



your home is where our heart is

# IMPACT FRAMEWORK

Theory of change and outcomes measurement

Last updated: March 2023

Board Approved: November 2022





*your home is where our heart is*

## Executive Summary

Our Impact Framework and Theory of Change has been designed as a simple logic model that helps us tell our story including how we measure and create impact. It has a focus on outcomes – i.e. what change are we delivering in peoples lives as a result of our activities?

Measuring and reporting on outcomes is essential for any high-performing for-purpose organisation as it allows us to understand where, and how we're having the most impact. This will be transformative for designing effective interventions. In addition, it's incredibly rewarding for our leaders and staff to know they are improving clients' lives.

HSH's willingness to deliver strong outcomes measurement sets us ahead of many other organisations within the sector and will open up doors to improved client outcomes and more funding.





# Theory of Change

## VISION

A safe and stable home for everyone with fair and practical pathways into home ownership.

## PROBLEM STATEMENT

Social and affordable housing tenants and lower-income renters face barriers to homeownership, including the deposit, lack of awareness on how to become a homeowner, an undersupply of affordable homes and disincentives for exits embedded in the social and affordable housing system.

These homeownership barriers tend to lock tenants in the rental system and perpetuate inequality and poverty. This is within the context of a critical shortage of social and affordable housing in Australia.

## HYPOTHESIS

Head Start Homes supports social and affordable housing tenants and lower-income renters to overcome the barriers into homeownership. We do this via our Empowerment Services and Products which empower our clients to buy their own home.

Providing pathways into home ownership, leads to increased availability of affordable housing and helps to address the affordable housing shortage. Additionally, new homeowners break cycles of disadvantage, disrupt intergenerational poverty and generate wealth over time.

## TARGET GROUPS

Lower-income renters with priority assistance for social and affordable housing tenants, single parents, First Nations Peoples, households with a disability, migrants and refugees.

MEASURE, EVALUATE, REVIEW, ADAPT.

## INPUTS

What resources do we need?



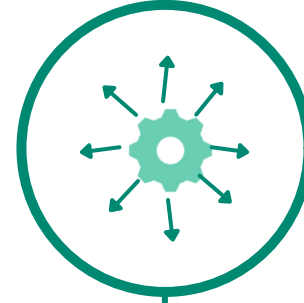
## ACTIVITIES

What are we going to do?



## OUTPUTS

What will that generate?



## SHORT TERM OUTCOMES (<3 years)

What changes will happen?



## LONG TERM OUTCOMES (3+ years)

What changes will happen?



## OUR MISSION

What's our stamp on the world?



- Strong Partnerships (financial Institutions, community housing providers, Government agencies including the Aboriginal Housing Office, property developers, and local Councils)
- Staff and volunteer time
- Governance and leadership
- Funding for our operations and our Empowerment Services and Products
- Innovation (to empower clients and make the homeownership ecosystem fairer)

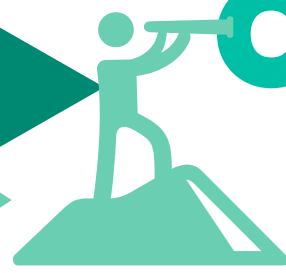
- Our Empowerment Services including Savings Plans (budgeting), mortgage readiness (credit checks) and home owner support (property coaches).
- Our Empowerment Products to break down the affordability and deposit barriers (Recycling Guarantee, Discounted Homes, Equity+)
- Collaboration with community housing providers, councils, government, property developers, financial institutions, charities
- Innovation and advocacy to create a more equitable homeownership system

- # of client households supported into home ownership via: Empowerment Products and Services
- # of client households supported with Empowerment Services and Products
- # key demographics of client households (e.g. % Aboriginal / % single parent etc)
- # total household beneficiaries (includes all people in a household who benefit from our activities)
- # of social housing places freed up / households able to access a newly vacated social or affordable housing home

