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**Many Rivers CED program monitoring &
evaluation report**

2021

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Access **Economics**

As of March 2021, Many Rivers CED program supports **33 Indigenous organisations** across Australia.

These community organisations represent collectively over **4,600 individuals** participating as direct members.

In FY20, CED program community organisations managed a combined **\$50M in assets, \$19M in revenue,** and employed over **150 individuals**.

In addition, the supported community organisations reported in FY20 establishing:

- **14 new businesses** (commercial focus)
- **7 economic projects** (ongoing community benefit focus)
- **10 economic activities** (one-off community benefit activity).

Executive Summary

Many Rivers' Community Economic Development (CED) program was created to assist in reducing structural disadvantage in regional and remote Australia. Established in late 2015, the CED program responds to increasing requests for microenterprise development support from Indigenous community organisations with economic aspirations and opportunities.

Many Rivers works with Indigenous community organisations, typically over a five-year period, supporting them to develop and implement multi-year, long term goals via yearly action plans. At the end of the program, management and staff of the community group are expected to function and succeed more independently.

The CED program evaluation presents an opportunity to not only test the CED Program design against emerging thinking on best practice, but also add to the national evidence base. This report, as the first conducted exclusively on the CED program, sets the foundation on which future evaluation will build.

The available financial and economic metrics presented on the left provide an insight into the scale of the program and its impact. It is acknowledged that further measurement is required to understand other immediate and longer-term returns and setbacks. Indigenous community organisation goals are not predefined and success will look differently across communities.

The ongoing annual evaluation will therefore strive to incorporate understanding of social and economic value as defined by the community leaders, alongside the more traditional headline measures. As the program grows in scale and matures, the evaluation will be enhanced through:

1. expanding the measures of community organisation outcomes (including to social and cultural outcomes)
2. positioning the CED program in the broader context of Indigenous community organisations in Australia
3. a growing sample size, enabling the analysis to reveal patterns of success by community characteristics.

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Evaluation context

Deloitte Access Economics has evaluated Many Rivers programs for the last eight years, however, this is the first time the CED program has been evaluated individually.

Context

Deloitte Access Economics has been working with Many Rivers since 2012, starting with the creation of the Microenterprise Development Program Evaluation Framework. Since then, Deloitte has undertaken eight annual outcomes monitoring and evaluation reports, drawing on information of increasing quality and breadth in each subsequent year.

This evaluation

The purpose of monitoring and evaluation is to assist Many Rivers and its stakeholders with better understanding:

- the nature of the cumulative and year-on-year impact of the Community Economic Development (CED) program; and
- areas for the continuous improvement of the program, and any observations that can be made for wider public value where Many Rivers is working at the frontier of a practice.

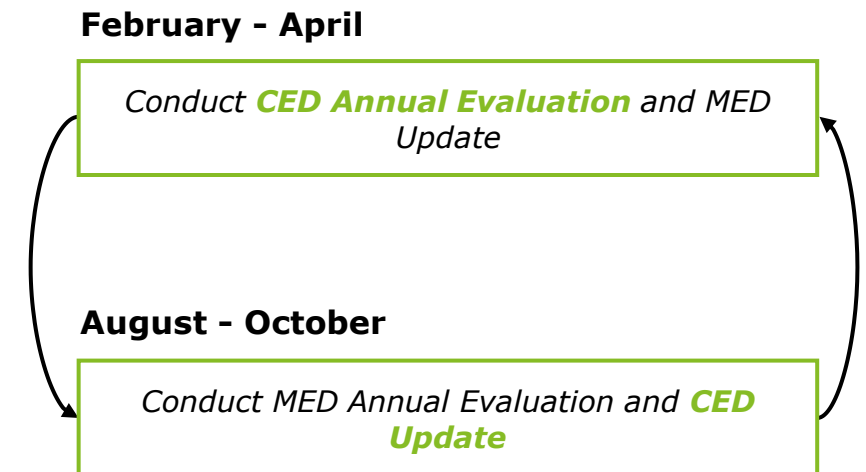
In previous years, Deloitte Access Economics has completed a combined evaluation of both the Microenterprise Development Program (MED) and CED program. With the CED program maturing, Many Rivers has identified the need for a separate and more in-depth evaluation of CED.

