

OOHC Reform

Stage 1: Evidence & Validation

October 2015



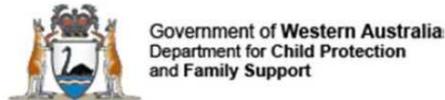
Government of Western Australia
Department for Child Protection
and Family Support

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1. Background

The need for reform



DESIGNING A BETTER **OUT-OF-HOME CARE** SYSTEM FOR WESTERN AUSTRALIAN CHILDREN

Strategic Directions	Strategies
An out-of-home care system that is driven by the needs of the child	A new care model will be introduced that increases the focus on resourcing care arrangements to meet the specific needs of children. A child assessment and matching process will assess the needs of every child, leading to a care arrangement that is better matched to those needs.
An out-of-home care system that values and promotes stability and certainty for children	There will be an increased emphasis on early permanent decision-making for children. Family Support Networks, Enhanced Contact Centres, a new Departmental reunification model, and a review of funded family support services will strengthen prevention and reunification. The new care model will be structured to reinforce stability, certainty and permanency for children in permanent out-of-home care.
A responsive and sustainable out-of-home care system with capacity	The community services sector, including a sustainable growth in Aboriginal community controlled organisation capacity, will transition to become the predominant provider of non-relative care. This growth will be sustained through reviewed funding levels and processes, and ordered through a state-wide area-based funding model. The Department's provision of out-of-home care will become predominantly relative care and residential care, with resources, structures and processes re-aligned to better support and sustain these care arrangements.
An out-of-home care sector that is accountable	The Department will further enhance its role in coordinating the out-of-home care system by strengthening its standards accountability and regulatory frameworks. Accountability and responsiveness to outcomes for children will also be improved by the development of an Outcomes Framework for Children in Out-of-Home Care, which will build on the across-government Rapid Response Strategy.
An out-of-home care sector that is consistent	There will be an increased focus on ensuring greater consistency across the out-of-home care system, enabling Western Australian children in out-of-home care, irrespective of their location, care arrangement or agency provider, to live in a consistently high quality care arrangement that enhances their life opportunities.

- The overarching reform objective is to further focus the system to support children and young people in care to experience improved life outcomes.
- The key drivers for the current reform include:
 - Rising numbers of Aboriginal children in care;
 - Increasing complexity of children in relative care;
 - A lack of capacity in the system;
 - Inconsistency in measuring outcomes; and
 - Unsustainable funding arrangements with the community services sector.
- A better understanding of the full spectrum of needs of children and young people in care is needed, together with the development of an evidence base for funding these levels of care, particularly in relation to children and young people with complex/higher care needs:
 - Of the ~4,500 children currently in care in WA, almost 1000 children and young people are currently identified as having complex/higher care needs, and are receiving additional financial support from the Department;
 - Approximately 52% of children are Aboriginal;
 - 60% are under the age of 10;
 - The rate of children entering care remains steady at 6%; the number of children in care is growing.
- PwC have been engaged to support and advise on the delivery of an evidence & validation exercise as part of the broader package of OOHK Reforms.

2. Why PwC?

Knowledge and Experience

- PwC bring significant knowledge and experience of:
 - **Children's social services;**
 - **Service development; and**
 - **Cost benchmarking, baselining, modelling and statistical analysis.**
- This will provide the sector and CPFS with insights on sector developments and combined career expertise from a local, national and international perspective.
- We also bring an approach which is **collaborative and consultative** including specific local experience in engaging and consulting with Indigenous groups and bodies.

Children's Services / Service System Design

PwC UK provided over 18 months of best practice analysis across 32 local authority Children's Services Departments in England.

The purpose was to establish 28 exemplar and beacon examples of Commissioning arrangements with NGO providers together with benchmarking out of home care and reviewing residential care pilot models of service delivery for the most disadvantaged and complex children in the care system.

The majority of these case studies are still promoted as best practice examples by the Department of Children's, Schools and Families (UK).

National Commissioning Improvement (UK)

PwC designed and implemented a three year program to transform how children's services, child care and education services were commissioned from the private and NfP sector in England. The program resulted in over £864m in efficiency savings and indirect efficiencies in improved systems, processes and ways of working across practitioners, NGOs, private enterprise in the delivery of improved outcomes for children and young people.

