

29 January 2014

The Hon Kevin Andrews MP  
Minister for Social Services  
Parliament House ACT 2600

Dear Minister Andrews,

FRSA provides the following information for your consideration as you engage in the 2014-15 Federal Budget process. We acknowledge that the Federal Government faces a tight fiscal environment. However, FRSA recommends that funding for services under the Family Support Program (FSP) be maintained at current levels in real terms. Investing in these services that contribute further to the well-being of Australian families will create real economic savings down the track. Moreover, non-government service providers leverage Federal Government funding to secure donations, client contributions and volunteer support that substantially increases the outputs possible for the investment made. It makes economic sense to maintain investment in the Family Support Program at or above current levels.

The key issues outlined in this submission, a number of which you covered in your address to the FRSA National Conference 2013, are:

1. Funding to reflect the social and economic benefits of family support services;
2. Balancing universal and targeted services;
3. Red tape reduction; and
4. Data collection reform, evidence-informed programs, and support for innovation and collaboration.

### **Funding to reflect the social and economic benefits of family support services**

In your Conference address you acknowledged that *“Intervening early and helping to prevent people from going down paths that lead to poverty and dysfunction should be the foundation of social policy”*.

In their recent book *Inclusive Growth in Australia: Social Policy as Economic Investment*, editors Paul Smyth and John Buchanan challenge assumptions that social policy is a wasteful source of dependency, or somehow ‘delinked’ from the economy. They argue that social welfare is a vital part of a strong economy and, in Australia, growth must be managed so that it is employment-centred, broad based across sectors and with a social security system that promotes sustainability and equal

opportunity. Given that issues affecting communities, families and children are fundamental to the kind of societies in which we live, the delivery of family support services is clearly compatible with an economic growth strategy. Embedded in local communities, family support service providers have a unique capacity to intervene early in order to achieve positive social change, and avoid later negative outcomes and associated higher costs. The money saved can then be reinvested for greater returns.

According to Access Economics, the value of benefits from intervening in childhood and early adolescence in Australia is estimated to be in the order of \$5.4 billion per annum in 2010 dollars.<sup>1</sup> This can be considered the current cost of negative family functioning, or the value of possible gains in terms of positive family functioning. Family support services are a crucial part of this system of intervention, contributing to a socially inclusive society now and for the future as children and young people are assisted to meet their developmental milestones. For example, Australian research has found that negative parenting practices are the single strongest variable risk factor associated with mental health problems in early childhood.<sup>2</sup> Thus early intervention initiatives that focus on parenting practices – which is a major component of family support service provision – can prove a crucial and cost-effective way to manage the burden of mental health problems in children and adults.

A 2012 report prepared for FRSA by the Australian Institute of Family Studies (AIFS), *The Social and Economic Benefit of Family & Relationship Services*, found a wealth of evidence that supports a 'pathways' approach from successfully addressing individual/family needs or problems to broader, long-term social and economic benefits. The authors argued it is therefore logical to assume that individuals and families who are attending family and relationship services are receiving help that will enable outcomes that promote broader social and economic benefits.<sup>3</sup>

FRSA has recently released and provided to you a report entitled ['Value for Everyone: Understanding the Social and Economic Benefits of Family Support Services'](#). It draws on Australian and international evidence to demonstrate that supporting families contributes to both a socially just, inclusive society, and a productive economy. The report was launched by Dr John Hewson at the recent FRSA National Conference 2013, and has been endorsed by Professor Peter Shergold, Chancellor of the University of Western Sydney; Dr Deborah Daro of the Chapin Hall Centre for Children in Chicago; and Rosemary Addis of the International Social Investment Taskforce and the International Policy Collaborative. It articulates the significant and well-documented benefits provided by family and relationship services to the Australian community. In assisting people to manage life changes and challenges, these

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<sup>1</sup> Department of Families, Housing, Community Services and Indigenous Affairs (2010) *Positive Family Functioning: Final report by Access Economics Pty Ltd*. Canberra, Commonwealth of Australia, p.i.

<sup>2</sup> Gold, L. et al (2012) 'Preventing mental health problems in children: the *Families in Mind* population-based cluster randomised control trial' *Violence Against Women* 17:3, p.395.

<sup>3</sup> Rush, P. et al (2012) *The Social and Economic Benefits of Family and Relationship Services: A review of current evidence*, Melbourne, Australian Institute of Family Studies, p.4.

services equip families to have strong, healthy relationships, where children's interests are upheld and both adults and children contribute meaningfully to the community.

FRSA also calls on the Federal Government to develop a fair and transparent mechanism for adjusting funding to keep pace with cost increases annually and provide certainty into the future. Successive Federal Governments have not applied a consistent or adequate approach to ensuring that funding disbursed through the Family Support Program keeps pace with the increasing cost of service delivery. This means that each year community organisations face a shortfall in the amount of funding received to deliver the essential services they operate. This is effectively an annual funding cut that leaves community organisations in the difficult position of having to either cut back service delivery or further supplement government funding with income from other sources originally targeted to other needs to cover the shortfall. Over time this can become unsustainable and put both the services and the organisation at risk. The sector is keen to work constructively with the Federal Government to develop a fair and transparent approach to indexation. Additionally, community organisations are reliant upon the ongoing supplementation of contracts to fund the Equal Remuneration Order (ERO) for the SCHADS award increases of staff operating these essential services.

