

5 October 2017

Dear Sir/Madam

## Feedback on the discussion paper for the ParentsNext national expansion

The Centre for Excellence in Family Welfare (the Centre) is the peak body for child and family services in Victoria. For over 100 years we have advocated for the rights of children and young people to be heard, to be safe, to access education and to remain connected to family, community and culture. We represent over 150 community service organisations, students and individuals throughout Victoria working across the continuum of child and family services, from prevention and early intervention to the provision of out-of-home care. Many of our member organisations work with Aboriginal children and families and Aboriginal Community Controlled Organisations (ACCOs). Our members have an excellent understanding of the challenges facing parents on low incomes and of the strategies that are effective in engaging and supporting families.

We welcome the opportunity to provide feedback on the national expansion of the ParentsNext program. We acknowledge the Commonwealth Government's investment in supporting disadvantaged families to access services and employment-related supports through the provision of financial assistance. While the concept of a program dedicated to assisting people receiving parenting payments to become 'work-ready' has merit, we believe that focusing predominantly on mothers of young children and introducing a mandatory and punitive approach to participation is counter productive and potentially harmful.

We believe that improved outcomes for families experiencing vulnerability could be achieved through voluntary participation combined with targeted, active outreach to disengaged families receiving parenting payments.

### Improving the Delivery and Outcomes of the Program

#### Supporting Engagement: Voluntary Not Mandatory

The Centre understands that some providers favour mandatory participation in the belief that this will compel otherwise disengaged parents to participate in the program's activities. However, feedback from our member organisations suggests that measures which constrain families' ability to exercise control over their lives, including their financial decisions, are counter-productive. Income management of this kind can become an additional source of stress for low income families already battling with complex needs, causing or exacerbating existing vulnerability, disadvantage or both. The 2016 Parliamentary Joint Committee on Human Rights found that 'compulsory income management is not effective in achieving its stated objective of supporting vulnerable individuals and families'.<sup>1</sup>

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<sup>1</sup> Parliamentary Joint Committee on Human Rights (PJCHR), *Review of Stronger Futures Measures* (Canberra: Commonwealth Parliament, 2016) x.

The Centre questions whether mandatory participation in the program is the most effective way of engaging and motivating parents. Mandatory participation is underpinned by an assumption that parents want to be in employment when their child goes to school; that employment is a necessary prerequisite for being a good parent and role model. However, there are many reasons why a parent might not want, or be able to seek, work at this point in their children's lives. Some of the mandatory referral conditions, relating to the ages of children are particularly problematic. At the extreme end, requiring mandatory participation when a child is six months old goes against the best evidence underlining the importance of development and attachment in the first 1000 days of life.<sup>2</sup>

Our member organisations highlight the importance of working with parents in collaborative, non-punitive ways to achieve better outcomes. Our experience is that families respond better when recognised as experts in their own lives and when practitioners work alongside them to explore what is best for the family. There is in our view no circumstance in which suspending or cancelling a Parenting payment is an appropriate penalty. Even the findings of the Commonwealth government's own Helping Young Parents and Supporting Jobless Families research report – on which expansion of ParentsNext is purportedly based – found that *[t]he relatively modest magnitudes of engagement with education related activities and child care use of SJF participants as compared with those of HYP participants may be attributed, at least in part, to the fact that engaging in trial activities was voluntary.*<sup>3</sup>

Improved access to employment is not an adequate argument for taking away people's choice and the Centre calls for further clarification from the government regarding the reasons for choosing to make this program compulsory. The Centre urges the government to consider other options for improving access and reaching disadvantaged families, rather than compelling participation as a means of facilitating engagement.

### **Importance of using evaluation findings to improve practice and outcomes**

The Centre questions the quality of the information used to rationalise expansion of the program given the absence of an evaluation report. This problem is not unique to the current trials of ParentsNext. We note that the preceding programs, Helping Young Parents and Supporting Jobless Families were subject to internal evaluation that was never released publicly despite being referred to as the rationale for the establishment of ParentsNext.<sup>4</sup>

Transparency in the development of good public policy is critical and there is increasing risk that the Commonwealth government has made a significant investment decision without comprehensive information. Running a pilot and gathering evidence about what works and what does not work with particular cohorts of parents is essential to inform the design and implementation of an expanded program. The Centre understands from the government's consultation discussions that some qualitative work has been undertaken several months ago with a limited number of parents and that quantitative data is currently being collected. This does not give our sector confidence that decision making is underpinned by a sound evidence base. The Victorian government is investing significantly in the establishment of a state-wide learning system to ensure that all services and programs for

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<sup>2</sup> Moore, T., Arefadib, N., Deery, A., Keyes, M., & West, S. 2017, *The first 1000 days: An evidence paper - Summary*, Centre for Community Child Health.

<sup>3</sup> Department of Employment, 2017, *Helping young parents and supporting jobless families research report* Australian Government, p.1.

<sup>4</sup> [http://www.aph.gov.au/~media/Committees/eet\\_ctte/estimates/bud\\_1718/Employment/Answers/SQ17-004079.pdf](http://www.aph.gov.au/~media/Committees/eet_ctte/estimates/bud_1718/Employment/Answers/SQ17-004079.pdf)

children, young people and families are based on the best available evidence. The Centre does not see this same rigorous approach being applied by the Commonwealth to programs like ParentsNext.

The Centre looks forward to being able to access the detailed findings from a more comprehensive data collection and analysis by the Social Research Centre when this is publicly available. As a peak body hosting the newly established Outcomes, Practice, Evidence Network (OPEN) to drive sector-wide reform in the use of evidence-based programs and practice, we urge the Commonwealth government to ensure that all decisions about ParentsNext and similar programs are grounded in strong and credible evidence. We also urge the public release of such evidence in the interests of those most affected by the government's policy decisions.

