



FINAL REPORT

Family and Relationship Services Economic Evaluation

Using cost-benefit analysis to assess the value of services



*Prepared for
Family and Relationship Services Australia
12 September 2023*

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Foreword



The family and relationship services sector will be more important than ever in the coming years.

The national spotlight must be focused on the growing stresses impacting families and children through domestic and family violence, mental health concerns, economic insecurity, environmental instability, lack of affordable, secure housing and family breakdowns.

All children, families and communities need and deserve a strong service sector across the continuum of prevention, early intervention and crisis response. When looking ahead to the next five years, the FRSA Board felt it was important to take stock of the social and economic benefits our sector delivers so that we can build on that information to continue to provide early intervention support to children and families and ensure there is sufficient ongoing government investment in family and relationship services.

FRSA commissioned this report in the wake of the Albanese Government's 2022 election victory. As with any new government in power, priorities shift and focus areas change. Within the social services portfolio we are seeing a strong focus on the early years and the Department of Social Services has indicated that sub-activities geared towards the early years under the Families and Children Activity will be reviewed.

At the same time, the Government is progressing family law reform and implementing recommendations made by the Australian Law Reform Commission (2019) and the Joint Select Committee on Australia's Family Law System (2021) through legislative change. In early March 2023 family law service providers were advised by the Attorney-General's Department that a review of the Family Relationships Services Program under which family law services are funded, would be undertaken. Funding was extended to end June 2026 to accommodate this review period and terms of reference were released on 5 September 2023.

The approach taken by the CIE in this cost benefit analysis is to measure the wellbeing impacts of interventions rather than a conventional focus on avoided costs to government. Our Members certainly view the services they provide through a prism of enhanced wellbeing. Importantly, the Australian Government is now also firmly focused on measuring wellbeing outcomes along with traditional economic measures such as GDP, with the introduction of its 'Measuring What Matters' wellbeing framework.

This report not only demonstrates the significant return on investment, and financial and social cost- benefits of family and relationship services, it also provides government with an important piece of evidence as it reviews those services and makes decisions on future funding and program design.

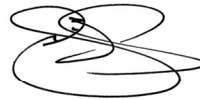
We know that our Members commit considerable time and effort reporting into the Government's Performance reporting system – the Data Exchange (DEX). Since its inception

(and as reflected in its name), the Data Exchange has been promoted as a two-way partnership of information sharing between funding agencies and service providers. We were delighted, therefore, that the Department of Social Services and the Attorney-General's Department agreed to provide the CIE with access to relevant DEX data to underpin the cost-benefit analysis. We see this not only as an exchange of data between providers and funding bodies but a step toward making a publicly owned dataset available to the broader research and policy community. This will, in turn, better serve the interests of Australian children, families and communities.

It has been a pleasure to work once again with The CIE. We take this opportunity to acknowledge their expertise, professionalism and perseverance in a complex process. We commend this report to our Members and the wider family and relationship services sector, to government and to all interested stakeholders.



Glenda Devlin
Chair



Jackie Brady
Executive Director

Glossary

ABS	Australian Bureau of Statistics
AGD	Attorney-General's Department
AIFS	Australian Institute of Family Studies
BBF	Budget Based Funded
CaPS	Children and Parenting Support
CBA	Cost-Benefit Analysis
CIE	Centre for International Economics
CfC	Communities for Children
CfC FP	Communities for Children Facilitating Partners
DASS	Depression Anxiety Stress Scale
DEX	Data Exchange
DSS	Department of Social Services
FaRS	Family and Relationship Services
FDR	Family Dispute Resolution
FRS	Family and Relationship Services
FRSA	Family and Relationship Services Australia
FRSP	Family Relationships Services Program
HILDA	Household, Income and Labour Income and Dynamics in Australia Survey
LSAC	Growing Up in Australia: the Longitudinal Study of Australian Children
OOHC	Out-of-home care
ORS	Outcomes Rating Scale
PAFAS	Parenting and Family Adjustment Scale
POP	Parenting Orders Program
POPE	Parenting Orders Program Enforcement
SACS	Commonwealth Social and Community Services
SDQ	Strengths and Difficulties Questionnaire

SFVS	Specialised Family Violence Services
SRLs	Self-Represented Litigants
WTP	Willingness to Pay

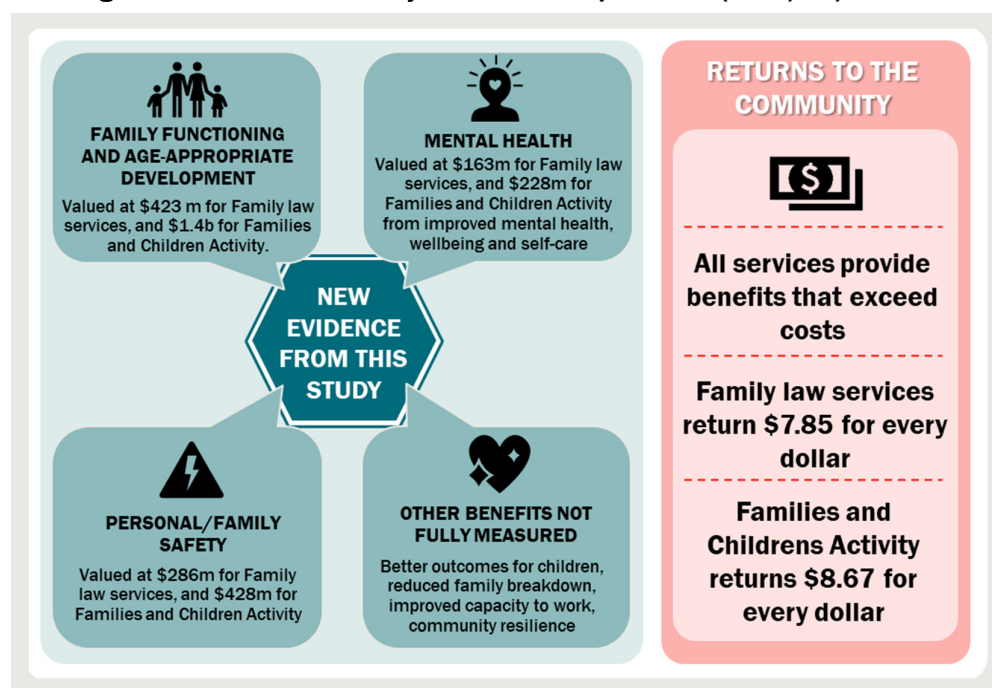
Summary

Family and relationship services provide a range of psychological, emotional and physical benefits to Australians in need, with this review demonstrating a substantial return on investment.

The Centre for International Economics (CIE) has been commissioned by Family and Relationship Services Australia (FRSA) to undertake this Cost Benefit Analysis (CBA) of family and relationship services (FRS) funded by the Australian Government for Australians in need of support. The purpose of the review is to quantify the value that these services provide to clients, and the wider community. This includes Family Law Services delivered by not-for-profit providers and funded by the Attorney-General's Department (AGD) as a sub-program under the Family Relationships Services Program, and in-scope services (sub-activities) under the Families and Children Activity, funded by the Department of Social Services (DSS).

This report builds on the already substantial body of evidence that supports the link between the provision of the suite of family and relationship services and improved health, safety, family functioning and development, social and community connectedness, and financial and economic benefits.

1 At a glance — the value of family and relationship services (2021/22)



Data source: CIE.

The services in-scope for this analysis are shown in table 2.

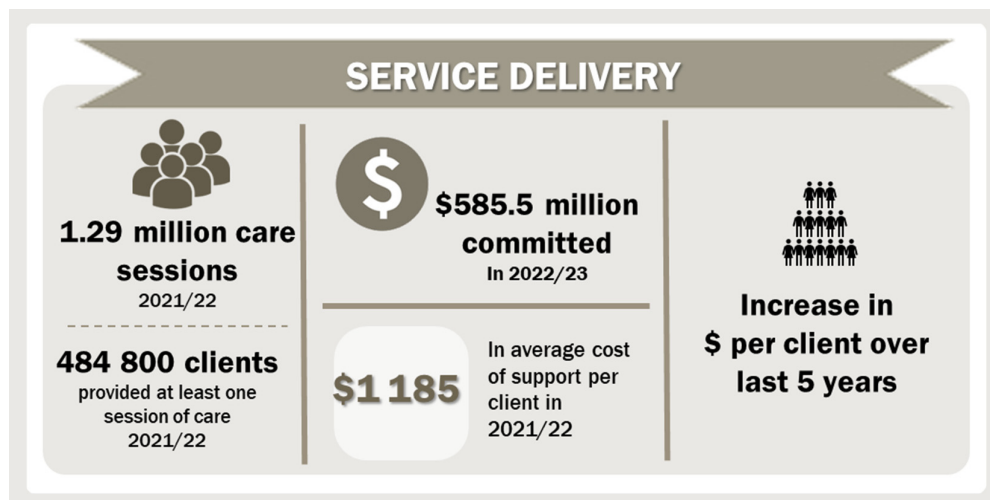
2 Services in-scope for this analysis

Family Law Services	Families and Children Activity
Family Relationship Centres	Family and Relationship Services
Family Law Counselling	Specialised Family Violence Services
Parenting Orders Program	Communities for Children Facilitating Partner
Children's Contact Services	Children and Parenting Support
Family Dispute Resolution	Budget Based Funded Service
Regional Family Dispute Resolution	Find and Connect Support Services
Family Relationship Advice Line	Forced Adoption Support Services
Supporting Children After Separation Program	Reconnect
	Family Mental Health Support Services

Source: CIE.

In 2021/22, 484 800 clients received support through these programs, at an average cost of \$1 185 per client (chart 3).

3 Overview of family and relationship service delivery



Data source: CIE.

New evidence from this study about client outcomes

Since 1st July 2021, all Families and Children Activity service providers are required to measure and report client outcomes and, if applicable, community outcomes using the Standard Client/Community Outcome Reporting (SCORE) approach. Each provider must assess at least 50 per cent of identified clients for circumstances outcomes, 50 per

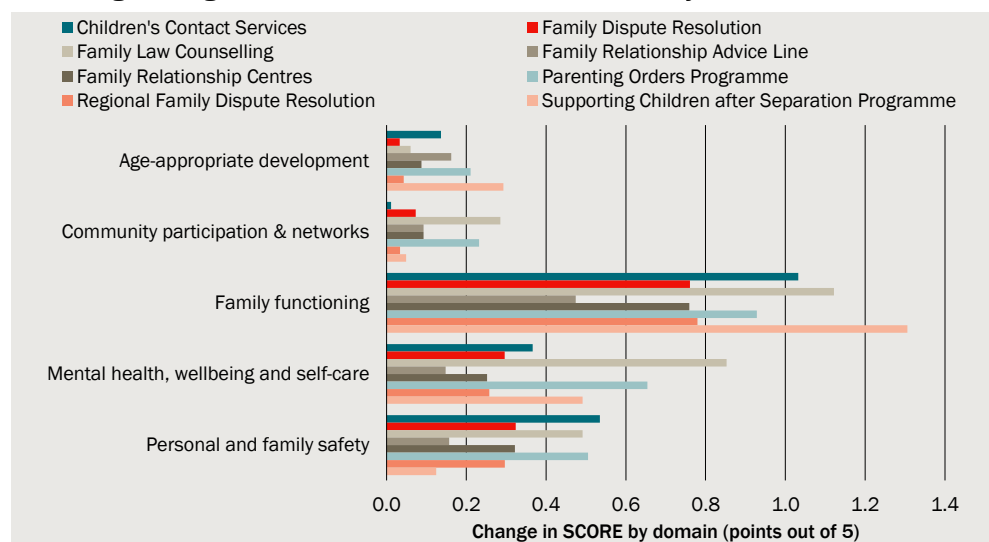
cent for goals outcomes, and 10 per cent for satisfaction. Family Law Service providers are also required to measure and report client outcomes using the SCORE approach.

Service providers are encouraged to use validated outcomes measurement tools to measure outcomes, which are those that have been formally evaluated and psychometrically tested for reliability, validity and sensitivity.

We find that since 2021, clients on average are reporting relatively consistent improvements in outcomes as a result of access to **Family Law Services** (chart 4). Key impacts include the following:

- improved family functioning, which experienced the largest gain in client outcomes. The average change in family functioning on a five-point scale ranges between 0.47 for the Family Relationship Advice Line and 1.31 for Supporting Children After Separation
- significantly improved mental health, wellbeing and self-care, consistent with the literature supporting the effectiveness of counselling in reducing psychological distress, and
- improved personal and family safety for all Family Law Services, particularly for Children's Contact Services and Family Law Counselling. Children's Contact Services provide a safe, neutral venue for contact, which is seen to deliver a material improvement for clients in safety.

4 Average change from earliest to latest SCORE for Family Law Services



Note: Excludes domains with impacts smaller than 0.05 for all services (e.g. financial resilience and housing). The change in SCORE shown in this chart compares the earliest to the latest observation of SCORE, on average, across all clients with client SCORE data from 2014/15 to 2022/23.

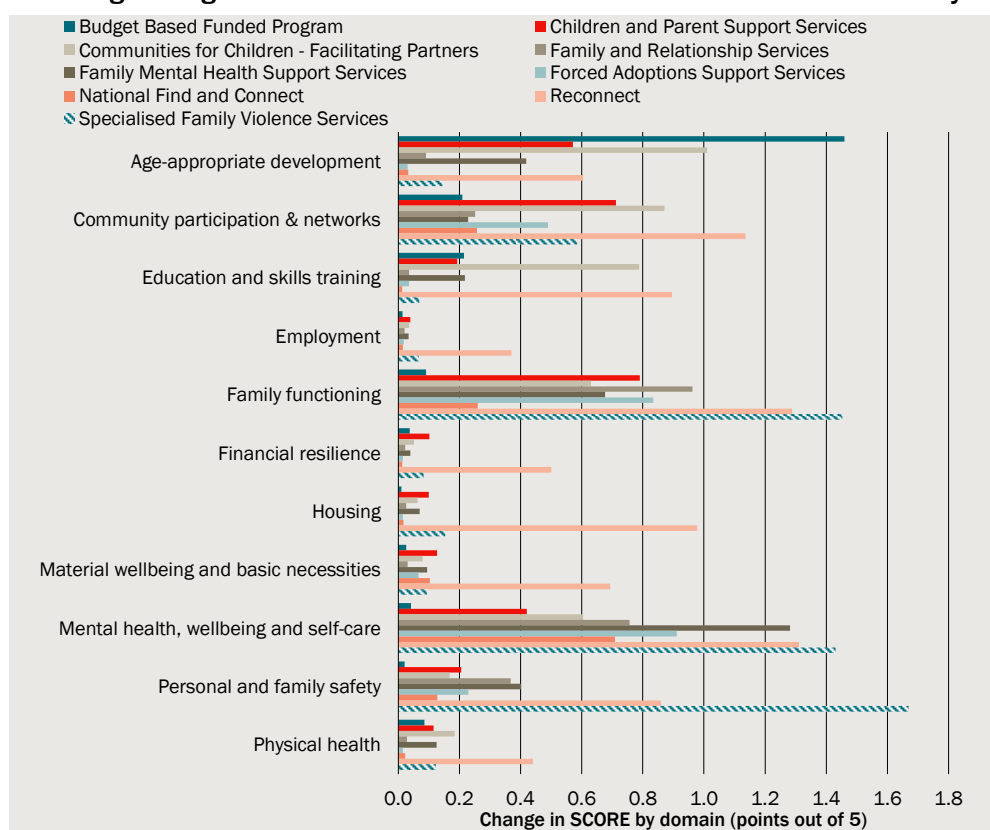
Data source: DEX extract provided by DSS, CIE.