This report represents the first time a separate evaluation has been conducted exclusively about the CED program. As such, it sets out the foundations on which future evaluations will be built.

Role of Deloitte Access Economics

In this context, Deloitte Access Economics does not fulfil the role of an auditor. Assessment of the quality and completeness of the data that Many Rivers collects is beyond the scope of this work. Rather, Deloitte Access Economics provides an updated analysis of, and information on, the progress of the community organisations.

Figure 1: The Many Rivers Annual Evaluation Cycle



The Community Economic Development program

Many Rivers' CED provides long term support to community groups motivated to develop businesses and employment opportunities for their communities.

Many Rivers established and piloted its CED work in late 2015 in response to increasing requests to offer microenterprise development support to community groups with economic aspirations and opportunities.

The purpose of Many Rivers CED Program is to support **regional and remote Indigenous community organisations** that want to establish economic activity on their land and sea. As needed, this support includes:

- Strengthening governance and management resources, capacity and functions;
- Understanding financial concepts, decisions and management;
- Establishing operational strategies and plans that can be managed by the communities; and
- Establishing or expanding enterprise and employment opportunities for communities.

Many Rivers works with community organisations **over a five-year period** (on average), supporting them to develop and implement multi-year, long term goals via yearly action plans – the end of which management and staff of the community group are expected to function and succeed more independently.

Figure 2: Many Rivers CED Support Framework



Source: Deloitte Access Economics (2020) based on Many Rivers.

The Community Economic Development program

The CED Program aims to work collaboratively with regional and remote Indigenous communities to build capabilities and establish or expand economic initiatives.

Many Rivers' collaboration with CED communities can be divided into two domains (Figure 3):

1. The initial years of the partnership focus on developing the **Strong Foundations** necessary for future economic ownership and management. This involves ensuring that an organisation's compliance requirements (as stipulated by its incorporation type) are met, building consensus on community goals, developing effective governance and management practices, financial and digital literacy, and confidence in leadership and decision making.
2. The subsequent years of the partnership have an **Economic Initiatives** focus. During this stage, Many Rivers aims to empower the community to develop and implement economic initiatives aligned to the economic and social outcome goals expressed by the community.

Building off this, a **program logic** is used to describe the program's expected value creation chain (p.8), clearly articulating any **assumptions** and logical links that a program is based on (p.7).

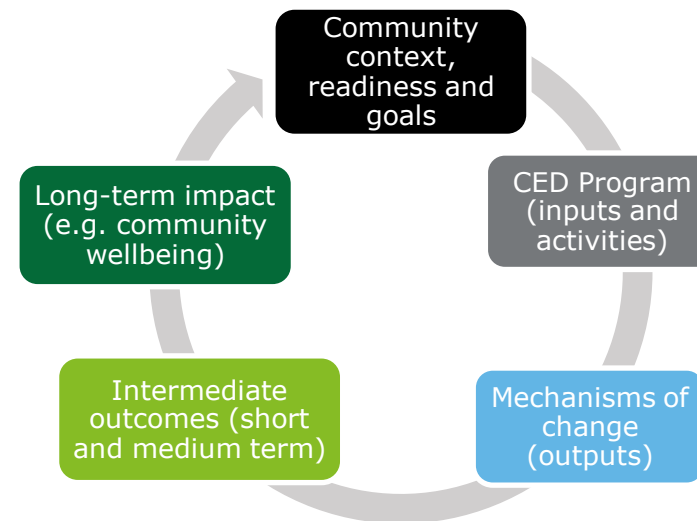
Although the diagrammatic representation of the program logic is of linear structure, it should be acknowledged that **the CED program value creation chain is not linear**. Rather, it operates in a complex system where links between cause and effect are multi-directional, and much more so than they would be for any individual member of the community (i.e. more so than under the MED Program).

Figure 3: Indicative illustration of CED Program focus over time



Source: Deloitte Access Economics (2020) based on Many Rivers.

