

Assessing the social value of the Employment Law Centre using Social Return on Investment methodology

Authors: Orban Holdgate, Michael Geelhoed, Liz Geelhoed, Kaylene Zaretsky, Gareth Eldred & Paul Flatau

September 2016

Contact details

Phone: 08 6488 1275

Email: orban.holdgate@uwa.edu.au

Executive Summary

This report provides an assessment of the social value of The Employment Law Centre of WA (Inc) (ELC) for the 2014-15 financial year. ELC is a government funded not for profit organisation which provides free employment law advice for vulnerable, non-unionised employees in WA. Social value is measured using Social Return on Investment (SROI) methodology, which outlines the stakeholders involved in the activities of ELC, maps the ways in which these stakeholders are affected by the activities of ELC, evidences and places a dollar value on the value of the activities to stakeholders and then calculates a SROI ratio. The SROI ratio represents the social value created for every \$1 of stakeholder investment.

Stakeholders were identified to be in three groups: clients, government organisations and others (including not for profit organisations, friends and families of clients). Data was collected from ELC's Annual Report 2014-15, ELC's Annual Statistics Reports 2014-15, an analysis of the call records of clients, a survey given to a sample of former ELC clients and a questionnaire given to ELC employees. The main outcomes of ELC's activities were identified as: the increased financial benefits from legal proceedings; the prevention of the cost of baseless claims to clients and judicial services; and the cost to clients and judicial services of additional claims on the advice of ELC.

After a valuation of all outcomes a SROI ratio of 1.53 was calculated. For every \$1 invested in ELC, \$1.53 of social value is created. Of the social value created, 96.6% is for clients, 3.1% is created as cost savings across State and Federal government departments and 0.3% is created for not for profit organisations and friends and families of the client. The SROI ratio was robust to variations in parameter estimates made via one-way sensitivity analysis. The results suggest that ELC is a prudent funding destination for government departments and law firms aiming to create social value. However, a number of potentially relevant outcomes have been omitted from valuation as they were not feasible to include in this study. These include potential savings in judicial system costs from an increased likelihood that a client will settle a matter and a decreased time that a court commission will need to spend on a claim if a self-represented applicant has received legal advice and/or ongoing assistance or used ELC's online resources. Therefore it's likely that the SROI ratio estimated in this study is an underestimate of the true SROI that ELC provides.

Introduction

The Employment Law Centre of WA (Inc) (ELC) is a Western Australian (WA) based, not-for-profit community legal centre that has been operating for 14 years, specialising in employment law. They provide free employment law advice (mostly from their primary service, a state wide telephone line) and also offer further assistance in the form of representation if clients meet specialised criteria¹, legal education and outreach and law reform efforts. The Centre focuses on vulnerable, non-unionised employees in WA. The main legal issues they cover include unfair dismissal; adverse action; unlawful termination; underpayment of entitlements; breach of contract; bullying, equal opportunity matters and occupational health and safety. The advice given to clients over the Advice Line is from trained paralegals and junior solicitors operating under the supervision of a senior solicitor. Further assistance is generally provided by solicitors. Generally, all advice and assistance given is of a standard that vulnerable/ disadvantaged clients may not otherwise be able to afford. The centre advises clients on the claim or claims they are eligible to make, the benefits and disadvantages of pursuing available claims, the merits of available claims and practical guidelines on how to make these claims. The aim is that the advice will benefit the client in the following ways: increased benefits from legal proceedings (both financial and non-financial), reduce health problems relating to stress/anxiety and improvements to the overall well-being of the client. Additional social benefits to the court system include reducing court costs by reducing the amount of weak/baseless claims and claims in the wrong jurisdiction, reducing potential social security payments to clients and reducing the burden on the health system.

Expenditure of public funds comes with an expectation that spending will contribute to some form of social value. Government funded organisations are under increasing pressure to demonstrate evidence of social value to justify financial support. The ELC and UWA have collaborated to provide this report on the organisation's social value. The report assesses ELC's operations over a one year period (2014-15 financial year). A Social Return on Investment (SROI) methodology was chosen for evaluation as in recent years it has established itself as the leading methodology for evaluating social value. It is preferred over other methods such as Cost Benefit Analysis (CBA) and accounting methods because of its ability to capture social benefits for all stakeholders involved.

The remainder of this report will be structured as follows: the second section discusses the methodology and data used in the report; the third section identifies the stakeholders affected by the activities of ELC; the fourth section maps the outcomes that stakeholders experience as a result of the activities of ELC; the fifth section evidences these outcomes and give them a dollar value; the sixth section establishes the impact of these outcomes; the seventh section calculates the SROI ratio and sensitivity analysis; the eighth section discusses the results and the limitations of the report; and the last section concludes.

¹ Generally, to be eligible for further assistance, clients must have earned less than \$50,000 in the previous 12 months and meet 2 items on the list of disadvantaged criteria: Aboriginal or Torres Strait Islander, regional, rural or remote, younger (under 25), older (over 55), disabled, having literacy issues or from a non-English speaking background.

Methodology

This analysis draws from SROI methodology to assess the social value of ELC for the 2014-15 financial year. SROI is an evaluative framework designed to measure the social impact of an organisation. It functions by identifying, assessing, evaluating and monetising all (intended and unintended) consequences of an organisation's operations. It categorises them in the form of inputs and impacts. Using money as a common denominator (similar to CBA) it compares all societal impacts from an organisation as a ratio: the social return on investment relative to stakeholder contribution. The ratio demonstrates the social value created for every \$ invested.

Emergence of SROI

SROI has emerged since the turn of the century. The field was pioneered in 2000 by the work of The Roberts Enterprise Development Fund, a group of philanthropists in California. They aimed to: 1) assess the impacts of their efforts, 2) make informed decisions about the use of their resources and 3) quantify their benefits in order to display to investors their benefits to individuals and society. This work was developed by agencies in the UK. After consultation with practitioners, academics and others interested in social value and impact measurement, the UK Cabinet Office published *A Guide to Social Return on Investment* (Cabinet Office, 2009 and updated 2012). It provides a clear framework for persons interested in measuring, managing and accounting for social value. It will hereby be referred to as 'The Guide'.

As the movement gathered momentum internationally, the Investing in Impact Partnership was set up in Australia between 2009 and 2012. The partnership comprised of the Centre for Social Impact (CSI), PricewaterhouseCoopers (PwC), and Social Ventures Australia (SVA) aimed at fostering further interest in SROI. It has led to increased awareness of the discipline, provision of training and increased SROI analysis. They recommended that The Guide be adopted as the basis for the conduct of SROI analysis in Australia (Social Ventures Australia Consulting, 2012). The Guide's methodology is being used here. During recent times of fiscal austerity, recipients of government funds are under increasing pressure to demonstrate accountability and show that their funds are being well spent. This has led to the growing use of social value as an indicator of project utility and the expectation that increasingly informed decision making will lead to a more efficient use of funds.