Changes in SCORE associated with access to **Families and Children Activity services** was more variable across services, but still overwhelmingly positive (chart 5):

- almost all services lead to improvements in family functioning and mental health, wellbeing and self-care

- impacts on personal and family safety were significant for Reconnect and the Specialised Family Violence Service, but otherwise small for other services.
- age-appropriate development impacts vary significantly, and are highest for Budget Based Funded Program, Communities for Children Facilitating Partners, and Children and Parenting Support Services, and
- the Reconnect program is associated with the largest change in SCORE across many domains, which is not unexpected as it is a more costly and intensive service. Reconnect also leads to improvements in outcomes that are often not directly affected by other services, such as employment, financial resilience and housing.

5 Average change from earliest to latest SCORE for Families and Children Activity



Note: The change in SCORE shown in this chart compares the earliest to the latest observation of SCORE, on average, across all clients with client SCORE data from 2014/15 to 2022/23.

Data source: DEX extract provided by DSS, CIE.

Evidence from the Longitudinal Study of Australian Children

Statistical analysis of the Longitudinal Study of Australian Children undertaken for this review confirms that people who receive services are experiencing elevated psychological distress, and benefit from access to support.

- **We find that when people receive counselling, parenting or relationship education or adult mental health services, their level of distress is measurably lower than people who wanted services but did not receive them.**

The reduction is equivalent to 0.53 points of the Kessler 6 psychological distress score, which ranges from 0 to 24. For those who receive relationship education services specifically, we find a larger reduction in the Kessler 6 score of 1.18.

- **Similarly receiving either parental support or parental courses, relative to wanting but not receiving such services, reduces the child difficulties score in the internationally validated Strengths and Difficulties Questionnaire by 0.67.**

While the relationship between distress and access to services is lessened when we isolate specific effects of other services (such as mental health services, relationship counselling services or parental support services), overall, the survey provides further evidence that family and relationship services decreases psychological distress among parents, and improves psychosocial functioning among children.

Our approach to evaluating services provided during 2021/22

The focus of our analysis is on valuing changes in client circumstances, and their own perceived wellbeing. This person-centred approach makes novel use of SCORE data from DEX to provide benefit estimates that can be compared across the broad spectrum of services. This study is the first CBA of FRS services that uses SCORE across all Family Law and/or Families and Children Activity in-scope services. It is also the first to attempt to value changes in SCORE as a means of measuring the benefit of client interactions with the suite of family and relationship services.

We have taken two approaches to measuring the value of improvements in client SCORE:¹

- **To estimate the benefits of improving age-appropriate development and family functioning, we rely on estimates of lifetime impacts from Skarda et al (2022) and Access Economics (2010).**
 - Benefits of family functioning in Australia estimated by Access Economics (2010) include reducing societal costs of obesity, anxiety and depression, anti-social behaviour and improving productivity.
 - Skarda et al (2022) estimated the lifetime wellbeing, health, educational and public cost outcomes from a training program in England for parents of children at risk of conduct disorder.

¹ We take the same approach across all program components, which only differ in terms of how much SCORE changes due to each program component. This means that the results are not underpinned by different estimates of how each type of service (e.g. counselling vs a phone advice-line service) leads to benefits. Rather, we estimate the change in SCORE for each program, on average, and use this to estimate benefits. Similarly, we estimate the average change in SCORE for all identified clients of a service, regardless of the number of service interactions they have.

- **To estimate the benefits of improvements in personal and family safety, mental health and wellbeing, and all other domains, we estimate how much these outcomes affect subjective wellbeing.** Subjective wellbeing is a self-reported measure of wellbeing, such as life satisfaction. For example, in the Household Income and Labour Dynamics in Australia (HILDA) survey, respondents are asked:

All things considered, how satisfied are you with your life? ... pick a number between 0 and 10 to indicate how satisfied you are.

We estimate that a 1-point out of five improvement in the 'personal and family safety' SCORE is equivalent to a 0.19 point improvement in life satisfaction,² which we value at \$5 022.³

This approach is conservative because it omits additional benefits for group clients.

For Family Law Services, we also estimate the avoided court costs due to Family Dispute Resolution and similar programs.

Family and relationship services deliver a very high return

We find that the benefits outweigh costs for all services within Family Law Services and the Families and Children Activity.

The benefit-cost ratio (BCR) is 7.85 for Family Law Services, which is very high, and represents a net benefit of \$1.4 billion per year (chart 5). Avoided court costs alone are more than three times the size of costs, and improved client outcomes such as age-appropriate development, family functioning and mental health are highly valuable.

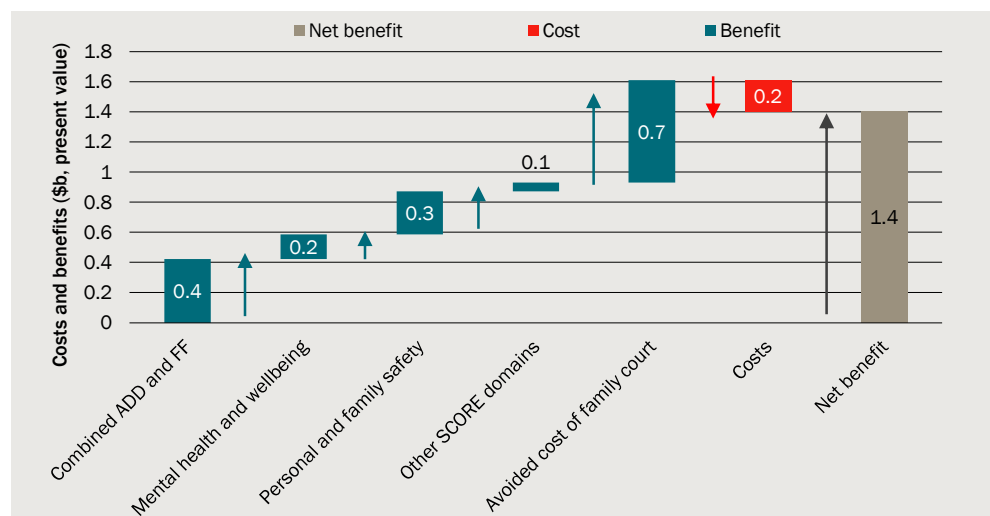
Similarly, the benefit-cost ratio is 8.67 and net benefit is \$2.2 billion per year from the Families and Children Activity (chart 6). The long-term benefits of improved age-appropriate development and family functioning are the largest benefit category for the Activity as a whole, but different programs have different outcomes that deliver the largest benefits.

Most of the net benefits derive from improved subjective wellbeing of participants. This is not a financial benefit (or cost saving), but rather an important non-financial benefit for which we have estimated a monetary value. It is the finding of this review that SCORE data is the most appropriate evidence for estimating changes in subjective wellbeing, supplemented by assumptions in the broader literature that support the analysis.

² This estimate is derived from analysis of data from the Household Income and Labour Dynamics in Australia (HILDA) survey.

³ A value per point of life satisfaction is estimated to be worth \$26 419, based on UK Treasury guidance (HM Treasury, 2021, *Wellbeing Guidance for Appraisal: Supplementary Green Book Guidance*), adapted to Australian circumstances.

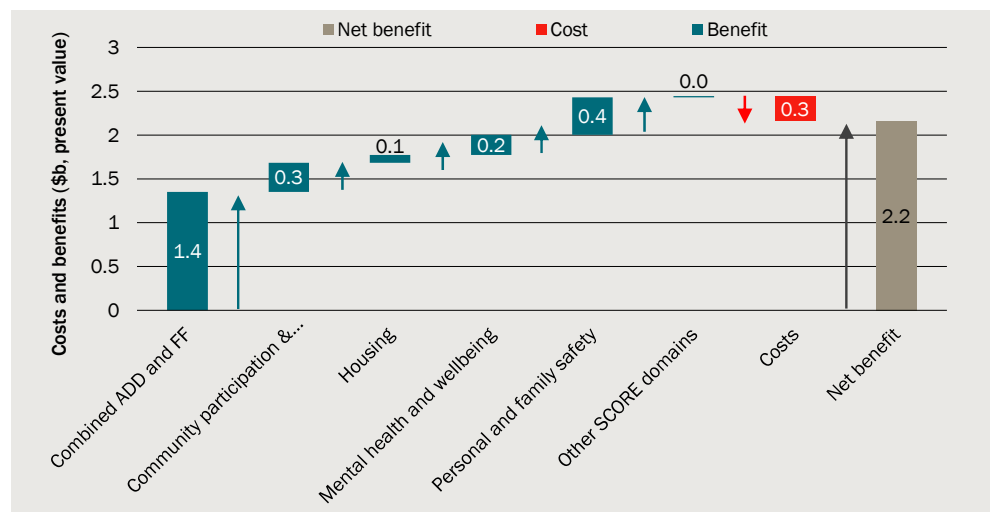
6 Benefits and costs of Family Law Services (2021/22)



Note: ADD = Age-appropriate development, FF = Family Functioning, and 'Mental health and wellbeing' also includes self-care. Other SCORE domains include employment and financial resilience, housing, and material wellbeing and basic necessities.

Data source: CIE.

7 Benefits and costs of Families and Children Activity services (2021/22)

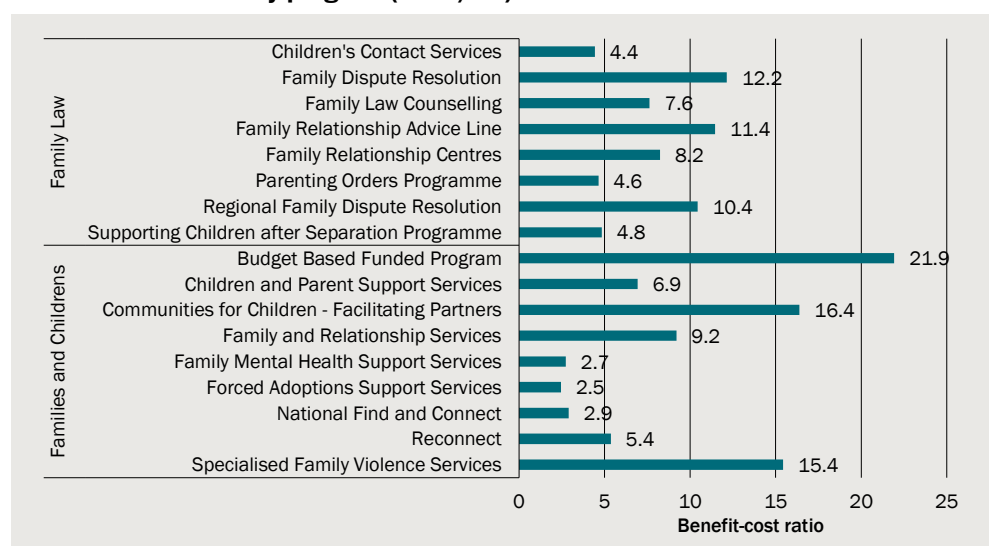


Note: ADD = Age-appropriate development, FF = Family Functioning, and 'Mental health and wellbeing' also includes self-care. Other SCORE domains include employment and financial resilience, and material wellbeing and basic necessities.

Data source: CIE.

While there is significant variation in the benefit-cost ratio across programs, clients may receive multiple services and referrals to other programs are a key part of service delivery. Given this issue, the relative cost-benefit ratios for specific programs (chart 7) should be interpreted cautiously and with the interdependence of multiple programs in mind.

8 Benefit-cost ratio by program (2021/22)



Data source: CIE.

We have tested the sensitivity of the overall results to a range of alternative assumptions, finding that the benefit-cost ratio remains positive under all alternatives tested. Two key sensitivity tests are shown in table 9, as follows:

- Ascribing benefits to group clients: In our main results, we assume that unidentified group clients receive no benefit, given there is no available data to value changes in community SCORE.⁴ If we were to assume that group clients receive half the benefit that individual clients do, this lifts the BCR to 12.2 for the Families and Children Activity (without changing results for Family Law Services).
- Using the most recent year to estimate costs per client: In our main results, we assume the cost per family and relationship services client is equal to a 5-year average of funding per client, given the fluctuations in costs due to changes in client complexity, and the volume and type of services required by the community. Applying costs for 2021/22 only (when lower client volumes resulted in higher average costs than previous years) the BCR for all services reduces to 7.1.

⁴ This is somewhat offset by assuming that funding per client is the same for individual and group clients and by using a 5-year average of funding per client.

9 Sensitivity analysis of key assumptions

Central case	Net benefit			BCR		
	Family Law	F&C	All services	Family Law	F&C	All services
	\$m, PV	\$m, PV	\$m, PV	Ratio	Ratio	Ratio
Central case	1 404	2 162	3 566	7.9	8.7	8.3
Allocating 50 per cent benefit to group clients	1 419	3 167	4 586	7.9	12.2	10.4
Use actual funding for all program components in 2021/22 as a cost estimate	1 365	2 113	3 478	6.6	7.4	7.1

Data source: CIE.

1 Overview of FRSA services and this study

This study provides a Cost-Benefit Analysis (CBA) of family and relationship services to highlight the value of services, and the way that support improves immediate and longer term outcomes for children and adults. The services included in this analysis cover Family Law Services funded by the Attorney-General's Department (AGD) through the Family and Relationship Services Program, and services under the Families and Children Activity, which are funded by the Department of Social Services (DSS).

Purpose of this study

The CIE has been commissioned by Family and Relationship Services Australia (FRSA) to understand and communicate the benefits associated with member services. The analysis contained in this report considers impacts across a wide range of outcome domains, and estimates the value of outcomes that are achieved for those accessing support.

The analysis is undertaken within a CBA framework to identify the return on investment the wide range of services provide. CBA is a tool to assess government policy decisions, with a focus on estimating the monetary value of costs and benefits relative to the state of the world without the program or policy. Not all costs and benefits may be amenable to monetary valuation, and qualitative impacts can often provide useful context in interpreting CBA results. The key steps are set out in appendix A.

In this case, the costs include the funding provided to member services to deliver family and relationship services, and the benefits include those that accrue to Australians as a result of individuals and families that access care, support, information and other resources.

Scope of services

The services in-scope for this review include:

- Family Law Services, which are funded by the AGD under the Family and Relationships Services Program, and

- the majority of services (sub-activities) under the Families and Children Activity, which are funded by the DSS.⁵

The services within these categories are shown in table 1.1, along with the total grant funding provided by AGD⁶ and DSS⁷ since 2017/18. This includes the equivalent to Social and Community Services Account (SaCS) supplementation, which ended at 30 June 2021 and was built into baseline funding for 2021/22 and 2022/23 (year-to-date).

FRSA is the national peak body for the family and relationship services sector with 135 members in a direct service delivery role. Grants provided to FRSA members comprise a majority of Government (DSS and AGD) grants for these programs.⁸

The scope of the CBA includes all Family Law Services under the AGD Family and Relationship Services Program and the majority of services under the Families and Children Activity funded by DSS. In-scope FRS services are not delivered exclusively by FRSA members, with non-members delivering some of the services. Our analysis covers the full FRS sector including services provided by both members and non-members.⁹

Throughout this report we refer to in-scope services as ‘family and relationship services (FRS)’.

⁵ The services included are shown in table 1.1. The set of in-scope services excludes services like Children and Family Intensive Support, Home Interaction Program for Parents and Youngsters, and others.

⁶ Data supplied by AGD for Family Law Services is actual spend on funding these services between 2017/18 and 2022/23.

