

# Efficiency Measures for Child Protection and Support Pathways

Reforms in  
Government  
Service Provision

*Steering Committee for the  
Review of Commonwealth/  
State Service Provision*

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# Foreword

In 1993, the Council of Australian Governments established the Review of Commonwealth/State Service Provision to promote the efficient and effective delivery of government services. The Review does this mainly by developing comparable performance data for selected government services which are published annually in the *Report on Government Services*.

This report provides the basis for a major advance in the way child protection performance is assessed, reflecting fundamental shifts in notions of both service delivery and government financial accountability. There has always been a realisation among service providers that the best use of scarce resources and the best outcomes for clients are achieved by tailoring services to individual needs. At the same time, reforms in government financial management were linking accountability and effective resource use with a performance culture focused on outputs and outcomes.

The method presented in this report brings these two ideas together. The national pathways developed as part of the model provide a linkage to service outcomes, while the activity based costing method provides a linkage to resource management and accountability. This study should be of interest to a wide audience and provide an example for others to build on.

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# Contents

<b>Contents</b>	<b>V</b>
<b>Acknowledgments</b>	<b>VII</b>
<b>Abbreviations</b>	<b>IX</b>
<b>Glossary</b>	<b>X</b>
<b>Executive summary</b>	<b>XIII</b>
<b>PART A INTRODUCTION</b>	
<b>1 Background to the project</b>	<b>1</b>
1.1 Report on Government Services	1
1.2 Reporting on protection and support services	3
1.3 Project overview	6
1.4 Structure of the report	8
<b>2 Project method</b>	<b>9</b>
2.1 Stage one: developing the conceptual framework	9
2.2 Stage two: implementing the framework	16
<b>PART B PROTECTION AND SUPPORT ACTIVITIES</b>	
<b>3 State/Territory child protection and support systems</b>	<b>21</b>
3.1 Service delivery arrangements	21
3.2 Trends in current service delivery	24
<b>4 National child protection and support pathways</b>	<b>27</b>
4.1 Determining the national pathways	27
4.2 Activities in the national pathways	29
4.3 Agreed national pathways	34
4.4 Summary of national pathways	47

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## **PART C NATIONAL REPORTING METHOD**

<b>5</b>	<b>National reporting method</b>	<b>49</b>
5.1	Financial information	50
5.2	Service delivery measures information	54
5.3	Deriving pathway efficiency measures	56
<b>6</b>	<b>Data availability, comparability and interpretation</b>	<b>59</b>
6.1	Availability	59
6.2	Comparability	63
6.3	Interpretation	68

## **PART D IMPLEMENTATION ISSUES**

<b>7</b>	<b>Testing the model</b>	<b>71</b>
7.1	Trial data issues	71
7.2	Ability to report	72
7.3	Activity group expenditure analysis	76
<b>8</b>	<b>Future directions</b>	<b>79</b>
8.1	Reforms, projects and anticipated changes	79
8.2	Issues for further review and development	80
8.3	Aligning national data collections	83

## **PART E APPENDICES**

<b>A</b>	<b>Project consultation</b>	<b>85</b>
<b>B</b>	<b>Detailed description of national reporting method</b>	<b>93</b>
	<b>REFERENCES</b>	<b>103</b>

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- Allen Consulting Group team — Mary Ann O’Loughlin, Kathleen Forrester, Joe Sunderland and Leonie Bensted — on whose work this report is largely based.
- Protection and Support Services Working Group (appendix A) who were responsible for setting up and attending meetings and teleconferences in their respective jurisdictions and for coordinating the process of moving from draft to final documents;
- Australian Institute of Health and Welfare — Helen Moyle, Helen Johnstone and Suzie Kelly — for their valuable support and feedback on technical issues; and
- project steering group — Danny Forwood (Productivity Commission), John Prent (Victorian Department of Human Services), Ros Wilson (South Australian Department of Human Services), and John Noronha (Productivity Commission) — for their on-going support and guidance throughout the project.

A final word of thanks goes to the project owners in each jurisdiction (appendix A) whose commitment to this project has demonstrated the benefits of interjurisdiction cooperation.





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# Abbreviations

ABC	Activity Based Costing
ACG	Allen Consulting Group
AIHW	Australian Institute of Health and Welfare
COAG	Council of Australian Governments
DHS	Victorian Department of Human Services
NGO	Non-Government Organisation
SCRCSSP	Steering Committee for the Review of Commonwealth/State Service provision

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# Glossary

Activity group	An activity group represents a particular bundle of services delivered by jurisdictions. Stage one of the project has developed eight specific activity groups.
Child	A person aged 0–17 years.
Cost drivers	Cost drivers are the factors that have the greatest impact on the overall cost of delivering a service.
Direct costs	Direct costs are those costs that can directly and unequivocally be attributed to a specific activity. They include labour (including on-costs) and materials used to produce a single good or service.
Facility based care	Care provided to a child in a residential building whose purpose is to provide placements for children and where there are paid staff — includes placements in ‘family group home’.
Family support services	Services that seek to benefit families by improving their capacity to care for children and/or strengthening family relationships.
Foster care	Care provided to a child who is living apart from their natural or adoptive parent(s) by one or more adults in a private household. The substitute parents, generally called ‘foster parents’, are paid a regular allowance for the child's support by a government authority or non-government organisation. ‘Foster parents’ are chosen from a list of persons registered, licensed or approved as foster parents by an authorised department or non-government organisation. The authorised department or non-government organisation provides continuing supervision or support while the child remains in the care of ‘foster parents’.
Indirect costs	Indirect costs are those costs which are not directly attributable to an activity.

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Kinship/relative care	Care provided to a child in the home of family members (other than parents) or a person well known to the child and/or family (based on a pre-existing relationship) who is reimbursed by the State/Territory for the care of the child.
National pathway	A set of nationally agreed protection and support services that have been defined and grouped for the purposes of creating a base from which to calculate a pathway efficiency measure.
Non-operational costs	The costs associated with undertaking non-operational tasks.
Non-operational tasks	Non-operational tasks are essential to deliver services but not necessarily evident to the child.
Operational costs	The costs associated with undertaking operational tasks.
Operational tasks	Operational tasks involve direct service delivery to a child or children.
Out-of-home care	Care for children aged 0–17 years, where the State makes a financial payment. This includes placements with relatives, other than parents, where the State makes a financial payment (regardless of which agency makes a decision on placement). It does not include placements made in disability services, psychiatric services and juvenile justice facilities, or in overnight child care services.  Out-of-home care includes children in legal and voluntary placements (that is, children on a legal order and children not on a legal order). Out-of-home care excludes children in SAAP placements.
Pathway	Combination of activity groups developed during stage one of the project.
Protective issues	A protective concern refers to situations where a child has been or is being abused, neglected or otherwise harmed or where parents cannot provide (or are unwilling to provide) adequate care and protection for their child or children.
Review, the	Review of Commonwealth/State Service provision.

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Steering Committee, the      Steering Committee for the Review of Commonwealth/State Service provision.

Working Group, the      Protection and Support Services Working Group

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# Executive summary

The pathways project developed and tested a method to allow States and Territories to calculate more meaningful, comparable and robust efficiency measures for the protection and support services they deliver. Implementation of the model has the potential to significantly improve the quality of national reporting of protection and support efficiency measures. The model should also provide information to States and Territories that will assist their on-going efforts to improve the protection and support services they provide to some of the most vulnerable members of our community.

## **Background to the project**

This project was designed to support the work of the Review of Commonwealth/State Service provision (the Review). An important role of the Review is the ongoing development of comparable performance measures presented in the annual Report on Government Services. Prior to this project, information to enable meaningful comparisons across jurisdictions of the cost of delivering protection and support services was limited. This has constrained the ability of the Review to report meaningful and comparable protection and support efficiency measures.

The Review's Protection and Support Services Working Group (the Working Group) identified the need to develop protection and support efficiency measures that better reflect current service delivery models and practice and improve the comparability and robustness of the reported measures (see chapter 1).

In April 2002, the Review commissioned The Allen Consulting Group to develop a 'pathways efficiency model'; that is, a method to calculate comparable efficiency measures for protection and support services. The project was jointly funded by the States and Territories and was coordinated by a Steering Group comprising the Review's Secretariat and Working Group representatives. The project was undertaken between April 2002 and January 2003 (see chapter 2 and 3).

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## The efficiency model

The pathways efficiency model is based on a ‘top-down’ application of the activity-based costing (ABC) method. The ABC method exhibits a number of conceptual and pragmatic strengths for application to protection and support services, including:

- it is a strong method when a single input is used to produce multiple outputs, which is a common feature of protection and support service delivery;
- it can represent the relationships that exist between resource use in service delivery and the cost of providing those services, contributing to accurate measures that are useful for jurisdictions delivering these services as well as national reporting; and
- the approach does not require jurisdictions to collect financial information in a way that mirrors service provision. Given the differences in approach to financial information collection across jurisdictions, this is a valuable feature of the approach.

To apply ABC requires an agreed set of activities to form a basis from which to calculate efficiency measures. For the calculated efficiency measures to be meaningful, it is critical that the underpinning activities fully reflect the nature and scope of protection and support service provision.

The ‘pathways’ concept is an attempt to capture the direction of the current practice approaches. This concept recognises that children requiring protection and support services can move along and/or between a range of different ‘pathways’ through the system to ensure that their needs are being met.

Thus, the efficiency model developed in this project adopts a pathways approach to describe and define the protection and support services, for the purpose of utilising ABC to calculate efficiency measures. These two aspects of the efficiency model are described below.

## The national pathways

The pathways project developed a set of eight national pathways that are a high level depiction of services that a ‘representative’ protection and support client could receive in any jurisdiction in Australia (see chapter 4). The broad range of services provided to protection and support clients were formed into eight broad groups, called ‘activity groups’. Each activity group represents a different bundle of services. For example, all services that take place as part of seeking a court order are incorporated into a stand-alone activity group. The activity groups are:

- 
1. receipt and assessment of initial information about a potential protection or support issue;
  2. provision of initial family support services;
  3. provision of intensive family support services;
  4. secondary information gathering and assessment;
  5. provision of short-term protective intervention and coordination services;
  6. seeking a court order;
  7. provision of longer-term protective intervention, support and coordination services; and
  8. provision of out-of-home care services.

The activity groups act as the ‘building blocks’ for the pathways. Each pathway incorporates a unique combination of activity groups and reflects a combination of services that are commonly provided to protection and support clients. The shortest pathway has only one activity group, while the longest pathway includes seven of the eight activity groups. Some pathways include services that are ‘optional’.

Table 1 summarises the relationship between the activity groups and eight pathways. It indicates where activity groups are included and excluded within a pathway, and instances where an activity group may, but is not always, included on a pathway.

The pathways were developed to reflect current protection and support practice in the jurisdictions. However, it is important to recognise that the pathways are a hypothetical construct, as the actual bundle of services provided to any individual child and his or her family will be determined by the needs of the child at a particular point in time, consistent with the legislation and practice of the jurisdiction.

The pathway efficiency measures represent the average cost to government of providing a ‘representative’ client with the services included in each of the activity groups that form a particular pathway in a financial year. Within the limitations of the method and the data, a higher pathway cost means that a jurisdiction is utilising relatively more resources to deliver a similar bundle of services than another jurisdiction. This may represent relatively inefficient use of resources or higher quality/intensity in service provision.

**Table 1 Relationship between activity groups and the national pathways**

Pathways	Activity Groups							
	1	2	3	4	5	6	7	8
1 Receipt and assessment of initial information	✓	✗	✗	✗	✗	✗	✗	✗
2 Provision of initial family support services	✓	✓	✗	✗	✗	✗	✗	✗
3 Secondary information gathering and assessment of circumstances with provision of family support services	✓	✓	✗	✓	✗	✗	✗	◆
4 Provision of out-of-home care without protective intervention	✓	◆	✗	✗	✗	✗	✗	✓
5 Provision of intensive family support services	✓	✗	✓	✓	✓	✗	✗	◆
6 Provision of protective intervention and support services without court orders	✓	✓	✗	✓	✓	✗	✗	◆
7 Provision of protective intervention and support services with court orders	✓	✓	◆	✓	✓	✓	✗	◆
8 Provision of protection and support services with court orders, continuing involvement with less service provision	✓	✓	✗	✓	✓	✓	✓	✓

Note: ✓ indicates that the activity group is part of the pathway, ✗ indicates that the activity group is not part of the pathway, ◆ indicates that the activity group may be part of the pathway.

Source: Chapter 4.

## Method to calculate pathway efficiency measures

The activity groups on each pathway form the basis on which the pathway efficiency measures are calculated. As noted above, the calculation of the pathway efficiency measures uses a ‘top-down’ ABC approach to allocate government expenditure on protection and support services to activity groups, which in turn form the pathways (see chapter 5).

The top-down approach is particularly suitable for government agencies as it starts by identifying total expenditure, which is available from budget information. It facilitates the provision of timely financial information that should not place an undue compliance burden on reporting jurisdictions, allows the information to be validated against reported budget information, and ensures that total expenditure on protection and support activities is incorporated into the calculation of efficiency measures. The ABC approach is used to allocate total expenditure to pathways costs



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in a way that links actual expenditure on the delivery of particular services to pathways.

The calculation of the pathway efficiency measures requires a measure of the number of services provided over a year for each activity group. The service delivery measures represent a proxy for the protection and support outputs provided by each jurisdiction. Thus, the nature of the calculated efficiency measure is per unit of service measure. This approach assumes that each client receives the same average level of service for each activity group on the pathway. The existing Australian Institute of Health and Welfare protection and support data collection formed the basis for developing the service measures in the pathways model.

Using the top-down ABC approach, the calculated expenditure on each pathway relates inputs (expenditure) to outputs (as defined by a set of service measures) and thus can be taken as a measure of efficiency.

## **Testing the method**

In the course of the project, the method was tested by collecting trial data required to calculate pathway efficiency measures from each jurisdiction. This exercise demonstrated differences in the capacity of jurisdiction information systems to provide the necessary data (see chapter 6). In some cases the data were not able to be readily collected or collated in the course of this project, but were expected to be available in future years. However, in some cases jurisdictions would need to commence collecting the required data.

Testing the method also identified a number of issues that affect the comparability of measures across jurisdictions. As noted above, many issues related to the non-availability of data. Other issues impacting on comparability of efficiency measures across jurisdictions included the introduction of measures not previously included in national reporting and non-principal agencies providing protection and support services.

The wide variation in trial results reinforces the limitations of the trial data and also points to the need for on-going refinement of the model, including jurisdictions' approach to implementation (see future directions below). However, the test did demonstrate the ability of jurisdictions to apply the method. The testing phase of the pathways efficiency model demonstrated that, subject to addressing the identified limitations, the model can be used to calculate comparable, protection and support service efficiency measures for the purpose of national reporting.

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In addition to national reporting purposes, the pathways efficiency model provides detailed information that will be useful to individual jurisdictions as they manage budgets and develop policy and programs. States and Territories expressed a strong interest in being able to document and analyse the costs associated with alternative approaches to protection and support service delivery. The pathways approach allows jurisdictions to compare the costs associated with, for example, a child that is provided with protective support services and family support services and then exits the system, to the costs of a child involved in the ‘hard end’ statutory processes including court and out-of-home care; that is, to quantify cost saving associated with successful early intervention strategies. The approach also enables jurisdictions to better understand cost differences associated with the varying levels of intensity of child protection services; for example, short-term versus long-term provision of protection and support services and child protection with and without out-of-home care.

## **Future directions**

The national reporting of protection and support efficiency measures takes place within the context of changes at the State, Territory and national level. Upgrades and enhancements to jurisdiction financial and client information infrastructure, refining of counting rules used by jurisdictions to compile data, and the potential alignment of existing national data collection of protection and support client information with the information required to calculate pathway costs, will all contribute to improved reporting (see chapter 8). There may also be future opportunities to develop the pathways model to better capture the experience of protection and support service clients. Ultimately the model could reflect a life-cycle approach where clients have multiple and differing interactions with protection and support services over time, rather than an episodic approach implied in the current construction of the pathways efficiency model.

Undoubtedly, unanticipated changes in the external environment will take place and impact on the future development of the pathway efficiency model. The model provides the basis from which the Working Group can continue its work of developing and refining the nationally reported protection and support efficiency measures, both independent of, and in response to such changes.

PART A

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# INTRODUCTION



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# 1 Background to the project

This report is the outcome of a cooperative effort between the States and Territories that participate in the Review of Commonwealth/State Service provision (the Review). An important role of the Review is the ongoing development and reporting of comparable performance information in the annual Report on Government Services.

Information to enable sophisticated comparisons across jurisdictions of the costs associated with delivering child protection and support services has been limited in the past. This has limited the ability of the Review to report on efficiency performance indicators. The Review's Protection and Support Services Working Group (the Working Group) agreed on the need to develop efficiency indicators which would allow improved reporting and that would reflect current service delivery models and practice.

In April 2002, the Review commissioned The Allen Consulting Group to develop a method for the calculation of comparable cost measures for alternative protection and support pathways. The project was jointly funded by the States and Territories and was coordinated by a Steering Group comprising Secretariat and Working Group representatives.

The study received ongoing input from jurisdictions via the Working Group, which comprises representatives from the State and Territory community services departments. The Australian Institute of Health and Welfare (AIHW) also provided valuable input through its observer status on this working group.

## 1.1 Report on Government Services

The Council of Australian Governments established the Review to provide information on the effectiveness and efficiency of Commonwealth, State and Territory government services. A Steering Committee, chaired by the Chairman of the Productivity Commission and comprising senior representatives from the central agencies of Commonwealth, State and Territory governments, oversees the Review with the assistance of a Secretariat provided by the Productivity Commission.

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The Review develops and publishes an annual Report on Government Services, which reports a set of performance indicators for a number of government services, including child protection and support services. The focus of the Report on Government Services is on provision of performance information for individual services which permits comparisons of performance across jurisdictions. Performance for each area is measured using two broad categories of indicators:

- effectiveness — how well the outputs of a service achieve the stated objectives; and
- efficiency — how well governments use their resources to produce units of services.

The Report on Government Services is available electronically from the Review's website ([www.pc.gov.au/gsp/index.html](http://www.pc.gov.au/gsp/index.html)).

### **Protection and Support Services Working Group**

There is a working group advising the Steering Committee for each service area covered by the Report on Government Services. The role of these working groups include:

- suggesting the boundary of the services for the purposes of this exercise and provide comments on boundary issues;
- developing agreed indicators of performance for the services within the framework;
- developing an agreed set of definitions for variables which make up the indicators; and
- identifying appropriate data sources and where appropriate initiate and manage a data collection system.

The Protection and Support Services Working Group comprises representatives from the State and Territory agencies responsible for administering child protection legislation and policies and delivering services and includes representatives from:

- Commonwealth Department of Family and Community Services;
- NSW Department of Community Services;
- Victorian Department of Human Services;
- Queensland Department of Families;
- Western Australian Department of Family and Children's Services;
- South Australian Department of Human Services — Family and Youth Services;

- 
- Tasmanian Department of Health and Human Services;
  - The ACT Department of Education, Youth and Family Services; and
  - The NT Department of Health and Community Services.

The group is chaired by a member of the Steering Committee (drawn from the Western Australian Department of the Premier and Cabinet) and supported by a Secretariat representative from the Productivity Commission. The AIHW is also represented on the group, as a data specialist.

## **1.2 Reporting on protection and support services**

### **Trends toward a holistic approach to child protection**

According to practitioners in the area, child protection services in the 1990s in Australia faced increasing numbers of reports of suspected child abuse, neglect or maltreatment in an environment that demanded greater effectiveness and efficiency. Concurrently, as Tomison and Poole (2000) note:

... a substantial proportion of the child maltreatment reports (notifications) were inappropriately labelled as allegations of child maltreatment by those who referred cases to child protection services. Many of the notifications involved families who had not maltreated their child but who had more generic problems, such as financial or housing difficulties, an incapacitated caregiver, or serious stress problems. Although such 'at risk' cases may require assistance, they do not require child protection intervention. (p. 19)

Given these factors, governments began to re-examine the way in which they both conceptualised and delivered services to avoid spreading scarce protection and support resources across all child protection cases rather than targeting cases specifically requiring the involvement of child protection services.

In a report commissioned by the United Kingdom Department of Health (1995), the Dartington Social Research Unit offered some insight into this shift of emphasis. The report suggested that in order for child protection agencies to become more effective and efficient they needed to utilise a framework that views child protection as part of a continuum of possible responses. As such, the report holds that there is a need to adopt a more holistic approach to service delivery, re-balancing the provision of child protection and family support such that child protection no longer drives the system but becomes merely one important facet in an overall welfare assessment.

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This is mirrored in Tomison and Poole's work (2000), which identifies three major changes in recent years to the protection and support systems in Australia:

- a shift away from narrowly defined investigative approaches toward a broader, multi-faceted assessment of the child and family (including, for example, their wider needs, strengths and resources, and their relationships with both formal and informal support services and networks);
- development and adoption of structured risk assessment protocols and measures, to more effectively screen child protection reports; and
- development of strategies for more efficiently tailored responses to child maltreatment reports (for example, differentiated response systems, or the streaming of reports based on an initial assessment).

The implication of these reforms is that children requiring protection and support can move along and/or between a range of different 'pathways' through the system to ensure that their needs are being met and thus better outcomes ensue. It is also important to note that clients can also re-enter the service system (box 1.1).

## **Efficiency indicators**

### *Existing efficiency indicators*

The protection and support services chapter of the Report on Government Services reported expenditure-based efficiency data for protection and support services for the first time in the 2000 Report. Previously, this sort of data had only been provided as contextual background information.

The data reported were limited in that they related total government expenditure to the number of children in the population. Specifically, they did not allow for an examination of the various pathways through the protection and support system discussed above or an examination of financially based indicators of efficiency.

### *The 'pathways' approach*

This project has developed a national framework of efficiency indicators for protection and support services that is intended to address the limitations of the current indicators. The framework is a set of eight protection and support 'pathways'. These pathways are different combinations of services that a protection and support client in any jurisdiction in Australia might receive (chapter 4 provides a detailed discussion of the pathways).



