



Ronald McDonald® Family Retreat

Social Return on Investment (SROI) Report



Ronald McDonald
House Charities®
Australia

March 2020

SVA Social
Ventures
Australia

Acknowledgments

SVA would like to acknowledge the participation of the many families, volunteers, staff, medical professionals, educators and other stakeholders who took time to provide thoughtful and thorough input, contributing to the strong evidence base that is critical to this analysis.

SVA would also like to thank the Ronald McDonald House Charities team for supporting the ethics process, for helping us to gather the multitude of program and organisational information required for this project, and for assisting us to arrange site visits and interviews.

This report has been prepared by Social Ventures Australia Consulting

Social Ventures Australia (SVA) is a not for profit organisation that works with innovative partners to invest in social change. We help to create better education and employment outcomes for disadvantaged Australians by bringing the best of business to the for-purpose sector, and by working with partners to strategically invest capital and expertise.

SVA Consulting is Australia's leading not-for-profit consultancy. We focus solely on social impact and work with partners to increase their capacity to create positive change. Thanks to more than 10 years of working with not-for-profits, government and funders, we have developed a deep understanding of the sector and 'what works'. Our team are passionate about what they do and use their diverse experience to work together to solve Australia's most pressing challenges.

This report has been authored by SVA Consulting with oversight from Kateryna Andreyeva (Principal) and Simon Faivel (Director).

For more information contact us: consulting@socialventures.com.au

Professional Disclosure

SVA has prepared this report in good faith on the basis of our research and information available to us at the date of publication ("Information") without any independent verification. SVA does not guarantee the accuracy, completeness or currency of the Information.

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About this Report

Helping families when they need it most

Ronald McDonald House Charities Australia (RMHC) have been helping Australian families with seriously ill children stay together since 1981.

When a child is diagnosed with a serious illness, it can have a devastating effect on families. On top of the uncertainty and fear, there's added stress for families who don't live close to the medical care their child needs.

How RMHC helps

RMHC has a wide range of programs which help families to stay together so they have the support of loved ones when they need it most.



Ronald McDonald House®

The 18 Houses provide essential care and support for families just steps away from their child's treating hospital.



Ronald McDonald Family Retreat®

The 5 Family Retreats give families with a seriously ill child, or those suffering from the death of a child, the necessary opportunity to take a break and spend some much needed time together.



Ronald McDonald Family Room®

The 19 Family Rooms provide a relaxing haven within hospitals giving families a break from the stress of many hours spent by their child's bedside.



Ronald McDonald Care Mobile®

Children living in rural and remote communities don't always have access to health care near their home or school. In partnership with Royal Far West, RMHC's 1 Care Mobile vehicle regularly visits rural areas of NSW, allowing children access health care.



Ronald McDonald Learning Program®

With a Learning Program based in each Australian State and Territory, RMHC helps students to catch-up on missed education due to serious illness.

This report

RMHC commissioned SVA Consulting to undertake an evaluation of the RMHC House, Family Room, Learning Program and Family Retreat programs to determine the socio-economic returns for all stakeholders. The analysis looked back at 18 months of the programs' operations and activities (January 2018 to June 2019).

The SROI methodology was used to identify, measure and value impact of the RMHC programs for each stakeholder, including families, sick children, hospitals and the volunteers. SROI is an internationally recognised, principles-based approach for understanding and measuring the impacts of the program or organisation. It provides a framework for accounting for a broader concept of value than is traditionally measured.

This report presents a summary of the findings from the SROI analysis of the **Ronald McDonald Family Retreat Program**.



Ronald McDonald Family Retreat

What is the Program?

The Family Retreat Program provides families with an opportunity to getaway from the everyday, where families can rest, recharge and reconnect as a family. The Program is offered to families with a seriously ill child and families who are grieving the loss of a child.