⁷ Data from DSS for Families and Children Activity services is actual spend on these services between 2017/18 to 2022/23, including supplementation and excluding GST. The data for 2022/23 only covers the ‘year-to-date’ up to 24 May 2023. This covers 90 per cent of the days in 2022/23, so we have made an adjustment to account for funding between 25 May and 30 June (dividing funding for the 2022/23 partial year by 0.9 to estimate funding for the entire 2022/23 year).

⁸ The CIE, 2020, *Expiry of the Social and Community Services Pay Equity Special Account: Implications for family and relationship services*, prepared for Family and Relationship Services Australia. Note: When this report was produced, Family Law Services, while funded by the AGD, sat within the DSS Families and Children Activity. This has since changed.

⁹ Note that data supplied by DSS such as funding and DEX data covers all providers (including FRSA and non-FRSA providers), however we have conducted and report results from 2018/19 and 2023 surveys of FRSA members, which did not have any respondents that were not FRSA members.

1.1 Categorisation of service streams

Service stream	Description and services provided by FRSA members within stream	Total grant funding issued between 2017/18 and 2022/23, including supplementation since 2021/22
		\$m
Family Law Services	Provide alternatives to formal legal processes for families who are separated, separating or in dispute, including those with complex needs such as family violence issues. These services, in part, aim to divert people away from courts.	
	Family Relationship Centres	565
	Family Law Counselling	102
	Parenting Orders Program	99
	Children's Contact Services	155
	Family Dispute Resolution	85
	Regional Family Dispute Resolution	39
	Family Relationship Advice-Line	59
	Supporting Children After Separation Program	41
	Total	1 144
Family and Relationship Services	Early intervention and prevention for at-risk families to prevent family breakdown and ensure child wellbeing. Includes information and referral, support, education and skills training, counselling, dispute resolution, outreach, community capacity building and development.	
	FaRS (Family and Relationship Services) ^a	446
	Specialised Family Violence Services	49
	Total	496
Communities for Children Facilitating Partners	Focussed on childhood development and wellbeing in 52 disadvantaged communities. Services are targeted to each community including parenting support, group peer support, case management, home visiting, community events and life skills courses.	
	Total	353
Children and Parenting	Early intervention and prevention services to improve childhood development and wellbeing, focussed on children aged 0-12 years (but may include children up to 18) and their parents and carers.	
	Children and Parenting Support	349
	Budget Based Funded Services ^b	19
	Total	254
Adult specialist support	Specialised services for adults who have suffered specific traumas in their childhood, including Forgotten Australians, Former Child Migrants and Care Leavers	
	Find and Connect Support Services	26
	Forced Adoption Support Services	11
	Total	37

Service stream	Description and services provided by FRSA members within stream	Total grant funding issued between 2017/18 and 2022/23, including supplementation since 2021/22
		\$m
Reconnect	A community-based early intervention and prevention program for young people aged 12 to 18 years (or 12 to 21 years in the case of newly arrived youth) who are homeless or at risk of homelessness, and their families. It aims to prevent youth homelessness by helping to stabilise and improve the young person's housing situation and level of engagement with family, education, training, employment and local community. Services include counselling, group work, mediation and practical support for the family to help break the cycle of homelessness.	
	Total	150
Family Mental Health Support Services	These services are aimed at improving mental health outcomes for children and young people, and their families. Includes long-term intervention (e.g. practical assistance, linking with other services, and targeted therapeutic groups), short-term immediate assistance, and community outreach, mental health education and community development.	
	Total	285

^a Includes Mensline Australia

^b Budget Based Funded Services was ceased on 30 June 2023 and all Budget Based Funded Services providers at that point in time have been placed under a Children and Parenting Services program agreement.

Note: Data the split of grant funding between Adult specialist services is sourced from GrantConnect. We estimate that 70 per cent of Adult Specialist Support funding is associated with Find and Connect, and 30 per cent is Forced Adoption Support Services. This is calculated by spreading the value of grants equally across the days between grant beginning and end, and then estimating total grant spending in each financial year. We could not identify any grants for Forced Adoption Support Services before 2021/22, hence, we estimate the split between Find and Connect and Forced Adoption Support using grant spending between 2021/22 and 2022/23, which is \$10.2 million for Find and Connect and \$4.4 million for Forced Adoption Support Services. All figures are GST exclusive and based on actual payments not Budget appropriations. All figures are rounded to the nearest million.

Source: DSS service descriptions available at <https://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/parenting/families-and-children-activity>, SNAICC description of Budget Based Funded Services (available at: [https://www.snaicc.org.au/budget-based-funded-services/#:~:text=Budget%20Based%20Funded%20\(BBF\)%20services,or%20Torres%20Strait%20Islander%20services.](https://www.snaicc.org.au/budget-based-funded-services/#:~:text=Budget%20Based%20Funded%20(BBF)%20services,or%20Torres%20Strait%20Islander%20services.)), CIE.

Acknowledgement of data sources

We are grateful for access to the data sources used in our analysis, with special thanks to DSS and the AGD for supporting our access to DEX data and to those FRSA members who responded to our survey. Table 1.2 contains acknowledgements of key data sources we have used.

1.2 Key data sources used

Source	Acknowledgement
FRSA members responding to the survey	This study uses organisation-level data provided by FRSA members in response to a survey run by CIE and FRSA.
DEX data supplied by DSS	This study uses program data including client interaction numbers (identified and unidentified clients). The study also uses data concerning outcomes across identified domains relevant to program activity (referred to as SCORE data).

Source	Acknowledgement
	Information on the data collection process undertaken by program grant recipients for DSS and AGD including current minimum requirements for reporting of client outcomes (SCORE data) can be found at https://dex.dss.gov.au/sites/default/files/documents/2023-08/2221-program-specific-guidance.pdf
HILDA	This study uses unit record data from Household, Income and Labour Dynamics in Australia Survey (HILDA) conducted by the Australian Government Department of Social Services (DSS). The findings and in Australia Survey views reported in this study, however, are those of the authors and should not be attributed to the Australian Government, DSS, or any of DSS' contractors or partners. DOI: 10.26193/YP7MNU
LSAC	This report makes use of data from <i>Growing Up in Australia: the Longitudinal Study of Australian Children</i> (LSAC). LSAC is conducted in partnership between the Department of Social Services (DSS), the Australian Institute of Family Studies (AIFS) and formerly the Australian Bureau of Statistics (ABS), with advice provided by a consortium of leading researchers. Findings and views expressed in this publication are those of the individual authors and may not reflect those of AIFS, DSS or the Australian Bureau of Statistics (ABS).

Source: CIE.

2 Methodology

The objective of this project is to understand and communicate the benefits associated with family and relationship services. We have undertaken a six-step methodology to understanding impacts of in-scope services, shown in chart 2.1. This methodology is aimed at gathering data and information from multiple sources and combining it through a cost-benefit analysis. A cost-benefit analysis is a type of economic evaluation that measures the costs and benefits to a range of stakeholders, including Government, community, participants, and families.

Greater detail on the methodology for each component of the analysis is presented throughout this report.

2.1 Methodology for undertaking this project



Source: CIE.

The choice of methodology for this study has been motivated by the availability of data from DEX. Through our review of the literature, we identified SCORE data as a key new source of insight into client wellbeing because:

- It is detailed, covering a wide range of client outcomes,

- It covers all in-scope programs,
- Since 2021/22, all organisations have been required to report client circumstances SCORE observations for the majority of their identified clients,¹⁰ and
- Earliest and latest observations of circumstances SCORE are available for some clients,¹¹ which enables us to understand the causal impact of services.

To our knowledge, this is the first time this dataset has been used to underpin a cost-benefit analysis. Cost-benefit analysis brings together financial costs such as the cost of providing family and relationship services with non-financial costs, such as the improved wellbeing of clients. Therefore, a key challenge is estimating the monetary value of changes in wellbeing as measured by SCORE.

We have taken two approaches to measuring the value of improvements in client SCORE, and this approach is the same across all program components, only differing in terms of how much SCORE changes due to each program component:¹²

- **To estimate the benefits of improving age-appropriate development and family functioning we rely on estimates of benefits from previous studies**, which includes reducing societal costs of obesity, anxiety and depression, anti-social behaviour and improving productivity. These avoided costs typically occur in the years after receiving services rather than immediately.
- **To estimate the benefits of improvements in other SCORE domains, such as personal and family safety and mental health and wellbeing, we estimate how much these outcomes affect subjective wellbeing.** Subjective wellbeing is a self-reported measure of wellbeing, such as life satisfaction. For example, in the HILDA survey, respondents are asked:

All things considered, how satisfied are you with your life? ... pick a number between 0 and 10 to indicate how satisfied you are.

To illustrate by way of example, we estimate that a 1-point improvement in the 'personal and family safety' circumstance in SCORE is associated with a 0.19 point improvement in the average level of life satisfaction, scored from 1-10. We then apply an estimate of the value of a 1-point improvement in life satisfaction for a year of \$26 419, which implies a 1-point improvement in personal and family safety is worth \$5 022. The assumptions underpinning this estimation are detailed in Chapter 8 and Appendix H.

¹⁰ Note that SCORE data is not always complete in terms of, for example, covering all domains of client circumstances that would be affected by the services.

¹¹ Specifically, it is available for a subset of identified clients with multiple interactions.

¹² This means that the results are not underpinned by different estimates of how each type of service (e.g. counselling vs a phone advice-line service) leads to benefits. Rather, we estimate the change in SCORE for each program, on average, and use this to estimate benefits. Similarly, we estimate the average change in SCORE for all identified clients of a service, regardless of the number of service interactions they have.

Subjective wellbeing valuation is not common in Australia, but is more widespread in the UK and New Zealand as a way to measure social and community outcomes.¹³

Relying on valuing changes in subjective wellbeing is only one possible methodology for undertaking a cost-benefit analysis such as this. For example, an alternative would be to consider family and relationship services as a form of early intervention, and measure the avoided costs of late intervention. Teager et al (2019)¹⁴, for example, estimated that there is a \$15 billion cost of high-intensity and crisis services for children that could be prevented if more was invested in early intervention.

Since client SCORE data is not available for group clients, and we do not have a viable approach to value changes in community SCORE (which is measured for group clients), we do not estimate any benefits for group clients. This makes the overall results of the cost-benefit analysis highly conservative in this respect.

¹³ See, for example, UK guidance about measuring and value subjective wellbeing: HM Treasury, 2021, *Wellbeing Guidance for Appraisal: Supplementary Green Book Guidance*, available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005388/Wellbeing_guidance_for_appraisal_-_supplementary_Green_Book_guidance.pdf

¹⁴ Teager, W., Fox, S. and Stafford, S., How Australia can invest early and return more: A new look at the \$15b cost and opportunity. Early Intervention Foundation, The Front Project and CoLab at the Telethon Kids Institute, Australia, 2019.

3 Scale and scope of services provided

In 2021/22, 484 800 clients were provided at least one session of care or service interaction, with 250 100 cases of care, and 1.29 million care sessions.^{15,16} The number of cases and clients was lower than preceding years, likely reflecting the effect of Covid-19 on ability for potential clients to access services, and service impacts and client disruption from natural disasters across multiple jurisdictions.

Sessions per case have been increasing over time for Family Law services, while the trend is less clear for Families and Children Activity services. Increasing sessions per case suggests that service intensity is increasing, which is consistent with the experience expressed anecdotally by the sector who consistently reflect that client complexity has, and continues to, increase.

Further information and services activity is provided in appendix B.

Overview of service activity

Data on the scale and scope of family and relationship services provided is reported according to the Data Exchange (DEX) framework, which is the performance reporting approach introduced by DSS for client-facing funding agreements. It is a standardised reporting process for grant programs including the DSS-funded Families and Children Activity and AGD-funded Family Law services, which sit under the AGD Family and Relationship Services Program.

Aggregate counts of service activity have been obtained from DSS to support this review, whilst maintaining appropriate data privacy protections. Three measures of service

¹⁵ Note that this estimate of client numbers, which is based on DEX data supplied by DSS, differs from the estimated number of clients in The CIE (2020), which was based on a survey of members. The CIE (2020) reported that there were approximately 410 000 clients receiving services in 2018/19 among survey respondents, which was extrapolated to an estimate of 580 000 clients for the entire sector. Data for 2018/19 from DEX shows 515 000 individual clients plus 303 000 group client, for a combined total of 818 000. Part of this difference is due to the 2018/19 survey excluding FMHSS, but including the Home Interaction Program for Parents and Youngsters program. The remaining difference may be due to survey respondents in 2018/19 only including individual clients.

¹⁶ A caveat to this estimate is that it includes a high number of interactions with unidentified clients.

activity have been provided, each of which is defined in *The Data Exchange Protocols*¹⁷ as follows:

- **Clients:** ‘an individual who receives a service as part of a funded activity that is expected to lead to a measurable outcome’.¹⁸
 - This definition includes a number of program- and context-specific elements that must be met in order to count the person as a client. This involves determining whether the individual in their own right is expected to achieve an outcome that is linked to a program specific objective.
 - Support persons such as carers, family members, children attending to support the client, or paid employees of an organisation are not counted as clients because they are not expected to achieve a direct outcome through the service interaction. Children may be clients if they meet the definition above.
 - Some organisations deliver services to groups, such as information sessions and public events. Group sessions may include identified clients, where a client record is created for each individual attendee, and/or unidentified clients, where an aggregate attendance figure is recorded.
 - An individual client could be recorded as a client more than once in a year for a program, due to, for example, receiving services at multiple locations.
- **Cases:** ‘a method to capture one or more instances of service (known as sessions) received by a client or group of clients that is expected to lead to a distinct outcome. A case may contain between one and an unlimited number of sessions’.¹⁹
 - Cases can contain an individual, couple, family or unrelated group of individuals.
 - If a client attends multiple different funded activities (e.g. FaRS and CaPS) or receives the same services from multiple locations then each of these is treated as a separate case. Similarly, if there are multiple clients for a case, and they have different addresses in different states, the case will be counted against each client state.
 - Note that counts of clients are often client interactions without cases.
- **Sessions:** ‘an individual instance or episode of service, stored within a case, which is ‘related’ to other sessions (when/if they occur)’.²⁰

The data extract provided by DSS has been extracted from the Data Exchange, and is current as at 8th February 2023. Data for the current reporting period (01-Jan-2023 to 30-Jun-2023) is incomplete since Service Providers have 30 days after each reporting period ends on the 30th of June to enter data into DEX. As a result, data from the 01-Jan-2023 to 30-Jun-2023 reporting period was excluded from the extracts provided by DSS.

¹⁷ Department of Social Services, 2023, *The Data Exchange Protocols*, available at: <https://dex.dss.gov.au/sites/default/files/documents/2023-03/1931-data-exchange-protocols.pdf>

¹⁸ DSS (2023): p.6.

¹⁹ DSS (2023): p.9

²⁰ DSS (2023): p.10

Number of client services

In the DEX extract provided by DSS, the number of clients in each financial year is the number of clients who had at least one session in that financial year. Hence, the total across all years is more than the number of unique clients, since clients with sessions in multiple years will be counted multiple times.²¹

When delivering program activities, the term ‘client’ is used in many different ways, covering individuals, families, groups, other organisations and whole communities; as well as casework, participants, audiences and one-off contact. DEX uses a specific definition of client to ensure comparable information is reported for the number of individuals that have received a service within a reporting period, meaning that like-for-like comparisons are possible within and across activities.

In 2021/22, 484 800 clients were provided at least one session of care (table 3.1). Importantly, **this includes both individual and group clients, and both identified and unidentified clients** across a range of service types.²²

Many service providers provide multiple different services at the same location,²³ and referring clients to complementary services is an important aspect of wrap-around support. Note that this means some clients will receive more than one in-scope service in a year, but we cannot identify such clients in the DEX data we received from DSS. In the absence of client-level data, we are also unable to analyse the impacts that receipt of multiple complementary services has on client outcomes.