### **Broadening parental workforce participation**

One of the positive elements of the ParentsNext model is the potential to support parents who want to become 'work ready'. One of the objectives of the program is to improve workforce participation rates for women, including Indigenous women. However, one way of achieving this without the risk of 'demonising' or threatening payment participants is to extend the program to all parents who desire or require support to re-engage in employment, not only those receiving parenting payments. Vulnerable and disadvantaged families could continue to receive additional support through the intensive stream.

The Centre supports approaches that do not unfairly target welfare recipients, given that women's workforce participation is a broader social problem and not confined to women receiving parenting payments.

### **Offering an effective service to participants**

Rather than providing outcome payments to ParentsNext and jobactive providers, the Centre believes these funds would be better deployed in increasing the participation fund or expanding access to the intensive stream of the program. Financial incentives for providers are not needed in order to achieve sustainable outcomes if the providers selected have a demonstrated commitment to supporting disadvantaged families. Rather, more funding to provide a flexible, individualised service combined with comprehensive auditing and compliance processes could enable providers to achieve sustainable outcomes.

The discussion paper suggests that participants will not be supported to gain lower qualifications than they currently have, however lower qualifications might be necessary to secure a position that best suits the families' needs. The Centre believes participants should be supported to access any level of education that will assist them to achieve their goals. Removing financial incentives for providers when an outcome is achieved will help remove the risk that providers might unduly influence participants to engage in unsuitable or poor quality training.

Currently, providers are required to meet with participants no less than quarterly. However, it takes time to achieve effective engagement.<sup>5</sup> Funding must enable workers to meet with participants regularly and to offer warm handovers with employment services where needed in order to support positive outcomes.

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<sup>5</sup> The Victorian government is currently trialling an intensive support program, Changing Futures, which funds community service organisations to provide intensive support (up to 200 hours) with hard-to-engage families. Emerging findings reinforce the importance of building relationships over time between disengaged families and practitioners through regular contact.

Transport and childcare arrangements are a significant challenge for many families, particularly single parent families, and can present a major barrier to involvement in community, educational and employment activities. ParentsNext providers will need to take into account these challenges when discussing compliance requirements with participants.

While the Centre welcomes the nine broad categories of participation funding for participants in the intensive stream, we support extending the participation fund to enable achievement of broader outcomes beyond employment. We also note that the vast majority of participating parents will not have access to this fund because they will be in the targeted stream, which has no money attached.

## **Involving Indigenous communities in the design**

The discussion paper states that ‘the Department aims to create opportunities for Indigenous Australians to deliver the program and attract providers who specialise in working with Indigenous Australians’. How this will be achieved has not been specified however. This is a critical component of the program and will need to be funded accordingly so that Indigenous organisations are appropriately resourced to take on this role.

It is not clear to us how extensively the government has consulted with Indigenous people about ParentsNext across the country, particularly in areas where the program is to be implemented. It is not enough to consult in two or three locations and assume that the information gathered will be applicable to other Indigenous groups given the diversity of Indigenous communities across Australia, and the differences that exist between communities located in cities and regional areas.

It is also not clear to us if there has been any Indigenous input into the design or implementation of ParentsNext. If Indigenous families, organisations and communities are to be engaged in the program to the extent envisaged by the government then there will need to be extensive consultation and engagement with community. A key theme to emerge from the 2016 Royal Commission into Family Violence was the importance of ensuring that staff in mainstream service organisations are culturally sensitive and that partnerships are developed between Aboriginal Community Controlled Organisations (ACCOs) and services to support culturally safe service delivery.<sup>6</sup> Other inquiries, reviews and research reinforce the need for appropriate and respectful engagement with local ACCOs, who understand the particular needs, challenges and strengths of their community. The Centre recommends that the government actively and specifically reaches out to Indigenous communities for their feedback and input into any decisions about ParentsNext so that informed decisions can be made. As part of the service agreements with providers, the government should at the very least require successful tenderers to be able to demonstrate how they will engage with local ACCOs.

## **Barriers to Effective Implementation**

### **Training**

In the proposed design, ParentsNext workers are required to develop comprehensive assessments, and engage with involuntary clients and vulnerable people with complex needs. As such, the Centre

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<sup>6</sup> State of Victoria, Royal Commission into Family Violence: Summary and recommendations, Parl Paper No 132 (2014–16).

recommends mandatory cultural competency training should be required of all workers, on commencement of the program, due to the high percentage of Indigenous participants.

### **Limited opportunities for sharing best practice**

The Centre understands that there are some local networks of ParentsNext providers who meet regularly, and often include Centrelink workers, to discuss the implementation of the program. These networks are voluntary and appear to be the only current mechanism for sharing best practice to drive improvements in program implementation. The Centre supports the development of similar mechanisms for sharing best practice, and recommends that the government includes network activities in the key performance indicators.

### **Recommendations**

1. Replace mandatory participation with voluntary participation, and implement alternative access measures to encourage participation
2. Remove the threat of sanctions, specifically by suspending or cancelling Parenting payments
3. Expand eligibility to all unemployed parents on low incomes seeking to enter or re-enter the paid workforce
4. Make funding flexible enough to enable more frequent contact with families than quarterly
5. Require ParentsNext providers, as part of their service agreements, with providers to demonstrate how they will engage with local ACCOs
6. Implement sound monitoring and evaluation (ongoing and follow up) to inform decision making and continuous improvement
7. Develop mechanisms to share best practice and include network participation in key performance indicators.

Please do not hesitate to contact me should you wish to discuss any aspect of our submission on (03) 9614 1577.

Yours sincerely



Deb Tsorbaris  
Chief Executive Officer