SROI analysis

Each analysis is different and tailored to the specific needs of the organisation undergoing evaluation. However, The Guide does recommend seven principles for SROI which underpin the six stages of conduct for analysis. The seven principles are:

- Involve stakeholders to inform measurement;
- Understand what changes as a result of the organisation/policy;
- Value the things that matter by using financial proxies;
- Only include what is material to the stakeholder;
- Not to over claim;
- Be transparent and;
- Verify the result.

The framework for conducting SROI is set out in six stages.

Stage 1 involves establishing scope and identifying key stakeholders. This is done by identifying boundaries over who the analysis will cover, who will be involved and how.

Stage 2 involves mapping outcomes. After engaging with stakeholders, using a theory of change, an understanding will be developed over how the organisation's actions can affect stakeholders and this will be displayed as a series of inputs, outputs and outcomes.

Stage 3 involves evidencing outcomes and giving them a value. Once outcomes are identified, data is gathered to the effect to which outcomes are being achieved. Then a monetary value is ascribed to each outcome.

Stage 4 involves establishing impact. Having monetised the outcomes, those factors of change that would have happened anyway or are as a result of other factors, are eliminated from consideration.

Stage 5 involves calculating the SROI. All the impacts are summed up and the result is compared to the initial investment in the form of a SROI ratio. Any organisation that produces a SROI ratio greater than one is considered beneficial to society. Sensitivity analysis should also be conducted.

Stage 6 involves reporting and embedding. This consists of sharing findings with stakeholders and responding and responding to them to assist with verification of the report.

Limitations of SROI

Although SROI is recommended internationally for evaluating social value, the methodology does still possess limitations. Due to the infancy of the methodology and the diverse nature of impacts evaluated, SROI is specific to each organisation and does not lend itself well to accurate cross-organisational comparison.

It can be hard to accurately monetise all outcomes and to know what would have happened in the counterfactual situation of an organisation not existing which can make the analysis sensitive to assumptions made. However, sensitivity analysis is included to mitigate this.

Methods for collecting data

A variety of resources were used to collect data to identify and evidence both inputs and outcomes of the activities of ELC. ELC provided '*ELC Annual Report 2014-15*' for information on finances and '*Annual Statistics Reports 2014-15*' for information on their client's demographics. ELC also provided records containing summaries of the advice given to clients in each phone call they received. Of the 954 ELC clients in a year, a sample of 231 (24%) was randomly selected for analysis with researchers noting the nature of the advice given to the client in each call. It is assumed that this sample is representative of the entire population of callers.

ELC don't routinely collect follow-up data from clients as they lack the resources to do so. Before contacting UWA, ELC worked in conjunction with Murdoch University to produce '*Social Impact Research 2015*', a structured qualitative survey of former ELC clients to follow up on client's outcomes after contact with ELC. Clients who had contacted ELC in the first six months of 2015 were invited to take part in the survey via letter and phone call follow up, 77 (8%) respondents agreed. Of

the nine Social Impact Research 2015 questions used in this report, the mean response rate was 88%.

In SROI methodology the effect that an organisation has is compared to the counterfactual scenario where that organisation does not exist. Each outcome is measured by comparing the current effect size of an outcome compared to the effect size if the organisation did not exist. For example the effect that ELC has on the financial benefits clients receive from legal proceedings can be measured by the difference between what clients currently receive in financial benefits from legal proceedings and the financial benefits from legal proceedings clients would receive if it were not for ELC. To estimate legal outcomes in the counterfactual scenario, professional level knowledge of WA employment law and knowledge of the cases of ELC clients was required. To estimate legal outcomes of ELC clients in the counterfactual scenario where ELC did not exist, five ELC solicitors and one ELC paralegal completed the '*ELC Legal Professional Questionnaire*' (ELPQ). The results from the ELPQ were also used to generate proxy estimates for other outcomes where information regarding the counterfactual was not available. ELPQ and the results given are included in Appendix 1-2.

Stage 1: Establishing Scope and identifying stakeholders

Stakeholders are the people or organisations that are affected or experience change as a result of ELC's activities. This includes intended, unintended, positive and negative changes. A consultation was held with ELC staff that identified the main stakeholders as:

- Clients who contacted ELC;
- People who benefit from ELC's community outreach;
- State organisations that fund ELC;
- Legal firms who offer pro-bono legal services to ELC;
- State and Federal government judicial service;
- The Australian health system;
- The Australian welfare system;
- Government organisations that benefit from ELC's legal reform assistance and;
- Friends, families and charities that assist ELC clients during employment issues.

Stakeholders have been categorised into three different types: clients, government organisations and 'other' which consist of friends, family and other organisations that carry out not for profit activities.

Stage 2: Mapping outcomes

Compared to a scenario where ELC didn't exist, ELC can affect clients in two different ways depending on whether the clients would have utilised a private legal service.

Clients who could otherwise retain a private legal practitioner to pursue their claim derive a cost saving equivalent to the legal fees they would have incurred. Other beneficial client outcomes (see Table 2) are still derived, but not as a result of ELC services.

Clients who could not otherwise retain a private legal practitioner do not derive a cost saving via engagement with ELC. They do, however, accrue all the associated beneficial client outcomes associated with access to quality legal advice, in this case those provided by ELC

Inputs

In SROI methodology, inputs represent the contribution of stakeholders to make the activity possible.

Client inputs

Cost of client phone contact: When calling ELC, clients are contributing their time and any charges associated with the phone calls made.

Client cost of attending meetings: The clients who come to ELC's offices for meetings are contributing their travel costs and their time to attend.

Government inputs

Funding: As noted in ELC's Annual Report 2014-15, ELC's receive their funding from Department of Commerce (48%), Fair Work Ombudsman (FWO, 40%), Public Purpose Trust (7%) and self-funding (5%). This allows for operating costs of the business. The main costs consist of salaries and occupancy costs.

Other inputs

Pro-bono: ELC receive free legal services from supporting law firms. As law firms only offer pro-bono to not for profit organisations, this contribution would not be provided to a government run service. As noted in ELC's Annual Report 2014-15, during the financial year ELC procured the use of 38-inhouse volunteers and pro-bono support to operate their service. This amounted to 3595.5 person-hours of labour. Pro-bono services include (3x1) days of solicitor work per week from three firms: Corrs Chambers Westgarth, Australian Government Solicitor and Minter Ellison.