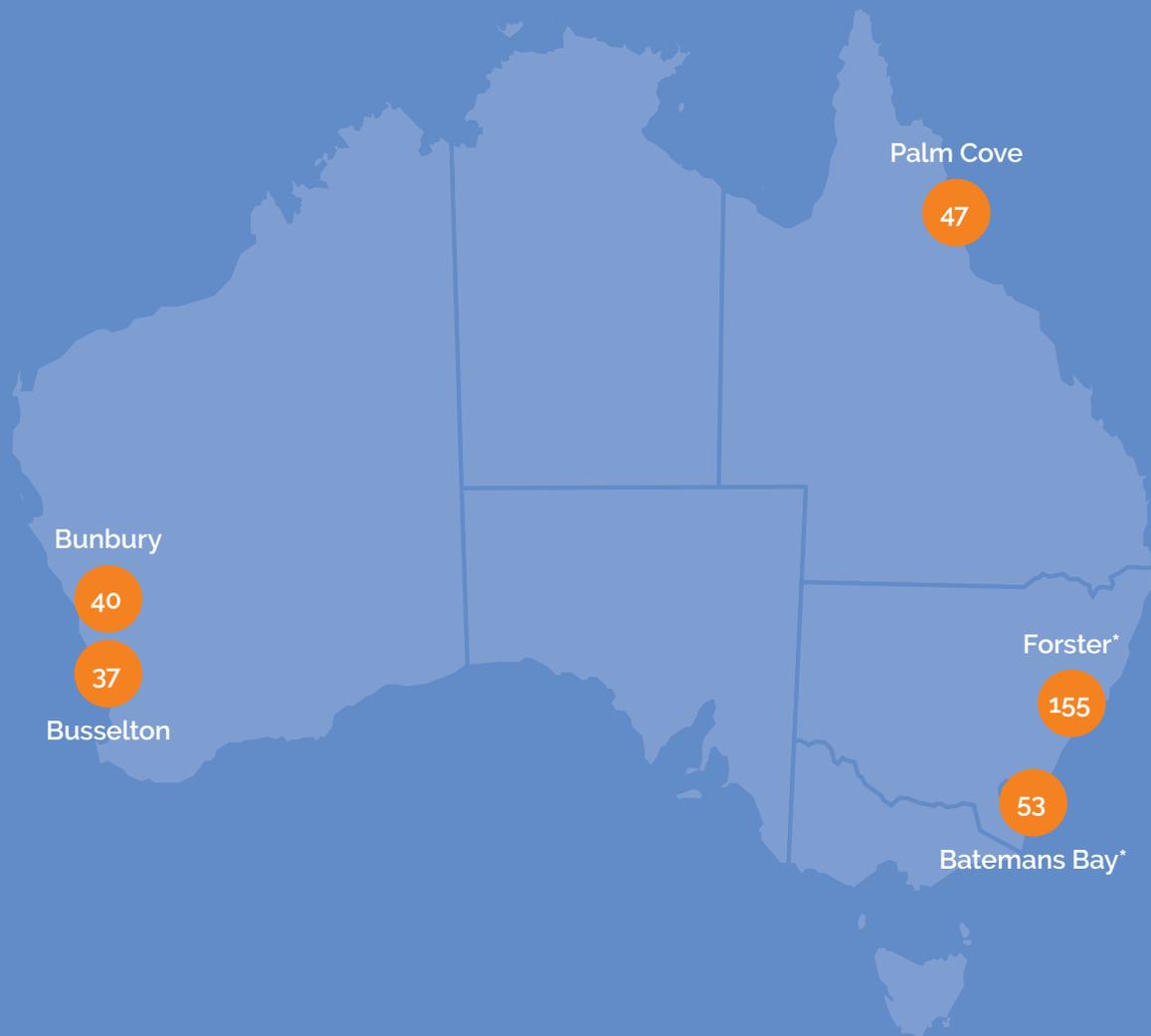
Families can enjoy up to seven days of free accommodation, offering an escape for those who might otherwise be unable to afford any time out due the pressures of caring for a seriously ill child.

How is the Program delivered?