- Clients improve their financial literacy and well-being.
- Clients become mortgage ready
- Clients become homeowner ready
- Clients improve employment outcomes
- More people are in safe, stable and secure housing including more homeowners

- Clients are economically empowered
- Clients are happier and have greater confidence and feelings of self-worth.
- Clients experience improved health and wellbeing
- Client's children experience improved health and wellbeing
- Clients remain in safe and secure housing
- Clients feel more connected to their community

- ✓ A more equitable homeownership system with empowered homeowners
- ✓ Make available more social & affordable homes
- ✓ Breaking cycles of disadvantage and disrupting intergenerational poverty



# OUR VISION

"A Safe and stable home for everyone with fair and practical pathways into home ownership"



## WE SUPPORT

Lower-income renters with priority assistance for social and affordable housing tenants, single parents, First Nations Peoples, households with a disability, migrants and refugees.



## WE DO THIS BY

Providing products and services which empower our clients to become homeowners and thereby exit rental housing.

## OUR MISSION



1. Provide a more equitable homeownership system with empowered homeowners
2. Make available more social & affordable homes
3. Break cycles of disadvantage and disrupt intergenerational poverty

## THE PROBLEM



Social and affordable housing tenants and lower-income renters face barriers to homeownership, including the deposit, lack of awareness on how to become a homeowner, an undersupply of affordable homes and disincentives for exits embedded in the social and affordable housing system.

These homeownership barriers tend to lock tenants in the rental system and perpetuate inequality and poverty. This is within the context of a critical shortage of social and affordable housing in Australia.



# ACTIVITIES OUTPUTS AND OUTCOMES

## OUR ACTIVITIES

- Our Empowerment Services including Savings Plans (budgeting), mortgage readiness (credit checks) and home owner support (property coaches).
- Our Empowerment Products to break down the affordability and deposit barriers (Recycling Guarantee, Discounted Homes, Equity+)
- Collaboration with community housing providers, councils, government, property developers, financial institutions, charities
- Innovation and advocacy to create a more equitable homeownership system

## KII'S

- # of client households supported into home ownership via: Empowerment Products and Services
- # of client households supported with Empowerment Services and Products
- # key demographics of client households (e.g. % Aboriginal / % single parent etc)
- # total household beneficiaries (includes all people in a household who benefit from our activities including children)
- # of social housing places freed up / households able to access a newly vacated social or affordable housing home.

## SHORT TERM OUTCOMES

- More people are in safe, stable and secure housing including more homeowners
- Clients improve their financial literacy and well-being.
- Clients become mortgage ready
- Clients become homeowner ready
- Clients improve employment outcomes

## LONG TERM OUTCOMES

- Clients are economically empowered
- Clients are more confident
- Clients are happier and experience improved health and wellbeing
- Clients remain in safe and stable housing and are happy where they live
- Client's children experience improved health and wellbeing
- Clients feel more connected to their community