Figure 4: Continuous value creation chain of the CED Program



Source: Deloitte Access Economics (2021) based on Many Rivers.

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- Emerging thinking on effective practice
- Potential benefits of community economic development

Historical and cultural context

Conventional indicators suggest that Indigenous Australians continue to experience significant disadvantage. This is driven by a wide range of complex factors.

Despite decades of policy efforts, conventional indicators of social outcomes for Indigenous Australians continue to be well below the national average.



Employment: Employment rates for Indigenous Australians have been between 24-26 percentage points below the national average for over 10 years.



Health: In 2015-17, the estimated life expectancy at birth for Indigenous Australians was 8.2 years less than that of non-Indigenous Australians.



Education: In 2018-19, the year 12 attainment rate was 25 percentage points lower for Indigenous students than for non-Indigenous students.



Income: In 2016, the median weekly income of Indigenous households was 33 percentage points lower than that of non-Indigenous households.

Note: While commonly used, these measures represent a simplified and narrow perspective of outcome and value. For example, they do not consider factors such as connection to culture or wellbeing. It is also acknowledged that there is a considerable variation in experiences and attainment of the above metrics across Indigenous communities and peoples.

These outcomes are not the result of a single cause, instead, they reflect a complex system of structural barriers, intergenerational disadvantage and historical injustices, including:

- **Limited access to culturally meaningful and appropriate work** that benefits country and community.
- **A loss of Indigenous culture and language** that is associated with reduced levels of wellbeing, inclusion and connection in Indigenous communities.
- **Ongoing racism and discrimination** that is linked to poor mental health, self esteem, job prospects and quality of life.
- **Limited labour market opportunities** in rural and remote Australia.
- **Experiences of historic injustices** as a result of successive discriminatory policies, with enduring and intergenerational consequences, such as poor health outcomes (physical and mental) and educational attainment.
- **Educational opportunity discrepancies** between Indigenous and non-Indigenous Australians that limit employment prospects and the ability to successfully navigate Western economic (including education) systems.

See Appendix for an overview of key reviews and evaluations of Indigenous empowerment programs historically.

Emerging thinking on effective practice

Programs aimed at supporting Indigenous communities work best when they understand the local context, empower Indigenous voices and focus on capability building.

Current academic literature suggests that programs are likely to be most successful when they:

Understand the local context



Adopting a **place-based approach** that considers the unique culture, history, and economic potential of a community by engaging with local stakeholders has the potential to increase local support and engagement.^{19,20,21,22,23}



Responding to **local labour market conditions** allows an economic development programs to harness the opportunities present in a specific market and provide the required training.^{24,25}

Empower Indigenous voices



Enhancing **Indigenous autonomy and self-determination** ensures implementation is culturally appropriate and aligns with community needs, while also empowering a traditionally marginalised group.^{26,27,28,29,30,31,32,33}



Understanding and respecting **Indigenous views of employment** and how this may differ to traditional Western ideas can increase Indigenous engagement and create meaningful long-term careers.^{34,35,36}



Building **trusting mutual relationships with local communities** through advocacy and open dialogue can lead to a more inclusive environment and more successful work practices.^{37,38,39}

Focus on capability building



Focussing on **skill development** through investments in education and upskilling can create long term sustained employment outcomes, and increase confidence, self-esteem and wellbeing.^{40,41}



Enabling strengths-based and culturally appropriate **wrap-around support** (such as mentoring) to vulnerable community members can address the unique and often intersecting barriers that individuals faces.^{42,43,44}

Potential benefits of community economic development

Successful community empowerment programs have the capacity to drive far-reaching change and deliver a wide range of positive outcomes.