RMHC offers holiday accommodation in five locations across Australia. The Program includes the following:

- Up to one week's free accommodation in a tranquil setting
- Complimentary holiday activities (e.g. movie tickets)

Family Retreat locations and number of families served over the 18 month period



During the period of the analysis (January 2018 and June 2019)...



~500 families



stayed in one of 5 Family Retreat locations across the country



for a total of ~3,500 nights

*Forster has 4 units; Batemans Bay has 2 units

Report summary

This Social Return on Investment analysis of the Family Retreat Program found that the Program generates positive social and economic value for families and RMHC.

Social Return on Investment

Between January 2018 and June 2019, ~\$1.2m was invested in operating the Ronald McDonald Family Retreat Program delivering an estimated ~\$3.2m in social and economic benefits. This equates to an SROI ratio of 2.6 : 1.



Insights

This report identified three key insights about the factors contributing to the outcomes achieved by the Ronald McDonald Family Retreat Program:

1

The Family Retreat improves wellbeing of families by providing the environment for them to connect and care for themselves and each other

2

The Family Retreat creates the environment for a sick child and their siblings to enjoy time with each other and 'just be kids' again

3

The Family Retreat creates the environment for families to adjust to changes in life circumstances

Impact Snapshot

The Social Return on Investment analysis of the Ronald McDonald Family Retreat Program uncovered a range of benefits for different stakeholders:



Families

Dealing with a child's illness is taxing for the individual and those close to them. Family Retreats offer an important opportunity to rest, recharge and reconnect



81% of parents said the Family Retreat improved their physical and emotional wellbeing

Families often don't have access to money to pay for a getaway with 75% of saying that they wouldn't have gone away if it wasn't for RMHC



\$3,000

Is the average savings per family visiting a Family Retreat

The Family Retreat offers families more than just a holiday. There is a significant value in supporting families to find time to spend together away from a routine when dealing with a serious life event like a child's illness



1 week's accommodation per family

Generates >



~\$6,500 of social and economic value per family

"After a really difficult year, the Family Retreat gave us some invaluable respite and downtime. I think the most important thing for us was the calming effect the time away had on our family."
– Parent

"We can't afford a holiday, but having the Family Retreat means we can capitalise on the opportunity to have a unifying experience together when my daughter is well, or she has a big surgery coming up. There have been times when we've gone to the Family Retreat with only a couple of hundred dollars and we've had a beautiful time together."
– Parent



RMHC and its volunteers

RMHC has gained significant trust and goodwill of the Australian community which is essential to its sustainability and ability to deliver services aligned to its purpose

7th

Most trusted charity in Australia in 2019



This trust is valued at **~\$390,000 p.a.**

based on the value of raised funds and donated goods for the Family Retreat Program

Methodology

Social Return on Investment (SROI)

Social Return On Investment (SROI) analysis is an internationally recognised approach that provides a framework to understand, measure and value the impact of a program or organisation. It is a form of cost-benefit analysis that examines the social, economic and environmental outcomes created by the activities of the program and the costs of creating them.

Social Value Principles

Social value is the value that people place on the changes they experience in their lives. The Principles of Social Value provide the basic building blocks for anyone who wants to make decisions that take this wider definition of value into account.

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

Approach

To carry out this SROI analysis we undertook six phases of work that are based on those developed by Social Value International. Experienced and accredited SROI practitioners oversaw the analysis.