3.1 Count of clients with at least one session in a given year

Service	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23 partial
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Family Law									
Children's Contact Services	3.0	18.3	18.8	18.4	16.6	14.0	13.0	13.1	10.0
Family Dispute Resolution	0.5	18.7	17.6	16.7	16.2	14.4	12.1	10.7	6.2
Family Law Counselling	0.7	13.3	17.0	20.4	20.1	18.0	16.5	13.2	7.4
Family Relationship Advice-Line	0.0	33.4	33.0	28.5	34.9	36.7	33.9	28.1	15.1
Family Relationship Centres	4.0	70.9	72.8	71.7	66.8	68.2	65.6	64.8	34.8

²¹ This means data in table 2.2 is more akin to a count of ‘client-years’ rather than unique clients.

²² This is particularly relevant for CaPS and CfC FP.

²³ For example, Harvey and Muir (2018) found that 80 per cent of FaRS and SFVS providers are co-located with other DSS-funded services: Harvey, J. and Muir, S., 2018, *National survey of FaRS-funded service providers — Overview of services and service provider perspectives*, available at: https://aifs.gov.au/sites/default/files/publication-documents/1808_national_survey_of_fars-funded_service_providers-with-image_0.pdf

Service	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23 partial
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Parenting Orders Program	1.1	14.8	14.4	14.5	12.7	11.5	11.0	9.6	5.4
Regional Family Dispute Resolution	0.4	7.3	7.4	6.7	5.9	6.4	6.5	6.2	2.9
Supporting Children After Separation Program	0.1	7.9	7.0	7.0	6.9	5.8	5.5	5.1	3.3
Subtotal	9.7	184.6	188.1	184.0	180.1	174.9	164.0	151.0	85.0
Families and Children									
Budget Based Funded Services	0.0	0.0	0.0	0.0	7.0	7.3	7.2	11.1	6.3
Children and Parenting Support ^a	5.0	100.0	169.6	198.8	180.1	102.6	72.5	55.6	49.2
Communities for Children Facilitating Partners	7.1	217.2	274.4	240.2	229.5	174.4	158.6	115.5	81.3
Family and Relationship Services ^b	16.6	168.3	153.5	155.3	127.9	113.3	104.9	88.3	51.3
Family Mental Health Support Services ^c	N/A	N/A	N/A	N/A	N/A	36.0	31.3	30.3	21.2
Forced Adoption Support Services	0.4	0.6	0.7	0.7	0.7	0.9	0.7	0.7	0.4
Find and Connect Support Services	1.0	5.8	7.1	6.1	7.0	7.6	6.5	4.0	2.4
Reconnect	0.0	0.2	21.0	19.1	30.3	21.0	28.0	18.1	15.9
Specialised Family Violence Services	0.0	14.7	17.0	8.9	7.6	7.2	9.2	10.3	5.7
Subtotal	30.1	506.7	643.4	629.2	590.1	470.3	418.9	333.9	233.7
All services									
Grand total	39.8	691.3	831.5	813.2	770.2	645.2	582.9	484.8	318.7

^a Includes clients of ad hoc Children and Parenting Support grants.

^b Includes Mensline Australia

^c Includes Community Mental Health, Early Intervention for Children data as at times, it was merged with FMHSS.

Note: The numbers in 2014/15 reflect the first year when many programs merged into the Families and Children Activity and this is also the year DEX began, noting it was not yet mandated for all providers. Where an individual client has sessions in multiple financial years, the client will be counted against each financial year. Note that data is unavailable for FMHSS (previously known as Community Mental Health, Early Intervention for Children) for 2018/19 and earlier years.

Data source: DEX data as extracted and supplied by DSS, CIE.

Family Law services have a consistently low share of group clients (4 per cent), while there is a substantial and variable share of Families and Childrens Activity clients that receive services in a group (table 3.2).

Consultation with FRSA suggests that there has also been a range of impacts from the Covid-19 pandemic on service delivery, and particularly on group work, and that conditions had not yet returned to a pre-pandemic normal. This would suggest that the share of group clients in 2021/22 is lower than typical years. FRSA providers report that:

- Face-to-face group work was no longer possible due to health restrictions,
- Regional and remote areas have lower access to technology/internet connectivity, which makes online group work sometimes unworkable,
- Safety standards for online delivery had to be reset, and group work was at times put on hold as a result,
- Staff needed to be upskilled to deliver online group work,
- Online group work has smaller group sizes, which would reduce group client volume,
- Client complexity has increased due to Covid-19 issues faced by clients,²⁴ climate events such as flooding, and increasing cost of living, which has meant more clients are unsuitable for group work due to being higher risk, and require a more intensive one-on-one intervention, and
- Service models have evolved to meet increased risk/client complexity.

3.2 Counts of individual and group clients in 2021/22

Program component	Individual clients	Group clients	Group client share
	000s	000s	Per cent
Family Law			
Children's Contact Services	12 998	117	1
Family Dispute Resolution	10 689	3	0
Family Law Counselling	13 199	47	0
Family Relationship Advice Line	28 094	9	0
Family Relationship Centres	59 822	5023	8
Parenting Orders Program	9 344	293	3
Regional Family Dispute Resolution	6 135	78	1
Supporting Children after Separation Programme	5 099	22	0
Subtotal	145 380	5 592	4
Families and Children Activity			
Budget Based Funded Program	6 167	4973	45
Children and Parent Support Services ^a	45 001	10578	19
Communities for Children - Facilitating Partners	50 490	64964	56
Family and Relationship Services ^b	82 241	6041	7
Family Mental Health Support Services	15 043	15263	50
Forced Adoptions Support Services	592	63	10
National Find and Connect	2 996	1051	26
Reconnect	7 067	11060	61

²⁴ This could include increased stress, separating couples needing to cohabit due to inability to move, and declining mental health (see, for example, Headspace, 2020, 'Coping with COVID: the mental health impact on young people accessing headspace services', August 2020, available at: <https://headspace.org.au/assets/Uploads/COVID-Client-Impact-Report-FINAL-11-8-20.pdf>).

Program component	Individual clients	Group clients	Group client share
	000s	000s	Per cent
Specialised Family Violence Services	8 801	1477	14
Subtotal	218 398	115 470	35
All services			
Grand total	363 778	121 062	25

^a Includes clients of ad hoc Children and Parenting Support grants.

^b Includes Mensline Australia

Data source: DEX data extracted and supplied by DSS, CIE.

Number of cases

The number of cases in each year has remained relatively consistent over time, except for a significant fall in 2021/22, likely reflecting the effect of Covid-19 on ability for potential clients to access services (table 3.3). Note that the count of cases is not relevant to a range of service types under the Families and Children Activity, such as childcare and out-of-school care within Budget Based Funded Services, but is included in this table for completeness.

Further, a case can contain multiple individual clients. When these clients have addresses in different states, the case will be counted against each client state.

In 2021/22, there were 250 100 cases of care provided.

3.3 Number of cases

Service	15/16	16/17	17/18	18/19	19/20	20/21	21/22
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Family Law							
Children's Contact Services	7.1	7.3	7.2	6.3	5.4	5.1	5.0
Family Dispute Resolution	13.3	12.2	11.7	11.5	10.6	9.1	8.2
Family Law Counselling	9.3	13.0	16.7	15.9	13.5	12.7	10.1
Family Relationship Advice-Line	39.1	39.3	37.3	37.3	39.3	36.3	29.6
Family Relationship Centres	51.6	54.4	54.0	49.6	52.3	50.5	46.1
Parenting Orders Program	10.3	10.5	10.8	10.3	9.9	9.5	8.7
Regional Family Dispute Resolution	5.1	5.1	4.7	4.1	4.4	4.4	4.0
Supporting Children After Separation Program	3.3	3.6	3.6	4.0	4.0	3.7	3.7
Subtotal	139.1	145.4	145.9	138.8	139.5	131.4	115.4
Families and Children							
Budget Based Funded Services	0.0	0.0	0.0	0.7	1.1	1.1	1.0
Children and Parenting Support ^a	14.6	26.1	29.1	27.4	19.6	19.9	16.0

Service	15/16	16/17	17/18	18/19	19/20	20/21	21/22
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Communities for Children Facilitating Partners	9.2	12.7	12.8	13.0	11.3	11.0	9.0
Family and Relationship Services ^b	97.2	98.9	106.8	118.5	105.4	101.7	79.2
Family Mental Health Support Services ^c	N/A	N/A	N/A	N/A	11.7	11.7	10.5
Forced Adoption Support Services	0.6	0.7	0.7	0.7	0.7	0.6	0.6
Find and Connect Support Services	1.9	1.9	1.8	2.5	2.2	2.5	1.8
Reconnect	0.1	9.3	9.4	9.7	8.7	8.8	8.1
Specialised Family Violence Services	3.7	3.9	5.3	5.1	5.4	7.6	8.5
Subtotal	127.2	153.4	166.0	177.5	166.2	164.8	134.7
All services							
Grand total	266.3	298.8	311.9	316.4	305.7	296.2	250.1

^a Includes clients of ad hoc Children and Parenting Support grants.

^b Includes Mensline Australia

^c Includes Community Mental Health, Early Intervention for Children data as at times, it was merged with FMHSS.

Note: We have excluded 2014/15 because the numbers in this year reflect the first year when many programs merged into the Families and Children Activity and this is also the year DEX began, noting it was not mandated for all providers yet. We have excluded 2022/23 because data for this year only covers the period from July to December 2022. Note that data is unavailable for FMHSS (previously known as Community Mental Health, Early Intervention for Children) for 2018/19 and earlier years.

Data source: DEX data as extracted and supplied by DSS, CIE.

Number of sessions

The number of sessions of care has remained relatively consistent over time for Family Law Services, but has decreased significantly since 2017/18 for the Families and Children Activity (table 3.4). Further, a session can contain multiple individual clients, and these clients have addresses in different states, the session will be counted against each client state.

In 2021/22, 1.29 million care sessions were provided.

3.4 Number of sessions

Service	15/16	16/17	17/18	18/19	19/20	20/21	21/22
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Family Law							
Children's Contact Services	97	99	96	89	80	78	79
Family Dispute Resolution	34	39	40	36	37	36	35
Family Law Counselling	32	41	55	55	52	53	45
Family Relationship Advice-Line	43	47	45	58	78	71	58
Family Relationship Centres	173	186	207	199	236	252	240
Parenting Orders Program	31	33	38	39	41	43	41

Service	15/16	16/17	17/18	18/19	19/20	20/21	21/22
	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year	000's/ year
Regional Family Dispute Resolution	17	16	16	16	20	22	20
Supporting Children After Separation Program	18	17	21	22	23	22	22
Subtotal	444	478	517	514	566	577	540
Families and Children							
Budget Based Funded Services	0	0	0	5	7	7	7
Children and Parenting Support ^a	83	355	540	383	146	152	138
Communities for Children Facilitating Partners	66	84	88	86	79	88	69
Family and Relationship Services ^b	257	261	270	284	295	303	266
Family Mental Health Support Services ^c	N/A	N/A	N/A	N/A	131	132	115
Forced Adoption Support Services	3	5	5	6	6	6	5
Find and Connect Support Services	12	15	17	16	12	16	17
Reconnect	1	87	91	93	102	100	87
Specialised Family Violence Services	14	16	20	21	26	35	41
Subtotal	436	822	1032	893	805	839	747
All services							
Grand total	881	1299	1548	1407	1371	1416	1287

^a Includes clients of ad hoc Children and Parenting Support grants.

^b Includes Mensline Australia

^c Includes Community Mental Health, Early Intervention for Children data as at times, it was merged with FMHSS.

Note: A case can have sessions in multiple financial years. When this occurs, the case will be counted against each financial year. We have excluded 2014-15 because the numbers in this year reflect the first year when many programs merged into the Families and Children program and this is also the year DEX began noting it was not mandated for all providers yet. We have excluded 2022/23 because data for this year only covers the period from July to December 2022. Note that data is unavailable for FMHSS (previously known as Community Mental Health, Early Intervention for Children) for 2018/19 and earlier years.

Data source: DEX data extracted and supplied by DSS, CIE.

Access to services by jurisdiction varies across programs. Detail on the geographic distribution of access to services is provided in appendix B.

Trends and patterns in activity

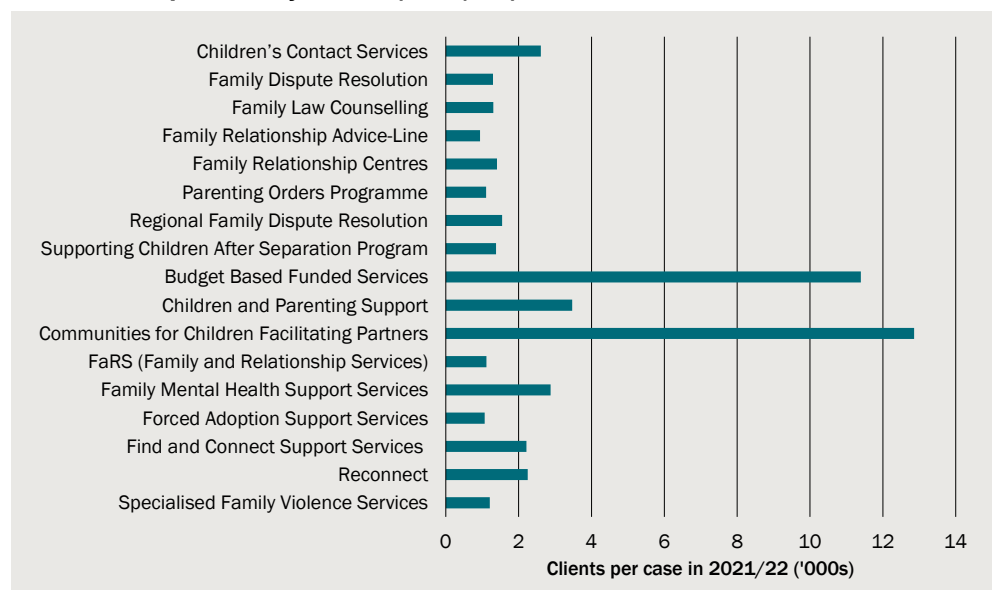
Clients per case

In 2021/22 there were more than ten clients per case²⁵ for Budget Based Funded Services and Communities for Children Facilitating Partners (CfC FP) (chart 3.5). For other services in the Families and Children Activity, clients per case varies between 1-4, suggesting a mix of cases with group and individual clients. Among Family Law services,

²⁵ Note that clients per case refers to the number of client interactions against a case divided by the total number of cases.

only Children's Contact Services had more than two clients per case, which is suggestive of cases involving multiple family members and reflective of the program design of CCS.²⁶

3.5 Clients per case by service (2021/22)



Data source: DEX data extracted and supplied by DSS, CIE.