Outputs

The main service offered by ELC is the telephone advice line, through which clients can lodge enquiries regarding employment issues and with professionally trained operators. Upon fielding these enquiries, operators can offer legal advice on a range of employment law jurisdictions. They may provide advice on: whether a claim is weak/baseless, whether a client is making a claim in the wrong jurisdiction, whether there's a claim that a client hadn't previously considered, how to make a

claim etc. During the study period, phone line staff made or received 3385 calls, comprising 954 unique clients. If eligibility criteria are met, clients are eligible to attend an in-house legal appointment with a solicitor for further legal advice. ELC offered 557 of these meetings over the course of the financial year including representing seven clients. On top of offering legal advice to clients, ELC offers a variety of supplementary legal services including legal education and outreach (in regional areas) and assisting government, parliament and political parties with law reform.

Outcomes

Client outcomes

Compared to a scenario where ELC didn't exist, ELC can affect clients in two different ways depending on whether the clients would have utilised a private legal service.

If, in the absence of ELC, a client would have utilised a private legal service regarding their employment issue:

Cost-saving in client's legal fees: it is assumed that the advice given would result in identical outcomes as utilising ELC.² However, because ELC is a free service it provides a cost-saving for legal fees for clients who would have utilised a private legal service.

If, in the absence of ELC, a client would not have utilised a private legal service regarding their employment issue then ELC allows clients to access the costs and benefits associated with employment law advice. These can affect clients, government organisations or other stakeholders:

Increased financial benefits from legal proceedings: The advice given by ELC assists clients in their claims against the employer. This has the effect of increasing the quantity of clients who attain financial benefits from their employers and the dollar amount that clients receive in the form of compensation, unpaid holiday pay or unpaid wages.

Increased non-financial benefits from legal proceedings: The assistance clients receive also helps them obtain non-financial benefits stemming from their claim against their employer such as regaining employment, receiving a reference and receiving an apology.

Prevention of the cost of baseless claims to clients: The advice given by ELC to clients has the effect of saving clients, who follow this advice, time and money by persuading them not to make a case when, for example their claim is baseless, time has run out to make a claim, the practical implications of making a claim are too great or they were thinking of making a claim in the wrong jurisdiction.

Cost to clients of additional claims on the advice of ELC: The advice given by ELC to clients may also have the effect of persuading a client to make a claim when they otherwise would not have done. This increases the time and money invested by clients into legal proceedings.

Prevention of further costs to client health: The Social Impact Research 2015 survey identified that clients often experience worsening health during employment-related litigation. Anecdotal reports

² It is assumed that the advice given by ELC is of equivalent quality and leads to identical outcomes as advice given by private legal services.

by ELC staff indicate that clients feel this tends to be a consequence of heightened stress and anxiety. The advice given by ELC ostensibly reduces the severity of these reactive symptoms and mitigates any subsequent treatment costs.

Prevention of further costs associated with client relocation: The Social Impact Research 2015 survey identified that clients experiencing employment issues often experience financial insecurity which can often force clients to move house. By ELC offering advice, it can prevent further clients having to move house and therefore prevents the associated costs.

Community legal education (CLE) and outreach: As noted in ELC's Annual Report 2014-15, ELC offers general CLE and regional CLE. General CLE involves maintenance of ELC's online self-help materials and delivery of legal education to target clients groups (young people, migrants, culturally and linguistically diverse communities and people with disabilities). Regional CLE and outreach is more customised to the needs of regional service providers and may include: legal training to build the capacity of local service providers, referral training, direct education to community groups, school groups or similar, case work (on the spot legal advice sessions), relationship building, scoping and consultation.

Government outcomes

Prevention of the cost of baseless claims to judicial services: The advice given by ELC to clients has the effect preventing baseless claims and the costs to the judicial services associated with baseless claims.

Cost to judicial services of additional claims made by clients on the advice of ELC: The advice given by ELC to clients may also have the effect of persuading a client to make a claim when they otherwise would not have done so. Processing and hearing these "extra" cases results in added costs to the judicial system.

Prevention of further costs to the health system: The Social Impact Research 2015 survey identified that clients often experience worsening health during their employment issues. Subsequent use of the health system represents an increased cost to the government. The advice and support offered by ELC may reduce the demand for health services associated with stress-related health issues..

Prevention of increased use of Centrelink: The Social Impact Research 2015 survey identified that clients often access Centrelink benefits whilst experiencing employment issues, which represents an increased cost to the government. By ELC offering advice, it may reduce demand for taxpayer-funded welfare payments.

Law reform: ELC offer a service to assist on law reform. This is nearly always in response to inquiries, reports or other analyses commissioned by government, parliament, commissions or political parties.

Other stakeholders

Prevention of further reliance on other sources of funds: The Social Impact Research 2015 survey identified that clients suffering employment issues are likely to increase their reliance on other services and supports such as charities, friends and families. Typically they are relied on for needs

relating to finance, meals, housing and childcare. By ELC offering advice which leads to better legal outcomes it may prevent the extra expenses incurred by other sources of support.

Stage 3 Evidencing outcomes and giving them a value

Social Impact Research 2015 did not ask clients the extent to which they would have been able to afford to pay for private legal services had ELC not been in existence. A 2014 survey of prospective plaintiffs who used Central Coast Community Legal Centre (CCCLC)³ revealed that 78% would not have obtained legal advice had the free service not been provided (Central Coast Community Legal Centre, 2014). Anecdotally a number of clients indicated that this was because they did not have the means to afford legal advice from private legal services. As CCCLC and ELC are both Australian community legal centres aimed at providing legal advice to the disadvantaged, it is assumed that the proportion of clients who would not have been willing and able to afford private legal services is the same across both organisations. The 22% of clients who would have been able to afford private legal services had it not been for ELC, benefit from a cost saving in legal fees: it is assumed that they would have contributed and received all other inputs/outcomes equivalently from the private legal services. The 78% of clients who would not have been able to afford private legal services had it not been for ELC do not benefit from a cost saving in legal fees but they do experience the inputs, costs and benefits associated with employment law advice.

Inputs

Client inputs

Cost of client phone contact comprises of the value of the time clients spend on the phone and the costs incurred with the phone calls. Clients spent a total of 789 (a) hours on the phone across the study period and time is valued using the WA median hourly disposable income of \$38.73 (b).⁴ Although ELC covers the cost of landline calls from clients so that they are free of charge, calls from mobiles do incur a standard charge to the service provider. A charge of \$0.15 per minute (c) was assumed and ELC call records show that 68% (d) of calls were made from mobiles.

The cost to the client of attending meetings comprises of the monetary cost of travelling to meetings and the value of time spent by clients travelling to and attending meetings. The travel cost of travelling to meetings assumes all clients drove to the meeting and generously assumed that clients, on average, lived 20kms (g) away. ELC held 557(f) appointments across the 2014-15 financial year which were 1h (j) long on average. A return journey of 45 minutes (k) is assumed.

Government inputs

Funding: As noted in ELC's Annual Report 2014-15, ELC received a total of \$1,030,149 of funding in the 2014-15 year (including \$100,129 carried over from the previous year). Their total expenditure (and therefore total inputs into our model) was \$974,499.⁵

³ A generalist community legal centre based in Wyong, NSW, Australia.