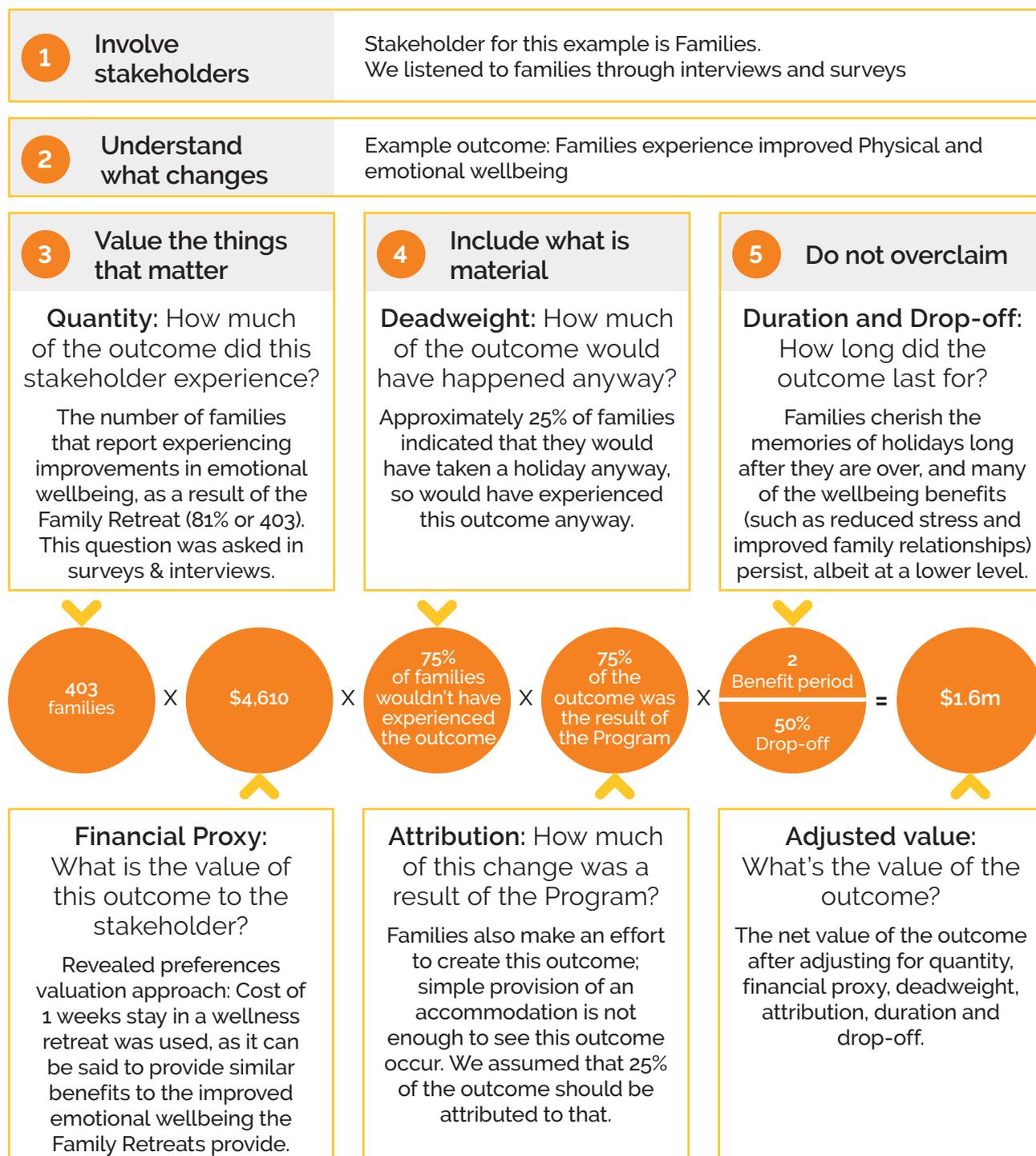


How to interpret

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

Methodology

This is a worked example of how the first five Social Value principles were applied to one outcome identified through the Family Retreat SROI analysis.



Notes:

1. For simplicity, we have not shown the calculation of the present value for this outcome. These adjustments were made in the underlying calculations, where relevant.
2. All numbers and calculations have been rounded to the nearest whole number.



Project Approach

Project scope

RMHC commissioned SVA Consulting to understand, estimate and value the impact of the Ronald McDonald Family Retreat Program from January 2018 to June 2019.

This included five Family Retreats located across Australia and includes all the activities and investments made into the Program during the period of the analysis.