Cultural connection

- Empowering Indigenous leaders can revitalise culture and bring Indigenous knowledge systems and ways of working to leadership and management, embedding a sense of purpose into community initiatives.⁴⁵
- Research suggests that Indigenous leadership and role modelling can improve outcomes surrounding employment, wellbeing, feelings of belonging and passion for culture.⁴⁶

Access to meaningful employment

- There is evidence to suggest that Indigenous Australians are more likely to remain in employment when engaging in Indigenous-specific and culturally relevant work.⁴⁷

Drive intergenerational change

- Engaging in employment has the capacity to drive transformational change, that can influence other family and community members and lead to a 'multiplier' effect.⁴⁸
- This can break an inter-generational cycle of welfare dependence, joblessness and trauma.^{49,50}



Health and wellbeing

- Employment and economic advancement are associated with social, psychological and financial benefits that can enhance wellbeing.⁵¹
- Enabling Indigenous peoples to express cultural identity can have positive health and wellbeing effects.⁵²

Improved community safety

- Evidence suggests that economic development and community empowerment can improve community safety by reducing incidents of crime.⁵³

Autonomy

- In this context, autonomy can be understood to include ownership and control over economic, political and social factors which govern the lives of those within a community.^{54,55}
- Enhancing the self determination and autonomy of Indigenous communities and peoples has the capacity to improve community engagement, lead to more sustainable outcomes and overcome historical policies that disempowered Indigenous peoples as lived and expressed by each community.^{56,57,58}

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- CED Program overview
- CED Program reach over time
- Variation in economic indicators
- Journey over time

CED Program overview

Many Rivers works with 33 communities across Australia, representing over 4,600 community members.

The reach of the CED Program continues to grow since its inception in 2015. As of March 2021, Many Rivers, through **eight CEDMs**, is working with **33 community groups** across Australia (see Chart 1).

These supported community organisations represented collectively **4,609 individuals participating as direct members** (reported at the baseline).

Most community organisations are registered under the Corporations Aboriginal and Torres Strait Islander (CATSI) Act with the Office of the Registrar of Indigenous Corporations (ORIC) or as community associations registered with the respective state. Two communities are registered under the Corporations Act as proprietary limited companies (Chart 2).

Chart 1: Number of CED communities supported, by support start date

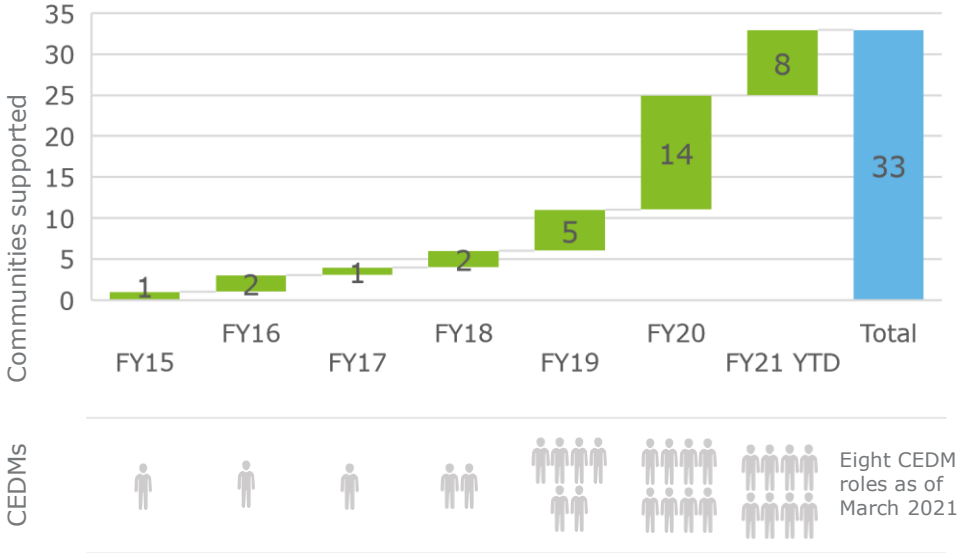
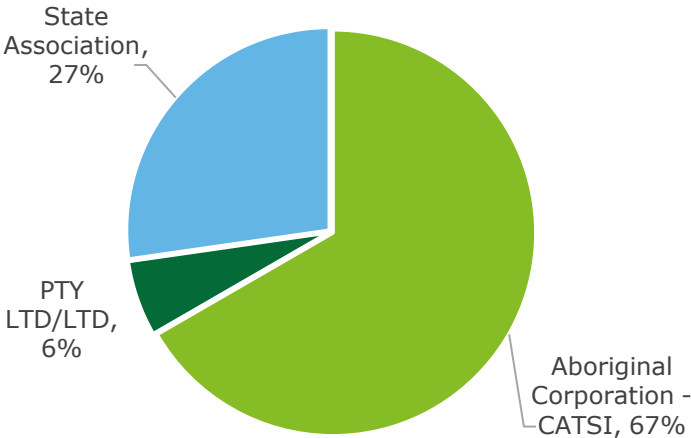