Department of Education (Federal)

PIC and PwC assisted DEEWR with a comprehensive review of the Budget Based Funding program – a program that funds early childhood education and care programs (long day care, play groups, crèches, other child and family programs) for Indigenous children and families and for locations in which services are unlikely to be adequately provided in the absence of direct funding (e.g. remote locations). A major focus of the review was the development of a new funding model to allocate a fixed amount of funding to ECEC services within the Program. The final report recommended a revised funding model and Program framework to better deliver services to where they are most needed. The proposed formula-based funding model and Program framework was also designed to generate greatest social and community benefits, taking into account the broader ECEC context and recent reforms.

NSW Department of Premier and Cabinet

PwC was engaged by the NSW Department of Premier and Cabinet (DPC) to provide assistance with linking and analysing data from various NSW government agencies relating to families with multiple and/or complex needs. The project built on prior work PwC performed for NSW Family and Community Services (FaCS), which identified the 500 most costly families to FaCS in 2011/12. The latest project included a wide range of services provided by other government providers and agencies. Thus a comprehensive picture of service usage and cost from a whole-of-government perspective was drawn. This work enabled views to be formed on interventions.

3. OOHC Reform:

Stage 1 – Evidence & Validation

Building an evidence base

In order to design and implement effective reform, we need to establish an evidence base that provides:

- Robust data about the needs of children and young people in OOHC;
- A better understanding and transparency about the cost of services; and
- How well those services are positioned to respond to these needs of children and young people in OOHC.

Stage 1 activity: *Building and Validating Evidence* is one of a range of initiatives under the broader package of OOHC Reforms being led by the Department. Stage 1 activities focus on the funding framework aspects on the OOHC Reform, being led by the Department.

Our work, with the sector and the Department, will contribute to the broader OOHC Reform, supporting the development of an **Out-of-Home Care Reform Plan** which the Department envisages releasing early in 2016. Following the release of the **OOHC Reform Plan**, a staged and incremental implementation program will occur to support a sustainable and dynamic service system, including a revised model of funding for OOHC.

3. OOHC Reform:

Stage 1 – Evidence & Validation

Building an evidence base

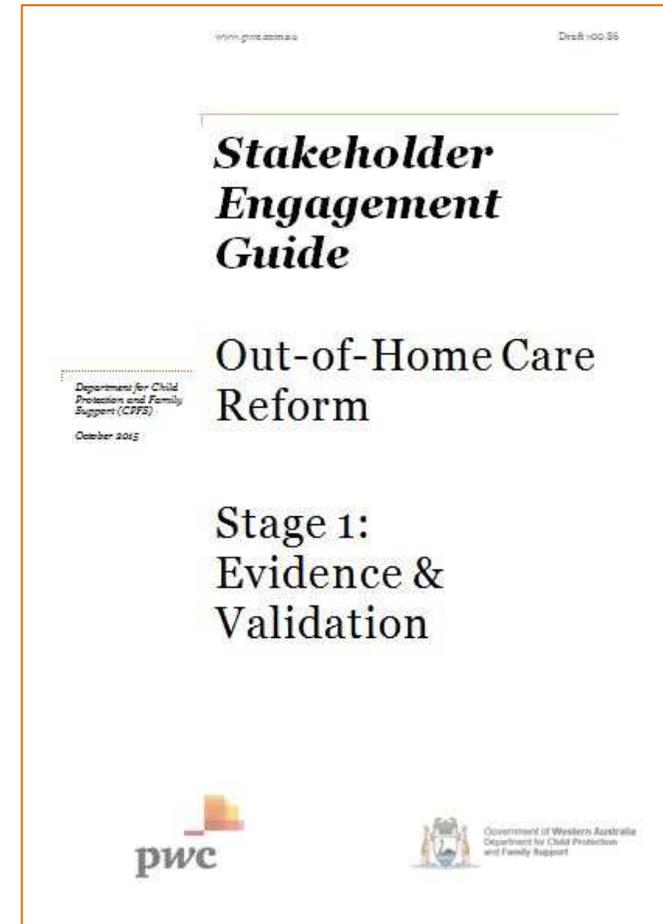
To build the evidence base we plan to:

- Profile the needs of children and young people in care;
- Benchmark and baseline the costs involved in the OOHC system; and
- Consider funding arrangements and service models.

Details of the activities and actions to be undertaken in each of the above have been outlined in a ***Stakeholder Engagement Guide***.