⁴ The latest available estimate for the WA median weekly disposable income (2013/14) is \$1,549 (Abs.gov.au, 2015). The weekly wage is calculated assuming a 40 hour working week.

⁵ A surplus of \$55,650 was carried over for the following year.

Other inputs

Pro-bono: the social value of the pro-bono services is estimated by the market value of wage costs of the staff offering their services. The market value of the 3595.5 person hours of work is \$794,677.

Table 1: Valuation of inputs

Inputs	Calculation	Input value
Cost of client phone contact	$[(789^a \times \$38.73^b) + (789^a \times 60 \times \$0.15^c \times 68\%^d)] \times 78\%^e$	\$27,601
Client cost of attending meetings	$[(557^f \times 2 \times 20^g \times 0.107^h \times \$1.37^i) + 557^f (\$38.73^b(1^j + 0.75^k))] \times 78\%^e$	\$31,990
Funding	<i>Amount of government funding used^l</i>	\$974,499
Pro-bono	<i>Market value of pro – bono service^m</i>	\$794,677

Where: *a* is the amount of hours clients spent on the phone to ELC during the 2014-15 financial year as indicated from ELC call records; *b* is the value of client time: the median hourly wage in WA for the 2014-15 financial year (ABS, 2015); *c* is the cost per minute of making a phone call, taken from a Telstra flat rate; *d* is the proportion of callers who call from mobiles as indicated from ELC call records; *e* is the proportion of clients who would have utilised private legal services if it were not for ELC as discussed in the outcomes section; *f* is the number of in house meetings ELC clients made during the 2014-15 financial year; *g* is the assumed average distance in kms a person is assumed to travel from; *h* is the average passenger vehicle litre per km (ABS, 2016a); *i* is the average price of petrol per litre over the year (\$1.37: AIP, 2016); *j* is the average length of an in house meeting in hours; *k* is the average length of time in hours it takes for a client to travel to the assumed 40km for the return journey as estimated from the journey time on four randomly selected places on Google Maps; *l* is the total amount of funding that ELC used in a year as given by the expenditure in ELCs Annual report 2014-15; and *m* is the estimated value of the pro-bono services given to ELC from legal firms across the 2014-15 financial year.

Outcomes

The methods for calculation of the outcomes and the value of these outcomes are displayed in Table 2 with costs displayed as negative.

In SROI methodology an outcome is measured against the hypothetical counterfactual scenario of what would have occurred had an organisation not existed. For some outcomes in this report the effect of ELC is to prevent further costs (e.g. ELC services preventing stress in patients and preventing increased costs to the health system). We can only observe the current costs (e.g. the amount that the health system is currently spending on ELC clients) and we cannot observe the hypothetical counterfactual scenario of what would have occurred had ELC not existed and the increased costs associated with this (e.g. the increased costs to the health system that would have happened had ELC clients not been able to contact ELC for advice).

For many outcomes where there is a lack of comprehensive data, this hypothetical scenario is difficult to estimate. It's reasonable to suggest that the advice from ELC leads to more favourable legal outcomes which can help prevent further costs. Therefore, for outcomes in this report where a hypothetical counterfactual is difficult to estimate, it is crudely assumed that the further costs that would have occurred in the absence of ELC (and therefore the sum of the costs that the services of ELC are preventing) are proportional to the increased percentage of favourable legal outcomes resulting from the actions of ELC (as measured by the proportion of claims that receive financial compensation). The increased percentage of claims that receive financial compensation resulting from the actions of ELC can be implicitly estimated from the ELPQ. In question 1, respondents estimated that without the services of ELC 17% (range 10%- 33%) of clients would receive financial

compensation compared to 42% currently. Therefore an extra 25% of clients receive financial compensation due to the services of ELC.

Client outcomes

The market value of private legal fees (*a*) was calculated from the mean prices of four employment law firms operating in Perth who provided hourly rates. Prices were calculated for the cost of 3385 short consultations and 557 hour long appointments.⁶ The cost saving in legal fees only applied to the proportion of clients who would have utilised private legal services had they not been able to use the services of ELC.

The financial benefits from legal proceedings were calculated by the difference between the current amount of financial benefits from legal proceedings, as estimated from Social Impact Research 2015, and the amount of financial benefits from legal proceedings clients would receive if ELC did not exist, as estimated by the ELPQ. Social Impact Survey 2015 indicated that currently 42% (*d*) of ELC clients received a form of financial compensation at an average of \$14,677 (*e*) per person who received compensation. ELC legal professionals estimated that without the services of ELC, only 17% (*f*) of clients would have received a form of legal compensation at an average of \$4,750 (*g*) per person who received compensation.

The additional number of clients that ELC help to regain employment is estimated from ELPQ. Currently 8.33% (*i*) of ELC clients regain employment and question 3 of ELPQ estimates that without the services of ELC, 4.25% (*j*) of clients would have regained employment. Therefore an additional 4.08% of clients regain employment due to the services of ELC. The value to a client of a job is assumed to be equal to the national median redundancy payment 2014-15 (FWC, 2016a). ELPQ question 4 also estimates that an additional 9% of clients receive an apology or a reference from ELC but due to the intangible nature of these outcomes they have not been valued.

The proportion of clients who were advised against making a baseless claim (*l*) and the proportion of clients advised to pursue a legal claim by ELC who would otherwise not have known to pursue a legal case (*o*) were estimated from ELC call records. Having received advice from ELC on whether or not to make a claim, it is still assumed that only a certain proportion of clients follow this advice with the rest choosing to ignore it. As no follow up data is available on the proportion of clients who comply with ELC advice, the proportion is assumed to be equivalent to the number of clients in Social Impact Research 2015 who indicated that they found the service provided by ELC to be useful: 84% (*m*). The estimated cost of making a claim (*n*) is estimated from an average of settlements paid in FWO cases where costs were awarded.

The estimated average value of the cost of worsening health to a client (*q*) is measured assuming that health issues for clients are linked to anxiety disorders.⁷ The cost consists of the value of the health losses as measured by Quality Adjusted Life Years (QALYs)⁸ and the cost of anxiety medication for the length of the duration of the anxiety disorder (Drugs.com, 2016). It is assumed that without the services of ELC, an additional 25% (*r*) of clients would have suffered health losses.

⁶ Current prices have been adjusted for inflation to represent 2014-15 prices.

⁷ ELC indicated anecdotally that this is the case for the majority of clients suffering health problems.

⁸ Pirkola et al. (2009) estimate the QALYs lost during an anxiety disorder to be 0.02 where a recent anxiety disorder is defined as being within the last 4 weeks

The cost to a client from relocation is estimated by the value of the time spent packing and unpacking by clients which is conservatively assumed to be 12 hours (Relaxandmove.com, 2016). It is assumed that without the services of ELC, an additional 25% (*r*) of clients would have been forced to move house.