Ethics

This project received ethics approval from the Sydney Children's Hospitals Network Human Research Ethics Committee, with site-specific approval provided by the human research ethics committees at the hospitals where site visits were conducted, including: Monash Children's Hospital (Victoria), Sydney Children's Hospital (NSW) and Perth Children's Hospital (WA).

Data collection

Interviews

- 11 stakeholders interviewed including families, RMHC staff, and volunteers

Surveys

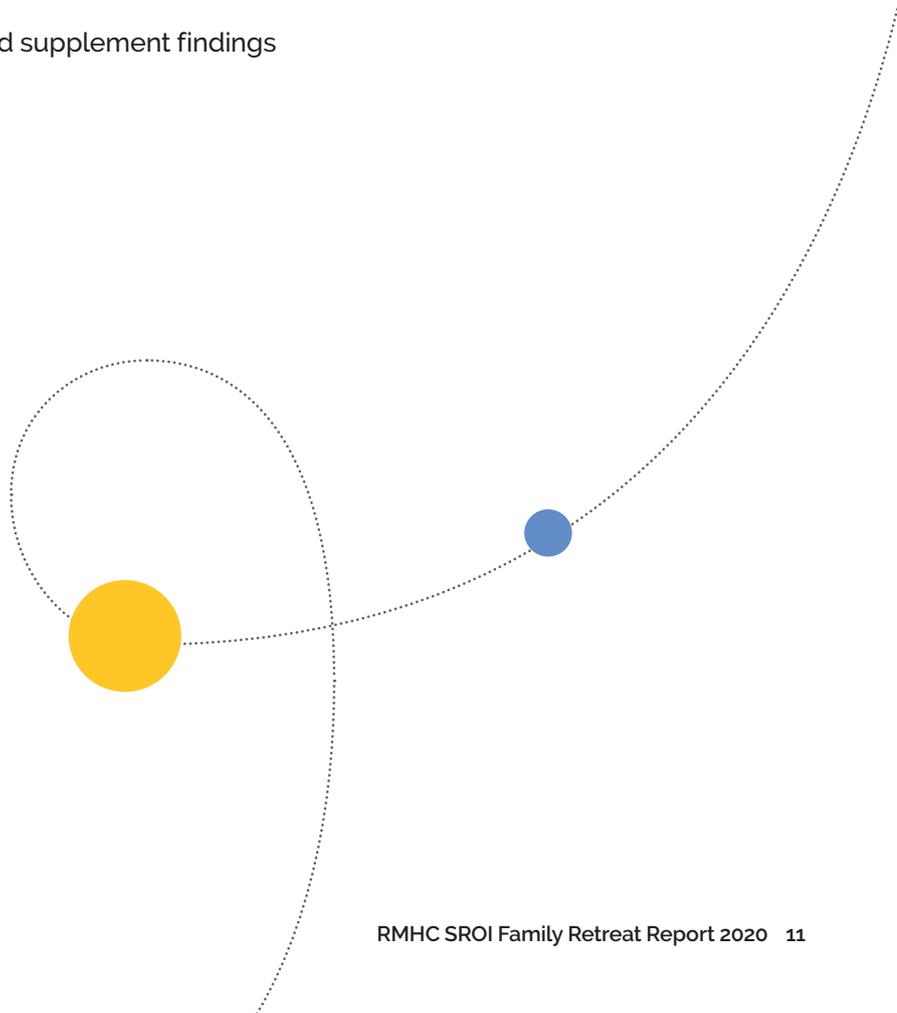
- 82 families surveyed online

Organisational data

- Internal RMHC data and documentation were used to understand program reach and impact

External research

- External research was used to validate and supplement findings



Outcomes for families

The key outcomes for families with sick children who used the Family Retreat Program were related to improved physical and emotional wellbeing and cost savings.



\$1.6m

Improved physical and emotional wellbeing

The majority of families (81%) who stayed at the Family Retreats experienced improved physical and emotional wellbeing, generating ~\$1.6m in social value.

