)		\$573		\$1441		\$2,181
	Total investment (present value including discount of 1.44%)		\$448		\$652		\$767
	SROI \$ per \$1		1.28		2.21		2.81

Appendix:

SROI Methodology

This is a worked example of how the Social Value principles were applied to one material outcome.

1 INVOLVE STAKEHOLDERS		2 UNDERSTAND WHAT CHANGES	
Stakeholders for this example are young people at risk of or experiencing homelessness who are involved in the Hospitality Training Program.		Example outcome: Increased confidence	
3 VALUE THE THINGS THAT MATTER	4 INCLUDE WHAT IS MATERIAL	5 DO NOT OVERCLAIM	
Quantity How much of the outcome did this stakeholder experience?	Deadweight How much of the outcome would have happened anyway?	Duration How long did the outcome last for?	
Based on the consultations completed during the SROI process, 63% of trainees experienced an increase in confidence in 2020.	Some of the young people are likely to have gained work elsewhere or gained this level of confidence from education opportunities.	The outcome is an event and based on trainees' views on this outcome, they are likely to benefit from this outcome beyond the program.	
5 # trainees based on For Change Co. data \$2,085 Value of a public speaking workshop (face-to-face)	25% of the value of this outcome is likely to have happened anyway 100% of the outcome was the result of For Change Co.	3 years \$22,870 Social value created over three years	
Financial proxy What is the value of this outcome to the stakeholder?	Attribution How much of this outcome was a result of For Change Co.?	Adjusted value What's the value of the outcome?	
The financial proxy used is a public speaking workshop held over 3 days face to face. This is because public speaking is a public display of confidence and a workshop to teach these skills is similar to the benefit trainees would get from the For Change Co. Hospitality Training program. This uses the revealed preferences valuation approach.	The young people believe that no other organisation or people in their lives helped create this outcome for them.	The net value of the outcome after adjusting for quantity, financial proxy, deadweight, attribution, duration and drop-off.	

Notes:

- For simplicity, the calculation of the present value for this outcome has not been shown in this worked example.
- All numbers and calculations have been rounded to the nearest whole number.



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100% non-profit
porridge in the AM
bagels in the PM
coffee all day





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