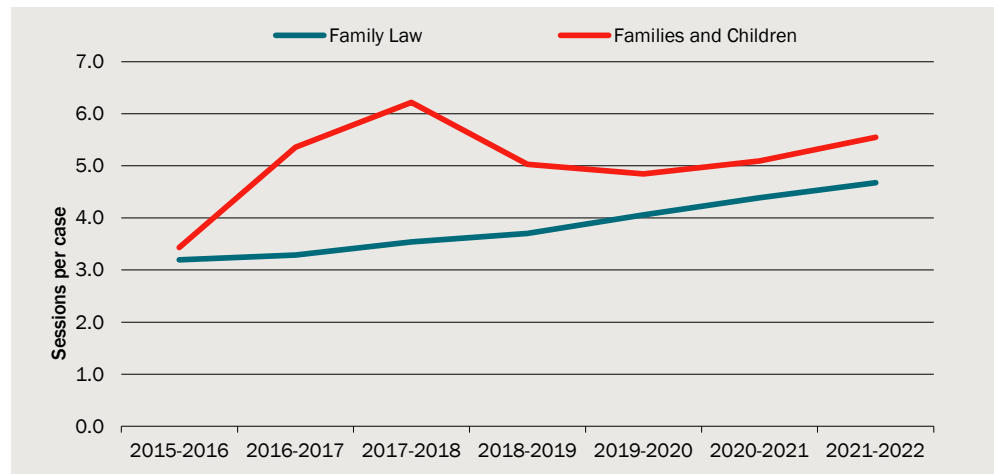
Sessions per client or case as a measure of complexity and intensity

Increases in sessions per client or sessions per case can suggest that service intensity is increasing, perhaps in response to increasing complexity of client needs.

Sessions per case (chart 3.6) has been increasing over time for Family Law services. For services in the Families and Children Activity, sessions per case has not clearly been rising. To the extent that rising sessions per case/client may reflect increasing complexity and more time spent with each client, this would likely be associated with a reduction in client numbers for a given funding level.

²⁶ Note that clients per case is between 1-2 for Family Dispute Resolution and similar services, despite these services typically involve two parties. However, it occurs frequently that a second party will not attend, or at intake the practitioner makes a judgement that FDR is inappropriate and the second party is never invited to attend and the practitioner immediately proceeds to issue a section 60I certificate.

3.6 Sessions per case for Family Law and Families and Children



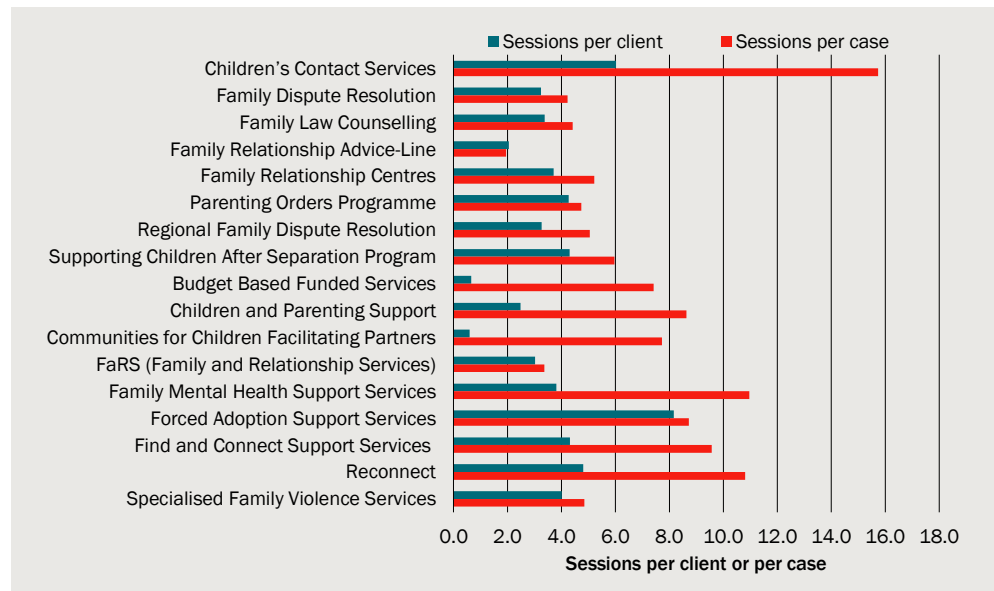
Note: We have excluded 2014/15 because the number of clients in 2014/15 appears unrealistically low. We have excluded 2022/23 because data for this year only covers the period from July to December 2022 and, hence, the number of sessions per case will be downwardly biased because sessions and cases between January to June 2023 are not counted. Note that data is unavailable for FMHSS in the DEX extracts for 2018/19 and earlier years, and FMHSS data is merged with Community Mental Health, Early Intervention for Children data as these were merged at times.

Data source: DEX data extracted and supplied by DSS, CIE.

Among Family Law Services, Children's Contact Services has the highest rate of sessions per client and per case (chart 3.7), due to characteristics of the service that make ongoing interaction with clients necessary.²⁷ Among services within the Families and Children Activity, sessions per case is high for most services except Family and Relationship Services (FaRS) and Specialised Family Violence Services.

²⁷ Children's Contact Services can be an 'ongoing' service in that the desired end-goal of the program is to try to move parents into self-managed contact arrangements where an external party is not required to be involved. However, this isn't always possible or appropriate, which means that contact and engagement with a CCS client tends to be ongoing and involve more sessions.

3.7 Sessions per client or case by service (2021/22)



Note: Sessions per case and per client are calculated by dividing the number of sessions in a year by the number of clients/cases receiving at least one session of services in that year.

Data source: DEX data as extracted and supplied by DSS, CIE.

4 *Cost of delivering family and relationship services*

The Commonwealth Government invested \$585.5 million in family and relationship services in 2022/23. Latest available data on cost per client (2021/22) indicates Commonwealth Government funding per client of \$1 185,²⁸ with funding per client increasing more rapidly than total funding. Approximately 3 per cent of total funding is estimated to be from non-Commonwealth Government sources.

Funding for services

There are multiple streams of funding for FRS services, including:²⁹

- Commonwealth Government baseline funding, and
- other income sources, such as user contributions (there are some fee-for-service arrangements for Family Law Services and fees set on a sliding scale for FaRS) and charitable contributions.

Commonwealth Social and Community Services (SACS) supplementation was a separate source of funding in 2020/21 and earlier years, but ceased on 30 June 2021 and was rolled into base funding from that point.

Commonwealth Government funding including supplementation

DSS and AGD have provided data about total Commonwealth Government funding including indexation and excluding GST (table 4.2). These funding amounts include SaCS supplementation for 2021/22 and 2022/23, for which years it was rolled into baseline funding and included in amounts provided by DSS and AGD.

In 2022/23, the Commonwealth Government invested \$585.5 million in family and relationship services.

Funding for both Family Law Services and the Families and Children Activity has been increasing between 2017/18 and 2022/23. Funding for each service has generally increased gradually, except for Children's Contact Services, which had its funding more

²⁸ We convert monetary values from previous years to today's dollars by escalating these values in line with increases in the Consumer Price Index over this time. For example, the CPI increased by 8 per cent between 2021/22 and March 2023, which means that a value of \$531.9 million in 2021/22 is equivalent to \$574.6.0 million in March 2023 dollars. This conversion, which converts a value from being at current prices (i.e. a nominal value) to constant prices (i.e. a real value) is standard practice for making values over time comparable.

²⁹ Note that FRS services under the DSS Families and Children Activity and the AGD Family Relationship Services Program do not receive any state government funding.

than doubled between 2020/21 and 2021/22. Commonwealth Government funding increased by more in the year to 2021/22 than in any other year. A significant component of this increase was Children's Contact Services, but also increases in funding for FaRS, FMHSS and other services.

4.1 Commonwealth Government grant funding, nominal

Funding name	17/18	18/19	19/20	20/21	21/22	22/23
	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year
Family Law						
Children's Contact Services	16.3	16.6	17.8	18	38.5	48.1
Family Dispute Resolution	12.9	13.1	13.2	13.4	15.6	16.3
Family Law Counselling	15.6	15.8	15.9	16.1	18.7	19.7
Family Relationship Advice Line	7.8	9.7	9.1	9.2	11.3	11.8
Family Relationship Centres	77.6	78.5	92.4	93.5	108.7	114.3
Parenting Orders Program	15.1	15.3	15.4	15.6	18.2	19.1
Regional Family Dispute Resolution	6	6	6.1	6.2	7.2	7.6
Supporting Children after Separation Programme	6.3	6.4	6.3	6.4	7.5	7.9
Subtotal	157.6	161.4	176.2	178.4	225.7	244.8
Families and Children						
Budget Based Funded Program	0	3.7	3.8	3.8	3.9	4.2
Children and Parent Support Services	53	56.6	53.9	55.2	60.3	70.2
Communities for Children -- Facilitating Partners	52.9	53.8	55.5	55.3	64.7	70.8
Family and Relationship Services ^a	67.2	68.3	69.4	70.7	81.5	89.3
Family Mental Health Support Services	43.2	44.1	43.4	44	52.9	57.5
Forced Adoptions Support Services	1.4	1.4	1.4	1.5	2.2	2.1
National Find and Connect	4.4	4.5	4	4.2	4.7	5.1
Reconnect	23.7	23.1	23.5	23.7	26.6	29.1
Specialised Family Violence Services ^b	4.7	4.7	6.7	11.5	9.4	12.4
Subtotal	250.5	260.2	261.6	269.9	306.2	340.7
All services						
Grand total	408.1	421.6	437.8	448.3	531.9	585.5

^a Includes Mensline Australia

^b Includes funding for the Fourth Action Plan.

Note: Funding includes indexation, SaCS supplementation in 2021/22 and 2022/23, and excludes GST.

Data source: Nominal funding amounts provided by DSS and AGD to FRSA/CIE, collated by CIE.

All cash flows need to be converted to current dollar terms to be comparable in a CBA.³⁰ Hence, funding has been converted to 2023 dollars using the Consumer Price Index for Australia (published by ABS). Note that the real value of funding in 2022/23 differs

³⁰ Office of Impact Analysis, 2023, *Cost-benefit analysis*, available at:
<https://oia.pmc.gov.au/sites/default/files/2023-08/cost-benefit-analysis.pdf>

slightly from the nominal value because we escalate funding from the 2022/23 financial year to a price period of March-2023.³¹

Further, DSS and AGD did not provide SaCS Supplementation amounts prior to 2021/22. In order to estimate the total funding including supplementation since 2017/18, we have estimated there was 11.5 cents of SaCS supplementation per dollar of grant spending between 2017/18 in addition to baseline Commonwealth funding in these years. This is based on the ratio of SaCS supplementation to baseline Commonwealth funding in total across all in-scope programs in the 2018/19 survey of FRSA members we reported in The CIE (2020) *Expiry of the Social and Community Services Pay Equity Special Account: Implications for family and relationship services* report. We estimate a simple average across 2017/18 and 2018/19 data (shown in table 4.3) of 11.5 per cent, and for simplicity assume this is constant across all years from 2017/18 to 2020/21.

4.2 Commonwealth funding including SaCS supplementation, 2023 dollars

Funding name	17/18	18/19	19/20	20/21	21/22	22/23
	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year
Family Law						
Children's Contact Services	21.5	21.5	22.8	22.6	41.6	48.8
Family Dispute Resolution	17.0	17.0	16.9	16.9	16.9	16.5
Family Law Counselling	20.5	20.5	20.3	20.3	20.2	20.0
Family Relationship Advice Line	10.3	12.6	11.6	11.6	12.2	12.0
Family Relationship Centres	102.2	101.7	118.1	117.6	117.4	116.1
Parenting Orders Program	19.9	19.8	19.7	19.6	19.7	19.4
Regional Family Dispute Resolution	7.9	7.8	7.8	7.8	7.8	7.7
Supporting Children after Separation Programme	8.3	8.3	8.1	8.1	8.1	8.0
Subtotal	207.5	209.1	225.3	224.4	243.8	248.5
Families and Children						
Budget Based Funded Program	0.0	4.8	4.9	4.8	4.2	4.3
Children and Parent Support Services	69.8	73.3	68.9	69.4	65.1	71.3
Communities for Children-- Facilitating Partners	69.7	69.7	71.0	69.6	69.9	71.9
Family and Relationship Services ^a	88.5	88.5	88.7	88.9	88.0	90.7
Family Mental Health Support Services	56.9	57.1	55.5	55.4	57.1	58.4
Forced Adoptions Support Services	1.8	1.8	1.8	1.9	2.4	2.1
National Find and Connect	5.8	5.8	5.1	5.3	5.1	5.2
Reconnect	31.2	29.9	30.0	29.8	28.7	29.5
Specialised Family Violence Services ^b	6.2	6.1	8.6	14.5	10.2	12.6
Subtotal	329.9	337.1	334.4	339.5	330.8	345.9

³¹ That is, we compare the average CPI for each financial year to the value of the CPI index in Match 2023. For 2022/23, this requires comparing the average CPI index for the Sep-22, Dec-22 and Mar-23 quarters only, since the Jun-23 quarter CPI was not yet published at the time of calculation.

Funding name	17/18	18/19	19/20	20/21	21/22	22/23
	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year	\$m/year
All services						
Grand total	537.4	546.2	559.7	564.0	574.6	594.5

^a Includes Mensline Australia

^b Includes funding for the Fourth Action Plan.

Note: Funding includes indexation and supplementation and excludes GST. Funding has been converted to 2023 dollars using the Consumer Price Index for Australia (published by ABS).

Data source: Nominal funding amounts supplied by DSS and AGD as per table 4.1, adjusted for inflation by CIE using ABS CPI.

4.3 Ratio of SaCS supplementation to baseline funding in the 2018/19 survey

Program	Baseline Commonwealth funding		Commonwealth SaCS supplementation		Ratio of SaCS supplementation to Commonwealth funding	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
	\$000's	\$000's	\$000's	\$000's	Per cent	Per cent
Children's Contact Services	11 598	11 466	1 257	1 471	10.8	12.8
Family Dispute Resolution	9 267	9 381	1 031	1 225	11.1	13.1
Family Law Counselling	13 180	13 333	1 403	1 646	10.6	12.3
Family Relationship Centres	58 425	59 025	6 107	7 206	10.5	12.2
Parenting Orders Program	10 422	10 559	1 185	1 378	11.4	13.1
Regional Family Dispute Resolution	6 024	6 104	649	773	10.8	12.7
Supporting Children after Separation Program	3 540	3 570	498	565	14.1	15.8
Family and Relationship Services ^a	42 130	42 907	4 433	5 201	10.5	12.1
Specialised Family Violence Services	3 971	4 092	500	567	12.6	13.9
Communities for Children-- Facilitating Partners	16 231	16 479	1 722	2 019	10.6	12.3
Children and Parenting Support	13 547	14 197	1 374	1 589	10.1	11.2
Find and Connect Support Services	1 681	1 550	148	161	8.8	10.4
Family Law Services	108 916	109 868	11 632	13 699	10.7	12.5
Families and Children Activity	77 777	79 462	8 177	9 537	10.5	12.0
All services	186 693	189 330	19 809	23 236	10.6	12.3

Note: We have excluded programs that were in-scope for the 2018/19 survey but are out-of-scope for this analysis, including Intensive Family Support Services and the Home Interaction Program for Parents and Youngsters. All values are shown in nominal terms, and are totals/averages across all survey respondents.

Source: 2018/19 provider survey conducted by The CIE.

We calculate funding per client-year by dividing funding by the number of client-years, where a client-year is a count of how many individual and group clients received services in a given year.³²

Year-to-year fluctuations in funding per client are likely to reflect changes in client volumes rather than changes in cost per client.

Funding per client has increased more rapidly than total funding (table 4.4). Calculation of the average funding across 2017/18 to 2021/22 is shown in table 4.5. Note that due to data availability, the averaging period for FMHSS is 2019/20 to 2021/22 instead.

This reflects a combination of increasing total funding and a decline in the number of clients. The fall in client numbers between 2019/20 and 2021/22 likely reflects, in part, the COVID-19 pandemic and associated health restrictions. We expect that the pandemic would have reduced the frequency of large group services.