It is assumed, due to the fact that ELC chooses to deliver community legal education and outreach (*u*), that the social value created by it is equal to or greater than the cost incurred when ELC runs the activity. Therefore the social value of the outcome is conservatively estimated by the wage costs⁹ incurred by running the programme.

Government outcomes

As displayed in Appendix 3, the cost to Federal and State judicial systems from hearing a claim (*v*) is estimated using an average of the cost to the State or Federal judicial systems of a claim in each jurisdiction weighted by the proportion of ELC's clients that have claims in various jurisdictions.

A health issue is conservatively assumed to result in a single GP appointment costing \$72 (*o*). It is assumed that without the services of ELC, an additional 25% (*r*) of clients would have required GP appointments.

It is assumed that ELC only assists to reduce Centrelink payments in the scenario of clients using Centrelink who regain employment. Social Impact Research 2015 indicated that 32% (*y*) of clients used Centrelink and ELPQ indicated that 4% (*j*) of clients regained employment due to the assistance of ELC.

It is assumed, due to the fact that ELC chooses to contribute to law reform (*t*), that the social value created by it is equal to or greater than the cost incurred when ELC runs the activity. Therefore the social value of the outcome is conservatively estimated by the wage costs⁹ incurred by running the programme.

Table 2: Valuation of outcomes

Client outcomes	Calculation	Outcome value
Cost-saving in client's legal fees	<i>Market value of service</i> ^a × 22% ^b	\$328,569
Increased financial benefits from legal proceedings	$[(n^c \times 42\%^d \times \$14,677^e) - (n^c \times 17\%^f \times \$4,750^g)] \times 78\%^h$	\$4,014,926
Increased non-financial benefits from legal proceedings	$n^c \times (8\%^i - 4\%^j) \times \$4,000^k \times 78\%^h$	\$121,440
Prevention of the cost of baseless claims to clients	$n^c \times 49\%^l \times 84\%^m \times \$5,027^n \times 78\%^h$	\$1,550,697
Cost to clients of additional claims on the advice of ELC	$n^c \times 47\%^o \times 84\%^m \times \$5,027^n \times 78\%^h$	-\$1,476,835
Prevention of further costs to client health	$n^c \times 51\%^p \times \$1,421^q \times 25\%^r \times 78\%^h$	\$134,529
Prevention of further costs associated with clients relocation	$n^c \times 16\%^s \times \$465^t \times 25\%^r \times 78\%^h$	\$13,705
Community legal education and	<i>Market value of service</i> ^u × 78% ^h	\$28,951

⁹ Including sick leave, entitlements, superannuation and annual leave loading

outreach		
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Government outcomes	Calculation	Outcome value
Prevention of the cost of baseless claims to judicial services	$n^c \times 49\%^l \times 84\%^m \times \$3,326^v \times 78\%^h$	\$1,026,050
Cost to judicial services of additional claims made by clients on the advice of ELC	$n^c \times 47\%^o \times 84\%^m \times \$3,326^v \times 78\%^h$	-\$977,178
Prevention of further costs to the health system	$n^c \times 43\%^w \times \$72^x \times 25\%^r \times 78\%^h$	\$5,714
Prevention of increased use of Centrelink	$n^c \times 32\%^y \times (8\%^i - 4\%^j) \times (36^z - 4^{aa}) \times \$262^{ab} \times 78\%^h$	\$80,897
Law reform	$Market\ value\ of\ service^{ac} \times 78\%^h$	\$13,043

Other organisation outcomes	Calculation	Outcome value
Prevention of further reliance on other sources of funds	$n^c \times 60\%^{ad} \times \$149^{ae} \times 25\%^r \times 78\%^h$	\$16,553

Where: *a* is the market price clients would have to pay to replace the legal services given by ELC; *b* the estimated proportion of clients who would have been able to afford private legal services (Central Coast Community Legal Centre, 2014); *c* is the total number of ELC clients as indicated in ELC's call records: 954; *d* is the proportion of clients who received financial compensation as indicated in Social Impact Research 2015; *e* is the average amount received in financial compensation as indicated in Social Impact Research 2015; *f* is the proportion of clients who would have received financial compensation without the services of ELC as estimated by ELPQ question 1; *g* is the average amount clients would have received in financial compensation without the services of ELC as estimated by ELPQ question 2; *h* is the estimated proportion of clients who would not have been able to afford private legal services (Central Coast Community Legal Centre, 2014); *i* is the proportion of ELC clients who regained employment as indicated in Social Impact Research 2015; *j* is the proportion of clients who would have regained employment without the services of ELC as estimated by ELPQ question 3; *k* is the value to the client of regaining employment as estimated by the national median redundancy payment (FWC, 2016a); *l* is proportion of clients advised not to pursue a legal claim as indicated in ELC's call records; *m* is the estimated proportion of clients who follow the legal advice given to them by ELC; *n* is the estimated cost to a client for making a claim as given by (FWC, 2016b) ; *o* is the is proportion of clients advised to pursue a legal claim by ELC who would otherwise not have known to pursue a legal case as indicated in ELC's call records; *p* is the estimated proportion of clients whose health has been made worse by employment issues as indicated in Social Impact Research 2015; *q* is the estimated average value of the cost of worsening health to a client made up of the value of health loses and the cost of treatment; *r* is the estimated proportion of further losses that would have occurred in the absence of ELC, as implicitly estimated from ELPQ question 1; *s* is the estimated proportion of clients who had to move house as a result of the employment issue as indicated in Social Impact Research 2015; *t* is the estimated cost to a client from relocation; *u* is the salary cost of providing community legal education; *v* is the weighted average cost to Federal and State judicial systems from hearing a claim as indicated in Appendix 3; *w* is the proportion of clients who increased utilisation of the health system as a result of the employment issue as indicated in Social Impact Research 2015; *x* is the average value of the cost to the healthcare system per client (Australian Government Department of Health, 2014); *y* is the proportion of clients who increased utilisation of Centrelink as a result of the employment issue as indicated in Social Impact Research 2015; *z* is the average number of weeks of unemployment in Australia (ABS, 2016b); *aa* is the assume length of time between an employment issue and a client regaining employment with the assistance of ELC; *ab* is the average weekly Centrelink payment (Human Services, 2016); *ac* is the salary cost of providing the law reform provided by ELC; *ad* is the proportion of clients who were forced to rely on friends, families charities and hardship grants as a result of their employment issue as indicated in Social Impact Research 2015; and *ae* is the estimated average cost to friends, families charities or hardship grants due to an ELC client relying on them.

