

A response to the Productivity Commission’s Draft Report: Expenditure on Children in The Northern Territory

A submission by the Australian Research Alliance for Children and Youth

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Overview

ARACY overall supports the four key reform areas identified by the Productivity Commission (1. Coordinated funding underpinned by community plans, 2. Longer-term, more collaborative contracting of service providers, 3. Better and more transparent data at the community level, 4. Stronger supporting institutions) [1]. While ARACY does not have the expertise to endorse all recommendations put forward by the Productivity Commission, specific recommendations, findings, and information requests that fall within our area of expertise are commented on below.

Response to Specific Recommendations, Findings, and Information Requests

In response to Draft Finding 2.1:

DRAFT FINDING 2.1

Significant funds are spent on children and family services in the Northern Territory — in 2018-19, expenditure on services directly relevant to the prevention of harm to children was about \$538 million. The expenditure landscape for children and family services is complex and involves:

- Nine funding agencies — five Commonwealth Government departments and four NT Government departments
- More than 500 service providers
- More than 20 funding streams, including over 700 grants. Despite the size of this funding, expenditure data is not kept in a format that allows it to be used to inform policy.

➤ While adequate resourcing is essential for improving outcomes for children and young people, ARACY is aware that quantity of resourcing alone is not necessarily indicative of service improvement or quality. This can be seen in the discrepancy between high per-capita expenditure with comparatively poorer health outcomes, for example, in the United States [2]. Governments have a responsibility to the community to provide both cost-effective and sustainable services that are demonstrably effective in the chosen community. On these grounds, ARACY supports the inquiry into expenditure in the Northern Territory.

In response to Draft Recommendation 6.1:

DRAFT RECOMMENDATION 6.1 COMMUNITY PLANS AND COORDINATED FUNDING DECISIONS

To deliver on their shared responsibility for funding children and family services in the Northern Territory, the Commonwealth and NT Governments need a new way of working together. This should include both governments

genuinely engaging with NT communities, coming to a shared understanding of the issues affecting children and families, and jointly committing to solutions, with collective ownership and accountability for outcomes.

To put this new way of working into practice, the Commonwealth and NT Governments should establish a formal process to coordinate funding.

1. Both governments should collate community-level data on services, outcomes (risk and protective factors) and current expenditure on children and family services in each community.

2. The regional representatives of both governments should share the data with communities, and in collaboration with communities develop a short community plan that: – provides a snapshot of the strengths, needs and priority issues of children and families in the community – gives the community a voice about which children and family services they would like to retain, change or replace. The regional representatives should provide the community plans to the Children and Families Tripartite Forum, together with a summary of overall expenditure, headline data and any other relevant information for each region.

3. Drawing on the community plans and regional summaries, the Children and Families Tripartite Forum should provide advice to both governments about funding arrangements for children and family services across the Northern Territory, including advice about funds pooling for particular locations or services.

4. The relevant Ministers of both governments should consider the advice of the Children and Families Tripartite Forum and then agree on which children and family services each is going to fund and in which locations, and publish details of the agreed funding. This process should be repeated as necessary, including when there are significant changes in government or community priorities, or when new funding becomes available.

- ARACY supports the Productivity Commission’s recommendation that governments genuinely engage with Northern Territory communities. ARACY recommends broad community consultation with key stakeholders, including local service providers and consumers.

- In particular, **ARACY recommends direct consultation with children and young people and their families**. There is an abundance of evidence supporting the inclusion of children’s voices in policy and practice:
 - Evidence shows that children and young people are capable research participants, and suggests that their input can enable the development of more effective and efficient policies and services [3].
 - Involvement of children and young people in issues that affect them is consistent with the United Nations Convention on the Rights of The Child [4].
 - In our consultations with over 3000 children and young people, they have told us that participation in issues that affect them is important to their wellbeing [5].
 - Evidence suggests that research participation can be beneficial to children and young people on an individual level [3].

- ARACY thereby makes the recommendation that consultation with children, young people, and their families be emphasized as a key component of genuine community engagement.