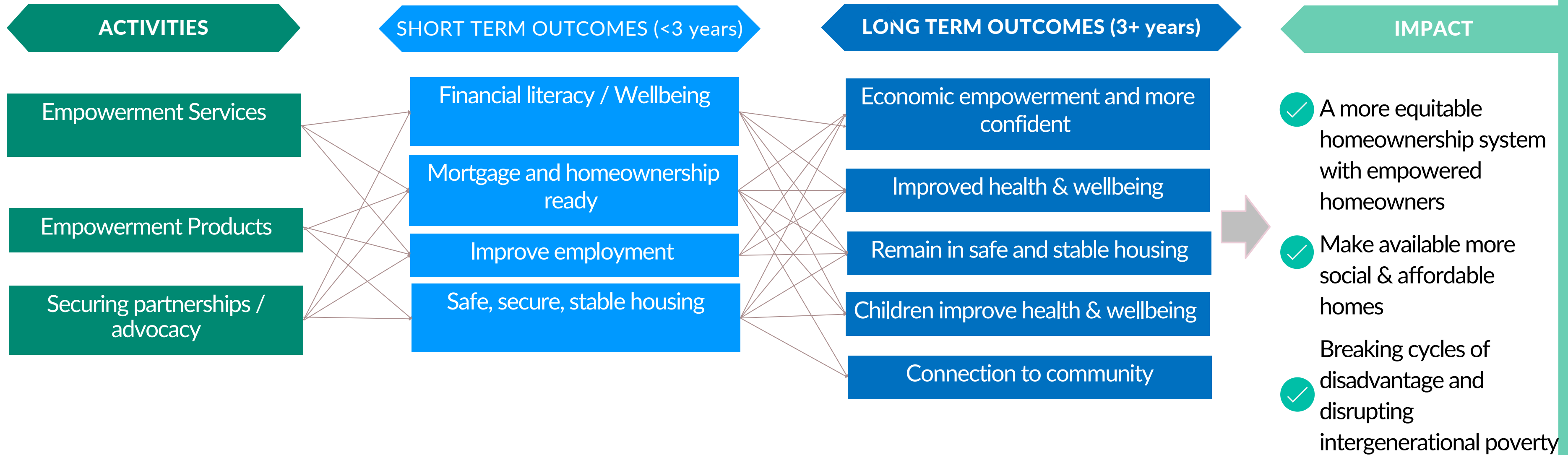
# Measuring short term outcomes

| Outcome   | Indicator   | Source   | Reporting and Frequency  |
|---|---|--|--|
| <p><b>More people are in safe, stable and secure housing</b></p> <p><i>Note: this is also HSH's key KPI</i></p> | <ul style="list-style-type: none"> <li>• # of client households supported into home ownership via: Empowerment Products and Services</li> <li>• # of client households supported with empowerment services and products</li> <li>• # total household beneficiaries (includes all people in a household who benefit from our activities including children)</li> <li>• # of social housing places freed up / households able to access a newly vacated social or affordable housing home.</li> </ul> | <ul style="list-style-type: none"> <li>• Auto populated from our client database which is continually updated by our HomeOwnership team via direct communication with clients</li> </ul> | <ul style="list-style-type: none"> <li>• Quarterly in Board reports</li> </ul> |
| <p><b>Clients improve their financial literacy and well-being.</b></p>  | <ul style="list-style-type: none"> <li>• # of clients on savings plan</li> <li>• Average % increase in savings for all clients on a savings plan</li> <li>• # of clients who have received their credit score because of us</li> <li>• # of clients who we have helped achieve a savings buffer</li> </ul>  | <ul style="list-style-type: none"> <li>• Auto populated from our client database which is continually updated by our HomeOwnership team via direct communication with clients</li> </ul> | <ul style="list-style-type: none"> <li>• Quarterly in Board reports</li> </ul> |
| <p><b>Clients become mortgage ready</b></p>   | <ul style="list-style-type: none"> <li>• # of clients who have been referred into a bank</li> <li>• # of clients who have achieved preapproval from a bank</li> </ul>   | <ul style="list-style-type: none"> <li>• Auto populated from our client database which is continually updated by our HomeOwnership team via direct communication with clients</li> </ul> | <ul style="list-style-type: none"> <li>• Quarterly in Board reports</li> </ul> |
| <p><b>Clients become HomeOwner ready .</b></p>  | <ul style="list-style-type: none"> <li>• # of clients provided with information regarding responsibilities and costs associated with being a homeowner</li> <li>• #of clients who have been assisted by a property coach</li> </ul>   | <ul style="list-style-type: none"> <li>• Auto populated from our client database which is continually updated by our HomeOwnership team via direct communication with clients</li> </ul> | <ul style="list-style-type: none"> <li>• Quarterly in Board reports</li> </ul> |
| <p><b>Clients improve employment outcomes</b></p>   | <ul style="list-style-type: none"> <li>• # of clients who get a promotion at work</li> <li>• #of clients who take on more hours</li> </ul>  | <ul style="list-style-type: none"> <li>• Auto populated from our client database which is continually updated by our HomeOwnership team via direct communication with clients</li> </ul> | <ul style="list-style-type: none"> <li>• Quarterly in Board reports</li> </ul> |