It makes social and economic sense for the Government to commit to future increases in funding of family support services. Moreover, longer term funding contracts would allow greater stability and sustainability of service provision. Indeed the Business Council of Australia has stated that national growth will require policies that lift the living standards of all Australians. We know that the risk factors associated with family breakdown and negative parenting practices are significant, and children affected by parental separation have an increased risk of disadvantage. These issues occur at substantial cost to Australian governments. Thus even during times of fiscal constraint (arguably, especially during these times) it is critical to view the provision of family support services through the lens of a 'social investment state'.

### **Balancing of universal and targeted services**

FRSA fully supports your stated position that successful families and communities are only achievable *"if the right building blocks are in place"*.

Appropriate building blocks involves ensuring a balance of service types to meet the needs of all Australian families who are equally vulnerable to disadvantage during significant life stages and/or transitions. In a tight fiscal environment, an increase in targeted, place-based services should not come at the expense of universal programs. While FRSA supports a focus on vulnerability and disadvantage at a general level, we also need to ensure resources remain available for prevention and early intervention services. Indeed, a balance between these important service types can assist

people to avoid crisis while also working with those in crisis. We wish to avoid a scenario where people find it difficult to access help unless or until their 'disadvantage' increases.

### **Red tape reduction**

You noted in your Conference address an intention to “*see the sector freed from the weight of the resource-intensive and often counter-productive constraints of onerous reporting obligations*”.

FRSA appreciates the Federal Government's commitment to reduce red tape, including the implementation of one contract per agency with longer terms to improve efficiency and certainty. We support the simplification of reporting mechanisms including the 'report once – use often' concept. Service providers are committed to ensuring useful information on client outcomes is available to accurately measure the value of the program and see this as an important use of resources. We ask that the Family Support Program continues to be analysed for opportunities to achieve the reduction of red tape.

For the Family and Relationship Services sector, engaging in Government procurement processes can be unnecessarily repetitive. The cost and effort required for tender preparation can be particularly problematic for small agencies with limited resources, and can ultimately privilege large and better resourced providers who may not necessarily be best placed to deliver services. Competitive tendering processes are also time-consuming for Government departments. FRSA appreciates your support for an ongoing funding process based on mature relationships between Government and providers that can ultimately reduce transaction costs over time. We also believe that efficiency and savings can be achieved through long-term goal alignment. We acknowledge the need for accountability when managing publicly funded programs. Therefore, the sector would be eager to work with you and your Department towards the achievement of a more streamlined system which would reduce administrative demands and allow more funding to be directed to program outcomes.

### **Data collection reform, evidence-informed programs, and support for innovation and collaboration**

Your Conference address also highlighted the need for the “*insight of local communities if we are going to create innovative, flexible and responsive programs that work*”.

FRSA advocates a coordinated, strategic program of evidence gathering, including numerical data collection and analysis and qualitative evaluation. We acknowledge your stance on discontinuing the FSP Data System and appreciate recent consultation on data collection reform, the revision and simplification of the outcomes framework and performance evaluation methodology. As mentioned above, we support the provision of resources to ensure consistent, rigorous evidence is available to articulate the value of the Family Support Program.

FRSA advocates a move towards outcomes based reporting. We received a very positive response to a workshop on evaluation delivered at our recent Conference, demonstrating our members' strong interest in being resourced and supported to engage in more effective evaluation integrated with service delivery. The FRSA Board has charged the FRSA Research Action Committee with a stronger focus on program evaluation. Members of the Board and of this Committee would be eager to meet with you and your Department to discuss ways in which agencies can be directly supported and resourced to implement outcomes based reporting. If there is no additional agency level funding for evaluation, the Government could fund a collective strategy, coordinated by FRSA, to promote sharing of evaluation tools and expertise.

In a complex system, there is no one common approach to measuring the achievement of specific outcomes of individual organisations focused on child and youth (or family) wellbeing. This presents a barrier to demonstrating the aggregated contribution of the community sector to societal impact. This is partly because of the fragmentation of the system which hinders, rather than facilitates, the aggregation of individual results, and in turn, makes it impossible to understand and communicate the impact of the sector's work as a whole.

FRSA is a member of the Community Organisations Measuring Outcomes (COMO) Alliance which has been working to achieve a solution to this problem. This involves the development of an overarching shared measurement framework that aligns program and organisational level outcomes with population level outcomes to demonstrate collective impact. A common approach to outcomes measurement across the program will support the building of an evidence base of 'what works and why' across interventions. The efforts of many need to be captured through an overarching framework that depicts how the lives of children, youth and families in Australia are changing.

The COMO Alliance approach to outcomes measurement goes beyond improved practices within individual organisations and programs. COMO supports the use of an overarching outcomes framework by governments and philanthropy; reducing red tape by focusing more on outcomes in program and funding reporting; and contributing to building the evidence map to demonstrate how programs and interventions achieve outcomes.

FRSA members also appreciate your interest in, and commitment to, innovation and flexibility. We support the notion of flexible contracts that reward evidence-informed practice in new and emerging areas of need. Providers are eager to trial and evaluate new approaches to service delivery in order to scale up responses that clearly achieve desired outcomes for children, families and communities.

In summary, as you are aware, family and relationship support services have been subject to regular review and evaluation over the past 40 years and have consistently demonstrated that they are

effective, efficient and widely supported by the community. The benefits to individuals, families and the broader community include improved relationships, cooperation between parents, reductions in stress, increased parental competency and confidence as well as appropriate help seeking. Early intervention can have a significant preventative impact on parental separation, parental conflict, family functioning, mental health and wellbeing as well as reducing the risk of child abuse or neglect. There are significant savings to be made from investing adequately in these services.

Thank you for the opportunity to make this submission. We would welcome the opportunity to discuss the contents of the submission with you further.

Yours sincerely



Steve Hackett  
Executive Director