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**Box 1.1      Examples of alternate child protection and support pathways  
in the Victorian system**

As an example of the possible pathways that can exist, children and young people notified to the Victorian Department of Human Service's (DHS) child protection service may follow one of four pathways:

1. Assessed at the point of notification as having wider family and/or social needs but not requiring intensive support or statutory intervention. Referred to appropriate family support service, counselling service or other secondary service.
2. Assessed at notification or following investigation as requiring intensive support to prevent risk of significant harm. Referred to intensive family support service and other secondary services, possibly including intensive case management. May be case managed by DHS's child protection service for up to three months to ensure engagement with appropriate services.
3. Determined by the court to be in need of protection and made the subject of a supervision order, possibly preceded by an interim protection order. Intensive case management in addition to specific support, rehabilitation and other services may be required, some on an involuntary basis.
4. Removed from original carers by court order. Alternate care arrangements as well as case management, rehabilitation, family reunification services may be required. Long-term shared care or long-term support to parents may be required. Permanent separation from parents may result.

One pathway or a combination of pathways may be necessary to successfully meet the needs of an individual client.

*Source:* Victorian Department of Human Services (unpublished).

A method was developed to estimate expenditure allocated to the services in each of the eight pathways. The pathways expenditure for each jurisdiction are the pathway efficiency indicators. The calculated pathway efficiency indicator represents the average cost to government of providing a 'representative' client with the bundle of services defined by that pathway in a financial year. Each representative client is assumed to receive the same average level of service for each activity in the pathway. In comparison to the efficiency indicators reported in the *Report on Government Services 2003*, the project efficiency framework:

- improves the level of data comparability across jurisdictions. This is because the pathways were developed by focussing on the strong similarities in the activities undertaken by jurisdictions to provide protection and support services, rather than the differences in legislation and policies;
- provides more meaningful indicators due to the unambiguous links between services provided to clients and the measured expenditure on a pathway. This

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link is underpinned through the use of a set of ‘activity groups’ that form the building blocks of the pathways; and

- is more comprehensive in the coverage of child protection and support activities that are undertaken by jurisdictions. In particular, the pathways include family support services, along with already reported child protection and out-of-home care services. The inclusion of family support services reflects a shift away from an over-emphasis on a forensic approach to a family support approach in protection and support agencies across Australia (Tomison and Poole 2000 p. 1). The inclusion should also allow jurisdictions to assess the varying costs of differential responses to families.

## 1.3 Project overview

### Project objective

The project objective was to develop a method for reporting comparable efficiency indicators for child protection and support pathways that can be applied across all Australian jurisdictions. In specifying the project, the Working Group agreed that it should:

- meet the Review’s requirements to report efficiency data for child protection and out-of-home care services;
- provide a method which is meaningful to the policy and decision making of participating jurisdictions;
- facilitate the reporting of comparable and meaningful data; and
- enable all jurisdictions to report annually.

### Project scope

The project scope includes all government funded and/or provided protection and support services as defined in the protection and support chapter of the Report on Government Services. This specifically includes:

- *child protection services*: the functions of government that receive and assess allegations of child abuse and neglect or harm to children or young people, provide and refer clients to family support and other relevant services, and that intervene to protect children; and
- *out-of-home care services*: care for children placed away from their parents for protective or other family welfare reasons.

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The scope of the project also included some preventative services (such as initial and intensive family support services), that were not reported in the protection and support chapter of the 2003 and earlier Reports on Government Services.

The scope of the project excludes the supported accommodation and assistance services that are also reported in the protection and support chapter of the Report on Government Services.

Although the Report on Government Services performance framework views effectiveness and efficiency indicators as complementary (see section 1.1), the focus of the project was exclusively on efficiency indicators. Thus, the efficiency indicators developed in this report do not take account of the outcomes achieved for children, their families and the community. Efficiency indicators provide only part of the information required by policy makers and the community to draw meaningful conclusions about protection and placement service delivery over time or across jurisdictions.

## **Project structure**

The project was conducted in two stages:

- stage one identified and documented the existing child protection pathways in each jurisdiction. This information was used to develop a set of national pathways that can be mapped across all jurisdictions. The final task in this stage was to develop a model for reporting comparable cost data for each of the national pathways; and
- stage two focused on implementing the model developed in stage one. It involved a high-level assessment of the capabilities and limitations of existing data and information systems, the development of a method for collecting the necessary financial and service delivery data for each identified pathway, and a validation of the method using pilot data from jurisdictions.

The project was undertaken between April 2002 and January 2003. The purpose of this report is to record both the process and outcomes of the project.

## **Implementation of the method**

The model and the method of implementing the model described in this report have been endorsed by jurisdictions through the Working Group members. The decision on whether to adopt the model for the Report on Government Services ultimately rests with the Steering Committee.

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## 1.4 Structure of the report

The report comprises five sections:

- Part A Introduction — This section presents the project context. Chapter 1 provides an overview of the background and objectives of the project. Chapter 2 describes in detail the method used to conduct this project;
- Part B Protection and support activities — This section details the method of developing a set of nationally comparable child protection and support pathways that were endorsed by all jurisdictions as part of the project. Chapter 3 sets out at a high level the structural and legislative arrangements that govern the delivery of protection and support services in each jurisdiction and describes the context in which child protection and support services occur. Chapter 4 describes the criteria used to establish the national pathways, sets out the activity groups that underpin the national pathways and defines the endorsed national pathways.
- Part C National Reporting Method — This section presents the national reporting method that was endorsed by all jurisdictions as part of the project and discusses issues around the data required to implement the method. Chapter 5 describes the model for reporting comparable cost data for the endorsed national pathways and the scope and process of the data collection necessary to calculate the pathway costs. Chapter 6 sets out data availability, comparability and interpretation issues.
- Part D Implementation issues — This section discusses issues that arose in the course of validating the model. Chapter 7 presents selected results obtained from the validation phase of the model. Chapter 8 discusses future directions in the development of the efficiency indicators for protection and support services.
- Part E Appendices — This section presents supporting information. Attachment A identifies the people in each jurisdiction who took part in the project by attending meetings, teleconferences and providing information. Attachment B provides detail on the financial information collection process.

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## 2 Project method

As outlined in chapter 1, the project was planned and undertaken in two stages. Stage one of the project was undertaken between April and August 2002, with stage two completed between August 2002 and January 2003.

This chapter describes the method undertaken in completing each stage. Section 2.1 describes the method used in stage one to develop the conceptual framework and the model to derive the efficiency indicators. Section 2.2 describes the method used in stage two to further develop the model, assess implementation issues, and test the model using jurisdictions' data.

### 2.1 Stage one: developing the conceptual framework

#### Stage one objectives

The project objective for stage one was:

The identification and documentation of child protection pathways currently in place in each jurisdiction as well as the development of a model for reporting comparable cost data for a core set of pathways that can be mapped across all jurisdictions. (SCRCSSP 2002c, p. 18).

#### Mapping the pathways

Meetings were conducted in each jurisdiction with people who had policy and practical experience in protection and support services to allow the jurisdiction's protection and support pathways to be mapped. The meetings were extremely valuable in understanding the scope of the services delivered and to gain an understanding of each jurisdiction's practice frameworks and philosophies. Information from meetings was supplemented with written information provided by most jurisdictions or obtained from their websites.

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A draft set of protection and support pathways was provided to each jurisdiction. The pathways were described in a three-part framework:

1. *child protection activities*: described the groups of activities from the time the relevant agency is alerted to a potential client (that is, a child potentially in need of protection and or support services) through the various pathways that a client might experience. This was based on a framework developed by the Australian Institute of Health and Welfare (AIHW) to facilitate national comparisons in the delivery of child protection services (AIHW 1999, p. 40);
2. *out-of-home care*: described the range of out-of-home care options available in jurisdictions and considered some of the different characteristics associated with the particular types of care; and
3. *family support services*: described the scope of family support services that clients who are in contact with child protection services may access. This approach adopted the child protection client as a point of reference for relevant family support services.

Jurisdictions provided comments on their draft pathways and once all amendments had been incorporated, these pathways were endorsed by the project owner in each jurisdiction. This endorsement was a formal acknowledgment that the pathways provided a high-level representation of the protection and support pathways operating in the particular jurisdiction and that the pathways would be included in a paper for circulation to all jurisdictions.

As part of stage one, the set of jurisdiction pathways was compiled into one document and distributed to jurisdictions (ACG 2002c).

The individual jurisdiction pathways formed the basis of the national pathways. The national pathways had to adequately capture, at a high level, the activities undertaken by jurisdictions and then develop separate pathways to reflect the services typically provided to clients.

In determining which elements of service delivery to include in the agreed national pathways, three key criteria were used (see chapter 4). These were:

- the prevalence of a pathway across jurisdictions — a pathway had to exist in at least four jurisdictions to be included;
- the demand on a pathway, with low demand pathways being excluded; and
- the pathways in combination had to broadly reflect the scope of services provided by jurisdictions.

The outcome of the process was the identification of a set of eight proposed national protection and support pathways. The pathways represented various bundles of

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services that a client might receive — from least intrusive to most intensive. The Working Group and other jurisdictional representatives considered the revised pathways at a workshop (discussed below).

## **Costing the pathways**

In addition to the mapping exercise described above, a model was developed to estimate cost data for each of the agreed national protection and support pathways. The model used activity based costing (ABC) (box 2.1).

### *Activity based costing strengths*

There were a number of reasons why ABC was chosen as the method of estimating the costs associated with protection and support pathways across jurisdictions.

First, a key strength of ABC is its ability to provide meaningful cost allocations when a single input is used to produce multiple services (or outputs). The delivery of protection and support services often uses a single input of labour to produce multiple services. For example, an individual family support or child protection worker would typically be involved in providing a wide range of protection and support services.

Second, ABC can reflect the relationship that exists between the way resources are used to deliver a service and the costs of providing that service. This is achieved through the careful identification of all sources of cost and the associated dollar cost, and the categorisation of the sources of cost into different cost types which are used to allocate dollar costs in a manner that reflects the intensity with which resources are used to deliver a service. This disaggregated approach to cost allocation by the ABC method can accommodate different rates of usage of the same resource across activities. This is achieved by identifying how labour, the most significant input, is allocated across different tasks and activities to deliver protection and support services. ABC provides a method to capture these differences in resource intensity in the allocation of expenditure across different activities. ABC can accommodate the varying relationships between the size of a cost and the number of services provided.

Third, the application of the method does not require that jurisdictions necessarily collect financial information in a way that mirrors the pathway activity groups or the national pathways. Given the differences in approach to financial information collection across jurisdictions, this is a valuable feature of the approach.

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### Box 2.1 Activity based costing

Activity based costing is a method of allocating indirect costs to the outputs, or activities, of an organisation. The aim of ABC is to attribute resources to the production of goods or services in a meaningful way. This is achieved by:

- recognising that the delivery of any service consumes resources;
- identifying the full suite of resources required to deliver the service;
- attributing direct costs to the appropriate services; and
- developing an approach to the attribution of indirect costs to activities that reflect the actual use of the resources.

Activity based costing forms an integral component of the national reporting method. ABC is the approach used to link indirect costs to activities in a way that reflects the intensity of resource use. That is, the delivery of protection and support services often involves the use of a single input (labour) to produce multiple services. ABC provides a method for tracing the allocation (or relative resource intensity) of inputs to outputs. This allows the direct costs of that input (say, labour) to be traced/linked to different outputs in a manner that reflects the use of labour to produce the output. The method also facilitates the allocation of indirect costs in a manner that approximates use of the input to produce the output. Thus, the indirect costs (such as corporate overheads) can simply be allocated in accordance with the allocation of the direct costs.

The application of ABC to protection and support services relies on establishing relationships between tasks, activity groups and pathways. Jurisdictions undertake a range of tasks to deliver protection and support services. The delivery of a single activity group (or service) will usually require completing a number of tasks. Each pathway is associated with a unique combination of activity groups representing the bundles of services the clients receive within a particular pathway.

Establishing the relationship between the way resources are used to deliver a service and the costs of providing that service is achieved through:

- careful identification of all sources of cost and the associated dollar cost; and
- categorisation of the sources of cost into different cost types for the purpose of allocating dollar costs to reflect the intensity of resource use in service delivery.

The method of allocating costs — in particular, indirect costs — to reflect the intensity of resource use is arguably the major limitation of ABC. This is because the allocation method employed is relatively arbitrary, and so may lack precision. In addition, the precision of the chosen method depends in large part on the ability to accurately establish the relationships that exist between tasks, activity groups and pathways.

*Source: ACG (2002a).*

Fourth, the identification of expenditure using ABC applied to the pathway activity groups and national pathways, should provide reasonably consistent and comparable efficiency indicators. These indicators should be comparable both



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across and within jurisdictions over time. The level of accuracy achieved is dependent on the rigour employed by jurisdictions in estimating the information used to allocate indirect costs to activities.

Fifth, the information generated through ABC can describe how resources are used to deliver the bundles of services represented in each activity group. The information is useful in clarifying the resource requirements of specific services, and, hence, in understanding how changing demands on the protection and support system impact on resource requirements. Such information is useful to jurisdictions as they review varying approaches to service delivery and make decisions about the most appropriate way to allocate resources between activities. The information can provide a valuable management tool for government departments responsible for protection and support services as they track how resources are allocated across activity groups. Over time, the information generated by ABC can show how such resource allocations change between activity groups. This is useful in terms of monitoring and evaluating internal performance and for aligning resources with needs. It also provides an increased ability to learn from approaches used or tried by other jurisdictions.

The information is also useful for central government departments (that is, treasury and finance departments) as they decide how to allocate resources across all departments within a jurisdiction. For example, anecdotally, jurisdictions reported an increase in resources required for court processes and implementation of court orders. The application of ABC can provide an estimate of the expenditure required to undertake this work. Thus, if the number of court orders sought by a relevant agency increases over time, ABC provides the information necessary to estimate the additional expenditure that is needed to undertake this particular activity.

Finally, the use of ABC should result in efficiency indicators for protection and support services that better link inputs to outputs and hence make the indicators more meaningful for the purpose of national reporting. As noted in chapter one, efficiency is a reflection of how well governments use their resources to produce units of services. Thus, improved indicators will promote increased understanding within government and in the community more broadly about the efficiency with which protection and support resources are being used. Improving efficiency indicators through the use of ABC is consistent with the overall objectives of the Report on Government Services. The improved efficiency indicators should also contribute to the higher-level objectives of the Report on Government Services, which the Chairman of the Steering Committee identified as:

... the ability to develop better policies and achieve better outcomes for the community. (Banks 2002, p.16).

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### *Activity based costing issues*

The Working Group identified four key issues regarding the ABC method. First, the ABC approach relies on the use of historical information — that is, financial and client information from the previous financial year. Although the use of historical information is consistent with the current approach adopted in the Report on Government Services and is reasonable in a stable environment, more up-to-date information would be beneficial if the indicators were to be used for internal management purposes.

Second, there may be some differences in allocation decisions across jurisdictions due to the differing ability of financial and client information systems to support the information requirements of the method. While this impacts on the accuracy of cost allocations to activity groups, and hence pathway costs, all costs will still be incorporated, and information systems are likely to be upgraded over time allowing for improved accuracy of cost allocations (see chapter 8).

Third, the general approaches used to allocate indirect costs to activities relies on the use of a cost driver — that is, a factor that has a significant impact on the overall cost of delivering a service. The cost driver is important as it is used to link the indirect costs to activity groups and should do so in a manner that results in expenditure being allocated to reflect resource consumption in service provision. A potential limitation of ABC is that more than one cost driver may be considered suitable for the purpose of allocating indirect costs. Three cost drivers were considered in the course of this project: the largest single expense category; employee numbers; and total expenditure. (Indirect costs were allocated in accordance with the single largest expenditure category — labour costs associated with direct service provision to clients.)

Fourth, having established labour as the cost driver for use in the allocation of indirect costs, it is necessary to collect information on that cost driver. Various approaches may be employed to collect information on labour: estimation; proxies (such as rosters or timetables); timesheets; surveys; and retrospective allocation. A high level of accuracy is desirable as it supports more robust allocation of indirect cost to pathways. However, a higher degree of accuracy is usually associated with a higher resource cost to jurisdictions. (The retrospective allocation approach was used as it provides a reasonable balance between generating data that are objective, consistent and accurate in a simple and low cost manner.)

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## Stage one workshop

The set of jurisdiction pathways formed the basis upon which the national pathways were developed. The revised national pathways, and the activity groups on which they were based, were discussed at a workshop in mid-August. Minor amendments were made to some activity groups and pathways at the workshop, to better reflect the nature of tasks undertaken by jurisdictions in delivering protection and support services. Subject to these changes, the Working Group endorsed the set of national pathways at the workshop (see chapter 4). These pathways provide the basis for the national reporting framework for comparable efficiency indicators.

The workshop also considered the model to estimate cost data. To facilitate discussion at the workshop, the Working Group was provided with a paper that outlined the cost model and proposed approach to implementation; in particular the collection and application of the cost data for the agreed national protection and support pathways (ACG 2002a). The Working Group used the workshop to discuss these issues and to identify possible approaches to address them. The proposed approach to stage two of the project was endorsed, noting:

- the need to resolve specific implementation issues, including the definition of family support services (that is, establishing the scope of those services);
- the need to consider any discrepancies between allocation of funds and actual expenditure of funds;
- some jurisdictions already utilise cost allocation processes — for example, Queensland uses activity based costing;
- jurisdictions are capable of making data available;
- the costing framework presented is still ‘work-in-progress’ and the way forward is an iterative process;
- adoption of the resulting efficiency indicators will be determined by the Steering Committee on the advice of the Working Group; and
- overall, the project should prove to be a very worthwhile exercise, particularly if the profile of the sector is increased.

Following the endorsement at the workshop of the national pathways and the proposed approach to stage two, a final report was developed which incorporated feedback provided at the workshop (ACG 2002b).

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## 2.2 Stage two: implementing the framework

### Stage two objectives

The project objective for stage two was:

A high-level assessment of the capabilities and limitations of existing data and information systems, and the development of a methodology to avail the collection of the minimum range of cost data for each identified pathway. (SCRCSSP 2002c, p. 18)

With this objective in mind, the overarching aim of stage two was to develop a method for generating comparable efficiency indicators for protection and support activities and to validate that model using 2001-02 data. Three key stages were involved in achieving this aim:

- proposing an approach to the collection of the cost data for the agreed national protection and support pathways;
- identifying issues for data comparability across jurisdictions; and
- conducting a high-level assessment of the capabilities of existing data and information systems to provide relevant cost data and noting potential future directions in the development of data systems.

Stage two of the project began with a teleconference with the Working Group to discuss the processes and objectives of stage two. Subsequently, a document titled *Guide for Stage Two* (ACG 2002d) was developed and distributed to the Working Group to outline the approach that would be used to achieve the stage two outcomes.

After establishing the processes and timing of stage two, approaches were developed to collect the financial and service delivery information necessary to calculate the relevant efficiency indicators.

### Information collection

#### *Financial information*

The approach to collecting financial information was modelled on the current approach used to collect information for the Report on Government Services:

- a Microsoft Excel based survey instrument was developed to collect the information (ACG 2002e); and

- 
- detailed instructions on how to complete the workbook surveys were distributed (ACG 2002f).

Jurisdictions were responsible for completing the financial information collection instrument with support from The Allen Consulting Group (ACG). Jurisdictions nominated the type of support they required during this phase of the project — either face-to-face meetings and/or teleconferences.

The financial data required were largely available from budget and finance areas but input was required from people with ‘on-ground’ experience to ensure that the scope of the financial information matched the scope of the child protection, out-of-home care and family support services. Thus meetings and/or teleconferences involved people from various areas within relevant agencies.

A particularly important part of this phase of the project was establishing how the time of employees delivering services to clients was allocated across the various activity groups. This is a critical piece of information in the cost allocation process. In some jurisdictions, an established source of information was available on which to base estimates. Other jurisdictions used the expertise of people with a role in service delivery to estimate how time was allocated across the eight activity groups.

Following distribution of the financial information survey, survey instructions and initial meetings and/or teleconferences, ACG followed up with jurisdictions and provided on-going support with the data collection process. Additional meetings and teleconferences were held with some jurisdictions, and ongoing correspondence occurred with all participants.

The consultancy team reviewed the data provided by jurisdictions. The process involved clarifying and checking for consistency across jurisdictions and ensuring that jurisdictions documented all assumptions made in collection and presentation of information. The model was then tested via the calculation of activity group costs and pathway costs. Following the data review process, the datasets were signed-off by the project owner in each jurisdiction prior to being returned for inclusion in this final report. Further details on the nature of the financial information collected as part of the national reporting method are presented in chapter 5.

### *Service delivery information*

The pathway cost concept involves developing a measure of the services provided to a representative client for each of the activity groups in the national pathways. These measures represent a proxy for the outputs of protection and support services.

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The process of developing the service delivery measures involved the circulation of an initial paper to the Working Group that contained a proposed service delivery measure for each activity group. The AIHW provided assistance throughout the process of developing these measures. Through an iterative process, the measures presented in chapter 5 were endorsed.

As with the financial information collection, a Microsoft Excel survey was developed and distributed to jurisdictions for completion (ACG 2002g). Where gaps existed between the agreed measures and data already collected, requests for service delivery information were incorporated within the survey sent to jurisdictions.

The consultancy team reviewed the service delivery data provided by jurisdictions, and project owners in each jurisdiction signed-off. Further details on the collection of service delivery information as part of the national reporting method are presented in chapter 5.

### **Data comparability and interpretation issues**

The identification and documentation of data comparability issues took place concurrently with the financial and service delivery information collections. When providing information, jurisdictions were requested to document specific issues relating to definitions, approaches, information availability or counting rules that were likely to have impacted on data comparability across jurisdictions. This information was used to identify issues that should be considered when interpreting the efficiency indicators produced by the proposed method. Data comparability and interpretation issues are discussed in further detail in chapter 6.

### **Future data collection issues**

The third major component of stage two was an assessment of future data collection issues, particularly the capabilities of existing data and information systems to provide relevant cost data. This assessment was included because the robustness of the reported efficiency indicators depends largely on the quality of data jurisdictions are able to provide.