4.4 Commonwealth Government funding per client, 2023 dollars

Funding name	17/18	18/19	19/20	20/21	21/22	Average: 17/18-- 21/22
	\$/client	\$/client	\$/client	\$/client	\$/client	\$/client
Family Law						
Children's Contact Services	1 169	1 296	1 631	1 736	3 171	1 731
Family Dispute Resolution	1 017	1 050	1 170	1 397	1 577	1 207
Family Law Counselling	1 005	1 019	1 129	1 228	1 525	1 153
Family Relationship Advice Line	361	360	317	341	434	359
Family Relationship Centres	1 426	1 523	1 733	1 794	1 811	1 653
Parenting Orders Program	1 367	1 558	1 712	1 788	2 040	1 662
Regional Family Dispute Resolution	1 173	1 315	1 225	1 193	1 252	1 229
Supporting Children after Separation Programme	1 183	1 195	1 388	1 476	1 582	1 345
Subtotal	1 128	1 161	1 288	1 368	1 615	1 300
Families and Children						
Budget Based Funded Program	N/A	682	666	662	378	570
Children and Parent Support Services	351	407	672	958	1 172	569
Communities for Children -- Facilitating Partners	290	304	407	439	605	381
Family and Relationship Services ^a	570	692	783	848	997	751

³² We do not have data about the relative cost of individual and group clients, and so do not distinguish between the funding per client of these two groups. While we expect their costs differ, in the cost-benefit analysis we conservatively do not allocate any benefits to group clients. Hence, our cost-benefit analysis is conservative overall with respect to group clients. We also conduct sensitivity analysis, testing alternative less conservative assumptions about the benefits obtained by group clients. Another key sensitivity test is, instead of relying on estimates of funding per client, assuming that the cost of providing services in 2021/22 is equal to the amount of funding received in this year. This is discussed further in Chapter 8.

Funding name	17/18	18/19	19/20	20/21	21/22	Average: 17/18-- 21/22
	\$/client	\$/client	\$/client	\$/client	\$/client	\$/client
Family Mental Health Support Services	N/A	N/A	1 540	1 771	1 886	1 721
Forced Adoptions Support Services	2 615	2 617	1 998	2 833	3 628	2 686
National Find and Connect	945	834	676	809	1 254	867
Reconnect	1 633	989	1 427	1 067	1 585	1 285
Specialised Family Violence Services ^b	692	802	1 193	1 565	988	1 052
Subtotal	524	571	711	811	991	684
All services						
Grand total	661	709	867	968	1 185	776

^a Includes Mensline Australia

^b Includes funding for the Fourth Action Plan.

Note: Funding includes indexation and supplementation and excludes GST. Funding has been converted to 2023 dollars using the Consumer Price Index for Australia (published by ABS). Commonwealth Government funding per client has been calculated by dividing total funding in each year by the number of clients receiving a service in any given year. We have not included an estimate of cost per client for 2022/23 since we do not have a count of clients for the entire 2022/23 financial year. Note that values for 2017/18 and 2018/19 for FHMSS are unavailable due to client volume data not being included in the DEX extract provided by DSS for these years.

Data source: DSS, AGD, ABS, CIE.

4.5 Calculation of average funding per client-year

Funding name	Total funding from 17/18 to 21/22 including nominal escalation	Total client years between 17/18 and 21/22	Funding per client- year on average between 17/18 and 21/22
	\$m (March-23 dollars)	000's	\$/client-year
Family Law			
Children's Contact Services	130.0	75.1	1 731
Family Dispute Resolution	84.5	70.0	1 207
Family Law Counselling	101.8	88.3	1 153
Family Relationship Advice-Line	58.3	162.1	359
Family Relationship Centres	557.1	337.0	1 653
Parenting Orders Program	98.7	59.4	1 662
Regional Family Dispute Resolution	39.0	31.8	1 229
Supporting Children After Separation Program	40.8	30.3	1 345
Families and Children			
Budget Based Funded Services	18.6	32.7	570
Children and Parenting Support	346.6	609.6	569
Communities for Children Facilitating Partners	349.8	918.2	381
Family and Relationship Services ^a	442.7	589.7	751
Family Mental Health Support Services ^b	168.0	97.6	1 721
Forced Adoptions Support Services	9.7	3.6	2 686
National Find and Connect	27.1	31.3	867

Funding name	Total funding from 17/18 to 21/22 including nominal escalation	Total client years between 17/18 and 21/22	Funding per client-year on average between 17/18 and 21/22
	\$m (March-23 dollars)	000's	\$/client-year
Reconnect	149.7	116.5	1 285
Specialised Family Violence Services ^c	45.5	43.2	1 052

^a Includes Mensline Australia

^b Data for client volumes associated with FMHSS (previously known as 'Community Mental Health, Early Intervention for Children' is not available for 2018/19 and earlier years. Hence, average funding per client-year is calculated using data for 2019/20 to 2021/22 for this service only.

^c Includes funding for the Fourth Action Plan.

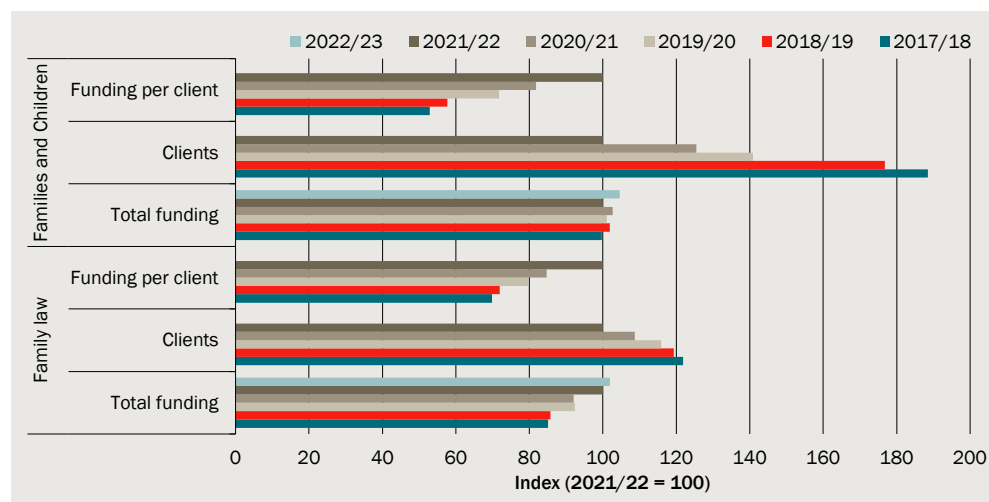
Note: Funding data was not separated between the two components of Adult Specialist Support so, hence, we have assumed the same average funding per client across these services. Funding per client is calculated by dividing funding by the number of clients. In this table, average funding over a 5-year period is calculated by dividing total real funding by the number of clients (including both individual and group) over this 5-year period.

Data source: DSS, AGD, ABS, CIE.

The real cost per client of services likely increased over this period as well, as a result of increasing sessions per case and sessions per client (chart 4.6). Increasing service intensity and complexity would reduce the number of clients that can be serviced for a given amount of funding.

The FRS sector has been affected by two recent significant increases in award wages, the increase in the rate of employer superannuation contributions, and increasing competition with the for-profit sector, which have likely driven increases in costs over this period. Further, increases in wages may impact on client numbers since a lack of staff or incomplete teams leading to difficulty in maintaining levels of service delivery.

4.6 Impact of funding growth and declining activity on funding per client



Note: Funding includes indexation and supplementation and excludes GST. Funding has been converted to 2023 dollars using the Consumer Price Index for Australia (published by ABS).

Data source: DSS, AGD, ABS, CIE.

We conducted a survey of FRSA members in 2023. There were 14 organisations that responded to the survey, who jointly provide services to 45 per cent of the total number

of Family Law clients and 9 per cent of Families and Children Activity clients in 2021/22. Appendix C provides greater detail about the response rate to the survey across program components.

Appendix D provides data from the 2018/19 survey, conducted as part of The CIE (2020) *Expiry of the Social and Community Services Pay Equity Special Account: Implications for family and relationship services* report, about the cost per client and evidence about economies of scale.

Other sources of funding

Two sources of data are available about other sources of funding:

- A survey of FRSA members from 2018/19 from The CIE (2020)
- A survey of FRSA members we conducted in 2023 to support this cost-benefit analysis.

Data from 2018/19 suggests that approximately 3 per cent of total funding is categorised as ‘all other income’, with respondents indicating there was \$5.5 million of funding for all other income sources compared to \$182.0 million from the Commonwealth Government including SaCS supplementation. The 2018/19 survey sample represented around 50 per cent of total DSS grant funding to all family and relationship services.³³ Note that no state government funding goes towards FRS, with state government funding being included in the 2018/19 survey because some organisations fund employment costs using state government funding for other programs, with those employees working across multiple programs.

However, the 2023 survey data suggests that around 1-1.5 per cent of income that funds these programs is from ‘all other income’ sources (table 4.7). The 2023 survey respondents represent 29 per cent of total Family Law funding and 11 per cent of Families and Children Activity funding.

4.7 Share of funding for 2023 survey respondents that is non-Commonwealth

Program component	Share of funding from ‘all other income’ sources in 2021/22	Commonwealth Government funding among survey respondents	Share of total Commonwealth Government funding for that program
	Per cent	\$m/year	Per cent
Family Law	1.0	72	29
Families and Children Activity	1.6	38	11
All services	1.2	110	19

Source: FRSA member survey 2023, CIE.

³³ The 2018/19 survey sample represented 71 per cent of total DSS grant funding to FRSA members, and FRSA members in turn represented 72 per cent of total DSS grants. The estimated 50 per cent share of all DSS funding accounted for by the sample is the approximate product of these shares. See The CIE, 2020, *Expiry of the Social and Community Services Pay Equity Special Account*, table 2.3, available at: <https://www.thecie.com.au/publications-archive/expiry-of-the-social-and-community-services-pay-equity-special-account>

Based on this data, **we assume for this cost-benefit analysis that non-Commonwealth income represents 3 per cent of total funding across all program components.** This relies more heavily on the data from the 2018/19 survey, which is more dated but had a higher response rate.

Note that there are state and territory funded services that complement DSS-funded Families and Children Activity services, but these are not within scope of our analysis.

Costs reported by services in the 2023 survey of FRSA members

We conducted a survey of FRSA members in 2023. There were 14 organisations that responded to the survey, who jointly provide services to 45 per cent of the total number of Family Law clients and 9 per cent of Families and Children Activity clients in 2021/22. The response rate for particular programs is low, such as Reconnect which had only one responding organisation providing services under this program.

Notwithstanding this low response rate for some programs, the survey results provided a statistically valid sample. However, ultimately we were able to rely on a larger dataset for the purposes of this analysis, due to the availability of total funding and client volume data provided by DSS and AGD. The survey data provided a useful ‘test’, confirming trends in the larger dataset as well as providing the CIE with some contextual information at an organisational level. Appendix C provides estimates of cost per client based on this survey data.

Cost per client for the purpose of cost-benefit analysis

We have estimated cost per client based on Commonwealth Government funding per client plus an additional 3 per cent to account for non-Commonwealth funding. We take an average across multiple years where costs and client numbers are relatively stable. This is because:

- In the explanatory remarks made by DSS when providing the funding and DEX extracts to CIE, DSS state that funding and costs are not correlated over time. This supports relying on average funding per client across multiple years, since a single-year estimate will have variation due to year-to-year fluctuations in client numbers that don’t necessarily translate into higher actual cost per client in that year.
- Averages of funding for 2021/22 will be heavily impacted by COVID-19, which decreased client numbers, while funding was already determined ex ante. Hence, cost per client in 2021/22 may be overstated. This is complicated somewhat by increases in costs that we expect occurred in 2021/22 due to inflation and widespread labour shortages in the economy,³⁴ which means that there is some increase in cost per

³⁴ Inflation has been above the target band particularly in 2021/22. C.f. Reserve Bank of Australia, 2023, *Statement on Monetary Policy*, August 2023, Chapter 4 discussed labour shortages affecting labour costs and business investment (although not specifically related to family and relationship services staff), Graph 4.1 showing high inflation rates in past ~2 years,

client in 2021/22 that ideally we could distinguish from the short-run effect of decreased client volumes.

- Total funding is the only available proxy for costs when considered across multiple years since providers need to at least break-even. This may underestimate costs somewhat to the extent that some costs are met by volunteer labour or in-kind contributions.

Table 4.8 shows the cost per client-year that we assume in the cost-benefit analysis. These estimates are based on the average real funding per client-year³⁵ between 2017/18 and 2021/22 (or since 2019/20 in the case of FHMSS). The only exception is the cost of Children and Parenting Support, which is based on the funding per client in 2021/22 (due to significant declines in customer numbers which drive an unrealistic fall in funding per client).

4.8 Cost per client used in the cost-benefit analysis

Survey name	Cost per client-year
	\$/client.year
Family Law Services	
Family Relationship Centres	1 704
Family Dispute Resolution	1 244
Regional Family Dispute Resolution	1 268
Children's Contact Services	1 785
Supporting Children after Separation Programme	1 387
Family Relationship Advice Line	370
Family Law Counselling	1 189
Parenting Orders Programme	1 713
Families and Children Activity	
Budget Based Funded Program	588
Children and Parent Support Services	1 208
Communities for Children - Facilitating Partners	393
Family and Relationship Services ^a	774
Family Mental Health Support Services	1 774
Forced Adoptions Support Services	2 769
National Find and Connect	894
Reconnect	1 325
Specialised Family Violence Services	1 084

^a Includes Mensline Australia.

Note: The values in this table rely on the values from table 4.3 divided by 97% (i.e. to add the 3% for non-Commonwealth funding).

Source: DSS and AGD funding data, client numbers from DEX extract provided by DSS, CIE.

available at: <https://www.rba.gov.au/publications/smp/2023/aug/pdf/statement-on-monetary-policy-2023-08.pdf>

- ³⁵ Recall that a client-year refers to a year in which a client receives at least one session. To illustrate, for a client receiving services over two years, they would represent two client years of service provision.

5 *Existing evidence about outcomes from Family Law services*

There is a significant body of evidence to support the association between Family Law services and improved outcomes for children and families, particularly relating to Family Dispute Resolution and similar programs. Benefit-cost ratios for Family Dispute Resolution range from 1.58 to 12.85, with the most recent study (PwC 2023) estimating average savings in court costs of \$15 072 per case. There is also evidence that FDR leads to a majority of clients obtaining parenting agreements, and that these agreements hold up over the medium term.

Evidence is also available supporting impacts of other FLS programs. For example, an evaluation of the Parenting Orders Program (POP) found 52 per cent of parents reported much benefit or a great benefit (as opposed to no or some benefit) from accessing the program, with the share of non-residential parents having contact with children increased from 25 to 48 per cent.

About Family Law services

The Family Law Services fit within the family law system, and are a suite of AGD-funded out-of-court services delivered across Australia by a range of service providers who are not-for-profit organisations and/or charities.

The services aim to provide alternatives to formal legal processes for families who are separated, separating or in dispute, including those with complex needs such as family violence issues. The services emphasize non-adversarial and early dispute resolution with the intention of diverting couples away from the legal system into resolution services.