Other stakeholders

There is no information on the value of reliance on friends, family and charities that ELC clients receive for finance, food, housing, childcare and utility bill support. It is conservatively assumed that people who relied on other sources of funds received \$40 per week for finance, \$10 per week for food, \$40 per week for childcare, \$40 per week for housing and a one off \$396 payment for utility

bills from the hardship utility grant. Assuming each person relied on other sources for three weeks, the weighted average received is \$149 (*ae*) per person who relied on other sources of funds. It is assumed that without the services of ELC, an additional 25% (*r*) of clients would have required support from friends, families and charities.

Stage 4: Establishing impact

As is consistent with SROI methodology, to establish the exact impact of ELC's activities it is necessary to estimate attribution and deadweight. Attribution measures how much of the outcome was caused by the contribution of ELC, as opposed to other organisations. Deadweight measures the amount of outcome that would have happened even if ELC's activities hadn't taken place. This ensures credibility and avoids over-claiming.

Attribution: It is expected that the legal advice received by clients from ELC may be received in conjunction with other influences such as: other not for profit organisations, other legal professionals, families and friends. Therefore to attribute all the outcomes as resulting from the advice of ELC would be to over claim their impact on the outcomes. The proportion of the effect that is attributed to ELC and other influences is unknown. No data on such a proportion is available and a proxy is difficult to accurately estimate. Therefore, to avoid over claiming, it is assumed that 75% of the outcomes are attributed to the services of ELC and the remaining 25% is attributed to other influences.

Deadweight: Deadweight loss is difficult to estimate as no accurate evidence of the counterfactual situation exists. As a proxy, it is assumed that the proportion of the outcome that would have happened without the activities of ELC is equivalent to the number of clients who indicated in Social Impact Research 2015 that they would have known what to do without ELC (24%). Therefore the proportion of clients who indicated that they wouldn't have known what to do without the services of ELC (76%) is assumed to be equivalent to the proportion of the outcome that has occurred as a result of ELC involvement. Deadweight loss applies to all outcomes that may have taken place without the services of ELC.

Attribution and deadweight are applied in Tables 4 and 5.

Table 3: Establishing impact of inputs to ELC's activities

	Input	Attribution	Deadweight	Impact
Cost of client phone contact	\$27,601	100%	24%	\$20,888
Client cost of attending meetings	\$31,990	100%	24%	\$24,210
Funding	\$974,499	100%	0%	\$974,499
Pro-bono	\$794,677	100%	0%	\$794,677
Total				\$1,814,274

Table 4: Establishing impact of outcomes from ELC's activities

Client outcomes	Outcome	Attribution	Deadweight	Impact
Cost-saving in client's legal fees	\$328,569	75%	24%	\$186,496
Increased financial benefits from legal proceedings	\$4,014,926	75%	24%	\$2,278,872
Increased non-financial benefits from legal proceedings	\$121,440	75%	24%	\$68,930
Prevention of the cost of baseless claims to clients	\$1,550,697	75%	24%	\$880,175
Cost to clients of additional claims on the advice of ELC	-\$1,476,835	75%	24%	-\$838,251

Prevention of further costs to client health	\$134,529	75%	24%	\$76,359
Prevention of further costs associated with client relocation	\$13,705	75%	24%	\$7,779
Community legal education and outreach	\$28,951	75%	24%	\$21,068

Government outcomes	Outcome	Attribution	Deadweight	Impact
Prevention of the cost of baseless claims to judicial services	\$1,026,050	75%	24%	\$582,386
Cost to judicial services of additional claims made by clients on the advice of ELC	-\$977,178	75%	24%	-\$554,646
Prevention of further costs to the health service	\$5,714	75%	24%	\$3,243
Prevention of increased use of Centrelink	\$80,897	75%	24%	\$45,917
Law reform	\$16,722	75%	24%	\$9,491

Other organisation outcomes	Outcome	Attribution	Deadweight	Impact
Prevention of further reliance on other sources of funds	\$16,553	75%	24%	\$9,396
Total				\$2,777,214

Stage 5 Calculating the SROI

SROI ratio

Table 3 displays the total inputs into ELC activities and Table 4 displays the total outcomes from ELC activities. The SROI ratio can be calculated as a ratio of the sum of the value of all the outcome impacts (\$2,777,214) and the value of the sum of all the input impacts (\$1,814,274). Since the effects are all assumed to be short term, no projecting into the future or discounting was required. Therefore, the SROI ratio is 1.53. This ratio indicates that every dollar invested into ELC yields \$1.53 in social value. As the SROI ratio is greater than one, ELC is considered an organisation that is beneficial to society as the social value created for stakeholders is more than is invested in it.

Sensitivity Analysis

One way sensitivity analysis was conducted to test the sensitivity of the SROI to parameters and assumptions made in the analysis, as shown in Table 5. All parameters that were likely to change the SROI ratio were varied to their reasonable extremes. In all variations of assumptions and estimates retained a SROI ratio greater than one implying that the social value created for stakeholders of ELC is more than is invested by the stakeholders of ELC. Therefore the findings are robust to variations in parameter estimates made via one-way sensitivity analysis.

Table 5: One-way sensitivity analysis around SROI ratio

Item	Parameter changed	Method of change	New estimate	New SROI ratio
Multiple	Hourly wage	Minimum wage	\$16.87	1.55
Cost-saving in client's legal fees	Mean cost of private legal services	Least expensive firm	\$848,868	1.49
Cost-saving in client's legal fees	Mean cost of private legal services	Most expensive firm	\$2,155,678	1.58
Increased financial benefits from legal proceedings	Proportion of clients who would have received financial compensation without the services of ELC	Lowest estimate from ELPQ	10%	1.61
Increased financial benefits from legal proceedings	Proportion of clients who would have received financial compensation without the services of ELC	Highest estimate from ELPQ	33%	1.35
Increased financial benefits from legal proceedings	Average amount clients would have received in financial compensation without the services of ELC	Lowest estimate from ELPQ	\$3,000	1.60
Increased financial benefits from legal proceedings	Average amount clients would have received in financial compensation without the services of ELC	Highest estimate from ELPQ	\$6,500	1.46
Multiple	Cost to client per case	-50%	\$2,514	1.52
Multiple	Cost to client per case	+50%	\$7,541	1.54
Multiple	Proportion of clients who follow the legal advice given to them by ELC	Lower plausible limit	44%	1.51
Multiple	Proportion of clients who follow the legal advice given to them by ELC	Upper plausible limit	100%	1.54
Prevention of further costs to client health	Duration of health episode	-50%	4	1.51
Prevention of further costs to client health	Duration of health episode	+50%	6	1.55
Multiple	Proportion of further losses that would have occurred in the absence of ELC	Lowest implied estimate from ELPQ	9%	1.50
Multiple	Proportion of further losses that would have occurred in the absence of ELC	Highest implied estimate from ELPQ	32%	1.55
Multiple	Cost to judicial services of case	-50%	\$1,663	1.52
Multiple	Cost to judicial services of case	+50%	\$4,989	1.54
Prevention of further reliance on other sources of funds	Average cost to friends, families charities or hardship grants due to an ELC client relying on	-50%	\$74.44	1.53

	them			
Prevention of further reliance on other sources of funds	Average cost to friends, families charities or hardship grants due to an ELC client relying on them	+50%	\$223.32	1.53
Multiple	Attribution	- 25 percentage points	50%	1.02
Multiple	Attribution	+ 25 percentage points	100%	2.04
Multiple	Deadweight	- 10 percentage points	14%	1.73
Multiple	Deadweight	+ 10 percentage points	34%	1.34