Chart 2: Share of CED supported communities, by business type



CED Program reach over time

In FY20, CED program community organisations managed a combined \$50m in assets, \$19 million in revenue, and employed over 150 employees.

Many Rivers collects financial and economic information about the supported Indigenous community organisations. This includes data from audited financial reports (and if not available, management reports) and information about economic undertakings (e.g. individuals employed, businesses established). Of the 33 Indigenous community organisations participating in the program, financial reports were available for 19 organisations in FY20.

Combined, these community organisations represent a substantial portfolio of economic activity. Table 1 present some of the key economic metrics for the CED community organisations:

Table 1: Aggregate economic indicators for communities participating in the CED Program

Financial Year	Revenue	Profit	Assets	Employment expenses	Employment
FY20	\$18.9M <i>n=19</i>	\$0.9M <i>n=19</i>	\$50.3M <i>n=19</i>	\$8.3M <i>n=19</i>	153 <i>n=26</i>

Note: "Employment" refers to the total headcount of part-time and full-time employees.

In addition, in FY20 these community organisations reported establishing:

- **14 new businesses** – focused on the production of goods and/or services with a commercial intention
- **7 economic projects** – focused on the benefit of the community members through employment and/or community services, usually funded through ongoing grant funding
- **10 economic activities** – similar to economic projects, but established as one-off activities, rather than an ongoing venture.

Over time, as the CED program matures, it is anticipated that these aggregate figures will grow as a result of Many Rivers working with more communities and the level of economic initiatives within each community growing, as they benefit from the support of Many Rivers.

Variation in economic indicators

Community organisations vary in size and the intensity of their economic work, and no clear trends emerge just yet.

There is no such thing as a 'typical' community. Each community organisation represents different cultures, values, economic objectives and economic situations.

As such, the average level of revenue, profit, assets and employment expenses per community has been **highly varied over time** (Chart 3). In particular:

- there does not appear to be a clear trend (either positive or negative) within any of the indicators
- there is often a substantial range between the maximum and minimum value within the communities. For example, the minimum revenue for a community in a given year is less than \$400, while the maximum is over \$4 million.

Currently, small sample size continues to pose challenges to statistical analysis. Over time, as the program reach expands, it is anticipated that this limitation will lessen and clearer trends might emerge.

Further, while this analysis provides a useful view of the overall performance and position of CED community organisations in a given financial year, it does not provide an accurate picture of the journey over time.

Chart 3: Distribution of community organisation (a) revenue; (b) profit; (c) assets; (d) employment expenses over financial years (\$m)



Journey over time

Examining a matched cohort of communities provides an indication of growth in economic activity over time, however sample sizes remain small.

When looking at financial and economic indicators for community organisations, it is important to recognise how long each organisation participated in the CED program. A matched cohort analysis allows for a comparison of the same community organisations over their journey with Many Rivers.

Figures 6 and 7 present the comparison of average annual revenue and annual employment expenses at the baseline and after a number of years of CED program participation. Over time annual revenue and annual employment expenses increased for all waves.

Noting that the sample size is still small for certain cohorts, this is an indication that communities on average have experienced growth in revenue and employment expenses. Further analysis is required to establish an ongoing association to the CED program.

Figure 6: Average community annual revenue at baseline and after number of years with Many Rivers.