The quality of financial and service delivery data varied considerably across jurisdictions. A number of jurisdictions, however, identified projects or reviews underway that were expected to improve their financial and/or service delivery information collections. Future data collection issues are discussed in greater detail in chapter 8.

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## **Annual reporting methodology and project final report**

Following the collection of financial and service delivery information from jurisdictions, draft chapters 5, 6, 7 and 8 were circulated to the Working Group for comment. These chapters present information on the national reporting method, data availability, comparability and interpretation, future directions and validating the model.

The draft chapters were formally presented to the Working Group in Melbourne on 13 November 2002. Comments on the draft chapters were provided at the presentation and in subsequent correspondence.

A complete version of the consultant's final report was circulated to the Working Group on 2 December 2002 with a request for sign-off by each jurisdiction by 7 January 2003.





PART B

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# PROTECTION AND SUPPORT ACTIVITIES



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## 3 State/Territory child protection and support systems

State and Territory governments have the constitutional responsibility for child welfare in Australia and are therefore responsible for developing, funding and delivering child protection legislation and services. Child protection systems vary markedly across jurisdictions, reflecting differences in emphasis or service delivery paradigms. In WA, for example, mandatory reporting applies only to officers from the Family Court, whereas in the NT it applies to all residents. Although the extent of differences has been a hurdle in the development of comparable performance indicators in the past, the problem was largely overcome in this project by taking a high-level approach which focused on the similarities across jurisdictions in developing indicators (see chapter 1).

The activities undertaken by jurisdictions to deliver services to clients are in many respects very similar. The Australian Institute of Health and Welfare (AIHW) noted that irrespective of the jurisdiction:

... a referral to a department which ultimately ends up being dealt with as a child abuse or neglect referral passes through a number of similar stages. (AIHW 1999 p. 39)

The project required a detailed understanding of what jurisdictions do to respond to potential and on-going protection and support clients.

This chapter summarises the structural and legislative arrangements that govern the delivery of protection and support services in each jurisdiction and describes the context in which child protection and support services occur. Section 3.1 describes at a high level the structural and legislative arrangements that exist in each jurisdiction for the delivery of protection and placement services. Section 3.2 describes areas of difference and similarity in the delivery of protection and support services across jurisdictions.

### 3.1 Service delivery arrangements

The State and Territory departments responsible for the administration of protection and support legislation and the delivery and/or funding of services at the time of this report were:

- New South Wales — Department of Community Services;
- Victoria — Community Care Division, Department of Human Services;
- Queensland — Children, Families and Young People, Department of Families;
- Western Australia — Department for Community Development;
- South Australia — Family and Youth Services, Department of Human Services;
- Tasmania — Child and Families, Department of Health and Human Services;
- The ACT Department of Education, Youth and Family Services; and
- The NT Department of Health and Community Services.

State and Territory governments fund child protection and support services, which may be delivered by the government or by non-government organisations (NGO) under contract with the relevant agency. NGOs are typically involved in providing family support services to clients and in the provision of out-of-home care services.

Each jurisdiction delivers protection and support services under a different legislative framework, which drive policies and practices. The child protection legislation of each jurisdiction at the time of this report is listed in table 3.1. Even small differences in legislation can result in substantial differences in policy and practice. Variations in jurisdictions' definition of 'emotional abuse', for example, reflect the differing conceptions of the term and therefore the range of responses that might be provided to protection and support clients (box 3.1).

**Table 3.1 Child protection legislation<sup>a</sup>**

<i>Jurisdiction</i>	<i>Legislation</i>
New South Wales	<i>Children and Young Persons (Care and Protection) Act 1998</i>
Victoria	<i>Children and Young Persons 1989</i>
Queensland	<i>Child Protection Act 1999</i> <i>Health Act 1937</i>
Western Australia	<i>Child Welfare Act 1947</i> <i>Community Services Act 1972</i>
South Australia	<i>Family and Community Services Act 1972</i> <i>Children's Protection Act 1993</i>
Tasmania	<i>Children, Young Persons and Their Families Act 1997</i> <i>Alcohol and Drug Dependency Act 1968</i>
Australian Capital Territory	<i>Children and Young People Act 1999</i>
Northern Territory	<i>Community Welfare Act 1983</i>

<sup>a</sup> In addition to the State and Territory child protection legislation, the Commonwealth Family Law Act 1975, Criminal law codes and Common law also proscribe certain behaviour of individuals in relation to child protection issues.

Source: AIHW (2002a).

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### Box 3.1 Definitions of emotional abuse

The AIHW provided the following comparison of the definition of emotional abuse adopted in each jurisdiction:

- *New South Wales*: Emotional abuse encompasses a range of behaviours that harm a child. It is behaviour by a parent or caregiver which can destroy the confidence of the child resulting in significant emotional deprivation and trauma. It involves impairment of a child's social, emotional, cognitive, intellectual development and/or disturbance of a child's behaviour.
- *Victoria*: Emotional abuse occurs when a child is repeatedly rejected, isolated or frightened by threats or the witnessing of family violence. It also includes hostility, derogatory name calling and put-downs, or persistent coldness from a person, to the extent where the behaviour of the child is disturbed or their emotional development is at serious risk of being impaired.
- *Queensland*: The term 'abuse and neglect' is not used. The types of harm are categorised as physical, emotional, sexual, and neglect. The 'actions of causing harm' are also recorded separately.
- *Western Australia*: Emotional maltreatment describes significant impairment of a child's social, emotional, cognitive, intellectual development and/or disturbance of the child's behaviour, resulting from behaviours such as persistent hostility, rejection or scapegoating.
- *South Australia*: Emotional abuse is a chronic attitude or behaviour directed at a child, or the creation of an emotional environment which adversely impacts on a child's development.
- *Tasmania*: Emotional maltreatment describes the significant impairment of a child's social, emotional, cognitive, intellectual development and/or disturbance of the child's behaviour resulting from behaviours of family members or other caregivers such as persistent hostility, rejection or scapegoating.
- *Australian Capital Territory*: Emotional abuse refers to a chronic attitude or behaviour directed at a child, or the creation of an emotional environment, which is seriously detrimental to or impairs the child's psychological and/or physical development.
- *Northern Territory*: Emotional abuse involves behaviour by the caregiver towards a child, such as hostility, persistent coldness or rejection, which impairs, or threatens to impair, the child's normal physical and/or emotional development or leads to behavioural disturbances.

Source: AIHW (1999).

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## 3.2 Trends in current service delivery

In the course of the project, jurisdictions provided information that reflected the trends in their own approach to service delivery, highlighting the way in which these approaches were evolving. Of some note was the extensive level of review and development of protection and support services being undertaken in jurisdictions. The information provided by jurisdictions supported the notion that there are strong similarities in the activities undertaken by jurisdictions when providing protection and support services.

### Differences

Differences across jurisdictions were particularly evident in relation to the concepts of ‘a notification’, ‘an investigation’ and/or ‘a substantiation’. The different meanings for the same term were often a reflection of differences in legislation. For example:

- in Victoria notifications of suspected child abuse are ‘caller defined’, in that instances where a person making a report believes a child is in need of protection are classified as notifications;
- some jurisdictions screen incoming reports, and may undertake active investigation of matters, before deciding if they will be counted as a notification;
- WA and Tasmania use a narrower definition of notification. In Tasmania, reports where the initial information gives no indication of maltreatment are classified as a ‘child and family concern’ and may be referred to family support services. In WA, reports of concerns about children receive an interim classification as ‘child concern’ reports while further assessment is undertaken to determine whether the case will receive a child protection response, a family support response or no further action. The rates of notifications in these jurisdictions are therefore lower than the rates in other jurisdictions;
- the criteria for substantiation vary across jurisdictions. Some jurisdictions substantiate the harm or risk to the child, while others substantiate actions by parents or incidents that cause harm. In NSW, an intermediate category referred to as ‘child at risk’ has been used. This category includes notifications where no actual harm is identified but where carer/family issues were involved; and
- there are important differences in the provision of out-of-home care services. There is, for example, a different mix of government and non-government provision and varying types of out-of-home care options available across jurisdictions.

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Another area of difference is the formality and structure in which ‘support’ services (as opposed to strictly child protection services) are utilised as part of addressing a child protection concern or attempting to minimise the likelihood of a child protection concern arising. What is consistent is the extensive and seemingly growing use of family support services alongside protection services.

Finally, legislation is a critical area of difference across jurisdictions. This is important as legislation determines the parameters of practice and policy. Of some note is the extent of ongoing change to the stock of legislation underpinning the protection and support activities. A number of jurisdictions have recently implemented new legislation, while others are conducting reviews of existing legislation or proposing new legislation, suggesting that practice and policy are evolving.

## **Similarities**

Information provided by jurisdictions indicated substantial similarities across jurisdictions in the activities undertaken to deliver services to clients. Discussions about practice, for example, always included reference to information gathering, assessments, and working with families, court processes, out-of-home care and activities of NGOs. The similarity in the activities of jurisdictions is an indication that the issues and needs faced by protection and support clients are the same irrespective of their geographical location.

Also of note were the similarities in the issues currently being addressed by the child protection agencies responsible for administering the policy and delivery of protection and support services. Service delivery issues that were frequently raised during meetings included:

- the general experience of increasing demand for protection and support services, which has to be managed within budget and workforce constraints;
- a greater focus on early intervention, often through delivery of, or referral to, family and other support services. It was noted that this approach is resource intensive in the short-term. In the long-term, however, a successful early intervention should contribute to a more satisfactory outcome for the child and reduce demand for more intensive and costly services such as out-of-home care and court orders;
- an increase in resources required for court processes and implementation of court orders. The increase in resources was linked to an increase in the number of contested cases as well as court orders that require more intensive service delivery (often associated with more prescriptive orders);

- 
- the importance of NGOs in service delivery was recognised, alongside a need to develop more coordinated approaches to the effective and efficient provision of services for all clients; and
  - the view that an increasing proportion of protection and support clients have complex needs and challenging behaviours. These clients require intensive services to address issues that include mental disorders and substance abuse. A particular issue was the difficulty faced by child protection agencies accessing suitable out-of-home care for adolescents with complex needs and challenging behaviours.

Although there are differences associated with variations in legislation and practice across jurisdictions, the problems being tackled and the outcomes being sought were common to all jurisdictions. In the Report on Government Services, all jurisdictions have agreed that:

The aims of child protection services are to:

- protect children and young people at risk of harm within their family or in circumstances in which the family of the child or young person does not have the capacity to protect them; and
- assist families to protect children and young people.

The aim of out-of-home care services is to provide quality care for children and young people aged 17 years and under who cannot live with their parents for reasons of safety or family crisis.

- Child protection and out-of-home care services should be provided in an efficient and effective manner. (SCRCSSP 2003, p. 15.12)

## **Project assessment**

The project proceeded by acknowledging the jurisdictional differences, but focusing on the similarities in activities being undertaken to deliver services to protection and support clients. The implications of the differences for the interpretation of the efficiency indicators are discussed in chapter 6.



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## 4 National child protection and support pathways

This chapter presents the national pathways, developed and endorsed by the Working Group in stage one of the project. The national pathways are high-level representations of comparable service delivery responses to potential and identified child protection concerns across jurisdictions. The process used to develop the pathways is described in chapter two. Section 4.1 describes criteria used in developing the national pathways. Section 4.2 identifies the eight individual activity groups that were used to construct the national pathways. Section 4.3 presents the eight national pathways. Section 4.4 presents a depiction of the relationship between the activity groups and the national pathways.

### 4.1 Determining the national pathways

The national pathways represent comparable activities undertaken by jurisdictions in the provision of protection and support services. An important part of stage one of the project was to determine which elements of service delivery (activity groups) should be included in the national pathways.

The process of developing the pathways involved the use of three key criteria:

- the prevalence of a pathway across jurisdictions;
- demand on a pathway; and
- scope of services provided by the jurisdiction.

#### **The prevalence of a pathway across jurisdictions**

The prevalence of a pathway across jurisdictions was established by:

- analysing jurisdictions' individual pathways maps;
- assessing the range of possible decisions and service responses at major decision points in child protection and family support delivery;
- comparing the range of decisions and service responses across jurisdictions; and

- 
- identifying those pathways (decisions and service responses) that exist in at least half the jurisdictions.

Jurisdictions respond differently in similar circumstances. A specific example where service responses vary arises when there is a request for out-of-home care in the absence of protective concerns. Not all jurisdictions consider the provision of out-of-home care services to be the responsibility of protection and support services in the absence of a protective concern. However, at the workshop in August, at least half the jurisdictions identified that they do provide such services, hence, this bundle of activities was included as a pathway.

### **Demand on a pathway**

Consideration was given to the reported demand on individual pathways. The agreed national pathways excluded pathways where there were low client numbers and the level of resources required to deliver services on that pathway were small. Most jurisdictions, for example, identified a separate pathway (or set of processes) for allegations concerning departmental employees or carers. In such circumstances, activities in addition to those that occurred in the ordinary course of an investigation would take place. This particular pathway was not included as such reports were described by jurisdictions as being few in number (although intensive in effort).

### **Scope of services provided by the jurisdiction**

The pathway framework represents a compromise. While there was a need for detail to capture the full range of services that jurisdictions provide, there was also a need for the national pathways to be manageable and provide a framework against which jurisdictions could map their own activities.

Intensive family preservation services, for example, are provided to a relatively small number of clients and always in combination with other protective services. Nevertheless, they are provided in all but one jurisdiction, and are an increasingly important aspect of service delivery; hence it was important that they be included as an activity group.

On the other hand, some pathways exist in only one or a small number of jurisdictions and, therefore, did not meet the criteria for inclusion as a national pathway. For example, SA has a separate intake team for indigenous children. Yaitya Tirramangkotti is a team of Aboriginal social workers operating alongside the central intake team to provide an initial consultation and response service for all reported Aboriginal children in SA (Family and Community Services, no date).

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Similar services were not identified by other jurisdictions; hence, there is no stand alone national pathway for the intake of indigenous children into protection and support services.

Differences in the scope of services provided by jurisdictions will be accommodated in the reported efficiency indicator by supporting commentary and caveats. The implication of these differences are discussed in more detail in chapter 6.

## 4.2 Activities in the national pathways

Pathways through protection and support services systems can be considered as groups of activities. Each activity group is made up of a bundle of services delivered by child protection agencies. The actual bundle of services provided to any individual child and their family will be determined by the needs of the child or young person at a particular point in time, consistent with the legislation and practice of the jurisdiction.

The eight individual activity groups that form the basis of the endorsed national pathways are set out in table 4.1, and are described in detail below.

Table 4.1 **Activity groups for the national pathways**

<i>Activity Group</i>	<i>Activity group title</i>
One	Receipt and assessment of initial information about a potential protection or support issue
Two	Provision of initial family support services
Three	Provision of intensive family support services
Four	Secondary information gathering and assessment
Five	Provision of short-term protective intervention and coordination services
Six	Seeking a court order
Seven	Provision of longer-term protective intervention, support and coordination services
Eight	Provision of out-of-home care services

### **Activity group one — receipt and assessment of initial information about a potential protection or support issue**

Activities that are typically associated with receipt and assessment of initial information include receipt and recording of information, review of department databases, initial assessment of information and decisions about the appropriate response. This activity can also include consultation, with possible provision of advice.

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## **Activity group two — provision of initial family support services**

Family support services have been defined as:

Services that seek to benefit families by improving their capacity to care for children and/or strengthening family relationships. (AIHW 2001a, p. xi.)

Activities that are typically associated with provision of initial family support services include identification of family needs, provision of support services, some counselling and active linking of the family to support networks. Services are funded by government but can be delivered by either the relevant agency or a Non-government organisation (NGO). This bundle of services does not involve planned follow-up by the relevant agency after initial service delivery. The services will be delivered under voluntary arrangements between the relevant agency and family.

## **Activity group three — provision of intensive family support services**

Activities that are typically associated with provision of intensive family support services include provision of therapeutic and in-home supports such as counselling and mediation, modelling of positive parenting strategies, referrals to intensive support services that may be provided by NGOs, advocacy on behalf of clients and intensive support for a family in a residential setting.

The Australian Institute of Health and Welfare (AIHW) proposed that the range of family support services available in jurisdictions could be thought of as a ‘continuum’. Intensive family support services are those at the ‘hard end’ of service delivery or at one end of the continuum. The AIHW has described tertiary or targeted family support services as:

Those services where the issue, problem or concern is one which requires intensive, and often ongoing intervention. (AIHW 2001a, p. 6.)

In the context of this project, the provision of services occurs where protective concern has been identified. The intensive family support services, as defined and reported by the AIHW, are the basis of this measure (see box 4.1). These services are characterised by:

- voluntary engagement by families;
- the provision of a mix of therapeutic and in-home supports; and
- services provided over a period of time, rather than being ‘one-off’ events.

Some jurisdictions provide a subset of the intensive family support services which are designed to address a specific category of service responses. These services are

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additional to the intensive family support services defined by the AIHW. Western Australia provides such services.

Intensive family support services in all jurisdictions can be provided cooperatively with the family, or as part of the case plan for the child subject to statutory intervention. The services could be provided by the relevant agency (in some jurisdictions this would be by a family support service unit and in some it would be part of a stand alone relevant agency) or by an NGO.

The outcomes of intensive family support services will potentially influence the need for additional services to resolve a child protection concern. That is, there is a connection between intensive family support services and other child protection services.

**Box 4.1 Definition of intensive family support services**

The AIHW defines intensive family support services as services which meet all the following criteria:

- they are provided explicitly to work to prevent separation or to reunify families;
- a range of services is provided as part of an integrated strategy focussing on improving family functioning and skills, rather than just one type of service such as emergency or respite care;
- they are intensive in nature, averaging at least 4 hours of service provision per week for a specified short-term period (usually less than 6 months); and
- generally referrals will come from the statutory agency and will have been identified through the child protection process. Most cases will have been the subject of a child protection substantiation.

*Source: AIHW (2002b).*

## **Activity group four — secondary information gathering and assessment**

Activities that are typically associated with secondary information gathering and assessment are currently counted as ‘investigations’ in the Report on Government Services. As part of this activity group a decision may be made to substantiate or not substantiate. Information gathering activities include:

- sighting the child;
- contacting people with relevant information about the child or family (for example, teachers, police, support services);

- 
- interviewing the child, sibling(s) and parents;
  - observing family interactions;
  - obtaining assessments of the child and/or family;
  - conducting family group conferences;
  - liaising with agencies providing services to the child and family;
  - recording a substantiation or non-substantiation decision; and
  - case conferences with partners and contributors in the investigation and assessment process.

### **Activity group five — provision of short-term protective intervention and coordination services**

These services are intended to address the specific issue(s) causing the child protection concern. The services would be provided in the context of a case plan and would be designed to address specific objectives of the case plan. These services could be provided prior to any court order being granted. Activities that are typically associated with provision of short-term protective intervention and coordination services include:

- working with the family to address protective issues;
- developing networks of support for the child;
- monitoring and reviewing the safety of the child;
- monitoring and reviewing family progress against case planning goals;
- case conferences with agencies providing services to the child and/or family, internal discussions and reviews; and
- specialist child-focused therapeutic support.

### **Activity group six — seeking a court order**

Child protection legislation across jurisdictions provides for court orders that are associated with:

- an emergency child protection response;
- short-term orders associated with obtaining assessments for families and children;

- 
- orders that deal with supervision or placement of a child in the short- or medium-term. Services will generally include support services required to achieve family re-unification; and
  - orders that deal with supervision or placement of a child in the long-term including permanent orders.

Activities that are typically associated with seeking court orders include:

- preparing applications for the order;
- preparing reports for the court;
- obtaining assessment reports to submit to the court;
- informing parties to the court proceedings, including parents, the child, and lawyers;
- informing and briefing legal counsel or internal court groups;
- going through internal pre-court review processes;
- attending court; and
- conducting family group conferences.

### **Activity group seven — provision of longer-term protective intervention and co-ordination services**

These are services provided once a child or young person is on a court order. Often, the court order transfers the duty of care for the child or young person to the relevant agency or Minister. Activities that are typically associated with provision of longer-term protective intervention and coordination services include:

- monitoring the child or young person's progress and development (for example, social development and education progress) and undertaking activities that facilitate progress and development;
- assisting the child or young person to maintain contact with their family;
- meeting any specific requirements of any court order;
- reviewing appropriateness of the order for the circumstances of the child or young person. This usually occurs at intervals established by the court or in legislation;
- reporting back to court;
- working to return the child home; and

- assisting the child or young person as they prepare to leave care as the end of the order approaches.

### Activity group eight — provision of out-of-home care services

The range of out-of-home care options varies by type and also by period of time in out-of-home care. The possible combinations of out-of-home care and length of time are described by the categories identified in table 4.2.

**Table 4.2 Out-of-home care options**

<i>Types of care</i>	<i>Period of residence</i>	
Kinship/relative care	Respite care	Up to 7 days as a single 'block' of care
	Medium-term	Less than 12 months
	Long-term	More than 12 months
Foster care	Respite care	Up to 7 days as a single 'block' of care
	Medium-term	Less than 12 months
	Long-term	More than 12 months
Facility based care (for example group care, residential or family group setting)	Respite care	Up to 7 days as a single 'block' of care
	Medium-term	Less than 12 months
	Long-term	More than 12 months

Each combination can involve the relevant agency undertaking slightly different tasks to provide the required services to a child or young person. The role of NGOs in the provision of out-of-home care will also influence the tasks undertaken by the relevant agency. In some jurisdictions, for example, NGOs are responsible for recruiting and training foster carers. In other jurisdictions, the relevant agency is responsible for this role.

The activities that are typically associated with provision of out-of-home care services include:

- finding suitable placement(s) for the child;
- assisting the child or young person to maintain contact with his/her family;
- in some cases, recruiting and training carers; and
- assessing suitability of potential kinship carers.

## 4.3 Agreed national pathways

The agreed national pathways represent comparable groupings of activities undertaken by jurisdictions in the provision of protection and support services.



There are similarities in the activities undertaken by jurisdictions when providing protection and support services. Each activity group is made up of a bundle of services provided by the relevant agency.

The pathways are identified in table 4.3 and described in detail in the sections that follow. The pathways are ordered from least intrusive (pathway one); that is, voluntary engagement by the family with protection and support services, to most intensive; that is, involving the exercise of statutory powers via court to provide protection and support services (pathway eight). It is anticipated that the more intensive pathways reflect more complex needs of the child and/or family and require increased resources to meet those needs.