Discussion

The results indicate that ELC is a prudent funding destination for government departments and law firms aiming to create social value. As expected most of the social value created is for ELC clients (96.6%) with the largest impact being the increased financial benefits from legal proceedings which created an additional \$2,278,872 for clients. ELC also has large impact on social value for clients in terms of:

- the cost-saving in client's legal fees;
- increased non-financial benefits from legal proceedings;
- prevention of the cost of baseless claims to clients;
- costs to clients of additional claims on the advice of ELC and
- prevention of further costs to client health.

Despite incurring an additional \$554,646 in costs for judicial services, ELC still creates a positive amount of social value for government organisations (3.11%). The largest impacts consist of: the prevention of the cost of baseless claims to judicial services, the costs to judicial services of additional claims made by clients on the advice of ELC and the prevention of increased use of Centrelink. A small proportion (0.34%) of social value was also created for other organisations.

The results are reinforced by other findings from Social Impact Research 2015; 61% of respondents stated they were satisfied with the initial service they received from ELC (7% no and 33% N/A); and 57% stated the legal result was better than if they had not spoken to ELC (40% the same as expected and 4% worse than if they had not spoken to ELC).

Judith Stubbs and Associates (2012) published an economic cost benefit analysis of CLCs. They analysed the economic impacts of four CLCs across Australia by measuring the cost benefit ratio of a case study sample of cases. The results indicated that for every dollar spent by the government they return a benefit to society of 18 times the cost. However the results from cost benefit analyses should not be compared to those of SROI due to differences in methodology. The study did not account for attribution or deadweight loss, only considered the government investment into the organisation as opposed to all stakeholders, measured benefits from an economic perspective instead of from the point of view of stakeholders and, as CLCs were mainly generalist, they covered a different area of law to ELC which specialises in employment law.

Some existing studies of utilising SROI to evaluate legal services have been published in USA and Australia. Community Services Analysis LLC (CSACO) published seven reports on SROI in Legal Aid services across USA from 2011-14 (Csaco.org, 2016). Across the seven reports, the mean SROI ratio was \$8.27 (\$3.54-\$15.54) meaning that for every \$1 invested on average \$8.27 of social value was created. A further study of two Youth Justice programs in Tasmania (Save the Children Australia, 2015) from 2011-14 calculated a SROI ratio of \$3.5. However, because SROI is specific to each organisation and has a variable methodology, cross-organisational comparisons should be considered with caution.

Limitations

A key limitation of this report is the list of potentially significant relevant outcomes that were omitted as it was seen as unfeasible to evaluate and monetise them. SROI, for legal assistance in particular, is an emerging methodology and therefore has a relatively small literature of evaluation methods to draw upon. Potentially relevant outcomes omitted from this report include:

- *The increased likelihood that a client will settle a matter:* If a client has received legal advice managing their expectations and assisting them to effectively negotiate a settlement outcome, anecdotal evidence suggests that clients are more likely to settle and therefore not proceed to a hearing. Settlements are significantly less costly than hearings meaning that the legal advice given by ELC is likely to lead to further cost savings for the judicial system.
- *Decreased time that a court commission will need to spend on a claim if a self-represented applicant has received legal advice and/or ongoing assistance:* Legal advice helps self-represented clients to remove irrelevant information, include crucial information and documents and be aware of court procedures including correct forms, deadlines etc. Legal advice can also manage a client's expectations meaning they don't continue matters or appeal matters hoping for unrealistic outcomes. Therefore the advice given by ELC is likely to lead to further cost savings for the judicial system.
- *Decreased time that a court commission will need to spend on a claim if a self-represented applicant has used ELC's online resources:* ELC has a comprehensive set of online resources including fact sheets, information kits and an "InfoGuide" issue identification tool. These are designed to help employees to identify any appropriate claims for their situation, provide information on that claim and step them through the claim making process. These resources are likely to lead to further cost savings for the judicial system by decreasing the amount of incorrect or unmeritorious claims as well as increasing the likelihood of correct (and therefore more efficient) procedure.
- *Lack of accuracy on the estimated proportion of clients who abandon baseless claims and who lodge additional claims following ELC's advice:* As ELC has not historically followed up on client outcomes after advice has been provided, these proportions were estimated with reference to the percentage of clients who found ELC's information useful. As a result the same proportion was applied to both factors. However, ELC staff indicate that these proportions are not likely to be the same. Part of this stems from the fact that most clients have their expectations managed in relation to the time, cost and stress associated with a legal claim. This is likely to increase the proportion of clients who abandon weak or baseless claims but decrease the proportion of clients who make a claim after having been advised of a claim they were otherwise not aware of. As a result, savings to the judicial system may have been under-represented.
- *Feeling of happiness and confidence for clients:* As a result of speaking to ELC, 64% of clients reported feeling happier and 50% of clients reported feeling more in control of their lives. This includes happiness from having a legal issue resolved but also from being "heard" and able to express their issues and be told by a legal professional that they have been mistreated according to the law. This is likely to have flow on effect and increase their capacity to take on and resolve other challenges in their lives.

- *Referrals given by ELC:* ELC often puts clients in touch with another organisation that can assist them, that they otherwise wouldn't have come across. For example, a client might have Centrelink issues flowing on from a job loss. In that instance ELC would refer them to another CLC – the Welfare Rights & Advocacy Service (WRAS). If not for contacting ELC about their job loss, they might not have come across WRAS and been able to more effectively manage their Centrelink issues. This is likely to lead to further beneficial outcomes for clients not captured in this report.
- *Equity:* This report ignores the equity implications of these outcomes by treating the value of \$1 as equal to everybody. CLCs are fundamentally an equity measure with the aim of increasing access to the legal system for clients. ELC targets vulnerable, low paid non-unionised employees in WA and therefore it is likely that the actions of ELC make society more equitable.
- *Training for volunteers:* the increased legal knowledge and client interaction skills that volunteers receive through their time with ELC can assist them with their career development.

Because these relevant factors have been omitted, it is likely that the SROI ratio of \$1.53 estimated in this report is an underestimate. Further SROI studies for legal assistance organisations are encouraged to address these factors if possible.

This report may also suffer from an unrepresentative sample (self-selection bias). After inviting ELC clients to participate in Social Impact Research 2015 by a letter and phone call follow up, 8% of ELC clients participated. It is possible that those that did make a claim and had more involvement with ELC were more likely to respond to Social Impact Research 2015 leading to a selection bias in the sample.