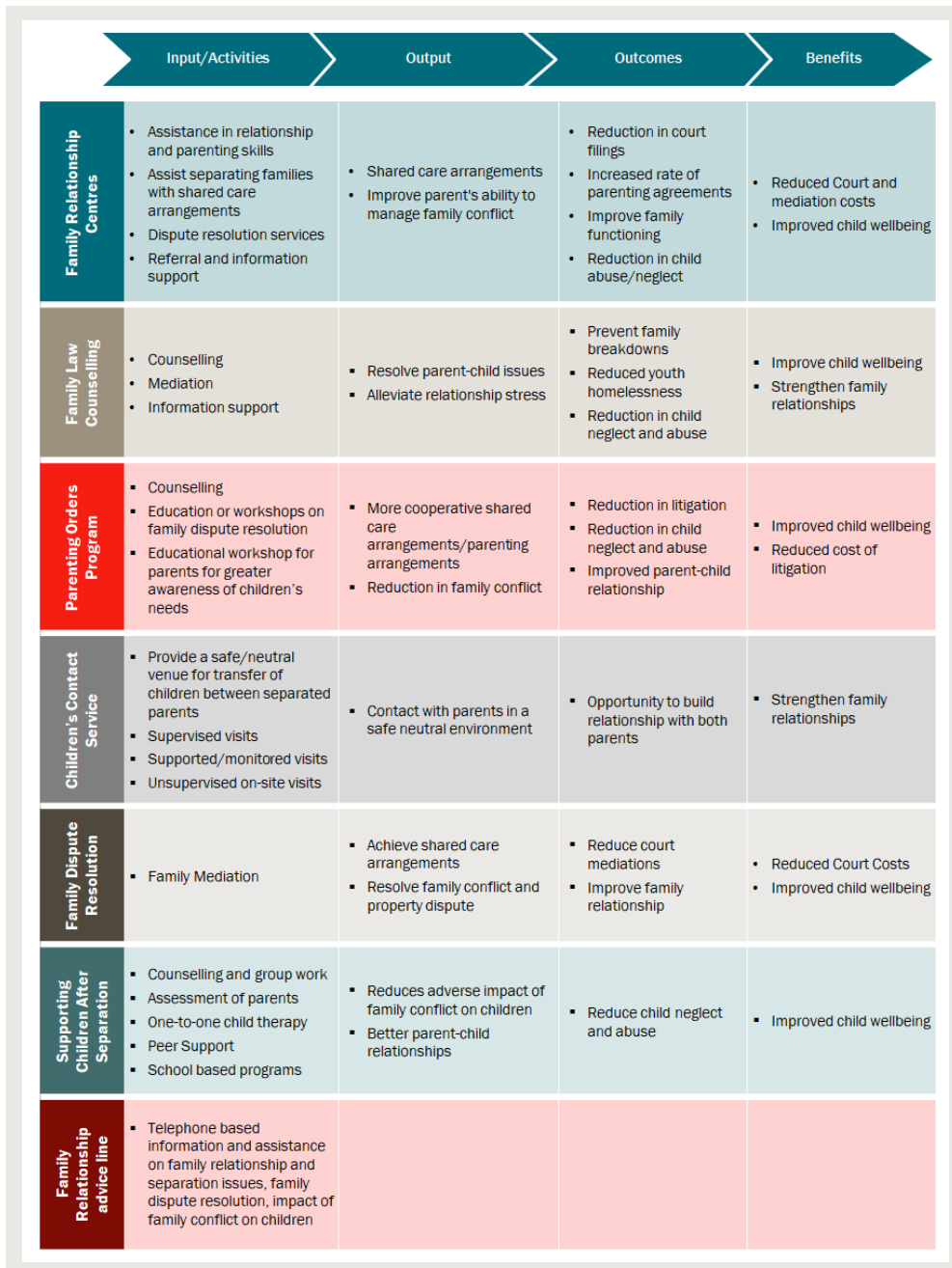
Key benefits that arise due to the non-adversarial nature of the family law services include:

- savings in costs to the court system and individuals due to court diversion
- improved mental health and subjective wellbeing from having separation issues addressed constructively and without going to court
- reduced violence and improved feelings of safety due to having issues addressed
- improved child wellbeing associated with parenting agreements, and
- feelings of empowerment associated with the outcomes above.

Three sub-categories of family law services, which are likely to have a similar pattern of benefits per dollar spent, including Family Relationship Centres, Family Dispute Resolution (FDR), and Regional Family Dispute Resolution.

Chart 5.1 shows the overarching program logic for Family Law Services including all the programs and services covered under Family Law Services.

5.1 Program logic for Family Law services



Data source: Program logics completed by FRS providers supplied to CIE by FRSA, CIE.

Benefits of court diversion

Parties participating in Family Law services may be diverted from court because they are able to resolve disputes earlier, which is the case for services like FDR. Services such as the Parenting Orders Program may also lead to disputes being resolved without court proceedings. However, most of the evidence available from the literature relates to FDR and similar services.

Separating families who have a dispute about children are required to make a genuine effort to resolve it through FDR.³⁶ There are five types of certificate issued under section 60I of the *Family Law Act 1975*:³⁷

- attended – genuine effort
- attended – not genuine effort
- FDR began – practitioner considered it inappropriate to continue
- matter inappropriate for resolution, and
- FDR not held due to refusal or failure of other person to attend.

A practitioner may decide not to issue a certificate if they believe the dispute can be resolved without proceeding to court, provided they have seen genuine intention from all parties to stay out of court and they believe there are reasonable prospects of resolution.³⁸

We can categorise Family Law clients into three groups:

- 1 those that received a Section 60(I) certificate and, therefore, would proceed to court whether or not they received Family Law services,
- 2 those who would have proceeded to court, but were diverted due to services resolving their dispute or not being issued with a S60(I) certificate, and
- 3 those who would not proceed to court, whether or not they received services.

Whether a s60(I) certificate has been issued provides useful information about how to categorise each case. If a certificate has been issued, then it can be presumed that the case has not been diverted. Where a certificate has not been issued, it is uncertain whether that client would have been diverted from court or not, since they may be in either the second or third category above. That is, some who attempt FDR may not have gone to Family Court in the absence of FDR because they did not want to incur the costs or spend the time to undertake court proceedings, but were happy to participate in the lower cost FDR process.

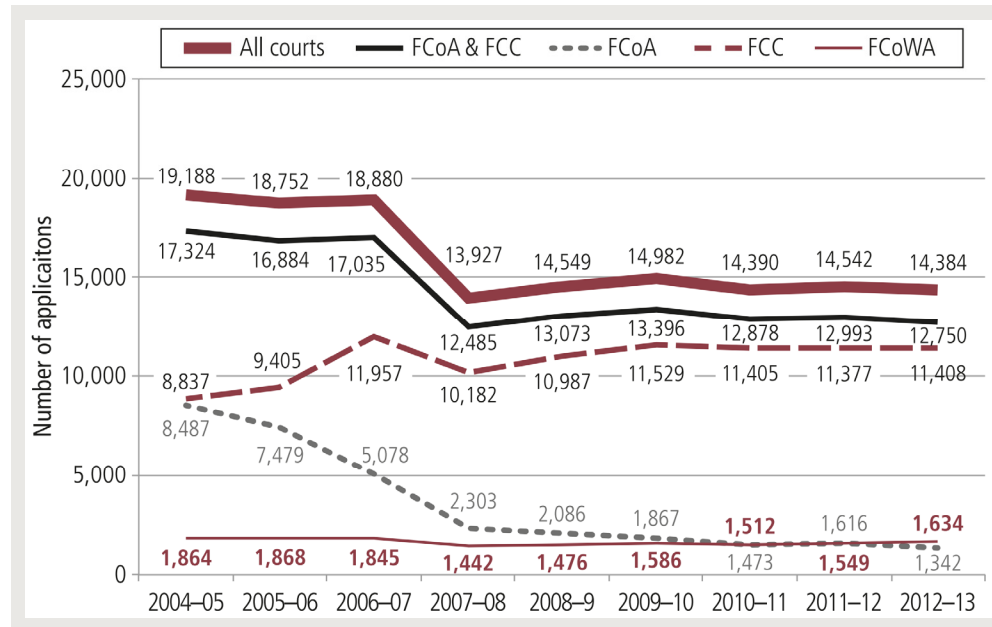
³⁶ See the Attorney-General's Department fact sheet about section 60I certificates, available at: https://www.ag.gov.au/sites/default/files/2022-01/section-60i-certificates-for-family-dispute-resolution_0.pdf

³⁷ These are listed in the Data Exchange Protocols at Table 12.

³⁸ Attorney-General's Department fact sheet, p.2, https://www.ag.gov.au/sites/default/files/2022-01/section-60i-certificates-for-family-dispute-resolution_0.pdf.

Kaspiew et al (2015) report that once FDR became mandatory for children's matters prior to lodging a court application in 2006, there was drop in court filings with parenting matters of 4500-5000 per year, or 25 per cent (chart 5.2).³⁹

5.2 Applications for final orders before and after mandatory FDR



Data source: Kaspiew et al (2015) figure 2.3.

Qu et al (2014) conducted a survey in three waves between 2007 to 2009 of parents with a child under 18 years old who separated. They found that 21-41 per cent of parents who attempted FDR had a section 60I certificate issued.⁴⁰

Similarly but more recently, Kaspiew et al (2015)⁴¹ conducted similar surveys in 2012 and 2014, finding that certificates were issued in 29 per cent of cases where parents attempted FDR and FDR was not still in progress or had an unknown outcome.

The Federal Court and Family Court of Australia in their *Annual Reports 2021-22*⁴² publish data about the share of dispute resolution conferences administered by court

³⁹ Kaspiew, R., Moloney, L., Dunstan, J., and De Maio, J., 2015, *Family law court filings 2004-05 to 2012-13*, Australian Institute of Family Studies, available at: https://aifs.gov.au/sites/default/files/publication-documents/rr30_0.pdf

⁴⁰ Qu, L., Weston, R., Moloney, L., Kaspiew, R., and Dunstan, J., 2014, *Post-separation parenting, property and relationship dynamics after five years*, Australian Institute of Family Studies, available at: <https://aifs.gov.au/sites/default/files/2022-06/post-separation-parenting-property-and-relationship-dynamics-after-five-years-full-document.PDF>

⁴¹ Kaspiew, R., Carson, R., Dunstan, J., De Maio, J., Moore, S., Moloney, L., Smart, D., Qu, L., Coulson, M. and Tayton, S., 2015, *Experiences of Separated Parents Study*, Australian Institute of Family Studies, available at: https://aifs.gov.au/sites/default/files/efva-esps_0_0.pdf

⁴² Federal Court and Family Court of Australia, 2022, *Annual Reports 2021-22*, available at: https://www.fcfcga.gov.au/sites/default/files/2022-10/fcfcga_annual_report_21-22.pdf

registrars that are settled. Among the family dispute resolution conferences administered by court registrars, 49 per cent were settled and 51 per cent were not. Among both FDR and financial conciliation conferences (which are not FDR) that were settled, around 70 per cent were settled in full rather than on an interim basis.

Three cost-benefit analyses of services including FDR have been conducted, each of which quantifies the benefits of court diversion.

KPMG (2008)⁴³ and PwC (2009)⁴⁴ focus on avoided court costs from diversion, but have different methodologies and results (table 5.3). PwC (2009) includes an assumed cost premium associated with self-represented litigants (box 5.5). Recent data from the Federal Circuit and Family Court of Australia suggests that 20-30 per cent of litigants in final order applications are unrepresented at some point through proceedings.⁴⁵

The third cost benefit analysis conducted was by PwC (2023), which replicates many aspects of PwC (2009). Their estimates of avoided costs due to court diversion are summarised in table 5.4.

A key difference between PwC (2023) is that they estimate two additional benefit categories not considered in the previous analyses:

- the value of reduced domestic and family violence, based on an assumption that among cases with identified risk of violence, the share presenting as high family violence (62 per cent) are avoided, which has an avoided cost to the individual of \$23 622, to government \$7154 including the avoided costs of out-of-home-care, and
- reduced pain and suffering from more efficient proceedings, based on the product of an estimated 201 day time to finalise each case, the 20 per cent inefficiency premium for self-represented litigants, and a cost of pain and suffering of \$22 per day based on analysis of KPMG (2016).⁴⁶

Note that none of these studies make an explicit assumption about the rate of court diversion as a result of FDR. Rather, this rate is implicit in the number of cases assumed to be diverted.

⁴³ KPMG, 2008, *Family dispute resolution services in legal aid commissions*, Evaluation report, prepared for the Attorney-General's Department, December 2008, available at: https://www.legalaid.nsw.gov.au/__data/assets/pdf_file/0016/5434/FDR-Evaluation-Report.pdf

⁴⁴ PwC, 2009, *Economic value of legal aid – analysis in relation to Commonwealth funded matters with a focus on family law*, prepared for National Legal Aid, available at: https://www.legalaidact.org.au/sites/default/files/publications/economic_value_of_legalaid.pdf. Includes all legal aid services (not just FDR) and differences in methodology to KPMG (2008).

⁴⁵ Federal Circuit and Family Court of Australia, 2021, *2020-21 Federal Circuit Court Annual Report*, Part 3, available at: <https://www.fccoa.gov.au/fcc-annual-reports/2020-21/part-3>

⁴⁶ KPMG (2016), *Cost of Violence against Women and Children*.

5.3 Comparison of cost-benefit analysis of FDR

Study	Cost per avoided case	Benefit cost-ratio
KPMG (2008) evaluation of <i>FDR in legal aid commissions</i>	Applies a constant cost per finalisation, and also include the cost of legal aid fees per case for a family law matter.	1.58
PwC (2009) <i>Cost-benefit analysis of legal aid services</i> , including FDR in legal aid commissions	Family Court of Australia data about the cost per matter outcome, multiplied by the share of matter outcomes based on data from Queensland. Apply a 20 per cent loading to these costs associated with inefficiency of self-represented litigants.	9.15-12.85 depending on case outcome assumptions
PwC (2023)	As per table 5.4.	N/A ^a

^a Does not report a social benefit-cost ratio, only the ratio of benefits to the cost to government. Also, this is for all legal aid services, with no split for FDR.

Source: As noted, CIE.

5.4 Avoided costs due to court diversion from FDR services

Measure	Units	Full	Partial	Weighted average
Number	No.	3 615	2 513	
Cost saving	Per cent	100	75	
System costs	\$/case avoided	6 167	4 625	5 535
Net individual cost	\$/case avoided	10 627	7 970	9 538
Total net cost	\$/case avoided	16 794	12 596	15 072

Note: The 'net individual cost' is the difference between the cost of a final order and that of a mediated agreement (i.e. there are costs in court even if a mediated agreement is achieved at FDR). Excludes non-FDR services from the benefit-cost ratio as done by Productivity Commission 2014, *Access to Justice Arrangements*, Appendix K: Measuring the benefits of legal assistance services.

Available at: <https://www.pc.gov.au/inquiries/completed/access-justice/report/access-justice-appendixk.pdf>

Source: PwC (2023), CIE.

5.5 Self-represented litigants and their impact on court costs

Self-Represented Litigants (SRLs) are associated with a range of impacts on the legal system, including:⁴⁷

- longer duration of court proceedings, due to SRLs being less likely to settle matters, increased need for case management, and more adjournments
- increased costs associated with court time and resources, additional work borne by the opposing party, and delays/adjournments, however, the evidence is unclear about the extent to which this is offset by SRLs not bearing legal fees themselves, and

⁴⁷ These descriptions are based on: Wangmann, J., Booth, T. and Kaye, M., 2020, "*No straight lines*": *Self-represented litigants in family law proceedings involving allegations about family violence*, Research Report, Issue 24, p.32-33, available at: <https://opus.lib.uts.edu.au/bitstream/10453/144566/2/MJ.18.01-Wangmann-RR-SelfRepresentation.pdf>

- potential for more appeals and ongoing proceedings, although the evidence is unclear.⁴⁸

PwC (2009) include a 20 per cent cost premium associated with inefficiency of self-represented litigants. That is, the cost per case outcome avoided due to FDR is 120 per cent the cost per case outcome on average for the Family Court, on the basis that all diversion due to FDR is of SRLs. Productivity Commission (2014) questioned the basis for this assumption given it was based on a single finding for civil appeals cases in a 2004 annual review of the Western Australian courts, and scant detail is available about the estimate (e.g. sample size).⁴⁹

Since PwC (2009) and Productivity Commission (2014), there is additional qualitative evidence supporting the argument that self-represented litigants in family law proceedings are associated with a significant additional time burden. For example, Inside Policy (2020) reported that self-represented family law clients were typically underprepared, unlikely to have documents correctly prepared and submitted, and required more time to tell their story in court.⁵⁰

There remains insufficient quantitative evidence about the difference in efficiency between self-represented and represented litigants. Similarly, there is no quantitative evidence about how FDR processes may impact preparedness of SRLs if, and when, they reach court after FDR.