**Table 4.3 The national pathways**

<i>Pathway no.</i>	<i>Pathway title</i>
One	Receipt and assessment of initial information
Two	Provision of initial family support services
Three	Secondary information gathering and assessment of circumstances with provision of family support services
Four	Provision of out-of-home care without protective intervention
Five	Provision of intensive family support services
Six	Provision of protective intervention and support services without court orders, short-term involvement
Seven	Provision of protective intervention and support services with court orders, longer-term involvement
Eight	Provision of protection and support services with court orders, continuing involvement

### **Pathway one: receipt and assessment of initial information**

Pathway one is the receipt and assessment of initial information. The bundle of services provided under pathway one are those involved with activity group one. Figure 4.1 represents pathway one.

#### *Context for service delivery*

Contact with the agency responsible for administering protection and support services is generally prompted when someone has concern about the safety or circumstances of a child/young person. This step is a necessary, but not sufficient condition, for the provision of protection and support services. In all jurisdictions except WA, various groups in the community are required by law to report suspected circumstances of child abuse or neglect. In a number of cases no further service or support is required.

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### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision relative to family support or protective needs. The outcome is that no further services are provided.

**Figure 4.1 Pathway one**

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### **Pathway two: provision of initial family support services**

Pathway two is the provision of initial family support services. The bundle of services provided under pathway two are those involved with activity groups one and two. Figure 4.2 represents pathway two.

### *Context for service delivery*

A child has been the subject of a contact made with the agency responsible for administering protection and support services. The initial assessment of the agency is that the concerns expressed do not require further assessment activities but that the circumstances of the child's family may be aided by accessing some form of initial family support services, such as financial counselling, anger management, and/or parenting skills.

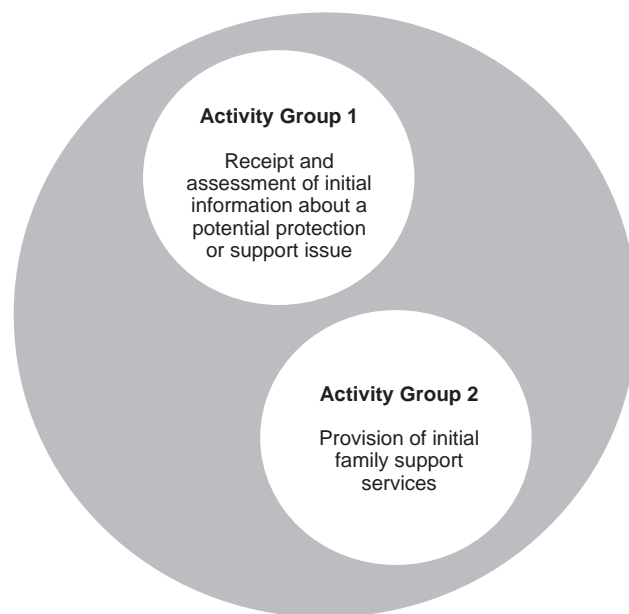
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## *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is that the issue does not require further child protection assessment or intensive service provision, but the family is made aware of and receives support services. Services provided include the appropriate combination of advice, referrals and brief counselling.

**Figure 4.2 Pathway two**

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## **Pathway three: secondary information gathering and assessment of circumstances with provision of family support services**

Pathway three involves secondary information gathering and assessment of circumstances with provision of family support services. The bundle of services provided under pathway three are those involved with activity groups one, two, four and possibly eight. Figure 4.3 represents pathway three.

## *Context for service delivery*

This pathway builds on pathway two. In addition, the agency responsible for administering protection and support services determines that a more formal information gathering and assessment process is required to determine the level of service provided. This may be called an investigation. In some circumstances, the child may be provided with a temporary placement away from home.

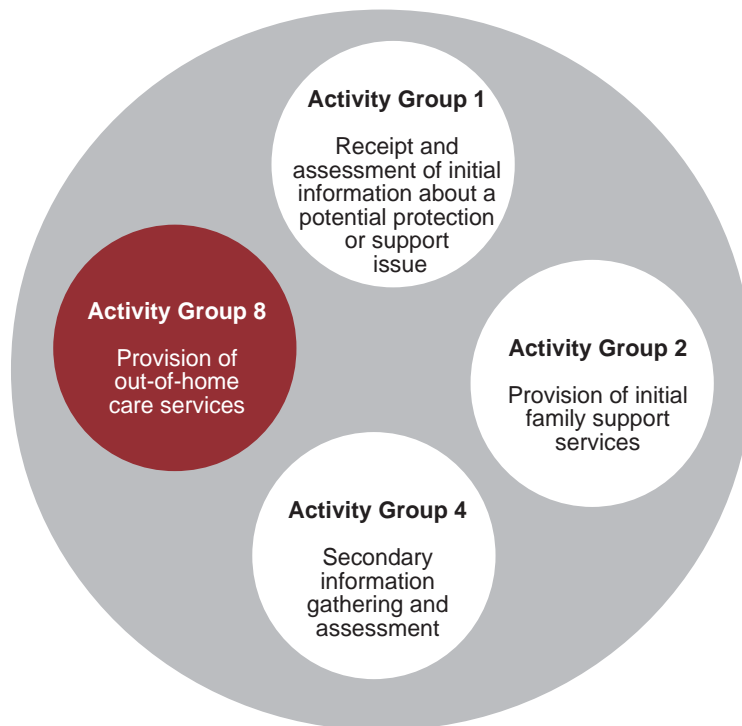
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## Activities

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is whether the potential risk to the child is significant enough to warrant a comprehensive investigative response. Secondary information gathering and assessments take place and a plan to address the identified issues is developed.

Figure 4.3 **Pathway three**

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The family is made aware of and receives support services. Services provided include the appropriate combination of advice, referrals and brief counselling. The issues may be resolved without the use of court orders.

The child or young person may or may not be living at home when these services are being provided. If the child or young person is not living at home, voluntary arrangements are in place.

### **Pathway four: provision of out-of-home care without protective intervention**

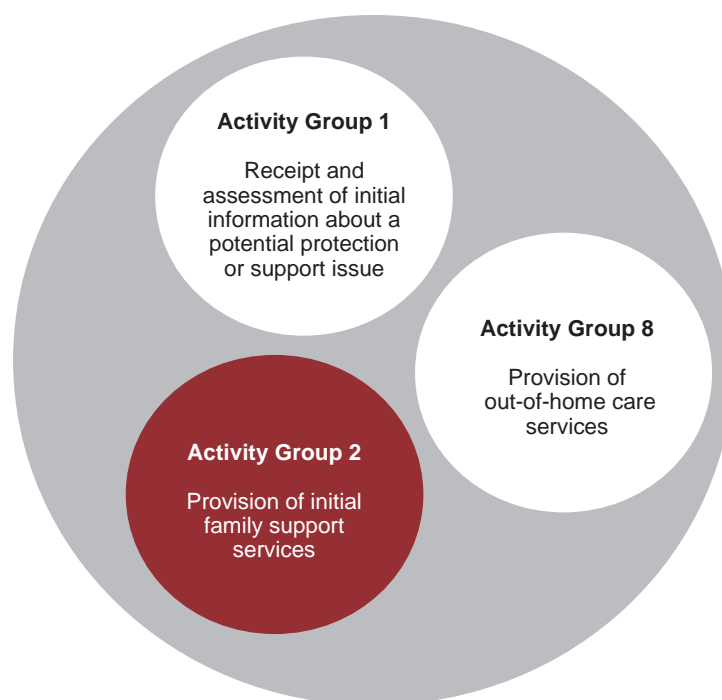
Pathway four involves the provision of out-of-home care without protective intervention. The bundle of services provided under pathway four are those

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involved with activity groups one, eight and possibly two. Figure 4.4 represents pathway four.

Figure 4.4 **Pathway four**

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### *Context for service delivery*

A child has been the subject of a contact made with the relevant agency. The circumstances of the family are such that out-of-home care is required for the child, but there are no protective concerns. The need for out-of-home care in the absence of protective concerns, indicates that the family does not have a strong support network. Thus, the family may also benefit from receiving some form of initial family support services. For example, the pathway may be used in a situation where a single parent requires a period of hospitalisation and there are no suitable extended family or friends to care for the child during that time.

### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. The assessment is that a period of out-of-home care is required to meet the immediate short-term needs of the child.

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Out-of-home care is provided as a pro-active response, to avert a potential safety or risk issue developing for the child or young person.

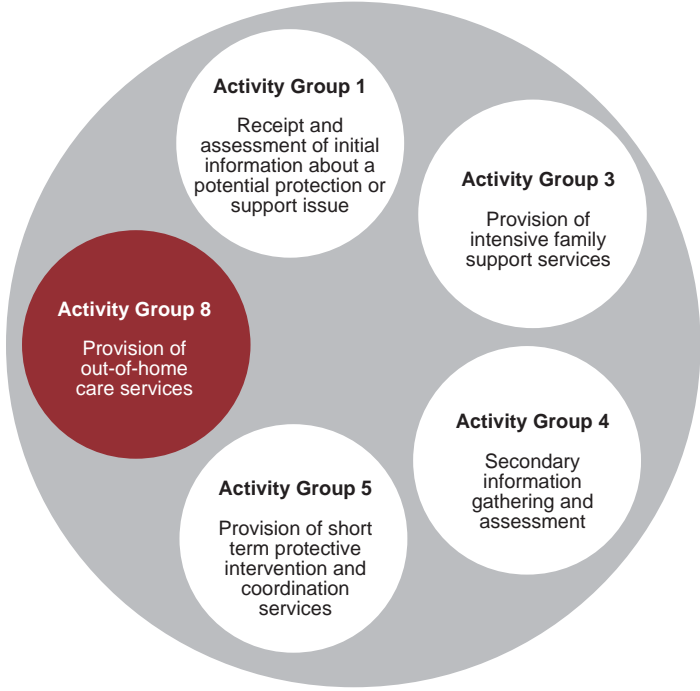
The family is made aware of and receives support services. Services provided include the appropriate combination of advice, referrals and brief counselling.

**Pathway five: provision of intensive family support services**

Pathway five involves the provision of intensive family support services. The bundle of services provided under pathway five are those involved with activity groups one, three, four, five and possibly eight. Figure 4.5 represents pathway five.

Figure 4.5 Pathway five

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*Context for service delivery*

Clients on this pathway are beginning to become involved with more intensive protection and support services. An assessment of the child’s circumstances has identified issues that require the relevant agency to commence protective intervention services. These services may include home visits and developing a support network for the child and, depending on the specific circumstances, the child being placed in out-of-home care with the voluntary agreement of the parents. An important strategy to address the protective concerns is to work intensively with

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the family, possibly in their home, to address a range of broader family needs with the objective of establishing a safe family environment for the child.

### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is that the potential risk to the child is significant enough to warrant a comprehensive investigative response.

Secondary information gathering and assessments take place and a plan to address the identified issues is developed. Assessment is that there are issues that require an intensive family support response and may require a child protection response.

A range of intensive family support services is provided to help build on family strengths and facilitate the family being able to better meet the needs of the child or children. These services can include family preservation services. The relevant agency is likely to take an active role in monitoring the progress of the family receiving such services. The family is working cooperatively with the relevant agency.

A range of protective intervention and coordination services is provided to the child including case planning; working with the family to address protective issues; and developing networks of support for the child. The child protection issues are resolved without the need for court orders.

The child may or may not be living at home when these services are being delivered. If the child is not living at home, voluntary arrangements are in place.

### **Pathway six: provision of protective intervention and support services without court orders, short-term involvement**

Pathway six involves the provision of protective intervention and support services without court orders. The bundle of services provided under pathway six are those involved with activity groups one, two, four, five and possibly eight. Figure 4.6 represents pathway six.

### *Context for service delivery*

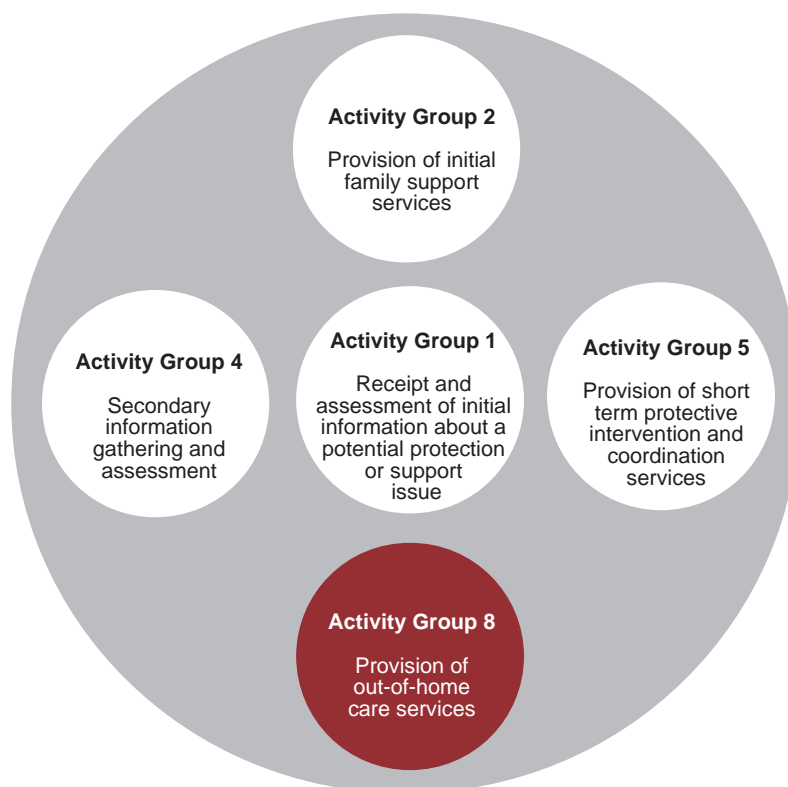
Like pathway five, an assessment of the child's circumstances has identified issues that require the relevant agency to commence protective intervention services. These services may include home visits and developing a support network for the

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child and depending on the specific circumstances the child being placed in out-of-home care with the voluntary agreement of the parents. Initial family support services, such as counselling around parenting skills, are provided to help build on the strengths of the family.

Figure 4.6 **Pathway six**

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### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is that the potential risk to the child is significant enough to warrant a comprehensive investigative response. Secondary information gathering and assessments take place and a plan to address the identified issues is developed.

The family is made aware of and receives support services. Services provided include the appropriate combination of advice, referrals and brief counselling.

A range of protective intervention and coordination services are provided to the child including case planning, working with the family to address protective issues and developing networks of support for the child. The child or young person may or may not be living at home when these services are being delivered.



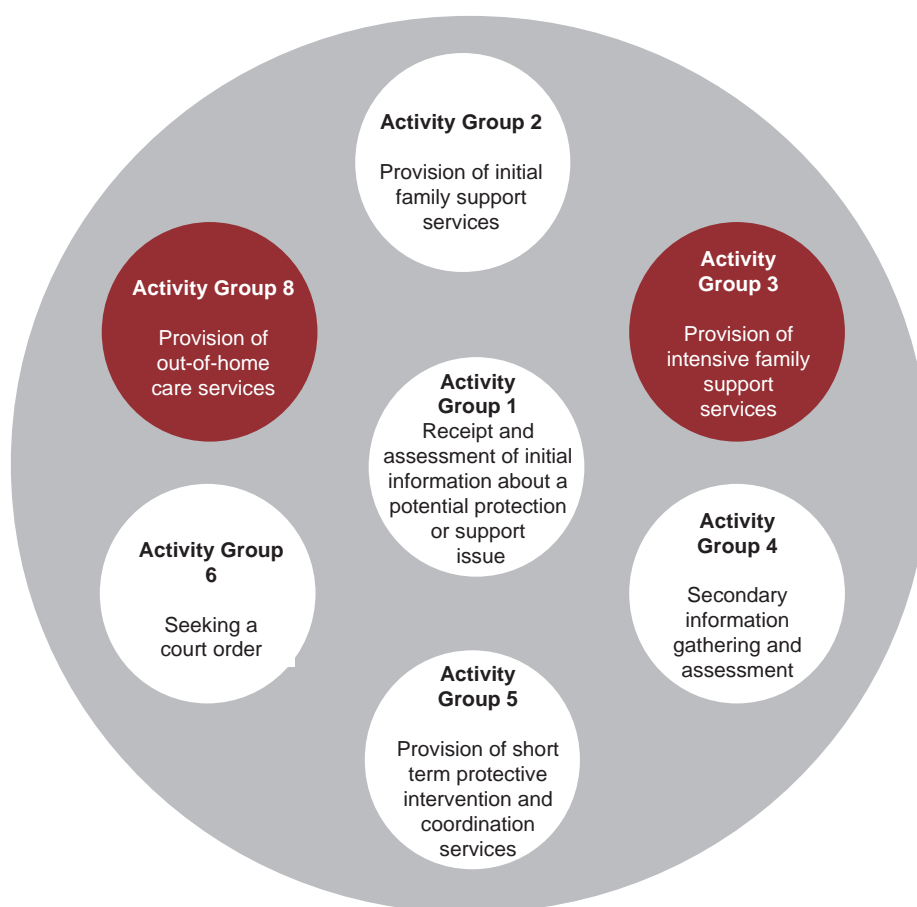
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## Pathway seven: provision of protective intervention and support services with court orders, longer-term involvement

Pathway seven involves the provision of protective intervention and support services with court orders. The bundle of services provided under pathway seven are those involved with activity groups one, two, four, five, six and possibly three and eight. Figure 4.7 represents pathway seven.

Figure 4.7 Pathway seven

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### *Context for service delivery*

Clients on this pathway are involved with protection and support services and require longer-term involvement before issues are resolved. Involvement of the relevant agency is anticipated for more than 12 months and court orders are used to facilitate service provision. The protection and support services provided for the child may involve out-of-home care. Work is being undertaken to help develop a safe family environment for the child through accessing initial family support

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services, such as counselling, and potentially intensive family support, including in-home and therapeutic support services.

### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is that the potential risk to the child is significant enough to warrant a comprehensive investigative response. Secondary information gathering and assessments take place and a plan to address the identified issues is developed.

The family may benefit by being made aware of and receiving support services. Services provided include the appropriate combination of advice, referrals and brief counselling.

The family may receive a range of family support services to help build on family strengths and facilitate the family being able to better meet the needs of the child or children. These services can include family preservation services. The relevant agency is likely to take an active role in monitoring the progress of the family receiving such services. The family is working with the relevant agency on a voluntary basis.

A range of protective intervention and coordination services are provided to the child. These include case planning, working with the family to address protective issues and developing networks of support for the child.

Court orders may be used to enable the relevant agency to undertake activities necessary to resolve the protection issue. The use of court orders could be associated with:

- the speed of response by the relevant agency (that is, an emergency response);
- the family not engaging with the relevant agency over a period of time; or
- a change of circumstances that increases the risk to the child or young person.

The relevant agency makes an application to the court for an order that facilitates the transfer of custody of the child and may be associated with the relevant agency undertaking more intensive service provision. The court grants the order.

The child or young person may or may not be living at home when the protection and support services are being delivered. The residency arrangements for the child or young person are likely to be supported by a court order. If the child or young person is in out-of-home care it is possible that a number of placements have been experienced.

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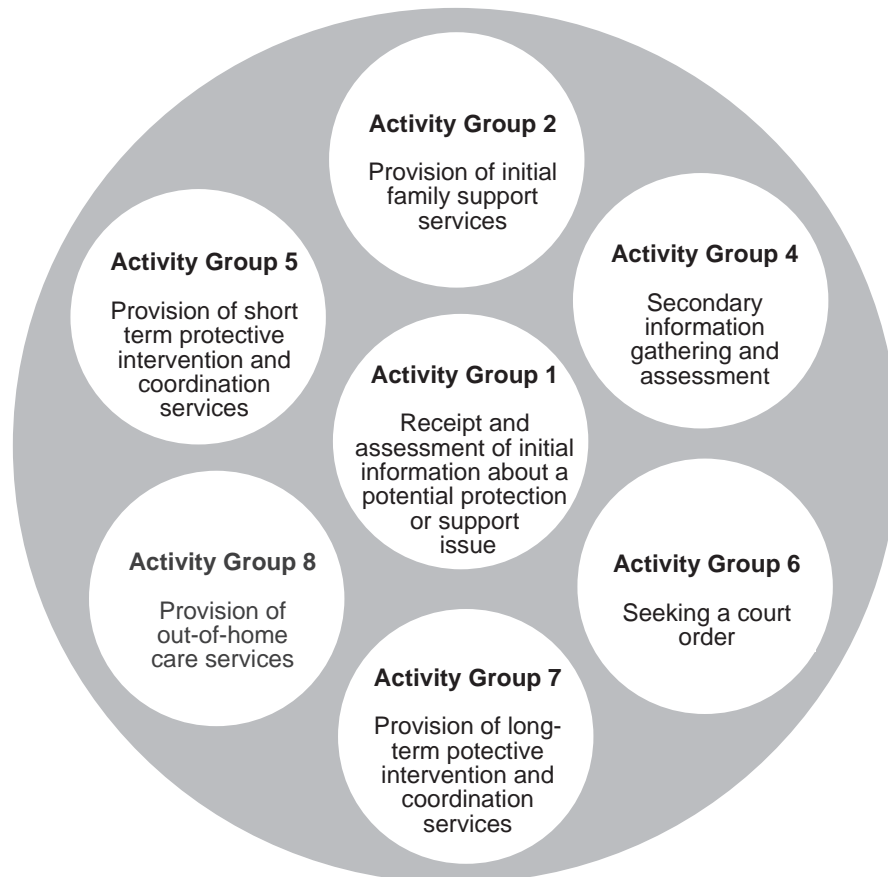
The provision of statutory protective intervention and support services resolves the risk and safety issues for the child. Contact with the protection and support services ends.

**Pathway eight: provision of protective intervention and support services with court orders, continuing involvement**

Pathway eight involves the provision of protective intervention and support services with court orders and continuing involvement. The bundle of services provided under pathway eight are those involved with activity groups one, two, four, five, six, seven and eight. Figure 4.8 represents pathway eight.