Another limitation may be the estimation of the average cost to a client for making a claim. There is limited information available to estimate this cost to the client. A proxy was estimated using an average of settlements paid in Fair Work Commission (FWC) cases where costs were awarded as this figure represents the time and money costs of a case. However the number of FWC cases used to sample was small (22) and in a majority of cases (77%) the figure only represents partial costs, meaning it could be an underestimate. Conversely ELC legal professionals suggest that, given that the target ELC client is a vulnerable, non-unionised employee, ELC clients are less likely to have a lawyer and therefore are likely to incur costs less than the average FWC costs stated. Therefore it is possible that this figure could also represent an overestimate of the true cost to ELC clients of a case.

There may also be limitations of this study regarding the usage of ELPQ to calculate the increased financial and non-financial benefits from legal proceedings and the estimated proportion of further losses that would have occurred in the absence of ELC. It is possible that using questionnaires filled out by ELC's legal professionals may have resulted in a measurement error given that there may be an incentive for ELC legal professionals to overestimate their affect, or that estimates may be subject to focusing effects. This could have led to an overestimation of the effect of ELC on these outcomes. However this is likely mitigated by the fact that the respondents were legal professionals and therefore, held to a higher moral standard by their profession as well as being well educated. Sensitivity analysis indicated that the SROI ratio was robust to changes in responses given in ELPQ.

Finally it's possible to question the assumption made that the amount of loss that the services of ELC are preventing is proportional to the increased percentage of favourable legal outcomes resulting from the actions of ELC. It would be possible for a client to attain a favourable legal outcome, thanks to the advice of ELC, and still have had to move house if circumstances required this before the settlement of the legal outcome. Conversely, it may also be possible for ELC to increase the amount of financial compensation received by a client from a small settlement to a larger one. In itself this would not have increased the percentage of favourable legal outcomes resulting from the actions of ELC, but may have provided enough additional finance to prevent a client having to move house. Given the lack of accurate information available about the hypothetical scenario in which ELC does not exist, it's impossible to test this assumption. Given that the outcomes utilising this assumption only account for 3% of total outcomes it is not thought to have a large impact on the SROI ratio. Sensitivity analysis indicated that the SROI ratio was robust to changes in responses given in ELPQ regarding the increased win percentage.

Conclusions

This study has assessed the social value of ELC, a not for profit organisation in Western Australia that offers free employment law advice, by using SROI methodology and adding to the emerging literature in the field. After consultation with the main stakeholders and analysis of company records the main outcomes of ELC's activities were identified as: the increased financial benefits from legal proceedings, the prevention of the cost of baseless claims to clients and judicial services and the cost to clients and judicial services of additional claims on the advice of ELC.

A SROI ratio of 1.53 was calculated indicating that for every \$1 invested in SROI, \$1.53 of social value is created for ELC stakeholders. Most of the social value created (96.6%) was for the clients of ELC. The SROI ratio was robust to variations in parameter estimates made via one-way sensitivity analysis. The results suggest that ELC is a prudent funding destination for government departments and law firms aiming to create social value. However, a number of potentially relevant outcomes have been omitted from valuation as they were not feasible to include in this study. Therefore it's likely that the SROI ratio estimated in this study is an underestimate of the true SROI that ELC provides. The authors recommend that further work seeks to explore these outcomes.

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Appendix 1

ELC Legal Professional Questionnaire

My name is Orban Holdgate. I work at UWA and, with the help of Michael Geelhoed, am working on a project to assess the overall social impact of the ELC. This involves assessing all the inputs and outputs of the organisation and comparing them to the counterfactual of what would have happened without the existence of ELC. In the context of the examples below, no accurate estimate of the counterfactual exists. It would be a great help if you could take a couple of minutes to fill out the questionnaire to assist with analysis.

1. According to recent survey data in 'Social Impact Research 2015', 42.31% of people who contacted ELC went on to receive financial compensation for their employment issue. If it had not been for the services of ELC, what percentage of these people do you believe would have received financial compensation?

.....

2. According to recent survey data in 'Social Impact Research 2015', each person who contacted ELC and was successful in receiving some compensation for their claim, received on average \$14,676.69 in financial compensation for their employment issue. If it had not been for the services of ELC, what do you believe is the average amount these people would each have received?

.....

3. According to recent survey data in 'Social Impact Research 2015', 8.33% of people who contacted ELC went on to regain their previous employment. If it had not been for the services of ELC, what percentage of these people do you believe would have got their job back?

.....

4. According to recent survey data in 'Social Impact Research 2015', 23.08% of people who contacted ELC went on to receive non-financial compensation for their employment issue (including: an apology, a reference or a certificate of service). If it had not been for the services of ELC, what percentage of these people do you think would have received a non-financial compensation?

.....

Appendix 2

ELC Legal Professional Questionnaire Results

Question	Mean answer	Standard Deviation
1	17.13%	7.88%
2	\$4,750	\$1,070
3	4.25%	0.69%
4	14.08%	3.77%

Appendix 3

Cost to judicial system of a claim

Issue	Number of calls	%	State gov. cost	Federal gov. cost	% to state gov.	% to fed gov.	Cost per issue	Weighted average
Adverse action	558	14%	--	\$2,000 ¹⁰	0%	100%	\$2,000	
Bullying	186	4%	\$825 ¹¹	\$2,000 ¹⁰	50% ¹²	50% ¹²	\$1,412	
Contract	414	11%	\$356 ¹¹	--	100%	0%	\$356	
Dismissal	1100	28%	\$6,172 ¹¹	\$2,000 ¹⁰	19% ¹³	81% ¹³	\$2,797	
Discrimination	407	10%	\$1,886 ¹¹	\$2,000 ¹⁰	29% ¹⁴	71% ¹⁴	\$1,967	
Minimum Entitlements	411	11%	\$6,172 ¹¹	--	100%	0%	\$6,172	
Payment	204	5%	\$6,172 ¹¹	--	100%	0%	\$6,172	
Notice Period	340	9%	\$6,172 ¹¹	--	100%	0%	\$6,172	
Redundancy	261	7%	\$6,172 ¹¹	--	100%	0%	\$6,172	
Total	3881							\$3,326

¹⁰ The federal government do not release data on the average cost of a case and state that it's difficult to calculate. When asked by ELC, an FWC employee estimated the cost to be roughly \$2,000.

¹¹ (The Government of Western Australia, 2015)

¹² Due to a lack of existing data this figure was estimated by an ELC solicitor.

¹³ Estimated from the proportion of cases ELC refer to the State and Federal Governments as indicated in ELC's Annual Statistics Reports 2014-15

¹⁴ Proportions calculated from figures taken from The Government of Western Australia (2016) and Australian Human Rights Commission (2015)