The Family Retreat Program provides families with a peaceful getaway from the everyday, where families can rest, recharge and spend time together. This creates the environment for families to relax, feel better connected and more in control of their lives, which contributes to improved physical and emotional wellbeing for families. For children recovering from or managing a serious illness, the Family Retreat provides an opportunity for them to 'just to be a kid again' without a focus on illness. This can support recovery and improve child wellbeing. For families grieving the loss of a child, the Family Retreat offers the space to grieve together, and spend time adjusting to a future that looks different. Without the Family Retreat, many families would not be able to afford to go on holidays, nor receive the benefits from taking a break.

"Having time at the Family Retreat is such an amazing experience. We nearly lost my son twice earlier this year – so having the opportunity to relax, take a break and gather ourselves was very special. It was my son's first holiday ever and it was so lovely for us to be able to spend time together and for my son to just get to be a normal kid – he really picked up after the Family Retreat and now we have beautiful lifelong memories from our time together there." – Parent



\$1.1m

Families save money

Most families (75%) would have not been able to afford a holiday without support from RMHC. The estimated savings for these families was \$1.1m over the 18 month period.

The Family Retreat provides families with free accommodation and holiday activities. Approximately, 75% of families that were surveyed said they would be unable to afford a holiday without the support of the Family Retreat Program. The Program also provides families with complimentary holiday activities, such as tickets to the movies or a local theme park. These activities give families access to experiences they would otherwise not have been able to justify. By taking away the financial stress of having a holiday, families are given the opportunity to spend time together and create positive memories.

"Having the opportunity to go to the Family Retreat was fantastic - we wouldn't have been able to afford or justify a holiday for ourselves and wouldn't have been able to take a break if it wasn't for the Family Retreat. We feel so thankful for the experience." – Parent

Outcomes for RMHC

In addition to families, the Family Retreat Program supports building of community trust in RMHC.



\$0.6m

RMHC has the trust and goodwill of Australians

RMHC is consistently ranked one of the most trusted charities in Australia. The Family Retreat Program contributes trust that is valued at \$0.6m for RMHC (over the 18 month period), based on the funding and in-kind support provided by the Program.

RMHC was ranked the 7th most trusted charity in Australia in 2019*, by virtue of the value of the work that RMHC does, and the quality with which it delivers its services. Trust is a fundamental attribute of running an effective charity. For RMHC, it means that the organisation can efficiently and successfully fundraise, develop long-term mutually beneficial partnerships with hospitals and governments and attract high quality, committed volunteers. These all contribute to the sustainability of RMHC and its ability to deliver services aligned to its purpose.

* Reputation Institute (2019), Charity Rep Trak 2019 rankings accessed here.

Calculating the SROI ratio

In the period between January 2018 and June 2019, the Family Retreat Program received cash and pro-bono support to the value of:

Inputs

\$1.2m

Inputs to the Family Retreat Program include:

- ~\$1m cash investments from RMHC National Office and Chapter fundraising
- ~\$120k in travel costs borne by families
- ~\$100k in-kind contributions from donors (e.g. donated property), corporate partners and local businesses

This generated a range of outcomes for key stakeholders including:

Outcomes

\$3.2m



Families

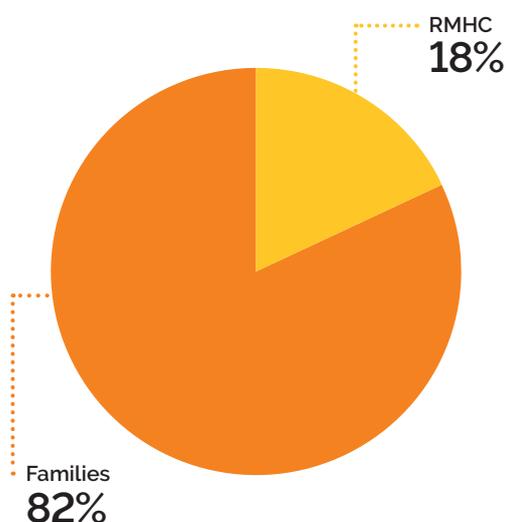
- Improved physical and emotional wellbeing
- Families save money



RMHC

- RMHC has the trust and goodwill of Australians

Outcomes per stakeholder as a % of total value





Resulting in the following SROI ratio



Based on the investment and operations in the 18 months between January 2018 and June 2019, the Ronald McDonald Family Retreat Program generated an SROI ratio of 2.6 : 1



That is, for every \$1 invested in the Ronald McDonald Family Retreat Program, \$2.60 of social and economic value is created.