Figure 4.8 **Pathway eight**

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*Context for service delivery*

This is the most intensive of the protection and support services pathways and involves aspects of all service delivery options over an extended time period. Involvement of the relevant agency is anticipated for more than 12 months and

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court orders are used to facilitate service provision. The child is placed in out-of-home care and provided with support during this time. Work is undertaken to support family re-unification, and includes providing initial family support services, such as counselling, to help develop a safe family environment. However, at some point the focus moves from family re-unification to permanency planning.

### *Activities*

The relevant agency receives and records initial information, assesses that information and makes a decision about the need for service provision. Assessment is that the potential risk to the child is significant enough to warrant a comprehensive investigative response. Secondary information gathering and assessments take place and a plan to address the identified issues is developed.

The family is made aware of and receives support services. Services provided include the appropriate combination of advice, referrals and brief counselling.

A range of protective intervention and coordination services are provided to the child. These include case planning, working with the family to address protective issues and developing networks of support for the child or young person.

Court orders may be used to facilitate the relevant agency undertaking activities necessary to resolve the protection issue. The use of court orders could be associated with:

- the speed of response by the relevant agency (that is, an emergency response);
- the family not engaging with the relevant agency over a period of time; or
- a change of circumstances that increases the risk to the child or young person.

The child or young person may or may not be living at home when the protection and support services are being delivered. The residency arrangements for the child or young person are likely to be supported by a court order. If the child or young person is in out-of-home care it is possible that a number of placements have been experienced.

A decision is made by the relevant agency to cease those activities intended to achieve family re-unification. Permanency planning takes place, court orders are likely to be used to facilitate the long-term protection of the child or young person.

## 4.4 Summary of national pathways

Each of the national pathways described in the previous section is a unique combination of activity groups that represent:

- the prevalence of a pathway across jurisdictions;
- demand on a pathway; and
- scope of services provided by the jurisdiction.

Table 4.4 summarises the relationship between pathways and activity groups. It indicates where activity groups are included and excluded within a pathway, and instances where an activity group may, but is not always, included within a pathway.

**Table 4.4 Relationship between activity groups and the national pathways**

<i>Pathways</i>	<i>Activity Groups</i>							
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1 Receipt and assessment of initial information	✓	✗	✗	✗	✗	✗	✗	✗
2 Provision of initial family support services	✓	✓	✗	✗	✗	✗	✗	✗
3 Secondary information gathering and assessment of circumstances with provision of family support services	✓	✓	✗	✓	✗	✗	✗	◆
4 Provision of out-of-home care without protective intervention	✓	◆	✗	✗	✗	✗	✗	✓
5 Provision of intensive family support services	✓	✗	✓	✓	✓	✗	✗	◆
6 Provision of protective intervention and support services without court orders	✓	✓	✗	✓	✓	✗	✗	◆
7 Provision of protective intervention and support services with court orders	✓	✓	◆	✓	✓	✓	✗	◆
8 Provision of protection and support services with court orders, continuing involvement with less service provision	✓	✓	✗	✓	✓	✓	✓	✓

Note: ✓ indicates that the activity group is part of the pathway, ✗ indicates that the activity group is not part of the pathway, ◆ indicates that the activity group may be part of the pathway.



PART C

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# NATIONAL REPORTING METHOD





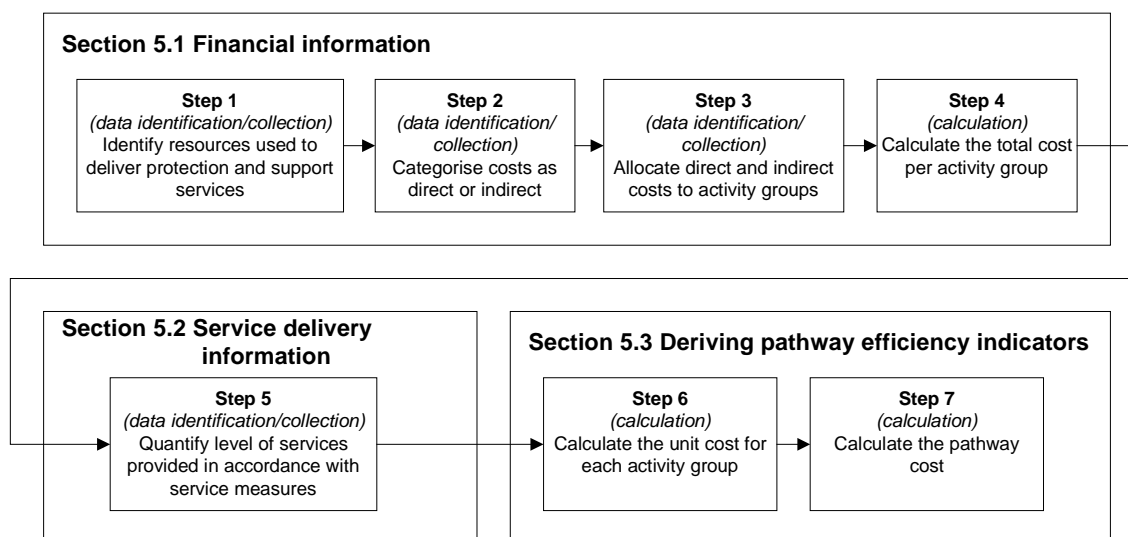
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## 5 National reporting method

The ultimate objective of the protection and support pathways project was to develop a model for generating robust, comparable pathway efficiency indicators for protection and support activities. Chapter 4 described how the various protection and support services have been defined and grouped for the purposes of creating a base from which to calculate the pathway efficiency indicators.

This chapter describes the model to collect the financial and service information and to calculate the pathway efficiency indicators. The application of Activity Based Costing (ABC) is a major component of the national reporting method and is incorporated in the model to calculate the pathway efficiency indicators which is described in seven steps (figure 5.1).

Figure 5.1 Overview of the national reporting method, seven-step model



Source: ACG 2002d.

To apply the model requires the collection of financial and service delivery information for each jurisdiction. The first three steps of the model comprise the key steps in the identification and collection of financial information, and step four calculates the total cost per activity group based on this information. Step five

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addresses the identification and collection of service delivery information, while the final two steps involve the calculation of efficiency indicators.

This chapter describes the data collection method and discusses the processes involved in collecting financial information and service delivery information from jurisdictions. Section 5.1 describes the first four steps of the model used to identify and collect the necessary financial information, and to derive total costs per activity group. Section 5.2 focuses on the identification and collection of service delivery information in accordance with step 5 of the national reporting method. Section 5.3 discusses the calculation of efficiency indicators, as addressed by the final two steps of the method.

## **5.1 Financial information**

The identification and collection of financial information — including the calculation of total expenditure by activity group — relates to steps one to four in the national reporting method presented in figure 5.1. A description of concepts and/or definitions underpinning each step and the application of each step is described below.

### **Step one — Identify resources used to deliver protection and support services**

Step one requires the identification of all financial resources, or total expenditure, used to deliver protection and support services consistent with the agreed scope of reporting. Achieving consistency in the scope of reporting is fundamental to the calculation of comparable efficiency indicators.

Chapter 1 described the services within the scope of this project. These services are in the areas of child protection, out-of-home care and family support services. The detailed counting rules used to define the boundaries of these services across jurisdictions are discussed in appendix B.

Total expenditure is the starting point for the collection of financial information required to calculate efficiency indicators. It is a necessary intermediate step in the application of ABC (see box 2.1).

Total expenditure can be measured by using either a ‘top down’ or a ‘bottom up’ approach. Although the use of either the top down or bottom up approach should theoretically result in the same total expenditure figure, this is rarely the case in practice.

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The bottom up approach derives total expenditure by adding the cost to produce each output or activity group. To apply the bottom up approach requires:

- identifying and costing each task (both operational and non-operational components) that is undertaken to deliver a service;
- multiplying the cost of each task by the number of times it was performed to obtain the total cost of delivering each task type; and
- summing the total cost for each task type to identify the total cost of delivering protection and support services.

A potential drawback with the bottom up approach is the risk that overhead expenses will not be captured in the estimate of total expenditure. That is, when identifying the costs associated with each individual task undertaken to deliver a service, support costs (such as corporate overheads) may be overlooked or underestimated as it is not obvious that they are an input to a good or service.

In contrast, the top down approach starts by identifying total expenditure by the jurisdiction on the delivery of all protection and support services. The total expenditure figure is the amount that is allocated across all protection and support activity groups and pathways. Internal financial systems are important sources of information in identifying the total expenditure by jurisdictions and hence in applying the top down approach.

There are a number of factors to consider in choosing which method is more appropriate for use in a particular application of ABC.

First, the approach adopted should be able to deliver timely data. The objective of this project is to provide data which support the performance reporting in the Report on Government Services. All data currently reported are typically for the most recently completed financial year. It would be desirable for the pathways data to be similarly timely. Estimating total expenditure using a top-down approach is likely to provide more timely data because there are existing systems to do this, there are fewer coordination issues involved, and it will be easier for jurisdictions to reconcile the figure against expenditure data provided for other purposes (such as annual reports).

Second, the approach adopted should allow immediate reporting and not place an undue compliance burden on reporting jurisdictions. Thus, an approach that can be applied using existing information systems and work practices is preferable. Jurisdictions have been providing total expenditure data for the Report on Government Services using the top down approach since 1995. Although the total expenditure figure required for this project will be broader in scope than the current figure in use, the adoption of the top down approach is an extension of a current

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approach, rather than a completely new approach to estimating total expenditure for protection and support services.

Finally, the approach adopted should be accurate and easily validated against reported data. Accuracy requires capturing all costs and applying consistent counting rules and standards. In this situation, the top down approach is likely to provide greater accuracy because there is less scope for costs being omitted particularly overhead costs, and less likelihood that counting rules will be interpreted inconsistently. For these reasons, the top down approach was used to estimate total expenditure by each jurisdiction on protection and support activities. The figure used is the actual expenditure on protection and support activities for the previous financial year.

At the completion of this step, all financial resources used to provide protection and support services, consistent with the defined scope, should be identified.

## **Step two — Categorise costs as direct or indirect**

After establishing a total expenditure figure for the relevant protection and support services, it is necessary to categorise the full range of costs comprising this expenditure figure as either direct or indirect, and allocate these costs to the appropriate activity groups. This is step two of the model.

The application of ABC allows a linking of the physical inputs from tasks to activity groups and then to pathways. Utilising the financial information obtained in step one and the links between the physical inputs and pathways, total expenditure is allocated to activity groups to reflect the intensity with which resources are consumed when delivering a service. The process of establishing links between physical inputs and expenditure in particular activity groups is achieved by first categorising costs as either direct or indirect.

Direct costs are defined as:

... those which can directly and unequivocally be attributed to a specific activity. They include labour (including on-costs) and materials used to produce a single good or service. (CCNCO 1998, p.8)

An example of a direct cost would be the expense associated with obtaining legal advice needed to seek a court order. This expense is exclusively associated with activity group six (seek a court order). Direct costs will usually be incurred in an operational or service delivery setting.

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Indirect costs are defined as:

... those which are not directly attributable to an activity ... (CCNCO 1998, p.8)

In the case of protection and support services, indirect costs are likely to be a much larger group of costs than direct costs and will include operational and non-operational costs. Any cost where a single input (say labour) is used to complete tasks associated with a number of activity groups is an indirect cost. For example, the situation where an emergency response is required is an example where the single input of a case worker's time (or labour) is used to undertake tasks that are part of many activity groups. That is, a case worker may:

- receive the initial phone call and undertake initial assessments (as per activity group one);
- undertake secondary information gathering and assessment (as per activity group four);
- provide short-term protective intervention and coordination services (as per activity group five); and
- obtain a court order (as per activity group six).

Appendix B provides greater detail on the process used to identify and collect data on direct and indirect costs.

At the completion of this step, the cost components making up total expenditure should be identified as either direct or indirect cost types.

### **Step three — Allocate direct and indirect costs to activity groups**

Step three is to allocate the direct and indirect costs, which collectively should account for total expenditure identified in step one, to the individual activity groups.

For direct costs, this step is relatively straightforward. The expenditure associated with direct costs is allocated to the relevant activity groups — that is, to the activity groups to which it can be unequivocally linked or traced.

The allocation of indirect costs to activity groups is more complex and requires the adoption of a method to allocate the resources used to provide a service to activity groups in a manner that reflects the intensity of resource use. Using the example above where an emergency response is initiated, it is evident that a case worker would spend substantially different amounts of time on each of the identified tasks. The question is how to accurately allocate the value of resources used in those tasks to the activity groups. The process of doing this involves the use of a 'cost driver' or factor that has the most significant impact on the relative use of resources across

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activity groups. Labour costs of workers involved in service delivery were considered to be the key driver of the majority of activity costs and were used as the basis for allocating all indirect costs.

For the purposes of the proposed method, indirect costs were allocated to activity groups in the same proportion as time allocated by workers involved in service delivery to the eight activity groups. For example, if a jurisdiction reported that ten per cent of case worker time was spent performing intake duties, ten per cent of indirect costs were allocated to activity group one. The process for performing the allocation of indirect costs to tasks and activity groups is discussed in detail in Appendix B.

At the completion of this step, total expenditure should be allocated across the eight activity groups.

#### **Step four — Calculate the total cost per activity group**

The final step in the identification and collection of relevant financial information is to sum the direct and indirect costs for each activity group to calculate a total expenditure per activity group.

At the completion of step four, there should be information on the total expenditure for each of the eight activity groups. The sum of the total expenditure for the eight activity groups should equal the total expenditure identified in step one.

## **5.2 Service delivery information**

The identification and collection of service delivery information relates to step 5 in the national reporting method presented in figure 5.1.

#### **Step five — Quantify level of services provided**

Step five involves the identification and collection of the relevant service delivery information. To calculate the pathway efficiency indicators requires a measure of the number of services provided over a year for each activity group. The service delivery information represents a proxy for the protection and support outputs provided by jurisdictions. This information is important because these measures are used as the denominator in the calculation of the activity group unit costs.

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The objectives of this component of the project were to:

- agree on a set of proposed measures for the units of service delivered for each activity group;
- obtain available service delivery information, consistent with the agreed units of measure. Some data for the agreed measures were available from the Australian Institute of Health and Welfare (AIHW); and
- for measures where the AIHW did not collect data that matched the agreed measures, establish if the data were available directly from jurisdictions, and collect that data.

In developing a set of proposed measures for the units of service delivered for each activity group, a number of principles were adhered to (box 5.1).

**Box 5.1 Desirable characteristics of service delivery information**

The measures developed should display the following characteristics:

- accurate — provide an accurate measure of the quantum of services provided as part of that activity group;
- complete — in combination the measures should not include services that are not part of the agreed national framework and should not exclude services (or subsets of services) that are part of the agreed national framework;
- consistent across jurisdiction — to maximise comparability across jurisdictions; and
- mutually exclusive — to ensure that there is not double counting of service delivery. This characteristic does not require that services are delivered sequentially. It is likely that a child will receive protection and support services from a number of activity groups at the same time; for example, a relevant agency may be seeking a court order at the same time as providing long-term child protection services. What is important is that resources used to deliver services are captured only once and that the units of measure reflect the quantum of services delivered.

*Source:* ACG 2002h.

Ideally, the measures developed should relate to the number of services provided, rather than the number of clients receiving a service. The benefit of a ‘service’ rather than ‘client/child’ based approach is that it provides a more robust estimate of the actual quantum of services provided. This is because a proportion of clients are likely to receive the same service more than once in a year; for example, be the subject of more than one court order.

The availability of data reporting the number of services depends on the jurisdiction information systems, which vary widely in terms of the information they hold and

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the difficulty of accessing that information. In many instances, only the ‘client’ based measures were available. While use of a ‘client’ measure will under-estimate the number of services provided by the jurisdiction, it is preferable to no data and can be improved over time.

Table 5.1 details the service delivery information developed for this project. Appendix B details the manner in which data were collected against these measures.

### **5.3 Deriving pathway efficiency indicators**

The final stage in the national reporting method is to derive the pathway efficiency indicators for each jurisdiction. This involves steps six and seven in figure 5.1.

#### **Step six — Calculate the unit cost for each activity group**

The objective of this step is to calculate the unit cost of delivering the bundle of services represented by each activity group. The presumption is that each client receives the average level or quantum of services.

To calculate the unit expenditure per activity group requires dividing the total expenditure per activity group (identified in step four) by the total number of units of service delivered per year (identified in step five).

#### **Step seven — Calculate the pathway efficiency indicators**

The objective of this step is to estimate the expenditure used to provide a typical client with the bundle of services on a pathway in that financial year.

The calculated pathway efficiency indicator represents the average cost to government of providing a ‘representative’ client with the bundle of services defined by that pathway in a financial year. Each representative client is assumed to receive the same average level of service for each activity in the pathway.

To calculate the pathway efficiency indicators involves summing the appropriate per unit activity costs calculated in the step six. For example, pathway two involves activity groups one and two. The pathway two efficiency indicator would be the sum of the unit cost for activity group one and the unit for cost activity group two.



**Table 5.1 Service delivery information and primary data sources**

<i>Activity group</i>	<i>Description</i>	<i>Proposed measure</i>	<i>Primary data source</i>
1	Receipt and assessment of initial information about a potential protection or support issue	Number of reports of concerns	Jurisdiction
2	Provision of initial family support services	Number of initial family support services	Jurisdiction
3	Provision of intensive family support services	Number of intensive family support services	Jurisdiction
4	Secondary information gathering and assessment	Number of secondary assessments	AIHW and Jurisdiction
5	Provision of short-term protective intervention and coordination services	Number of clients receiving short-term protective intervention and coordination services	AIHW and Jurisdiction
6	Seeking a court order	Number of court orders	AIHW and Jurisdiction
7	Provision of longer-term protective intervention, support and coordination services	Number of clients receiving protective intervention and support services long-term	Jurisdiction
8	Provision of out-of-home care services	Number of children accessing kinship care 'plus' Number of children accessing foster care plus Number of children accessing residential/facility based care	Jurisdiction
8a	Provision of kinship care services	Number of children accessing kinship care <sup>a</sup>	Jurisdiction
8b	Provision of foster care services	Number of children accessing foster care <sup>b</sup>	Jurisdiction
8c	Provision of residential/ facility based care services	Number of children accessing residential/facility based care <sup>c</sup>	Jurisdiction

<sup>a</sup> Data were also requested on total number of weeks of kinship care. <sup>b</sup> Data were also requested on total number of weeks of foster care. <sup>c</sup> Data were also requested on total number of weeks of facility based/residential care.

Source: ACG 2002g.



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## 6 Data availability, comparability and interpretation

This chapter discusses the conceptual issues around the availability, comparability and interpretation of the financial and service delivery information currently available in jurisdictions. Section 6.1 reports on the availability of the financial and service delivery information. Section 6.2 considers comparability of the data across jurisdictions. Section 6.3 considers interpretation of the pathway costs.

### 6.1 Availability

An objective of the project was to develop a framework that could be used by jurisdictions to calculate efficiency indicators. Hence, an important consideration in the development of the pathways approach was the availability of the data upon which the efficiency indicators would be calculated. This section discusses issues around the availability of data, considering first financial information and then service delivery information.

#### Financial information

Jurisdictions have been reporting financial information for inclusion in the Report on Government Services since the initial report was published in 1995. This information covered the service delivery areas of child protection and out-of-home care.

At the highest level, all jurisdictions were able to identify the relevant financial information for the currently reported aspects of service delivery — child protection and out-of-home care.

However, as noted previously in this report, the inclusion of family support services in the project broadened the existing scope of reporting. Not surprisingly, financial information pertaining to family support services was generally not as readily available as information on child protection and out-of-home care services. In all jurisdictions it was necessary to establish the family support programs within (either

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totally or partially) and outside the scope of the project, prior to establishing the financial information for family support activities.

A second major change in financial information requirements was for out-of-home care services. This activity accounts for a substantial proportion of total expenditure on protection and support services. The project developed more disaggregated out-of-home care indicators than those currently included in the Report on Government Services.

The process of identifying and allocating financial information was, in some cases, assisted by a jurisdiction's approach to service delivery. For example, some jurisdictions have centralised intake functions that operated as a separate cost centre. Thus, the cost centre could be entirely allocated to activity group one. A similar situation existed in a number of jurisdictions with specialised court units.

Another factor that assisted some jurisdictions to identify the relevant financial information was the structure of their cost centres. For example, some jurisdictions had cost centres that reflected the kinship, foster and residential/facility based care split in activity group eight. In this circumstance the cost centres and hence financial information could be mapped directly into relevant activity groups.

The extent to which service delivery arrangements and financial information systems were aligned with activity groups varied across jurisdictions. This was anticipated and was one of the major reasons for adopting activity based costing (ABC), which does not require that financial information be maintained in a way that matches activities (see chapter 2).

Despite the expanded scope of reporting, and the need to rely on a number of estimates and assumptions, most of the financial information required to estimate pathway costs was available in the majority of jurisdictions (see table 6.1).

## **Service delivery information**

There is a strong history of jurisdictions reporting child protection and out-of-home care client data to the Australian Institute of Health and Welfare (AIHW) for the purpose of national reporting. Detailed data are reported for the areas of (the years in brackets indicate the first year the data was reported by the AIHW):

- Notifications, investigations and substantiations (1990-91);
- Care and protection orders (1995-96); and
- Out-of-home care (1996) (AIHW 2001b and personal communication).

**Table 6.1 Availability of financial information**

<i>Jurisdiction</i>	<i>Data for the year</i>	<i>Activity Groups</i>										
		1	2	3	4	5	6	7	8A <sup>a</sup>	8B <sup>a</sup>	8C <sup>a</sup>	
New South Wales	2001-02	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Victoria	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Queensland	2001-02	✓	✓	✓	✓	✓	✓	✓	✓ <sup>b</sup>	X	X	
Western Australia	2001-02	✓	✓	✓	✓	✓	✓	✓	✓ <sup>b</sup>	X	X	
South Australia	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Tasmania	2001-02	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Australian Capital Territory	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Northern Territory	2000-01	✓	✓	X	✓	✓	✓	✓	X <sup>c</sup>	✓ <sup>c</sup>	✓	

<sup>a</sup> For activity group eight: 8A represents kinship care, 8B represents foster care and 8C represents facility/residential care. <sup>b</sup> These jurisdictions could not provide a breakdown of financial information by type of care. The financial information provided pertains to all three types of care. <sup>c</sup> The financial information reported as 8B refers to kinship care and foster care expenditure.