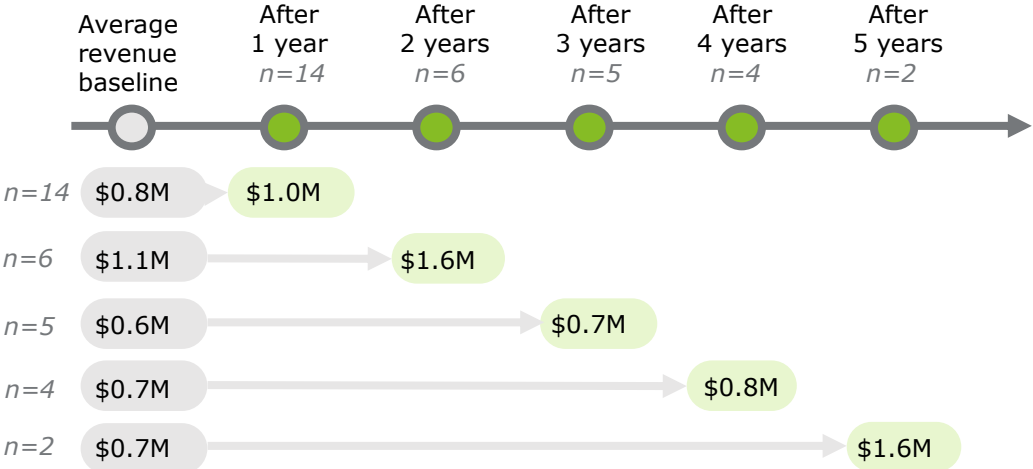
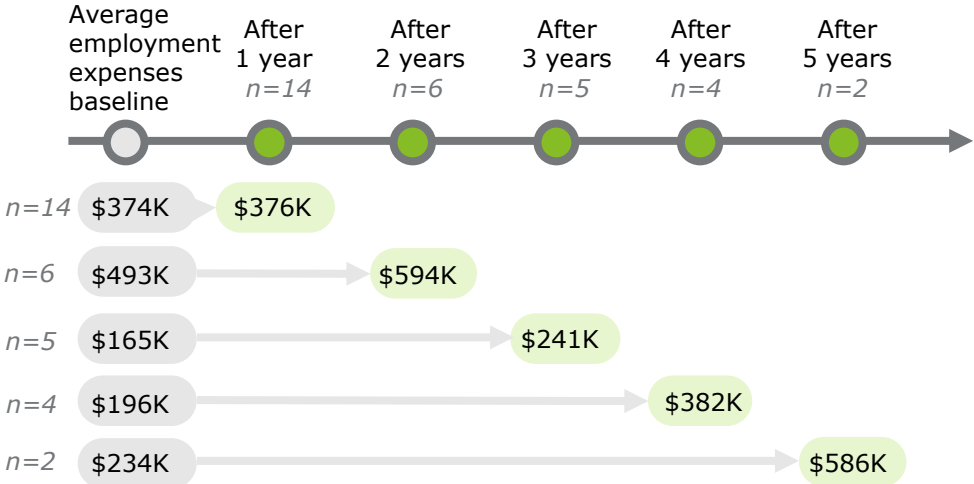


Figure 7: Average community annual employment expenses at baseline and after number of years with Many Rivers.



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In this section:

○ Future considerations

○ Emerging evaluation approach

Future considerations

Ongoing evaluation will reveal more about CED community organisations, their successes and challenges, and the associated drivers.

This foundational CED monitoring and evaluation report sets out the motivation behind the program and positions it in the historical and contemporary context of structural disadvantage Indigenous peoples face in Australia.

Although the quantitative economic metrics presented in this report provide an insight into the scale of the program, it is acknowledged that this analysis provides only a partial picture of the program's true impact. As the program grows in scale and matures, the evaluation will be enhanced by:

- 1. Expanding on the measures of community organisation outcomes:** the quantitative summary of financial and economic outcomes capture a narrow view of the impact of the CED Program outlined in its program logic. Future evaluations may consider incorporating measures of:
 - short-term outcomes (e.g. capability building progress against 'Strong Foundations');
 - longer-term outcomes (e.g. assessment of community wellbeing); and
 - any outcomes the communities may identify themselves as not reflected in the analysis.