# Measuring long term outcomes

| Outcome  | Indicator   | Source   | Frequency   | Reporting   |
|--|---|--|---|---|
| <b>Clients are economically empowered</b>                                      | <ul style="list-style-type: none"> <li>Please indicate the extent to which you agree or disagree with the following statement: I feel confident to make and act on financial decisions affecting me and my family</li> <li>I am on track to have enough money to provide for my financial needs in the future.</li> <li>I can enjoy life because of the way I'm managing my money               <ul style="list-style-type: none"> <li>1 (Strongly disagree) 5 (Strongly agree)</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>HILDA and R-5 Item Self Reported Financial Wellbeing Scale (R-5)</li> </ul>   | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |
| <b>Clients are more confident</b>  | <ul style="list-style-type: none"> <li>To what extent do you agree or disagree with the following statements: I can handle what comes my way               <ul style="list-style-type: none"> <li>1 (Strongly disagree) 5 (Strongly agree)</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>HILDA Self Efficacy Scale / General Self Efficacy Scale</li> </ul>  | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |
| <b>Clients are happier and experience improved health and wellbeing</b>        | <ul style="list-style-type: none"> <li>In general, would you say your health is: <i>Excellent – Very Good – Good – Fair – Poor?</i></li> <li>In the last 4 weeks, how much of the time have you been happy? <i>All of the time – Most of the time – A good bit of the time – Some of the time – A little of the time – None of the time</i></li> <li>How strongly do you agree with this statement? "I lead a purposeful and meaningful life."               <ul style="list-style-type: none"> <li>1 (Strongly disagree) 5 (Strongly agree)</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>HILDA Self Rated Health</li> <li>HILDA and RAND SF-36 mental Health Inventory Subscale</li> </ul>                                   | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |
| <b>Clients remain in safe and stable housing and are happy where they live</b> | <ul style="list-style-type: none"> <li>Are you happy with where you currently live? (Yes/No)</li> <li>Do you worry about being told you have to move from your current home? (Yes/No)</li> <li>How safe or unsafe do you feel at home by yourself during the day?               <ul style="list-style-type: none"> <li>1 (Very safe) – 2 (Safe) – 3 (Neither) – 4 (Unsafe) – 5 (Very unsafe)</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>Personal Wellbeing Index</li> <li>Housing instability Index</li> <li>ABS Feelings of safety at home</li> </ul>                      | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |
| <b>Client's children experience improved health and wellbeing</b>              | <p>In general, would you say your children(s) health is: <i>Excellent – Very Good – Good – Fair – Poor?</i></p> <p>Do your children worry about being told you have to move from your current home? (Yes/No)</p>  | <ul style="list-style-type: none"> <li>HILDA Self Rated Health</li> <li>HILDA and RAND SF-36 mental Health Inventory Subscale</li> <li>Personal Wellbeing Index</li> </ul> | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |
| <b>Clients feel more connected to their community</b>                          | <p>How satisfied are you with feeling part of your community?</p> <p>1 (Not at all satisfied) 5 (Very satisfied)</p>  | <ul style="list-style-type: none"> <li>Personal Wellbeing Index</li> </ul>   | <ul style="list-style-type: none"> <li>Milestone event 1: .Client starts a Savings Plan</li> <li>Milestone event 2: Settlement date for new home purchase</li> <li>Every 3 years for homeowners after settlement</li> </ul> | <ul style="list-style-type: none"> <li>Annual Board client outcomes report to be tabled every 12 months commencing February 2024</li> </ul> |

# Linking Activities to outcomes





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# IMPACT FRAMEWORK

## APPENDIX



# OVERVIEW

Social Enterprise Finance Australia (**Sefa**) was engaged by Head Start Homes to:

1. Clarify the impact delivered by Head Start Homes through the development of a **Theory of Change**, based on stakeholder interviews and Board and staff insights
  2. Assist in the development of an accessible **Outcomes Measurement Framework** for the organisation to measure how it delivers against intended social outcomes.
- A grant provided by Impact Investing Australia and funded by the Commonwealth Department of Social Services provided funding to develop our Impact Framework.