Three of the final service delivery measures adopted in the project were consistent with the current AIHW collection (although a number of the other measures could be derived from AIHW data).

Jurisdictions generally experienced greater difficulty reporting service delivery than financial information. The increased difficulty was anticipated in the development of the final service measures (ACG 2002g). This difficulty arises because of the nature of existing information systems. Data availability is constrained by scope of data recorded in jurisdictions’ information systems. Even if the necessary data are captured, the technical design of the system or skills of users may mean that the data cannot be easily be extracted in a usable format. In most instances, the ‘client’ based information will be available, rather than the preferred ‘service’ based information. As noted in chapter 5, while use of a ‘client’ measure will underestimate the number of services provided by the jurisdiction, it is considered preferable to no data.

Identifying the service delivery measure for the initial point of contact with a relevant agency caused problems for some jurisdictions. This is because systems are designed to record only those contacts with clients where specific further services are provided. Thus, more simple contacts seeking brief information or straightforward referrals are not recorded.

Tasmania and the NT considered that it was not possible to undertake accurate estimates of the number of initial contacts made with their agency given this limitation. These jurisdictions were unable to provide service delivery information for activity group one (see table 6.2). Part of the difficulty experienced in these jurisdictions is that contact is made with regional offices — making the process of

estimation complex and time consuming. In contrast, jurisdictions where all contacts were counted as notifications or where intake was centralised, did not have the same difficulties reporting service delivery information for the activity group.

As with financial information, the currently reported data does not include family support services. Thus, obtaining service delivery information for family support required jurisdictions to estimate or seek advice of experienced practitioners or the non-government organisations (NGOs) involved in service delivery. However, some jurisdictions considered that they were not in a position to undertake such estimates and could not report service delivery information for activity groups two and/or three.

Relative to family support service delivery information, jurisdictions had less difficulty reporting data for the child protection activity groups (one, four, five, six and seven). This seemed to reflect that a number of these measures were closely aligned with data currently reported to the AIHW and that there are a number of well established ‘counting points’ on the child protection service continuum.

Obtaining out-of-home care service delivery information was an area where some jurisdictions had difficulty reporting data at a disaggregate level. As with the financial information, such difficulties reflected that the data are not currently reported nationally at this level, and to some extent, because of the difficulty in obtaining data on the quantum of services provided by NGOs.

The availability of services delivery information by jurisdictions is represented in table 6.2.

**Table 6.2 Availability of service delivery information**

<i>Jurisdiction</i>	<i>Data for the year</i>	<i>Activity Groups</i>										
		1	2	3	4	5	6	7	8A <sup>a</sup>	8B <sup>a</sup>	8C <sup>a</sup>	
New South Wales	2001-02	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Victoria	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Queensland	2001-02	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓
Western Australia	2001-02	✓	X	✓	✓	✓	✓	X	✓	X	X	
South Australia	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tasmania	2001-02	X	X	✓	✓	✓	✓	✓	✓	✓	✓	✓
Australian Capital Territory	2000-01	✓	✓	✓	✓	✓	✓	✓	✓	X	X	
Northern Territory	2000-01	X	X	X	✓	✓	✓	X	X	X	X	

<sup>a</sup> For activity group eight: 8A represents kinship care, 8B represents foster care and 8C represents facility/residential care.

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## 6.2 Comparability

The ultimate objective of the project was to develop improved efficiency indicators for the purposes of national reporting. One aspect in which the current indicators were to be improved was by increasing the comparability of efficiency indicators across jurisdictions. This section considers:

- the factors that impact on data comparability across jurisdictions; and
- issues of comparability for each activity group.

### Factors that impact on comparability

Three general factors have the potential to impact on comparability of efficiency indicators across jurisdictions.

The first and possibly most fundamental was ensuring that the indicators were actually capturing the same services across jurisdictions. For example, it is well documented that the term ‘notifications’ is associated with quite different points in the service continuum across jurisdictions (see chapter 3). Hence a ‘notifications’ efficiency indicator would not have a high level of comparability across jurisdictions as it would not be measuring the same activities.

A premise of the project was to group the activities that jurisdictions deliver to clients, as these are similar, and hence provide a strong basis for comparison across jurisdictions. The project established the eight activity groups of the pathways model in stage one. In stage two it was important that the jurisdictions incorporated the same services within activity groups — that is, jurisdictions did not exclude services that should be in an activity group and did not include services that should not be in an activity group. In the course of calculating the trial pathway costs (see chapter 7), attention was given to assisting jurisdictions to achieve consistency when including, excluding and allocating particular services to activity groups.

The second general comparability issue was the extent to which agencies, other than the relevant agency, provided protection and support services at less than full cost. For example, in SA, legal services are provided by the Crown Solicitor and some family support services are provided by other government agencies. Similarly, it was possible that in some jurisdictions, not-for-profit NGOs providing protection and support services were providing such services at less than full cost.

Third, it was recognised that the resources that jurisdictions allocated to the process of collecting and verifying financial and service delivery information would impact on comparability. This was because the lower the level of resourcing, the less

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opportunity to seek out all potential sources of information and to verify data. This was a particular issue in the calculation of the trial pathway costs, as the information required for the trial was in addition to the regular annual data collection for the Report on Government Services.

In addition to the three general factors that impacted on comparability (as set out above), the comparability of the pathway costs also depended on the comparability between activity groups. Each activity group had specific issues around the financial and/or service delivery information. The comparability issues of each activity group are discussed in turn.

*Activity group one — Receipt and assessment of initial information about a potential protection or support issue*

In the development of the pathways framework, attention was given to establishing inclusions and exclusions for the ‘intake’ activities that make up this activity group.

A difficulty with the activity group was that Tasmania and the NT were not able to report service delivery information to calculate the trial pathway costs. However, it was anticipated that this would change over time.

For jurisdictions that did report service delivery information for activity group one, NSW, SA and the ACT were able to include data estimating the number of child protection and family support concerns, while Victoria, Queensland and WA could not separately report the number of child protection concerns and the number of family support concerns. The inability to separately identify family support concerns may result in under-reporting of the service delivery information.

In addition to excluding the number of family support concerns, WA’s data for activity group one is also affected by the fact that it includes only notifications of abuse and neglect and does not include data on the number of concerns about children nor contacts relating to family support matters. This means that this activity group one service delivery information in WA is definitely under-reported. Based on additional data provided by WA on the number of concerns about children, it appears that the unit cost measure is overstated by more than 100 per cent, before accounting for any contacts made about family support matters. WA indicated that the numbers of child concerns and family support matters could be included in activity group one in future years.



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### *Activity group two — Provision of initial family support services*

The issues in the development of activity group two are described in chapter 4 and appendix B. These issues meant that the comparability of activity group two across jurisdictions was more limited than comparability evident in other activity groups.

It was anticipated that the comparability of activity group two across jurisdictions would improve over time if more detailed counting rules were developed and if the availability and quality of information — particularly for data on the quantum of services — was improved.

### *Activity group three — Provision of intensive family support services*

The comparability issues for activity group three were not as great as for activity group two. This was because the financial and service delivery information were based in large part on data that were already contained in the Report on Government Services. The NT was unable to report financial or services delivery information for the purpose of the trial.

The comparability of activity group three across jurisdictions is expected to improve over time as the counting rules are refined and as the availability and quality of information available to jurisdictions on the quantum of services delivered is improved.

It may emerge, however, that comparability is somewhat restricted by the differing institutional arrangements for service provision within jurisdictions. The approach in this project is to include only those activities that are provided by the principal agencies responsible for protection and support matters (see chapter 3). In at least one jurisdiction, SA, some services that are consistent with the definition of intensive family support services are provided by a government agency that is not the principal agency. Thus, SA has not included financial or service delivery information for those intensive family support services such as therapeutic interventions with children and families, that are delivered by health agencies.

### *Activity group four — Secondary information gathering and assessment*

The AIHW data on investigations formed the basis of the service delivery information for activity group four. To assist with comparability, the services delivery information for this activity group took account of the fact that some jurisdictions undertake information gathering and assessment activities that are not recorded as investigations for the purpose of reporting to the AIHW.

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There were no specific comparability concerns with financial or service delivery information of activity group four.

*Activity group five — Provision of short-term protective intervention and coordination services*

To facilitate a high level of comparability, particular attention was given to the reporting of service delivery information for activity group five.

The starting point of the service delivery information for activity group five was the AIHW ‘number of substantiations’. This measure was selected based on the strong relationship between substantiations and the provision of short-term protective intervention and coordination services to clients.

However, comparability across jurisdictions was increased by recognising that some jurisdictions provide short-term protective intervention and coordination services to clients without necessarily making a ‘substantiate’ decision. Thus, Queensland service delivery information for activity group five included both the AIHW reported substantiation figure as well as the number of additional equivalent services.

An adjustment would also be made to the AIHW reported substantiation figure in the jurisdictions where it was possible for a ‘substantiation’ to be recorded, but where no further services might be provided. This could be the case if, for example, an event that was assessed as being unlikely to occur again was substantiated. The ACT was the only jurisdiction to incorporate data on the number of substantiations where no further services were provided in its service delivery information for activity group five.

*Activity group six — Seeking a court order*

The basis of the services delivery information for activity group six, seeking a court order, is the AIHW reported figure of ‘number of care and protection orders issued’. From an efficiency perspective, the relevant measure is how many orders were sought (including those granted and not granted). Jurisdictions were also asked to identify orders sought but not granted.

Victoria, Queensland, and the ACT were able to report data on the number of court orders sought but not granted. However, NSW, SA and Tasmania were not able to report on the number of court orders sought but not granted. The impact is that the service delivery information for NSW, SA and Tasmania were lower than they

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would otherwise be. The NT did not report service delivery information for activity group six.

The service measure also requested that jurisdictions identify the number of administrative arrangements and voluntary care orders for the purpose of excluding them from the data. The ACT was the only jurisdiction to report data on the number of administrative arrangements and voluntary care orders. NSW, Victoria, Queensland, SA and Tasmania were not able to identify and exclude the number of administrative arrangements and voluntary care orders. As a result, data for these jurisdictions may over-estimate the number of court orders sought.

In relation to financial data, as noted earlier in the general discussion about comparability, in SA, the Crown Solicitor provides legal services utilised by the relevant agency when seeking court orders and there is no transfer of funds between the government agencies. For SA, the efficiency cost for activity group six will not be comparable to the jurisdictions where legal fees are incurred and paid out of a protection and support agency's budget.

#### *Activity group seven — Provision of longer-term protective intervention, support and coordination services*

There appear to be no significant comparability issues with activity group seven, although, WA had difficulty in allocating expenditure between activity groups seven and eight. The majority of activity group seven expenditure is captured as 'care of children' type expenditure in WA, and has been reported as activity group eight expenditure for the trial data collection. Given that over two thirds of the children in out-of-home care in WA at any one time are on care and protection orders, and that the majority of these orders are more than one year in length, it is anticipated that allocation of expenditure between activity groups seven and eight will substantially change in future years.

#### *Activity group eight — Provision of out-of-home care services*

The disaggregated out-of-home care information for kinship, foster and residential/facility based care, reflect the range of out-of-home care services delivered and hence offer potential for increased comparability across jurisdictions.

All jurisdictions were able to report financial and service delivery information at the aggregate level (that is, all out-of-home care). NSW, Victoria, Queensland, SA and Tasmania were able to report financial and service delivery information disaggregated by care type — kinship, foster or facility/residential. The ACT reported service delivery information at an aggregate level, and financial data at a

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disaggregated level. The NT was able to report financial data disaggregated into two components— kinship/foster care, and residential care — and did not report service delivery information. WA reported financial and service delivery information at an aggregate level.

Data on activity group eight are comparable. Improved availability of data at the disaggregated level would support the future reporting of comparable disaggregated out-of-home care delivery information.

## Summary

The majority of activity groups were considered to be comparable. The exceptions were activity groups two and, to a lesser extent, six.

Activity group two was the activity group where comparability was considered to be lowest across jurisdictions. The implication is that if no further refinement of activity group two is undertaken, prior to reporting pathway costs as efficiency indicators, the pathways costs that include activity group two would need to acknowledge comparability as an issue.

For activity group six, the intra-government approach used in SA meant that legal costs incurred seeking protection and support court orders were not incurred by the relevant agency. In the strict sense of the project scope, costs incurred outside the relevant agency were not relevant. However, for comparability purposes it was important to acknowledge this as a potential source of a cost difference.

## 6.3 Interpretation

The ultimate objective of the project was to develop improved efficiency indicators for the purpose of national reporting. The efficiency indicators developed were the costs of delivering the services on the eight pathways described in chapter 4. Each pathway represented a different combination of activities (or services). The eight pathways were determined in stage one of the project and were considered to be a high level representation of services that a ‘representative’ protection and support client could receive in any jurisdiction in Australia. The Working Group agreed that the eight national pathways reflect the most common combinations of services received by protection and support clients.

Stage two of the project involved the development of a method to cost the pathways in a way that recorded the inputs used by each jurisdiction to deliver the specific services (defined in the activity groups) to clients. Each pathway cost relates inputs

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to outputs and thus can be taken as an indicator of efficiency. Within the limitations of the method and the data, a higher pathway efficiency indicator means that a jurisdiction is utilising relatively more resources to deliver a similar bundle of activities than another jurisdiction.

The pathways are a hypothetical construct. The indicators have been developed to report the expenditure of services provided to a ‘representative’ client that receives an ‘average’ level of service delivery. As often identified in meetings with jurisdictions, a child or young person’s experience of protection and support service delivery is not typically linear. That is, over time children and young people spend different amounts of time receiving services from a particular group of activities and over a period of time may receive services from a range of activity groups in different combinations and intensities. The actual bundle of services provided to any individual child and their family will be determined by the needs of the child or young person at a particular point in time, consistent with the legislation and practice of the jurisdiction.

It is important to recognise that as an efficiency indicator concerned only with inputs and outputs, the pathway efficiency indicators take no account of outcomes or, therefore, of the effectiveness of service delivery. The Report on Government Services publishes protection and support effectiveness indicators.

The pathways are ordered from least intrusive to more intrusive encounters in terms of the level of involvement with statutory services. Thus, the costs of the different pathways provide an indication of the difference in expenditure for a client that receives initial support services and then exits the protection and support system as well as the expenditure for a client involved in the ‘hard end’ statutory processes including court and out-of-home care. Jurisdictions expressed particular interest in being able to compare the expenditure of the alternative pathways.

Finally, each pathway efficiency indicator is calculated by summing the relevant per unit activity group costs. This detailed information will be useful in understanding the factors contributing to differences in pathway costs across jurisdictions and useful to jurisdictions analysing their own approaches to service delivery.



PART D

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# IMPLEMENTATION ISSUES





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## 7 Testing the model

An important objective of stage two of the project was to validate the model for calculating pathway efficiency indicators using pilot data provided by jurisdictions. The detailed aims of testing the model were to:

- test the collection methods and instruments (see chapter 5);
- identify areas requiring clarification and further development; and
- provide jurisdictions with the opportunity to gather and compare trial data utilising the support available from the project consultants.

The main benefit to jurisdictions from completing the financial and service measures data returns was to gain a ‘hands-on’ understanding of availability, comparability and interpretation issues described in chapter 6, and to identify issues for future development in chapter 8.

### 7.1 Trial data issues

The trial data allowed the method to be tested and helped identify areas for improvement (see chapter 8). Jurisdictions were confident that the data provided were adequate to meet the project objective to test the model. These data, however, had a number of issues which made meaningful assessment of jurisdictions’ performance difficult. These issues include:

- the trial data were not fully comparable: Victoria, SA, the ACT and the NT were able to provide data for 2000-01, while NSW, Queensland, WA and Tasmania were able to provide data for 2001-02. The choice of year for the pilot data depended on which data was easiest to utilise. The reporting of data for different years had no bearing on the testing of the model to calculate pathway costs; and
- the data have not been subjected to rigorous quality control processes: jurisdictions indicated that their ability to provide information for the testing phase of the project was constrained due to limitations on resources. The impact of such resource limitations was that jurisdictions sometimes reported data based on very high level assumptions, or on assumptions that had not been fully tested or that relied on dated information. As a result, trial data may not be the best possible representation of resources allocated across activities.

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In addition to the general reasons, there were a number of jurisdiction specific issues that meant the data provided were either not comparable or not a true representation of the efficiency of service delivery. As a result of these limitations, the trial data are not reproduced in this report.

### *Implications for annual reporting*

The two general issues described above are specific to the trial data. When the pathways approach is adopted as the national reporting framework of efficiency indicators in the Report on Government Services, neither of the general issues identified above will be a problem because:

- all jurisdictions would be reporting data for the same financial year; and
- jurisdictions would have a longer time frame in which to gather and review information, and jurisdictions would be able to use the time that they currently allocate to the collection and reporting of protection and support efficiency measures for the collection and reporting of pathway efficiency measures. The availability of additional resources would improve the quality of the reported data.

## **7.2 Ability to report**

This section summarises the ability of each jurisdiction to provide trial data using their existing information systems.

Differences in the scope and/or inclusion/exclusion of specific expenditure items — along with differences in the methods used to allocate direct and indirect costs to activity groups across jurisdictions — are discussed in chapter 6 and throughout the remaining sections of this chapter. Further, chapter 8 focuses on future issues with respect to applying the national reporting method, and so includes a discussion of a number of jurisdiction-specific developments that may impact upon the future collection of financial information.

Similarly, chapters 6 and 8 include discussions of the provision of service delivery measures information insofar as the extent of jurisdictional involvement in the collection of data, and the degree to which data sourced from the Australian Institute of Health and Welfare, was relied upon.

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### *New South Wales*

NSW was able to provide all financial and service delivery data subject to resource constraints and the review of its information management systems that was taking place during the pilot. Given these constraints, the approach adopted for the pilot was to allocate all costs (both direct and indirect) to direct cost categories. Although NSW was able to provide all expenditure on protection and support activities, the approach adopted for the pilot is likely to allocate expenditure across the various activity groups in different proportions than an allocation on a direct/indirect cost basis.

### *Victoria*

Victoria was also able to provide all financial and service delivery data. This included the disaggregation of data on out-of-home care by type of care — foster, kinship and residential/facility-based.

### *Queensland*

Queensland was able to provide all financial data. It was also able to provide service delivery data for all activity groups except activity group two (number of clients receiving initial family support services) which contributes to six of the eight pathways for Queensland.

In contrast to most other jurisdictions (that allocated their costs in accordance with the method outlined in chapter 5 and Appendix B), Queensland undertook an internal activity-based costing exercise in recent years and used this information to map financial data to the activity groups developed in stage one of this project. Hence, the method of allocation differed to the method employed in most other States and Territories.

### *Western Australia*

WA was able to provide most financial and service delivery data. WA could not provide service delivery data for activity group two (number of clients receiving initial family support services), nor could they provide data for activity group seven (number of clients receiving protective intervention and support services long term). WA was also unable to disaggregate its costs or service measures for out-of-home care by type of care.

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Chapter 6 identified a number of detailed issues about data availability and comparability, as follows:

- Activity group one service measure is under-reported hence the unit cost measure is overstated by more than 100 per cent.
- WA indicated that they could easily provide service measures data for activity group seven in future years.
- WA had difficulty in allocating expenditure between activity groups seven, and eight and anticipated substantial change in the allocation between these two activity groups in future years.

WA indicated that during the testing phase, there were limited time and resources available for the project and the Department was undergoing change. As a result, the data provided were derived from high level estimations and were unlikely to provide an accurate indication of how the Department delivers services from a financial viewpoint. As such, it would be inappropriate to draw conclusions about efficiency or patterns of expenditure in WA based on the pilot data. This being the case, the results for WA have been omitted from this publication .

WA noted that a more rigorous approach would be possible for future data returns after the organisational change has been completed. A specific issue identified for further work was the time allocation used by WA as it was based on a dated survey with limitations such as not including staff in specialist and central office positions.

### *South Australia*

SA was able to provide all financial and service delivery data. This included the disaggregation of data on out-of-home care by type of care — foster, kinship and residential/facility-based.

There were no significant qualifications relating to SA data, with both the financial and service delivery information collections being completed in accordance with the recommended approach. It should, however, be noted that the financial and service delivery information reported is based on high level estimations of the allocation of resources across activities. A component of the allocation process was based on work undertaken a number of years ago for a different purpose. SA noted that if the pathways approach was adopted they would need to consider significant changes to current recording systems to allow routine reporting.

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## *Tasmania*

Tasmania was able to provide all financial measures data, but limited service delivery data. Tasmania could not provide data for activity group one (number of initial reports of concern), nor could they provide an estimate for activity group two (number of clients receiving initial family support services).

There were no significant qualifications relating to Tasmania's data, with both the financial and service delivery information collections being completed in accordance with the recommended approach. Due to resource limitations, however, the allocation of financial information was undertaken at a high level.

Tasmania noted that 'output is not reflective of actual expenditure' — that is, although at the highest level Tasmania's expenditure data represents actual expenditure, the allocation of this data across activity groups may not accurately represent the expenditure actually incurred in undertaking those activities. This is likely to be the case in almost all jurisdictions to some degree given the level of estimation involved in the allocation of expenditure to activity groups.

## *Australian Capital Territory*

The ACT was able to provide all financial and service delivery data. This included the disaggregation of data on out-of-home care by type of care — foster, kinship and residential/facility-based.

There are no significant qualifications relating to the ACT's data, with both the financial and service delivery information collections being completed in accordance with the recommended approach. However, as noted at the presentation to the Working Group, as a jurisdiction with a small number of clients the impact of fixed costs of providing protection and support services means that any cost per client measure will be high relative to a jurisdiction with a large client base.

## *Northern Territory*

The NT was able to provide most financial data including the disaggregation of data on out-of-home care by type of care — foster and residential/facility-based care. The NT provides kinship care as part of their foster care program. However, unlike some other jurisdictions, the NT does not fund and provide kinship care as a discrete program which can easily be reported on separately.