In response to Draft Recommendation 6.3:

DRAFT RECOMMENDATION 6.3 BETTER DATA ON OUTCOMES FOR CHILDREN AND FAMILIES

To provide a more complete picture of the wellbeing of children and families in the Northern Territory, the Commonwealth and NT Governments should improve their data so that it is:

- Outcomes-focused — seeking to measure outcomes for children and families using available child-centred indicators across all the domains of child wellbeing
- Collected, tracked and publicly reported at the community level wherever possible.

- ARACY strongly supports the recommendation data be collected on child-centred indicators across all wellbeing domains, and strongly supports the recommendation that these indicators are outcomes-focused.
- ARACY agrees that data be reported and/or adapted in in order to be accessible to families and communities, and emphasised that this should include accessibility to including children and young people.
- ARACY would like to refer the Productivity Commission and the Commonwealth and Northern Territory Governments to ARACY's 2018 Report Card (added as attachment) [6], which serves as a national summary of the wellbeing of children and young people, reported via child-centred indicators across six wellbeing domains. This Report Card may be a useful template for reporting on the wellbeing of children and young people at a territory and local level.

In response to Information Request 6.2:

INFORMATION REQUEST 6.2

What are the sensitivities involved in releasing data at the community level on risk, protective and wellbeing factors of children and families (such as statistics on child protection, police, justice, health and education)? How could these sensitivities best be managed?

- ARACY is conscious of the risk of stigmatizing communities when reporting community-level data.
- ARACY is also conscious of the impact of framing of information on community response. For example, a recent study on parenting behaviours in Australia [7] showed strong community support for parenting initiatives when framed from a “child development” perspective. Conversely, framing the same messages from an “effective parenting” perspective resulted in a strong decrease in participants’ support for the initiative, measured by markers such as willingness to pay additional taxes to support parenting initiatives.
- Evidence suggests that a strengths-based approach when working with children and families is associated with improved engagement with services, at an individual and family level [8].
- ARACY recommends due consideration be given to the above points when publishing data at a community level.

In response to Draft Recommendation 7.2:

DRAFT RECOMMENDATION 7.2 INCREASING CERTAINTY IN THE CONTRACTING PROCESS

To reduce uncertainty in funding of children and family services, the Commonwealth and NT Governments should:

- Publish a rolling schedule of upcoming funding opportunities over (at least) the next twelve months

- Allow sufficient time (a default of three months) for providers to prepare considered responses, including the development of integrated bids across related services
- Notify providers of the outcome of funding processes in a timely manner, well in advance of the end of the existing contract.

- ARACY supports the recommendation that sufficient time be allowed for providers to prepare considered responses to bids, and agrees that a default of three months is an appropriate timeframe.

In response to Draft Recommendation 7.3:

DRAFT RECOMMENDATION 7.3 A RELATIONAL APPROACH TO CONTRACTING

The Commonwealth and NT Governments should adopt a relational approach to contracting, in which governments, service providers and communities work collaboratively towards shared outcomes. A relational contracting approach would involve:

- Governments and service providers engaging in collaborative, regular reviews of service outcomes (after consulting users of the service) to assess progress against user needs, with continuous improvement and adaptation of services when required
- Regular reviews that are proportionate to the dependency between governments and providers — for example, more regular reviews where there is lack of competition — and where the risk and complexities associated with the service are high
- Management of the relationship with service providers at the local or regional level, using existing regional network staff and infrastructure already in place. Governments should ensure that regional network staff have the skills, capacity and authority to make independent decisions on minor changes to service delivery, and in consultation with head offices when more substantial changes are required.

- ARACY supports the recommendation that governments and service providers engage in collaborative, regular reviews of service outcomes. Specifically, ARACY would like to reinforce the importance of consulting with children and young people regarding the effectiveness of service delivery, for the reasons outlined in our response to Draft Recommendation 6.1.
- ARACY also agrees that service delivery should have sufficient flexibility and capacity to be adapted and improved throughout implementation, based on family and community input.

In response to Draft Recommendation 8.1:

DRAFT RECOMMENDATION 8.1 BUILDING THE EVIDENCE BASE THROUGH EVALUATION

The Commonwealth and NT Governments should embed requirements (and appropriate resourcing) for monitoring and evaluation into contracts for children and family services where:

- The service lacks an existing, relevant and context-specific evidence base
- The service is expected to be adapted over time (for example, because the exact inputs and outputs of the program may not be known in advance).