It is recognised that not all elements of the Program Logic can be measured precisely or monetised. Certain outcomes will be acknowledged and captured using qualitative methods, such as case studies.

- 2. Positioning the CED program in the broader context:** Positioning the journey of CED program community organisations in the broader context of Indigenous community organisations in Australia would enhance interpretation of the results. However, lack of reliable and timely data about Indigenous community outcomes at a national level makes that comparison challenging. Further work is required to determine appropriate approach to making any comparisons.
- 3. Growing sample size:** Given the small size of the total population (33 community organisations) and the even smaller size of the matched cohort that can be compared over time (14 communities) the evaluation is not in a position yet to comment on any patterns revealed in the data. As more data become available, this evaluation will be able to address additional questions (e.g. disaggregated findings by certain community characteristics).

Emerging evaluation approach

A developmental and impact evaluation focus, drawing on a combination of stakeholder engagement, case studies, program documentation and data analysis.

The ongoing evaluation of the CED Program will:

- Adopt a **realist approach** to understanding how CED Program activities and impact occur in different contexts and for different stakeholders (a realist approach acknowledges that success and underlying drivers will look differently across communities, e.g. through the use of case studies).
- Involve **formative (developmental) and summative (impact)** components to inform program improvements, as well as assessments of value creation (see Figure 8).
- Test the assumptions of the CED Program design against emerging **thinking on best practice** and lessons from past evaluations and policy reviews. Evidence from this evaluation is expected to add to the evidence base.

- Consider how **social and economic drivers** as defined by the culture and lore of Indigenous communities and peoples could be incorporated in the data collection process, including drawing on more **participatory methods**, aligned with principles of best practice for evaluations that relate to improving outcomes for Indigenous Australians.
- Distinguishing between outcomes which are more directly associated with the CED Program and **broader impacts and contextual factors which are correlated** with causal links working both ways (see Figure 9 for an example illustration of contextual factors).

Figure 8: Evaluation focus over time

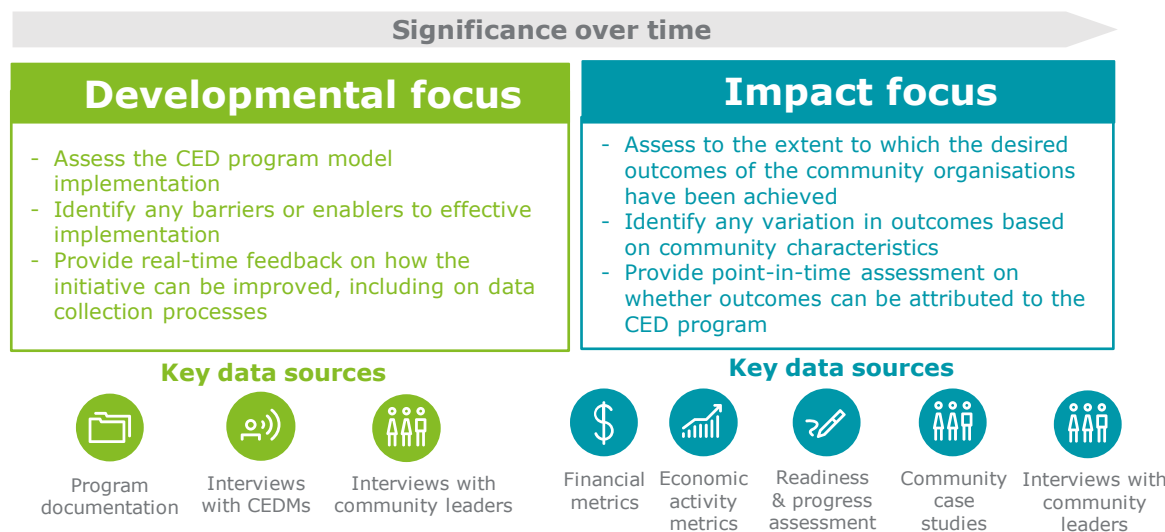


Figure 9: Contextual factors that may influence and be influenced by the CED Program (illustration only)



Source: Deloitte Access Economics (2015) Building the lucky country



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