- (a) To calculate the net present value (NPV) the costs and benefits paid or received in different time periods need to be summed. In order that these costs and benefits are comparable a process called discounting is used. This value calculated after discount rate of 1.7% (average RBA cash rate).
- (b) Sensitivity testing was conducted on a range of possible scenarios, finding that the SROI ratio remained significantly above 1:1, indicating that the social value created is likely to be greater than the investment. In addition, no single variable or assumption has a dominant effect on the SROI ratio.
- (c) For a detailed analysis (SROI Impact Map in Microsoft Excel) which includes a full list of assumptions and sources, along with more detailed calculations, or a copy of results for other RMHC programs, please contact RMHC directly.

Insights

The Family Retreat Program creates the environment for family members to connect and care for each other, kids to just be kids and families to adjust to changes in life circumstances.

1

The Family Retreat Program improves wellbeing of families by providing the environment for them to connect and care for themselves and each other

The Family Retreat Program contributes to improved physical and emotional wellbeing for families and children with a long-term or serious illness. The Family Retreat accommodation and location provides a calm and relaxing environment for families and sick kids to relax and recharge – helping to reduce stress and fatigue. In addition, the opportunity to spend quality time together creates the time and space for family members to be feel better connected.

Having the opportunity to relax, recharge and reconnect contributes to improvements in physical and emotional wellbeing, which is critical to helping families cope with the challenges of a long-term or serious illness of a child.

“Having the time to be together as a family was such an important and unifying experience for us. The Family Retreat was also a very calming place - we were able to relax and take naps, play games and go for walks on the beach. We came back from the holiday feeling so fresh and happy. It was wonderful!” - Parent

2

The Family Retreat Program creates the environment for a sick child and their siblings to enjoy time with each other and ‘just be kids’ again

For many families, the Family Retreat Program creates an opportunity for sick kids and their siblings to have time away from focusing on illness and enjoy time with each other. When a sick child is in hospital or recovering from or managing an illness at home, the focus can often be on managing that child's medical issues. Taking a holiday, provides a fun and relaxing environment for families and sick kids. This gives the space and time for kids to ‘feel normal’ and ‘just be kids again’, which has positive effects on a child's recovery and / or overall physical and emotional wellbeing. Being able to play and have fun together with family and siblings is an important part of a child's development and the Family Retreat provides an enabling environment to support this.

“The best part about going on a Family Retreat was having the chance to see my son get to be a ‘normal kid’ again – it was his first holiday ever, so he was really excited. And the more he played, the more his confidence grew and he was riding bikes and playing in the cubby house in no time.” - Parent




3

The Family Retreat Program creates the environment for families to adjust to changes in life circumstances

For many families, the Family Retreat creates an environment for them to adjust to changes in their life circumstances. Families with a child with a serious or long-term illness, often utilise the Family Retreats around hospital admissions to either prepare for, or recover from a significant stay.

For families who have lost a child, families use the Program to help them connect during the grieving process. In this way, the Family Retreat creates the environment for families to adjust to changes in their life circumstances, which can contribute to healthy coping and grieving. Having the time and space to adjust to life's challenge is an important part of coping and the Family Retreat plays a positive role in supporting families during these periods of adjustment.

"My daughter was about to have a really big surgery and we needed to mentally prepare for a tough hospital admission. We used the Family Retreat in the lead up to that time to connect as a family and mentally prepare for what was ahead. It was such an uncertain time for us and having the chance to be together was really special – it gave us the time and space to process what was ahead."
- Parent

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and their families.

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