The NT was able to provide only limited service delivery data which severely restricted the scope for calculating meaningful pathway costs.

Data for activity group three (intensive family support services) were not provided because the NT does not provide or fund such services. Data for activity groups one, two, seven and eight were not provided because it was not possible to extract these data from the NT's information systems, although the NT indicated that it is likely this situation will be rectified for future collections.

The NT allocated their indirect operational costs to activity groups based on the activities of staff based in the Darwin urban area only. Thus, the time-based allocation of indirect operational costs (to reflect resource intensity) does not account for rural/remote regions within the NT. Further, the NT submitted that family support was largely underreported (partly due to the allocation methods used) and would be concerned if these figures were to be utilised for comparative purposes.

### 7.3 Activity group expenditure analysis

This section presents expenditure on activity groups as a proportion of total recurrent expenditure across jurisdictions. Total recurrent expenditure is the sum of child protection, out-of-home care and family support services expenditure. table 7.1 and figure 7.1 present expenditure on activity groups as a proportion of total expenditure in each jurisdiction. This data provides a base-line for jurisdictions to assess the accuracy of their allocations across activity groups.

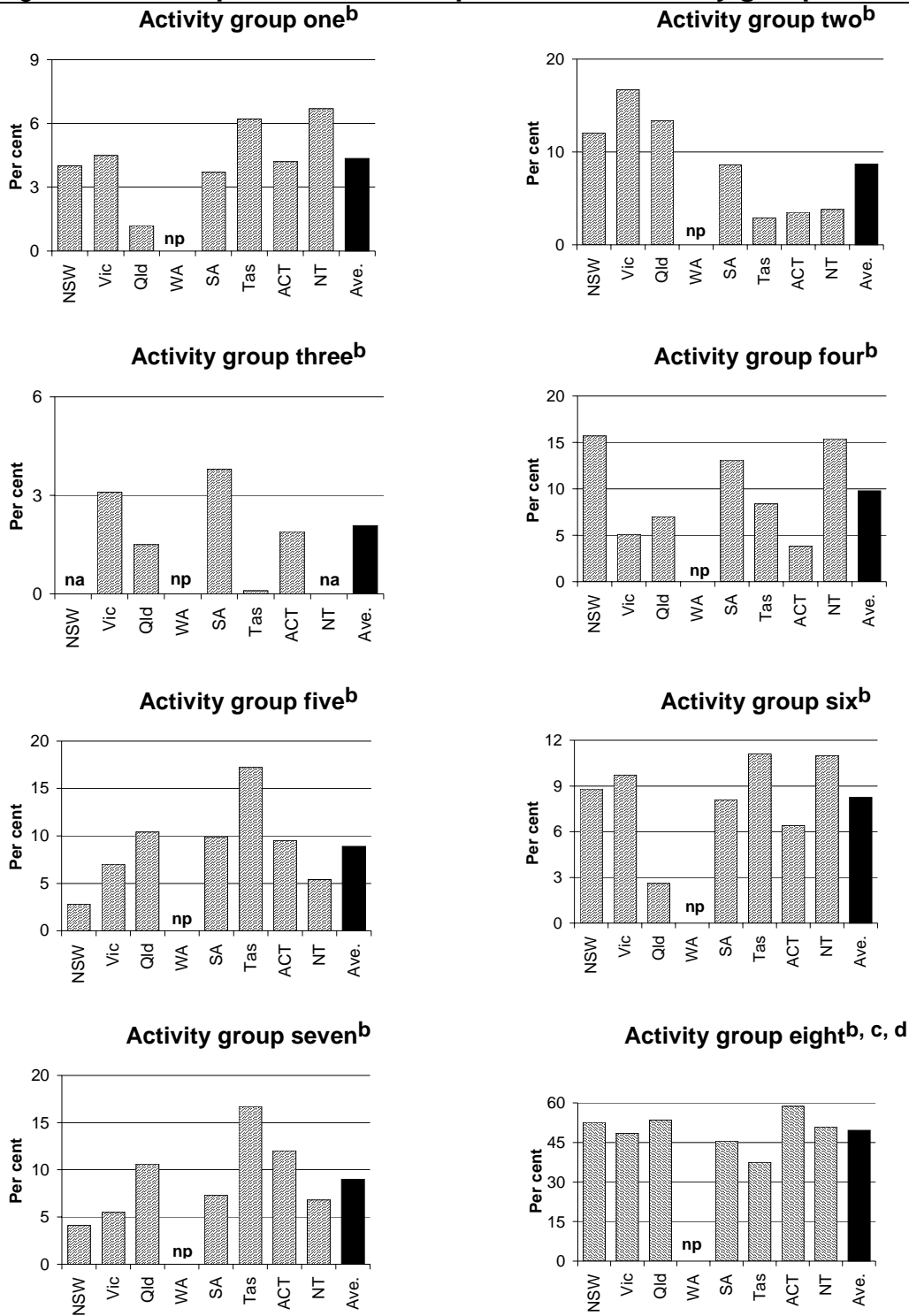
Table 7.1 **Activity group expenditure as a proportion of total expenditure, by jurisdiction (per cent)<sup>a</sup>**

	<i>Activity group</i>										
	<i>A1</i>	<i>A2</i>	<i>A3</i>	<i>A4</i>	<i>A5</i>	<i>A6</i>	<i>A7</i>	<i>A8</i>	<i>A8a</i>	<i>A8b</i>	<i>A8c</i>
NSW	4.0	12.0	–	15.7	2.8	8.8	4.1	52.6	26.5	16.5	9.6
Vic	4.5	16.7	3.1	5.1	7.0	9.7	5.5	48.4	4.2	20.4	23.8
Qld <sup>b</sup>	1.2	13.4	1.5	7.0	10.4	2.6	10.6	53.4	<b>na</b>	<b>na</b>	<b>na</b>
Wa <sup>b, c</sup>	<b>np</b>	<b>np</b>	<b>np</b>	<b>np</b>	<b>np</b>	<b>np</b>	<b>np</b>	<b>np</b>	<b>na</b>	<b>na</b>	<b>na</b>
SA	3.7	8.6	3.8	13.1	9.9	8.1	7.3	45.5	5.8	32.5	7.2
Tas	6.2	2.9	0.1	8.4	17.2	11.1	16.7	37.5	6.5	18.8	12.2
ACT	4.2	3.5	1.9	3.8	9.5	6.4	12.0	58.7	4.8	47.0	6.8
NT <sup>d, e</sup>	6.7	3.8	..	15.4	5.4	11.0	6.8	50.9	..	35.3	15.5

<sup>a</sup> Figures based on 2000-01 data for Victoria, SA, ACT and NT. Figures based on 2001-02 data for NSW, Queensland, WA and Tasmania. <sup>b</sup> These jurisdictions could not provide a breakdown of financial information by type of care. The financial information provided pertains to all three types of care for Queensland and WA. <sup>c</sup> Due to concerns regarding data quality, results for WA have been omitted. <sup>d</sup> The NT does not provide or fund intensive family support services. <sup>e</sup> NT data relate to foster and residential care only. The NT provides kinship care as part of their foster care program. However, unlike some other jurisdictions, the NT does not fund and provide kinship care as a discrete program which can easily be reported on separately. **na** Not available. **..** Not applicable. **np** Not published.

Source: State and Territory Governments (unpublished).

Figure 7.1 Proportion of total expenditure on activity group<sup>a</sup>



<sup>a</sup> Data for Victoria, SA, ACT and NT are for 2000-01. Data for NSW, Queensland, WA and Tasmania are for 2001-02. <sup>b</sup> Due to concerns regarding the quality of data, results for WA have been omitted. <sup>c</sup> Queensland and WA could not provide a breakdown of financial information by type of care. <sup>d</sup> Data for the NT related to foster and residential care only. The NT provides kinship care as part of their foster care program. However, unlike some other jurisdictions, the NT does not fund and provide kinship care as a discrete program which can easily be reported on separately. **na** Not available. **np** Not published.

Source: State and Territory Governments (unpublished).





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## 8 Future directions

The national reporting of protection and support efficiency measures takes place within the context of changing environments, both at jurisdiction and national level. Chapters 6 and 7 described the ability of jurisdictions to provide the financial data and service measures information at the time of completing this project.

Over time, changes will occur that contribute to improved reporting. This is particularly the case for upgrades and enhancements to jurisdiction financial and client information infrastructure. Other changes, however, may create difficulties for national reporting. For example, a jurisdiction may continue to develop some aspect of service delivery that limits comparisons of financial and/or client data across different financial years.

As with all ‘future’ issues, there is no certainty as to the exact changes that will occur (either within jurisdictions or at a national level) and how they might impact on national reporting for protection and support services. What is evident is that changes will occur that impact on information availability and comparability and that the pathways model can be further developed and refined independently of, and in response to, such changes.

Section 8.1 of this chapter identifies on-going reforms and projects as well as anticipated changes that may impact on the availability and accuracy of the data provided by jurisdictions. Section 8.2 discusses a number of specific areas for further development in the implementation of the pathways framework. Section 8.3 describes the scope for aligning national reporting requirements for service measures.

### 8.1 Reforms, projects and anticipated changes

All jurisdictions have projects or reviews underway, or are in the process of implementing changes from recently completed reviews, that will impact on future financial and/or client information collection. These projects or reviews include:

- NSW anticipates a number of major changes to out-of-home care when the provisions of new legislation come into effect. There are a number of on-going projects taking place related to further development of data systems.

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- Victoria is currently reviewing its home-based care program and has recently completed a strategic review of child protection services.
  - Queensland is developing a new set of activities and outputs in accordance with the Australian Institute of Health and Welfare's (AIHW) *National Classification of Community Services*. This is expected to be completed by the end of 2002.
  - In WA, the Department for Community Development is undergoing an organisational change. It is anticipated that as a result of this change there will be major ramifications for the way that services are delivered and measured, and also in the way that financial information is collected and reported. The Department is currently developing new legislation to replace the *Child Welfare Act 1947*, *Welfare and Assistance Act 1961* and *Community Services Act 1972*, which is expected to be passed by Parliament by December 2003. A significant change in the proposed legislation is the range of court orders that may be made by the Children's Court. This would have a significant impact on the Department's current policies and procedures in relation to child protection and out-of-home care.
  - In SA a major independent review of the legislation that governs the provision of protection and support services is currently being conducted. This review is expected to make recommendations that could potentially impact on current service delivery arrangements.
  - There are a number of aspects of service delivery in Tasmania that are currently subject to review. Tasmania, for example, is moving to centralise its intake function. Also, the existing child protection classification structures of 'child family concern' and 'child harm maltreatment' are currently being reviewed, while another project is examining the funding methodology for out-of-home care.
  - The ACT is reviewing a number of aspects of service delivery, including a specific Indigenous Foster Care Review.
  - In the NT, there is an Internal Management Group that is identifying future data collection requirements and developing a strategic plan about the best way to meet these requirements.

## 8.2 Issues for further review and development

It is expected that the detailed approach to costing the pathways will be refined over time. The process of testing the pathways model identified a number of specific issues that could usefully be subject to further review. The specific issues were:

- refining some counting rules;

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- further exploring the extent of recorded information and the limitations of information infrastructure in jurisdictions; and
  - reviewing time allocations used to allocate financial resources to activity groups.

These issues are discussed in turn.

## **Refining counting rules**

Counting rules provide guidance for jurisdictions in the process of reporting financial and service delivery information. It is vital that jurisdictions have a common understanding of the counting rules, as the degree to which data can be compared across jurisdictions is dependant on the consistent implementation of counting rules. This section discusses a number of specific opportunities for further refinement of counting rules.

The AIHW made the general comment that it would be reasonable to expect that, over time, counting rules will be refined and developed to reflect changes in the external environment.

Following the discussion in section 6.2, a specific area where there would be benefit in further immediate attention to the counting rules is for activity group two, initial family support services (see chapter 6). Some Working Group members also expressed a concern about the need for further development of counting rules applying to ‘intensive family support services’.

The counting rules for the service measures for activity groups five and seven involve establishing ‘counting points’ in a service delivery continuum. This approach differs from the service delivery approach where services are determined on a case-by-case basis and thus vary considerably in terms of scope of services provided and the length of time that a client is involved in the service. The service measures establish counting points to capture the number of times the ‘bundle of services’ is provided in a financial year. They are not trying to count the number of distinct clients. The use of ‘substantiations’ and ‘court orders’ as the basis of the service measures for activity group five and seven respectively, are intended to provide a clear guide to jurisdictions reporting data. There was still some concern expressed about the use of ‘services’ based measures rather than ‘client’ based measures. There may be benefits if the Working Group discussed this issue to ensure a common understanding and acceptance of these measures.

For activity group six, one jurisdiction noted that a client can be on multiple orders and that it is possible to apply for, and be granted, multiple orders in one court appearance. In discussion, it was acknowledged that each order requires separate

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reports and applications, hence applying for two orders in one court attendance does require more resources than applying for one order. However, there is substantial variation in the average number of court orders per client across jurisdictions. For example, in 1999-00 the ratio of children admitted to orders to the number of orders issued ranged from a low of 1:1.2 (in NSW, Victoria and Western Australia) to a high of 1:6.0 (in Tasmania) (AIHW, 2001 p. 30). The Working Group could consider this issue further, in any future refinements to this measure.

Another specific area for potential development are the counting rules surrounding the different options for out-of-home services. The trial pathway costs requested information from jurisdictions for kinship, foster and facility/residential care. As evident in chapter 6, not all jurisdictions were able to report at the disaggregated level. A future issue for the Working Group could be to consider adding a 'period of residence' dimension to this activity group; say, respite, medium and long-term care.

## **Information infrastructure**

A number of jurisdictions had difficulty reporting data, due to limitations of information infrastructure. For example, for activity group one, Tasmania's information infrastructure can provide a measure of all telephone contacts made with the Department. This, however, included many contacts that are not related to protection and support services. It was envisaged that the introduction of centralised intake would allow reporting of the service measure for activity group one.

Many jurisdictions indicated that there were likely to be changes to their information systems in future years. Some of the changes identified by jurisdictions in the course of consultation included:

- NSW has recently redeveloped its financial reporting arrangements and work is continuing in a number of areas on further enhancements to information infrastructure.
- Subject to budget, there is a planned upgrade of Tasmania's protection and support information infrastructure.
- The ACT indicated that their client database, the Children and Young Persons System (CHYPS), is subject to ongoing development.
- For the purpose of the project, the NT was unable to extract information on service measures that was not already reported to the AIHW. However, subject to resource availability, the information infrastructure could be further enhanced to extract additional service measures data.

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It seems reasonable to assume that such changes are likely to increase the capacity of jurisdictions to provide data, particularly if that data are required for the purposes of national reporting.

## **Reviewing time allocations**

As resource use can vary across activities over time, it is important that the time allocations that underpin the allocation of some financial information remain relevant. The project method proposes that jurisdictions' time allocations be reviewed in one year's time.

Most jurisdictions indicated that due to the timing of the pilot the resources available for providing the trial data were limited. They felt that greater resources would need to be available to gather information for collecting and refining data if the national reporting method were adopted. The increased resource availability, as well as a number of jurisdiction specific projects, may potentially improve the quality of time allocations. For example:

- NSW has engaged consultants to conduct a survey over three months on time use.
- Queensland is implementing a new activity based costing framework which could have flow-on effects for the time allocation which is implicit in such a framework.
- WA indicated that the time allocation used in the trial pathway costs was based on a dated survey with limitations, for example, not including staff in specialist and central office positions. WA indicated that additional work on time allocation issues would be necessary if information on time allocation were required for the purposes of national reporting.
- ACT is conducting a management review on how time is being allocated across various activities.

For these jurisdictions, there could be a significant impact on the time allocations from the trial pathway costs to an initial pathways approach to national reporting.

## **8.3 Aligning national data collections**

A number of jurisdictions noted that if the Steering Committee for the Review of Commonwealth/State Service Provision endorsed the use of the framework developed in the project, there would be benefit for jurisdictions in aligning the

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AIHW national collection of protection and support services client information with the service measures information required to calculate pathway costs.

The National Child Protection and Support Services, under the auspice of the Community Services Ministers' Advisory Council, has been reviewing the framework used to collect the national child protection data. The aim of this review was to establish the feasibility of updating the national reporting framework so that the national data:

- more accurately reflected the current responses of States/Territories to child protection and child concern reports;
- presented a more comprehensive data set; and
- increased the consistency and comparability of the data reported upon.

A new framework for collecting national data has been agreed to by all jurisdictions. National reporting will be aligned to this framework over the next few years. This will include the development of a national minimum dataset and a data dictionary.

This new framework incorporates much of the client information required for the national pathways. The information required for the national pathways can also inform the development of specific data items for the new child protection national minimum dataset. The AIHW's view is that most of the client information for the national pathways will be collected each year as part of the annual data collection process.

PART E

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# APPENDICES





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# A Project consultation

This appendix identifies details of consultations that took place in the course of the project. It identifies the people in jurisdictions who participated in meetings and teleconferences and provided or reviewed information. It also documents attendance at the project workshop held on 13 August 2002 and a presentation held on 13 November 2002.

## Consultation with jurisdictions

Table A.1 Consultation with jurisdictions

<i>Person</i>	<i>Position</i>
<i>New South Wales</i>	
Toni Milne Project Owner	Executive Director, Corporate Strategy, Department of Community Services
Kate Southam (Working Group Member)	Team Leader Information Management, Corporate Strategy Directorate, Department of Community Services
Robert Oliver (Working Group Member April-July)	Manager Corporate Performance
Stephen Gal (Working Group Member (August– October)	A/Manager Corporate Performance, Department of Community Services
Ian Clarke	Senior Project Officer, Corporate Performance Unit
David Cheney	Consultant, Finance Directorate
Bill Bastock	Finance and Admin. Manager, Finance Directorate
Belinda Holding	Financial Systems Officer, Finance Directorate
Mark Galvin	PriceWaterhouseCoopers
Virginia Connor	Executive Officer
Cora Ingram	Project Manager Child Protection, Child and Family Services Directorate
Marie Wighton	Senior Project Officer, Child and Family Services Directorate
Phil Smith	Principal Policy Officer, Child and Family Services Directorate
Sylvano Lucchetti	Consultant Statistician
Kara Broadbent	Consultant Statistician, Corporate Strategy Directorate

Continued next page.

**Table A.1 (continued)**

	<i>Person</i>	<i>Position</i>
	Amanda Foran Mike Vanderley	Project Manager, Naamora A/Manager Community Services Grants Program, Partnerships and Communities Directorate
<i>Victoria</i>	Alan Hall Project Owner John Prent (Working Group) Gill Callister	Director Research, Budget & Program Support Community Care Division Manager, Research and Web Services Director, Child Protection and Juvenile Justice Branch
	Brenda Whitmore-Seidel Paul Perversi Linda Gerdtz	Manager, Budget and Program Support Manager Information Management and Analysis Manager, Protective Services Strategic Planning, Child Protection
	Janice Roberston	Manager, Service Development Unit, Child Protection
	Joanna Breen Jenny Willox	Acting Child Protection Manager Policy and Program Advisor, Family and Individual Support, Family & Community Support
	Tim Willmot	Manager, Planning and Service Innovation, Family and Community Support
	Paul Mountney Peter Grossman Peter Green Ari Sabapathee	Project Officer, Family and Community Support
<i>Queensland</i>	Andrew Davis Project Owner	Executive Director, Children, Families and Young People Department of Families
	Tracey Smith (Working Group Member) Deb Partridge	Child Protection Branch, Department of Families Director, Information Services Branch, Department of Families
	Linda Clark	Finance and Asset Management Branch, Department of Families
	Ann Miller	Families, Youth and Community Branch, Department of Families
	Claire Tilbury Julie Bray Jane Thorpe Carol Strawbridge Kathy Masters Pam Phillips Claire Gardiner-Barnes	Child Protection Branch, Department of Families Child Protection Branch, Department of Families Child Protection Branch, Department of Families Child Protection Branch, Department of Families Child Protection Branch, Department of Families Child Protection Branch, Department of Families Information Management Unit, Department of Families

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Table A.1 (continued)

<i>Person</i>	<i>Position</i>
Richard Rubendra	Performance Measurement and Analysis Unit, Department of Families
Belinda Hersey	Child Protection Branch, Department of Families
Desley Murphy	Grants Administration Unit, Department of Families
Vicky Mann	Statistical Services Unit, Department of Families
Angelo Vecchio	Statistical Services Unit, Department of Families
Sue Smith	Child Protection Branch, Department of Families
Doylys Hartridge	Statistical Services Unit, Department of Families
Lyn Conway	
Cathy Marksis	
<i>Western Australia</i>	
Paul Birchall Project Owner	A/Executive Director, Industry Design & Service Specification, Department for Community Development
Malcolm Tsang (Working Group Member)	A/Senior Information Officer
Ian Allen	Senior Legal Officer
Alison Braid	Team Leader Narrogin Office
Mark Crake	Principal Service Design Officer
Julie Dixon	Senior Service Design Officer
Maria Djulbic	A/Service Delivery Manager, Rockingham Office
Maurice Hanrahan	Senior Cost Accountant
Dawn Lamperd	Senior Casework Supervisor, Northam Office
Harold Luxton	Senior Service Design Officer
Richard Mathews	A/Director Service Development
Peter McGlynn	Principal Planning and Policy Officer
Andrea Nixon	Service Delivery Manager, Cannington Office
Marilyn Treacey	Senior Service Support Officer
Judy Wilkinson	Manager Legislation Project
<i>South Australia</i>	
Fiona Ward Project Owner	A/Regional Director, Family and Youth Services Department of Human Services
Ros Wilson (Working Group Member)	A/Principal Project Leader
Cathy Heinrich	Manager, Aberfoyle Park District Centre
Julie Glover	Senior Project Officer
Paul Searston	Senior Project Officer
Roger McCarron	Manager, Crisis Response and Child Abuse Service
Georgene Rothney	Senior Practitioner, Riverland District Centre
Catherine Wood	Senior Practitioner, Adelaide District Centre
Anne Nicolaou	Principal Social Worker
Joe Walker	Manager, FAYS Data Systems
Bridgitte Matthews	Manager, FAYS Info Systems
Alexandra Bates	Business Analyst, FAYS

Continued next page.