# APPROACH

## Sefa's input:



- Sefa conducted interviews (45 minute duration) with nine of HSH stakeholders including HSH's:
  - Clients
  - Directors
  - Staff
  - Key Partners:
    - Aboriginal Housing Office
    - Community Housing Limited,
    - Westpac
    - Stockland
- Literature review to confirm the evidence-base
- Facilitated 2 workshops with Board, staff, key project partners and volunteers.
- Consolidated feedback from Head Start Homes after each workshop working directly with HSH's Chair and Managing Director

## HSH's input:



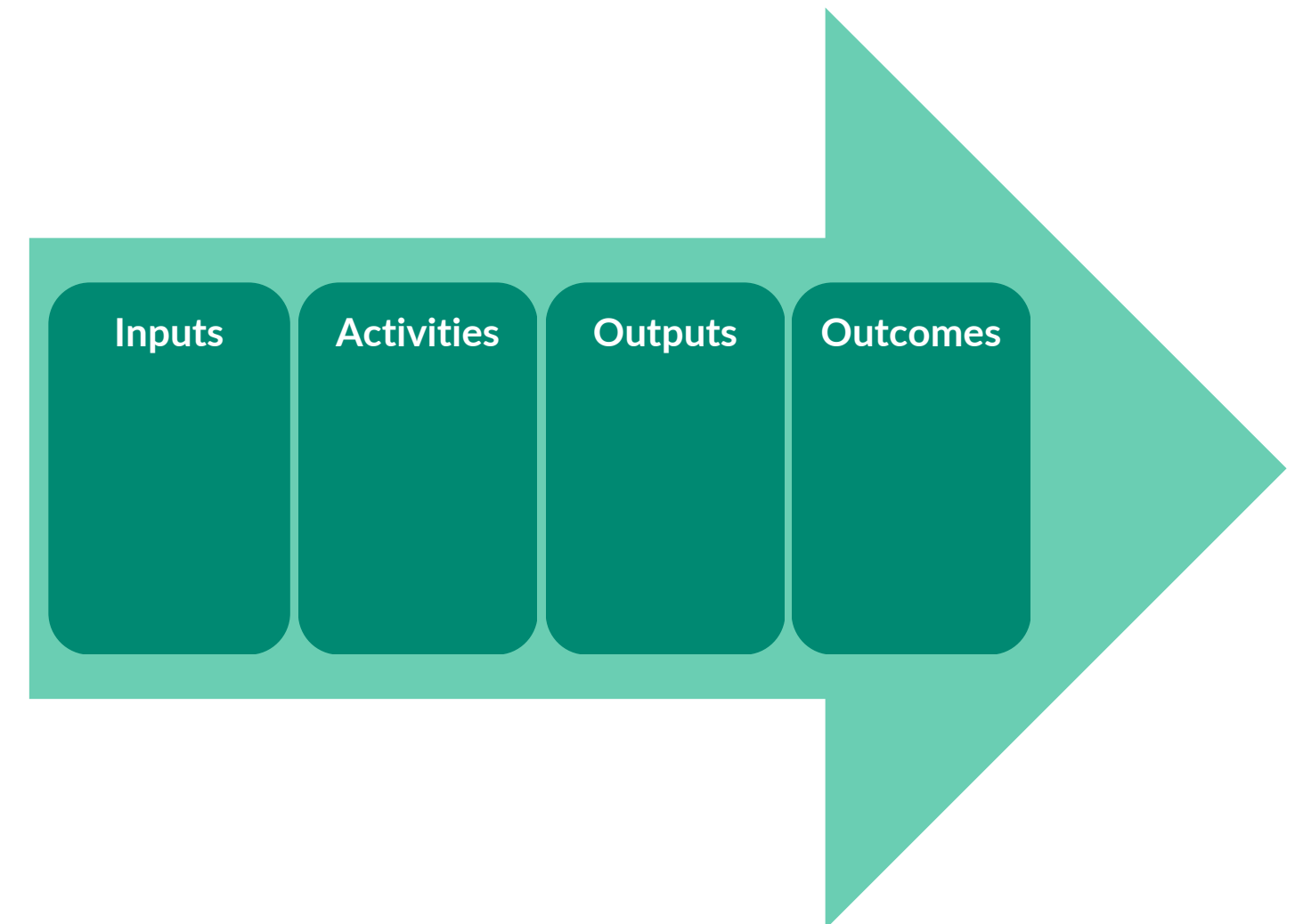
- HSH's Chair and Managing Director assumed joint responsibility for delivery of the Impact Framework and met regularly with key stakeholders including Sefa and Directors as ultimate decision makers.
- Attended a pre-workshop meeting with 5 Directors to inform a draft version of the Theory of Change with Sefa
- Attended a second workshop on 25 October 2022, with a broader selection of Board members, staff and stakeholders the result of which was a final draft of the Impact Framework
- Impact Framework was discussed and approved at HSH's Board meeting on 17 November 2022.