The Guide will be made available to you shortly. It outlines the steps and schedule for consultation and describes how all stakeholders will be engaged.

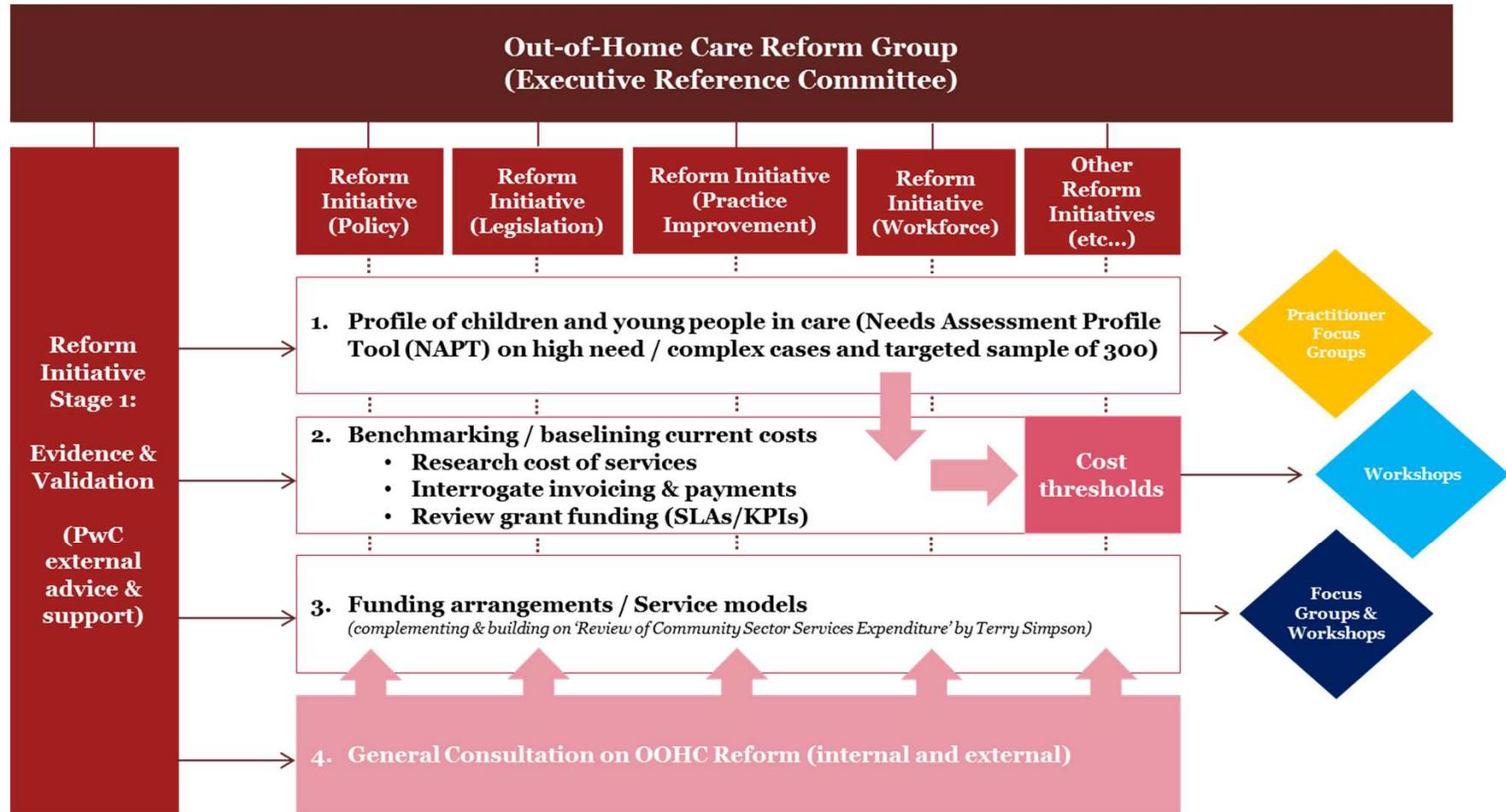
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4. Governance

How our work feeds into broader Reform activities:



5. Stakeholder Engagement

How will you be involved?

A large range of stakeholders are interested in providing input to these reform activities. Stakeholders are both internal and external; all possessing a unique perspective and a different role to play in the development of the OOHC system.