At a minimum, funding should support the use of an evaluative approach that facilitates learning by doing and continuous improvement in services (draft finding 8.2). This should include funding to run periodic surveys that seek to understand user experience and community views on the functioning of the service and

how it could be improved. This is an important complement to the collection and reporting of data on outcomes for children and families at the community level (draft recommendation 6.3).

Governments should prioritise and fund more formal, rigorous evaluations for programs or services that:

- Involve a high level of expenditure and risk, or that cover a large number of children and families
- Have been introduced in communities where there have not been significant changes in policies or other programs (to enable reasonable attribution of the impact of the program on outcomes).

- ARACY strongly supports the recommendation by the Productivity Commission to embed requirements and appropriate resourcing for monitoring and evaluation into contracts, and agrees that user experience and community views are an important component of this. In particular, ARACY emphasises the value of including children and young people’s views on services, as per our response to Draft Recommendation 6.1.
- ARACY also supports the recommendation of more formal and rigorous evaluation in risky or large programs or services, and to monitor impact on communities.

In response to Information Request 8.1:

INFORMATION REQUEST 8.1

How could the reporting burden be reduced for service providers that receive multiple grants from different funding agencies? Should providers only have to report to one funding agency? For example, should a ‘lead agency’ receive a unified report covering all reporting obligations for the children and family services the provider has been funded for in that jurisdiction? What other options are there to reduce reporting burdens?

- ARACY supports the idea of a “lead agency” to reduced reporting burdens.
- ARACY suggests that a combined report that covers all reporting obligations, where the format has been agreed upon jointly by the funders, would also reduce reporting burdens.

Summary of Recommendations

- ARACY supports the Review of Expenditure on Children in the Northern Territory given the need for governments to provide cost-effective and sustainable services that are demonstrably effective in the local community.
- ARACY recommends that consultation with children, young people, and their families be emphasized as a key component of genuine community engagement, and that evidence suggests this should lead to the improvement of policies and services.
- ARACY strongly supports the recommendation that child-centred, outcomes-focused data be collected on children and families, and further recommends that this data be reported in a way that is accessible to children and families. ARACY points to the ARACY 2018 Report Card as a valuable resource.
- ARACY recommends due consideration be given to the risk of stigmatisation, the community response, and the potential value of a strengths-based reporting style when publishing data at a community level.
- ARACY supports the recommendation that sufficient time be allowed for providers to prepare considered responses to bids, and agrees that a default of three months is an appropriate timeframe.
- ARACY supports the recommendation that service outcome evaluation be a collaborative process, and emphasises the importance of including consultation with children and young people in this process. ARACY also agrees that services should have sufficient flexibility and capacity to adapt based on consultation findings.
- ARACY supports the recommendation that monitoring and evaluation processes be embedded appropriately resourced in programs and services, and that the rigor of the evaluation is adapted according to context, scale, and risk of the program or service. ARACY also supports the inclusion of user experience and community views as part of these evaluations, with emphasis on the importance and value of including the views of children and young people impacted by the program or service in these evaluations.
- ARACY suggests a lead agency submit a combined report, which covers all reporting obligations, and where the format has been agreed upon by funders, in order to reduce the reporting burden.

References

- [1] Productivity Commission, “Expenditure on Children in the Northern Territory, Draft Report,” Canberra, 2019.
- [2] OECD, “Health at a Glance 2019: OECD Indicators,” OECD Publishing, Paris, 2019.
- [3] T. Moore, V. Saunders and M. McArthur, “Championing Choice—Lessons Learned from Children and Young People About Research and Their Involvement,” *Child Indicators Research*, pp. 249-267, 2011.
- [4] UN General Assembly, “Convention on the Rights of the Child,” 1989.
- [5] Australian Research Alliance for Children and Youth, “The Nest consultation: Findings from consultation with children, young people, parents and other adults conducted between March and September 2012,” 2012.
- [6] Australian Research Alliance for Children and Youth, “Report Card: The wellbeing of young Australians,” Canberra, 2018.
- [7] Frameworks Institute, “Talking about the Science of Parenting,” 2018.
- [8] N. Scerra, “Strengths-Based Practice: The Evidence,” Uniting Care, Parramatta, 2011.