# What is a Theory of Change?

## And why is it useful

- A simple logic model that helps you tell your story and how you create impact as an organisation
- It has a focus on outcomes – i.e. what change are you delivering in peoples lives as a result of your organisation’s activities?
- Outputs ≠ Outcomes
- Measuring outcomes is becoming more & more important to attract funding
- Helps create a common view, ensuring all staff/board are on same page in terms of what your organisation is working towards & why you are doing what you are doing.
- Allows you to cross check the day-to-day activities against the short and long term outcomes to ensure there’s alignment and effort is being appropriately focused.



# Outcomes Measurement

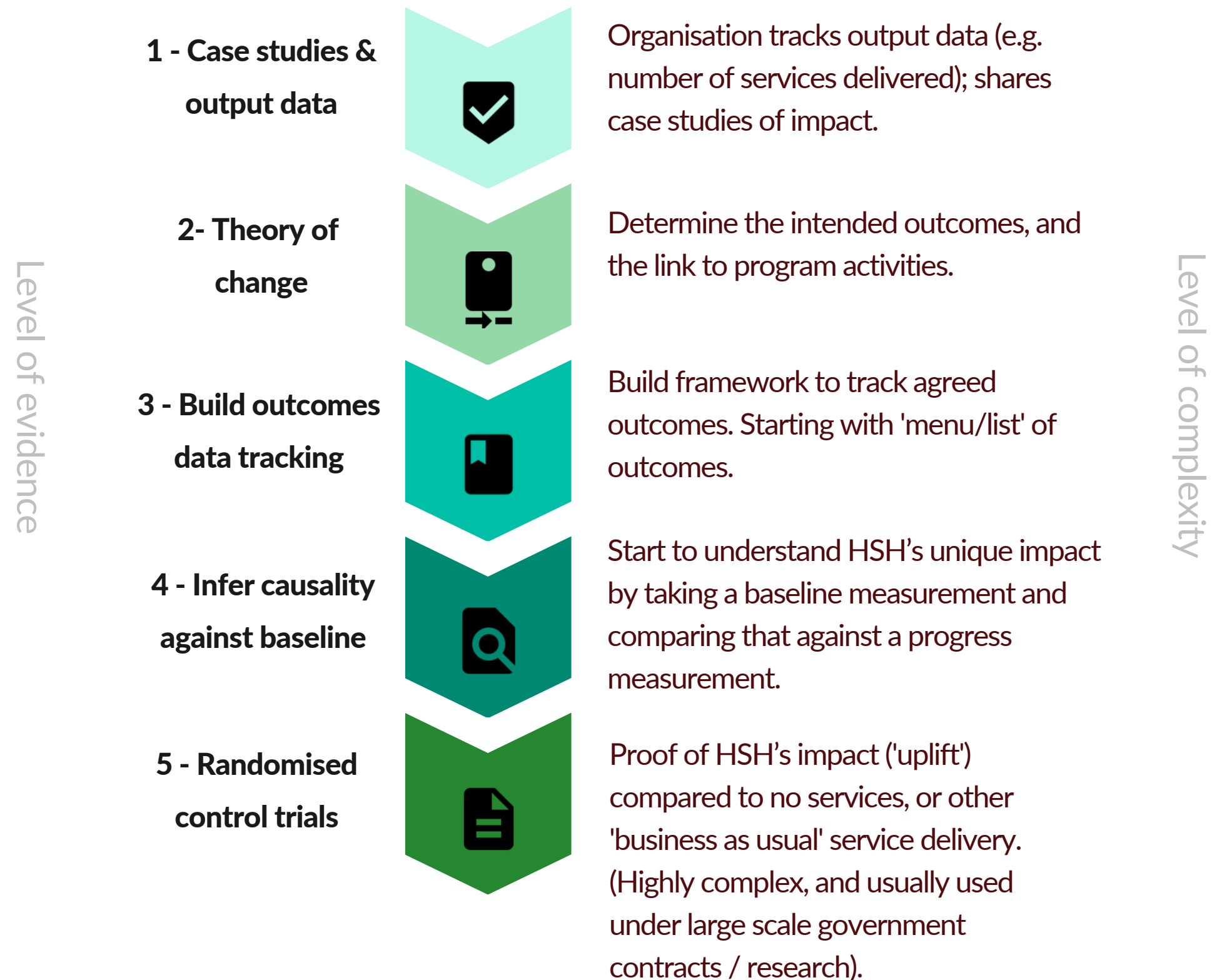
## And why is it useful

- Measuring and reporting on outcomes is essential for any high-performing for-purpose organisation. Outcomes measurement allows you to understand where, and how you're having the most impact.
- This can be transformative for designing effective interventions. In addition, it's incredibly rewarding for leaders and staff to know they are improving clients' lives.
- Embarking on outcomes measurement is also recognised as challenging for most organisations. For instance, in one survey of non-profit development professionals in the USA, 50% of respondents said a lack of outcome measures is one of their most significant challenges, second only to lack of funding, cited by 83% of organisations.
- HSH's willingness to deliver strong outcomes measurement truly sets it ahead of many other organisations in the sector.