Table A.1 (continued)

<i>Person</i>	<i>Position</i>
<i>Tasmania</i>	
Vicki Rundle Project Owner	Divisional Director, Child and Families, Department of Health and Human Services
Helen Stone (Working Group Member)	Policy and Project Officer, Children and Families
David Fischmann	A/Manager, Child & Family Services (by teleconference)
Marlene Horne	Senior Practice Consultant, Southern Service Centre
Lillian Haines	Project Manager, Funding of Out of Home Care
Marja Elizabeth	Manager, Child Protection Assessment and Referral Service
Simone Duncombe	Manager Business Operations
Kathy Bergin	Information Systems Officer
Bill Smith	Statewide Manager, Child & Family Services
Scilla Weber	Team Leader, Child & Family Services Support Unit
Sally Christensen	Budget Analyst
Lee-Ann Russell	Acting Manger, Business Operations
<i>Australian Capital Territory</i>	
Barbara Baikie Project Owner	Director, Family Services, Department of Education and Community Services
Lisa Gooley (Working Group Member)	Family Services, Department of Education and Community Services
Jenny Reynolds	Family Services, Department of Education and Community Services
<i>Northern Territory</i>	
Gary Sherman Project Owner (Working Group Member)	Senior Policy Officer, Family & Children's Services Branch, Department of Health & Community Services
Kathryn White	Budget Management Coordinator, FACS (Financial)
Bronwyn Thompson	Senior Policy Officer, FACS (Policy Overview)
Sue Keys	Project Officer, FACS (Policy Overview)
Peter Kerr	Manager, Community Care Information System (Client Information System Overview)
Carol Sa Pereira	Community Welfare Worker, FACS
Annie Zon	Provider Support Co-ordinator, FACS
Miang Que-Noy	Family Support Team Leader, FACS
Jenny Scott	Director, Community Services, Service Development Division (Financial & Service Development)
Anthony Burton	Director, FACS (Policy Overview)

Continued next page.

Table A.1 (continued)

<i>Person</i>	<i>Position</i>
<i>Australian Institute of Health and Welfare</i>	
Helen Moyle	Children, Youth and Families Unit
Helen Johnstone	Children, Youth and Families Unit
Suzie Kelly	Children, Youth and Families Unit

## Workshop attendees

The following table provides a list of attendees and apologies to the Pathways Workshop held in Melbourne on 13 August, 2002.

Table A.2 Workshop attendees

<i>Jurisdiction</i>	<i>Individual</i>
Protection and Support Working Group Convenor	Petrice Judge (Convenor) (WG) Director, Federal Affairs, Department of the Premier and Cabinet
New South Wales	Kate Southam (WG) Information and Research Unit, Department of Community Services Steven Gal, A/Manager Corporate Performance Department of Community Services Cora Ingram, Project Manager Child Protection, Child Family Services, Department of Community Services
Victoria	John Prent (WG), Manager, Research and Web Services, Department of Human Services Brenda Whitmore-Seidel, Manager Budget and Program Support Linda Gerdtz, Manager Protective Services Strategic Planning, Child Protection
Queensland	Deb Partridge, Director Information Services Branch, Department of Families
Western Australia	Malcolm Tsang (WG), A/Senior Information Officer
South Australia	Ros Wilson (WG) Department of Human Services – Family and Youth Services Fiona Ward, A/Regional Director Family and Youth Services, Department of Human Services
Tasmania	Helen Stone (WG), Policy and Project Officer Children and Families Scilla Weber, Team Leader Child & Family Services Support Unit Danny Ransley, Policy Officer Child and Family Services Support Unit
Australian Capital Territory	Lisa Gooley (WG) Family Services, Department of Education and Community Services

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**Table A.2 (continued)**

<i>Jurisdiction</i>	<i>Individual</i>
AIHW	Jenny Reynolds Family Services, Department of Education and Community Services
	Helen Moyle (WG) Children, Youth and Families Unit
	Susie Kelly Children, Youth and Families Unit
	Danny Forwood
Secretariat (Productivity Commission)	John Noronha
The Allen Consulting Group	Mary Ann O'Loughlin
	Kathleen Forrester
	Leonie Bensted
	Dr Jerome Fahrer (pm) Geoff Jones (pm)
<i>Apologies:</i>	
Queensland	Tracey Smith (WG) Child Protection Branch, Department of Families
Northern Territory	Gary Sherman (WG), Senior Policy Officer Territory Health Services
AIHW	Helen Johnstone (WG) Children, Youth and Families Unit

WG Protection and Support Services working group member.

## Presentation attendees

The following table provides a list of attendees at the pathways presentation held in Melbourne on 13 November, 2002.

**Table A.3 Presentation attendees**

<i>Jurisdiction</i>	<i>Individual</i>
Protection and Support Working Group Convenor	Petrice Judge (Convenor) (WG) Director, Federal Affairs, Department of the Premier and Cabinet
New South Wales	Kate Southam (WG) Information and Research Unit, Department of Community Services
Victoria	John Prent (WG), Manager, Research and Web Services, Department of Human Services
Queensland	Tracey Smith Child Protection Branch, Department of Families Donnalee Moriaty

Continued next page.

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**Table A.3 (continued)**

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<i>Jurisdiction</i>	<i>Individual</i>
South Australia	Ros Wilson (WG) Department of Human Services – Family and Youth Services
Tasmania	Helen Stone (WG), Policy and Project Officer Children and Families
Australian Capital Territory	Lisa Gooley (WG) Family Services, Department of Education and Community Services
AIHW	Helen Johnstone (WG) Children, Youth and Families Unit Susie Kelly Children, Youth and Families Unit
Secretariat (Productivity Commission)	Danny Forwood John Noronha
The Allen Consulting Group	Kathleen Forrester Joe Sunderland Leonie Bensted

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## B Reporting scope and the process to gather information

This appendix describes the process of collecting the information needed to apply the national reporting method described in chapter 5. The appendix provides the counting rules used to determine the scope of reporting in section B.1, and describes the approach to collect financial information in section B.2 and service measures information in section B.3.

### B.1 Scope of reporting

#### Child protection

Child protection services are provided to protect children and young people at risk of harm within their families or in circumstances in which their families do not have the capacity to protect them. Child protection activities undertaken by government which fall within the scope of this project include:

- receiving and responding to allegations of child abuse and neglect, including investigation and assessment where appropriate;
- initiating formal statutory intervention, including applying to the court for protective orders, to secure the safety of children or young people;
- ensuring the ongoing safety of children by working with families to resolve protective concerns;
- working with families to reunite children — removed for safety reasons — with their parents as soon as possible; and
- securing permanent alternative care when it is determined that a child is unable to be returned to the care of their parents.

Child protection activities undertaken by government which do not fall within the scope of child protection information reported in this project include:

- services which fall within the scope of supported placement services; and

- 
- services that are not limited to children in need of protection (that is those available to a wider section of the population).

## **Out-of-home care**

Supported placement services provide care for children and young people aged 17 years and under who are placed away from their parents or family home for reasons of safety or family crisis. These reasons include abuse or neglect, illness of parents or the inability of parents to provide adequate care. The placements may be voluntary or in conjunction with care and protection orders.

Supported placements can occur in either family based care (such as foster care, care with the child's extended family, and other home based arrangements) or facility based care (such as family group homes).

State or Territory Government departments fund supported placements, which may be provided by the government or by the non-government sector. The non-government sector plays a significant role in providing services in all States and Territories.

Supported placement services funded by government which fall with the scope of this project include:

- facility based care — where placement is in a residential building whose purpose is to provide placements for children and where there are paid staff, including placements in 'family group home';
- home based care — where placement is in the home of a carer who is reimbursed for expenses for the care of the child, including:
  - placements with relatives/kin (family members other than parents) or a person well known to the child and/or family (based on a pre-existing relationship) who is reimbursed by the State/Territory for the care of the child;
  - placements in foster care/community care-where the care is authorised and reimbursed by the State/Territory and supported by an approved agency; and
  - placements in other-home based care.
- independent living — including private board; and
- other supported placement services — including placements that do not fit into the above categories and unknown living arrangements.

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Supported placement services funded by government which do not fall within the scope of out-of-home care information reported in this project include:

- placements made in disability services, psychiatric services and juvenile justice facilities, or in overnight child care services;
- overseas adoption services;
- children in SAAP placement;
- services which fall within the scope of child protection services;
- services which fall within the scope of family preservation services; and
- services that are not limited to children in need of protection (that is, those available to a wider section of the population).

### **Family support services**

There is considerable difference in the formality and structure with which ‘support’ services (as opposed to strictly child protection services) are utilised as part of addressing a child protection concern or attempting to minimise the likelihood of a child protection issue arising. At the same time, there is considerable similarity across jurisdictions in their use of family support services in conjunction with protection services.

Although family support services are increasingly important, their inclusion in the agreed national pathways presents two challenges. The first is being able to clearly identify the group of family support services or activities that are appropriate for inclusion in the project. Family support services range from universal services accessed by the entire community (for example maternal and child health services) to highly specific services that can only be accessed by a referral from child protection services. Within the child protection context, family support services:

- range from provision of advice or information in the course of one phone call to intensive family preservation services;
- vary in terms of their intensity, when they are delivered and the frequency of non-government organisation involvement in service delivery; and
- can be provided as part of child protection case work or as a separate family support service.

The second challenge is being able to establish an accurate cost for activities.

This issue is of significant policy interest to jurisdictions as it is recognised that the ‘hard end’ of the statutory child protection pathway involving court orders and out-

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of-home care is costly. What is not known is the magnitude of cost difference between a pathway with early intervention using family support services and a pathway that requires the ‘hard end’ statutory services.

The endorsed national pathways include two groups for family support services:

- activity group two — provision of initial family support services; and
- activity group three — provision of intensive family support services.

The detailed description of these activity groups is in chapter four.

As part of stage one of the project, each jurisdiction provided examples of the range of family support services provided in accordance with the Australian Institute of Health and Welfare (AIHW) definitions of universal, secondary and tertiary family support services (AIHW 2001, p. 6):

- universal services — services directed to the whole target population. There is no expectation that users of services have specific issues, problems or concerns;
- secondary services — services are directed to people who do have a particular issue, problem or concern and who need assistance to help them manage or resolve this. People may seek out the service or be referred to the service; and
- tertiary services — services where the issue, problem or concern is one which requires intensive and often on going intervention. People may seek out the service, be referred to the service or be subject to statutory intervention.

The approach to setting the scope of family support services was established having regard to one of the purposes of the project — the identification of the costs of alternative or ‘diversionary’ pathways to child protection. Therefore, in considering which services to include, it was concluded that the project should encompass services that provide a different approach to child protection when responding to concerns about families and children.

Family support services that fall within the scope of this project include:

- family support services funded by the State or Territory government, provided by government or non-government organisations;
- examples of included services are parenting services targeted at vulnerable and at risk families, mental health services focussed exclusively on child protection clients, family violence services, sexual assault services, family support counselling services;
- intensive family preservation services (as defined by the AIHW as ‘intensive family support services’ — see chapter 4); and

- 
- other intensive family support services such as those where a jurisdiction has a specific family support pathway. Stage one of the project explicitly identified family support pathways in a number of jurisdictions.

The services must be provided as a series of counselling/support sessions.

Family support services that do not fall within the scope of this project include:

- services not funded by the State or Territory government, for example, services funded by Commonwealth Government and local government;
- universal services, for example, services such as maternal and child health, children's services, general (untargeted) parenting services and youth services;
- secondary services that are not focussed on providing an alternative or prior service to child protection, for example, disability services, mental health services, problem gambling counselling, financial counselling, early childhood services, child care, specialist children's services, telephone counselling, school focussed youth services, neighbourhood houses;
- other tertiary services such as juvenile justice; and
- family support services delivered by phone only, and in one-off-counselling/support sessions.

## **B.2 Financial information**

### **Cost identification**

The estimate of total expenditure by each jurisdiction on protection and support activities was measured using a top down approach. The top down approach starts by identifying total expenditure by the jurisdiction on the delivery of all protection and support services. The total expenditure figure is the amount that is allocated across all protection and support activity groups and pathways. Internal financial systems were important sources of information in identifying the total expenditure by jurisdictions and hence in applying the top down approach.

For each service type (child protection, out-of-home care and family support services) jurisdictions disaggregated total expenditure into relevant individual cost drivers/inputs (for example, salaries and related on-costs, office expenses and payments to third parties) in accordance with a survey spreadsheet (figure B.1).

Figure B.1 Cost identification, step 1 in survey spreadsheet

Protection and Support Services Pathways Project		
(WHITE CELLS to be filled in by departmental finance staff representatives)		
Identify resources used to deliver all protection & support services and disaggregate these by cost driver input.		
Total recurrent expenditure 2000-01, by cost driver input		
	Unit	Total expenditure (2000-01)
<b>Child protection</b>		
S111 Salaries and related on-costs	\$'000	→ 0
S111a - level 1	\$'000	
S111b - level 2	\$'000	
S111c - level 3	\$'000	
S111d - level 4	\$'000	
S111e - level 5	\$'000	
S112 Non-salary expenses	\$'000	→ 0
S112a - motor vehicle expenses	\$'000	
S112b - office expenses (inc. rent, accom, IT, etc.)	\$'000	
S112c - payments to third parties	\$'000	
S112d - legal costs for outsourced services	\$'000	
S112e - other	\$'000	
S113 Expenditure by umbrella or other dept.	\$'000	
<b>S11 CHILD PROTECTION TOTAL</b>	<b>\$'000</b>	<b>→ 0</b>
<b>Out-of-home care</b>		
S121 Salaries and related on-costs	\$'000	→ 0
S121a - level 1	\$'000	
S121b - level 2	\$'000	
S121c - level 3	\$'000	
S121d - level 4	\$'000	
S121e - level 5	\$'000	
S122 Payments to NGO service providers	\$'000	
S123 Non-salary expenses	\$'000	→ 0
S123a - motor vehicle expenses	\$'000	

Source: ACG 2002f.

## Cost categorisation

The second step in the financial information collection process is to categorise the full range of costs identified above as either direct or indirect (see definitions below) and also to allocate direct costs to the appropriate activity groups. This was done in accordance with a survey spreadsheet (figure B.2).

Figure B.2 Cost categorisation, step 2 in survey spreadsheet

**Protection and Support Services Pathways Project**  
 (WHITE CELLS to be filled in by departmental finance staff representatives)  
 Categorise costs as direct (by activity group) or indirect (operational or non-operational)

Total recurrent expenditure 2000-01, by cost driver/input

Unit	Direct							
	A1	A2	A3	A4	A5	A6	A7	A8
<b>Child protection</b>								
S111 Salaries and related on-costs	\$'000	..	..				..	..
S111a - level 1	\$'000	..	..				..	..
S111b - level 2	\$'000	..	..				..	..
S111c - level 3	\$'000	..	..				..	..
S111d - level 4	\$'000	..	..				..	..
S111e - level 5	\$'000	..	..				..	..
S112 Non-salary expenses	\$'000	..	..				..	..
S112a - motor vehicle expenses	\$'000	..	..				..	..
S112b - office expenses (inc. rent, accom, IT, etc.)	\$'000	..	..				..	..
S112c - payments to third parties	\$'000	..	..				..	..
S112d - legal costs for outsourced services	\$'000	..	..				..	..
S112e - other	\$'000	..	..				..	..
S113 Expenditure by umbrella or other dept.	\$'000	..	..				..	..
<b>S11 CHILD PROTECTION TOTAL</b>	<b>\$'000</b>	..	..				..	..
<b>Out-of-home care</b>								
S121 Salaries and related on-costs	\$'000	..	..	..	..	..	..	..
S122 Payments to NGO service providers	\$'000	..	..	..	..	..	..	..
S121a - level 1	\$'000	..	..	..	..	..	..	..
S121b - level 2	\$'000	..	..	..	..	..	..	..
S121c - level 3	\$'000	..	..	..	..	..	..	..
S121d - level 4	\$'000	..	..	..	..	..	..	..
S121e - level 5	\$'000	..	..	..	..	..	..	..
S123 Non-salary expenses	\$'000	..	..	..	..	..	..	..
S123a - motor vehicle expenses	\$'000	..	..	..	..	..	..	..

Step 1 - cost identification | **Step 2 - cost categorisation** | Step 3 - cost allocation | Completed dataset

Source: ACG 2002f.

The categorisation of direct and indirect costs — and the allocation of direct costs to activity groups — involved a three-stage process:

- stage 1 — break down all of the costs identified in the cost identification step into indirect costs and direct costs. Direct costs are costs that can be attributed directly and unequivocally to a specific activity group or groups. For example, the salary and on-costs of a person working exclusively on intake would be a direct cost to activity group one, while the salary and on-costs of a person working exclusively on court issues would be a direct cost to activity group six. The remaining costs are indirect;
- stage 2 — allocate direct costs to the activity groups for which they can be directly and unequivocally attributed/traced; and
- stage 3 — distinguish between operational and non-operational indirect costs:
  - operational tasks involve direct service delivery to clients; and
  - non-operational tasks are essential to deliver services but not necessarily evident to the client.

## Cost allocation

The final step is to link indirect costs to activities in a way that reflects the intensity of resource use. This was done in accordance with a survey spreadsheet (figure B.3).

Figure B.3 Cost allocation, step 3 in survey spreadsheet

**Protection and Support Services Pathways Project**  
 (WHITE CELLS to be filled in by departmental policy staff representatives)  
 Allocate indirect operational costs to activity groups

Total recurrent expenditure 2000-01, by cost driver/input

		Indirect - operational							
Unit		A1	A2	A3	A4	A5	A6	A7	A8
<b>Child protection</b>									
S111	Salaries and related on-costs	%	..	..	..	..	..	..	..
S111a	- level 1	%	..	..	..	..	..	..	..
S111b	- level 2	%	..	..	..	..	..	..	..
S111c	- level 3	%	..	..	..	..	..	..	..
S111d	- level 4	%	..	..	..	..	..	..	..
S111e	- level 5	%	..	..	..	..	..	..	..
S112	Non-salary expenses	%	..	..	..	..	..	..	..
S112a	- motor vehicle expenses	%	..	..	..	..	..	..	..
S112b	- office expenses (inc. rent, accom, IT, etc.)	%	..	..	..	..	..	..	..
S112c	- payments to third parties	%	..	..	..	..	..	..	..
S112d	- legal costs for outsourced services	%	..	..	..	..	..	..	..
S112e	- other	%	..	..	..	..	..	..	..
S113	Expenditure by umbrella or other dept.	%	..	..	..	..	..	..	..
S11	<b>CHILD PROTECTION TOTAL</b>	%	..	..	..	..	..	..	..
<b>Out-of-home care</b>									
S121	Salaries and related on-costs	%	..	..	..	..	..	..	..
S121a	- level 1	%	..	..	..	..	..	..	..
S121b	- level 2	%	..	..	..	..	..	..	..
S121c	- level 3	%	..	..	..	..	..	..	..
S121d	- level 4	%	..	..	..	..	..	..	..
S121e	- level 5	%	..	..	..	..	..	..	..
S122	Payments to NGO service providers	%	..	..	..	..	..	..	..
S123	Non-salary expenses	%	..	..	..	..	..	..	..
S123a	- motor vehicle expenses	%	..	..	..	..	..	..	..

Step 1 - cost identification    Step 2 - cost categorisation    **Step 3 - cost allocation**    Completed dataset

Source: ACG 2002f.

For all indirect costs (operational only), the people with relevant practitioner experience within each jurisdiction estimate what proportion of each indirect (operational) cost driver/input was attributable to different tasks, activities and activity groups over the relevant financial year.

Labour costs were considered to be the key driver of the majority of activity costs (provision of out-of-home care was the exception). Therefore, non-traceable indirect costs were allocated to activity groups in the same proportion as total labour cost allocation to activity groups.



## B.3 Service delivery information

As with the financial information collection, a Microsoft Excel workbook was provided to jurisdictions to collect the required data (figure B.4). Each jurisdiction nominated the financial year data it provided (either 2000-01 or 2001-02).

Figure B.4 Survey delivery information, service measures survey spreadsheet

The screenshot shows an Excel spreadsheet with the following content:

**Protection and Support Services Pathways Project**  
**SERVICE DELIVERY MEASURES**

**PLEASE INDICATE DATA PERIOD**  
 2000-01   
 2001-02\*   
 \* Note if using 2001-02 data, please provide AIHW data for 2001-02 ( in the pink cells)

**ACTIVITY GROUP 1**  
 1A Number of child protection concerns  **Footnote**  
 plus 1B Number of family support concerns  **Footnote**  
 minus 1C Number of other issues  **Footnote**  
 = 1D NUMBER OF REPORTS OF CONCERNS  **Footnote**

**ACTIVITY GROUP 2**  
 2A Number of initial family support services/clients  **Footnote**  
 minus 2B Number of phone information and one-off counselling/support services/clients  **Footnote**  
 minus 2C Number of services to individuals (not families)  **Footnote**  
 = 2D NUMBER OF INITIAL FAMILY SUPPORT SERVICES CLIENTS  **Footnote**

**ACTIVITY GROUP 3**  
 3A Number of intensive family support services/clients  **Footnote**  
 plus 3B Number of specific family support services/clients  **Footnote**  
 = 3C NUMBER OF INTENSIVE FAMILY SUPPORT SERVICES CLIENTS  **Footnote**

**ACTIVITY GROUP 4**  
 4A Number of secondary assessments/investigations (AIHW)  **Footnote**  
 plus 4B Number of additional equivalent activities  **Footnote**  
 = 4C NUMBER OF SECONDARY ASSESSMENTS  **Footnote**

The spreadsheet also shows a navigation bar at the bottom with tabs for 'Start here', 'Respondent information', 'Service Delivery Measures', and 'Footnotes'. The 'Service Delivery Measures' tab is currently selected.

Source: ACG 2002fg

The Allen Consulting Group sought the assistance of the AIHW in using data that jurisdictions have provided to AIHW. Where gaps exist between the agreed measures and data currently collected (for example, for family support services), requests for client information were made directly to jurisdictions. The potential for aligning the information required to calculate the pathway costs and the AIHW annual child protection data collection is discussed in chapter 8.



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