While the landscape is complex, establishing and nurturing excellent relationships, developing a shared agenda, and fostering collaboration will go a long way towards ensuring engagement is meaningful and effective. This will be our aim.

Principles

The work undertaken to date has enabled us to develop an engagement plan, building upon the existing forums such as the Community Sector Roundtable and the CYFAA/Alliance meetings. The principles we will adopt during our engagement include:

- Openly discussing with all stakeholders the overarching engagement plan and its components;
- Proactively engaging with internal and external stakeholders to ensure buy-in, endorsement and to confirm that we are all 'singing from the same song sheet';
- Identifying and building relationships with community sector bodies / representatives and understanding how to best leverage existing structures, processes and communication avenues.

5. Stakeholder Engagement

How will you be involved?

Approach

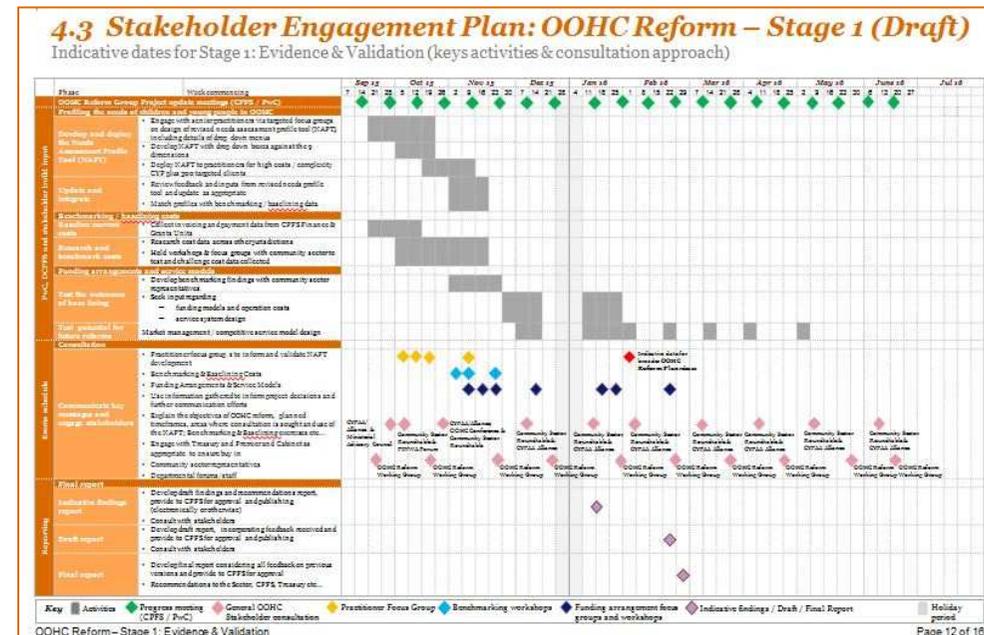
We will utilise the existing CYFAA/Alliance and the Community Sector Roundtable meeting schedule, to provide general progress updates and for specific feedback / consultation regarding our work.

Additionally we propose to engage with you on key activities via:

- ◆ Practitioner Workshops;
- ◆ Workshops; and
- ◆ Focus Groups & Workshops.

Where appropriate we will encourage 'like' organisations (for example: Indigenous groups) to come together in groups for consultation purposes where this is practical.

These colour coded workshops and focus groups are depicted on an indicative **Engagement Plan** that is included in the **Stakeholder Engagement Guide**. This Plan provides the outline schedule of consultation events:



6. Summary

An exciting opportunity.....

- The Stakeholder Engagement Guide is intended to be a working document, outlining the engagement approach and plan of action for consultation with you;
- The plan is indicative and as we move forward, at different stages of the process, the plan will be tailored as needed;
- We encourage key individuals who wish to champion and influence the development of these reform activities to participate, acting as mentors within the service system and sector;
- Working collaboratively we can:
 - Inform the type and mix of services that the OOHC system requires, not just for today but into the future;
 - Maximise opportunities for market development and be open to considering new partnerships and new models for delivering services; and
 - Enable, over time, real user choice and provider contestability in a market that is more dynamically able to respond to meet the needs of children and young people.

We look forward to working with you to deliver these important and exciting elements of the broader OOHC reform in WA.

Thank you

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