The Measurement Culture Survey in the USA collected data from over 200 organisations and found that *“success is possible for every social-sector organisation, and that success is directly correlated to the full embrace of a high-performance measurement culture.”*



## Impact Measurement Spectrum



# Outcomes measurement resources



## Some useful links to outcomes measurement tools.

- [NSW Govt. Office of Social Impact Investment – Technical Guide: Outcomes Measurement July 2018.](#)  
Provides a good overview of what encompasses good outcomes measurement; the hierarchy of evidence quality; explains the approach from start to finish and the definitions of all things outcomes measurement related (e.g. causation / correlation / sample size and power).
- [Australian Social Value Bank](#)  
Assigns economic values to social outcomes; access to a bank of methodologically consistent and robust social values; useful resource if completing a Cost-Benefit Analysis of a program.
- [Centre for Social Impact's Amplify Online Tool](#)  
Useful resource to access bank of validated survey instruments and tools, helping with design of outcomes measurement tools/surveys. These are inbuilt into the online platform, allowing you to customise your own survey and measure your organisational outcomes. You can distribute the survey off the platform, with results downloadable in excel format.

Thank you



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# CONTACT US

**Help us open doors to better lives**

Find out more, explore partnership opportunities or join our mailing list via the contact details below.



[www.headstarhomes.org.au](http://www.headstarhomes.org.au)



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