Impact on experiences of family and domestic violence

There is little quantitative evidence showing the impact of FDR on incidence of family and domestic violence.

Qu et al (2014b)⁵¹ yields some suggestive evidence that FDR reduces incidence of family violence. Parents who reached agreement at FDR/were not issued with a section 60(I) certificate in the first of three waves of the survey were less likely to experience violence/abuse or have safety concerns (chart 5.6).

The key limitation of this evidence is that some of the higher rate of violence/safety concerns among this group reflects that disputes which are more contentious are less likely to be resolved quickly through FDR and would also be associated with worse

⁴⁸ Ibid, p.33.

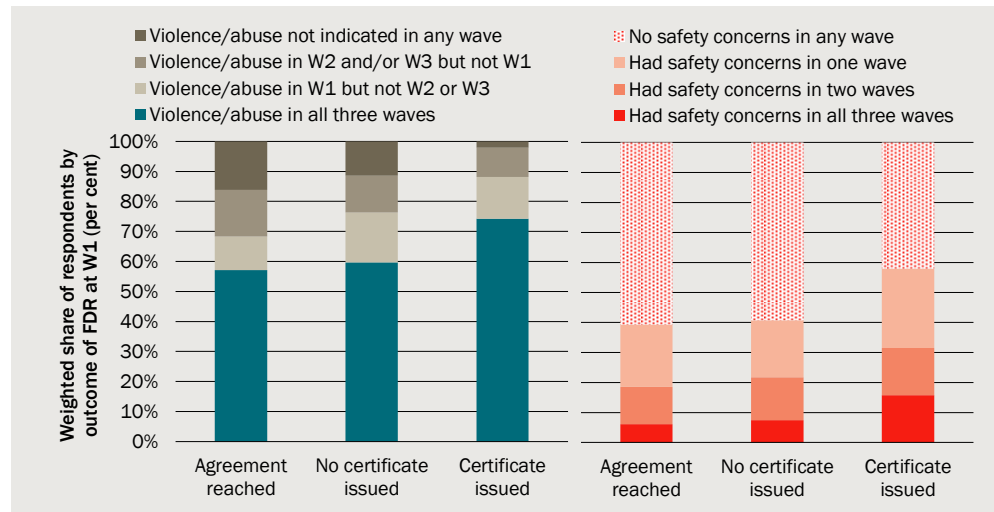
⁴⁹ Productivity Commission, 2014, *Access to Justice Arrangements*, Appendix K: Measuring the benefits of legal assistance services, p.1061. Available at: <https://www.pc.gov.au/inquiries/completed/access-justice/report/access-justice-appendixk.pdf>

⁵⁰ Inside Policy, 2020, *An Evaluation of the Family Advocacy and Support Services*, Final Report, prepared for the Australian Government Attorney-General's Department, p.33, available at: <https://www.ag.gov.au/sites/default/files/2020-03/fass-final-evaluation-report.pdf>

⁵¹ Qu, L, Weston, R., Moloney, L, Kaspiew, R., and Dunstan, J., 2014, *Post-separation parenting, property and relationship dynamics after five years*, Australian Institute of Family Studies

safety outcomes. However, this data would also be consistent with FDR reducing violence and safety concerns by resolving disputes more rapidly.

5.6 Difference in violence and safety concerns depending of FDR outcome



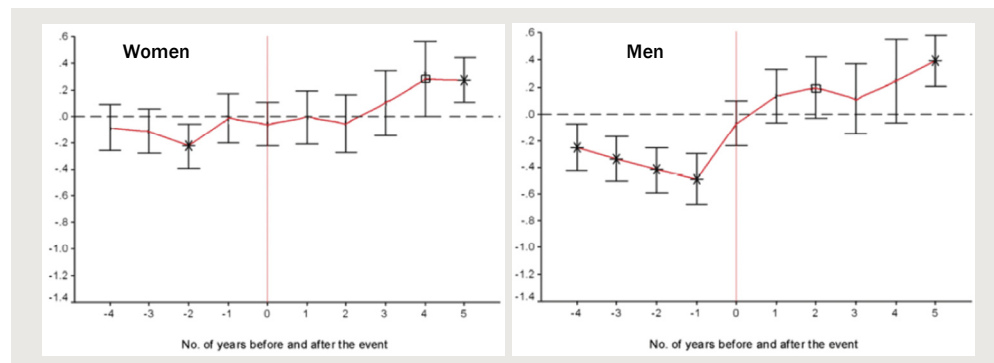
Note: W1, W2 and W3 refer to the three waves of the survey.

Data source: Qu et al (2014) Table 4.20, p.61, CIE.

Life satisfaction impacts of less adversarial family law services

Subjective wellbeing for both women (the left panel in chart 5.7) and men (the right panel) is ~0.5 points out of 10 lower in the years preceding divorce and 0.2 points higher in the years subsequent. The change is notably larger for men than women. There may be scope for family dispute resolution services to reduce losses in life satisfaction, by reducing relationship acrimony and increasing satisfaction of partners with having their issues addressed.

5.7 Effect of divorce on life satisfaction of women and men



Data source: Clark, A.E., Diener, E., Georgellis, Y. and Luca, R.E., 2008, 'Lags and leads in life satisfaction: A test of the baseline hypothesis', *The Economic Journal*, 118(529): F222-F243, available at: <https://www.jstor.org/stable/20108833>.

There is an important distinction between the potential benefits from preventing separation, and the benefits from preventing the harmful impacts of separation. Semple (2010),⁵² in discussing the cost-benefit analysis of family service delivery in Ontario, Canada, makes this distinction. Reducing the number of relationships that were voluntarily dissolved was an objective of Canadian social policy for decades. However, Semple (2010) states that ‘preserving the legal form of a marriage which lacks affection, harmony or cohabitation has no apparent purpose’ and that it would be preferable to focus on prevention or mitigation of harms when separation does occur.

Petch et al (2014a)⁵³ examine levels of psychological distress among FDR clients, as measured by Kessler 10 scores. They find that clients accessing FDR services have approximately doubled the rate of very high psychological distress relative to the general Australian population. Petch et al (2014a) note that distressed couples use health services substantially more than others, and are overrepresented among mental health service users.

Impact on improved parenting and child wellbeing

A survey conducted by Allen Consulting (2013)⁵⁴ found that FRC service users report:

- their child/children experienced less conflict
- parenting arrangements were workable, and
- there was better communication between parents about their child/children’s needs⁵⁵.

There is evidence from multiple evaluations that FDR leads to a majority of clients obtaining parenting agreements, and that these agreements hold up over the medium term (Moloney et al, 2013).⁵⁶ Furthermore, parental mental health is correlated with the mental health of children, although the direction of causation is unclear (Gibson et al,

⁵² Semple, N., 2010, *Cost-benefit analysis of family service delivery: Disease, prevention and treatment*, Law Commission of Ontario, Family Law Process Project, Final Paper, June 23, 2010, available at: <https://www.lco-cdo.org/wp-content/uploads/2010/11/family-law-process-call-for-papers-semble.pdf>

⁵³ Petch, J., Murray, J., Bickerdike, A., and Lewis, P., 2014, ‘Psychological distress in Australian clients seeking Family and Relationship Counselling and Mediation Services’, *Australian Psychologist*, 49(1): p.33, available at: <https://www.tandfonline.com/doi/abs/10.1111/ap.12039?journalCode=rapy20>

⁵⁴ The Allen Consulting Group, 2013, *Research on Family Support Program family law services*, May 2013, prepared for the Australian Government Attorney-General’s Department, available at: <https://www.ag.gov.au/sites/default/files/2020-03/research-on-family-support-program-family-law-services-may2013.pdf>

⁵⁵ Note that the survey was only of family law service users, and there was no counterfactual group who didn’t receive such services.

⁵⁶ Moloney, L., Qu, L., Weston, R., and Hand, K, 2013, ‘Evaluating the work of Australia’s Family Relationship Centres: Evidence from the first 5 years’, *Family Court Review*, 51(2): 234-249, available at: <https://onlinelibrary.wiley.com/doi/abs/10.1111/fcre.12023>

2019).⁵⁷ This suggests that to the extent that Family Law Services improve mental health of parents, this may flow through to better child mental health.

To the extent that Family Law Services reduce separations or improve family functioning, this may reduce parental alienation and ongoing estrangement from adult children, which positively related to depression and dissatisfaction with life.^{58,59}

Impact on improved household functioning

Studies estimating the cost of family violence typically include estimates of the cost of reduced household economies of scale, or less ability to share household functions (i.e. housing services, children's nutrition, the nutrition of the household, and the household's ability to accumulate wealth). For example, Taylor Fry and the CIE (2023)⁶⁰ found that people who experience physical or sexual intimate partner abuse in their lifetime are 20 per cent less likely to have a partner, and 9 per cent less likely for those experiencing intimate partner emotional abuse. People who live without partners tend to live in smaller households on average, and this is associated with a higher effective cost of living, as expenses cannot be shared between as many people. These impacts are relevant whether separation arises due to family violence or other reasons.

De Vaus et al (2015) highlights that there is a broad literature relating to the consequences of divorces, with Australian evidence suggesting that women's equivalised incomes are substantially lower even six years after divorce.⁶¹

⁵⁷ Gibson, M., Johnson, S. and Field, K., 2019, *The relationship between parent and child mental health: Taking a family systems perspective in support services*, Peer reviewed paper for the FRSA National Conference 2019, available at: https://www.researchgate.net/profile/Anna-Gillbard/publication/347515886_Differences_in_Risks_and_Experiences_of_Familial_Elder_Abuse_for_Victims_with_Cognitive_Impairments/links/60d92d1892851ca9448fe015/Differences-in-Risks-and-Experiences-of-Familial-Elder-Abuse-for-Victims-with-Cognitive-Impairments.pdf#page=6

⁵⁸ Taylor-Potter, S., 2015, 'Effects of past parental alienation and ongoing estrangement from adult children on non-custodial parents as they age', California State University dissertation, available at: <https://www.proquest.com/openview/e5ca2df7a4a08395f07265106df62ed9/1?pq-origsite=gscholar&cbl=18750>

⁵⁹ Verrochio, M.C., Marchetti, D., Carrozzino, D., Compare, A. and Fulcheri, M., 2019, 'Depression and quality of life in adults perceiving exposure to parental alienation behaviours', *Health and Quality of Life Outcomes*, 17(14) (2019), available at: <https://hql.o.biomedcentral.com/articles/10.1186/s12955-019-1080-6>

⁶⁰ Taylor Fry and The CIE, *Economic cost of violence, abuse, neglect and exploitation of people with disability*, prepared for the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, s.6.4.7 at p.138, available at: https://disability.royalcommission.gov.au/system/files/2023-02/Research%20Report%20-%20Economic%20cost%20of%20violence%2C%20abuse%2C%20neglect%20and%20exploitation%20of%20people%20with%20disability_0.pdf

⁶¹ De Vaus, D., Gray, M., Qu, L. and Stanton, D., 2015, *The economic consequences of divorce in six OECD countries*, Australian Institute of Family Studies, Research Report no. 31, available at: https://aifs.gov.au/sites/default/files/publication-documents/rr31_0.pdf

Parenting Orders Program – Post Separation Cooperative Parenting Services

An evaluation of the POP from 2008⁶² found that:

- a majority of parents (52 per cent) thought the Program delivered them much benefit or a great benefit (as opposed to no or some benefit)
- the share of non-residential parents having contact with children increased from 25 to 48 per cent, and
- while families entering the program had 10 returns to court on average prior to entering the Program, post-Program only 3 per cent of families reported a return to court after 6-9 months.

Another relevant evaluation is that of an enhanced Parenting Orders Program Enforcement (POPE) pilot (Clancy et al, 2017),⁶³ which is an enhanced POP for families with high and entrenched conflict including family violence. The objective of the POPE pilot was to support families after they have been given interim or final parenting orders, and divert them from initiating applications for contraventions of parenting orders. While the sample sizes for the evaluation were small (100 clients at baseline and 33 completed 10-week follow-ups), it found statistically significant improvements in:

- reciprocal respect between parties
- understanding of parenting orders and how to comply with them
- mental health and wellbeing for adults, and
- reported child wellbeing.

⁶² Brown, T., 2008, 'An evaluation of a new post-separation and divorce parenting program', *Family Matters*, 78, Australian Institute of Family Studies, available at: https://aifs.gov.au/sites/default/files/tb_1.pdf

⁶³ Clancy E., Pryor, R., Skvarc, D., & Nekonokuro, A., 2017, *Post Orders Pilot Program: Evaluation Report*, Centre for Family Research and Evaluation, Deakin University and drummond street services, Melbourne, Australia, available at: <https://www.ag.gov.au/sites/default/files/2020-03/Parenting-orders-program-enforcement-pilot.pdf>.

6 *Existing evidence about outcomes from the Families and Children Activity*

There is a substantial body of work to support the value of the Families and Children Activity. Just some of the key empirical findings include the following:

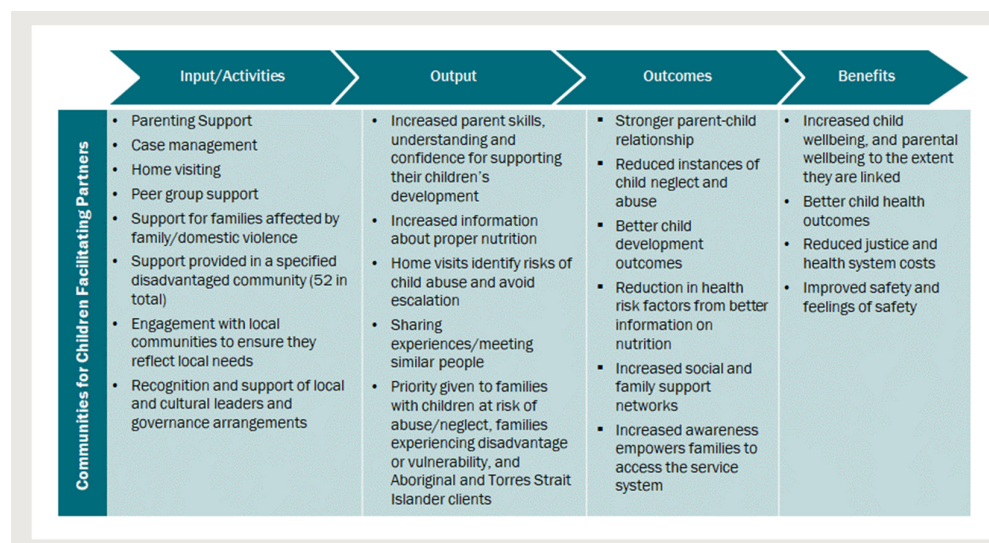
- CBAs of the Communities for Children Facilitating Partners have estimated a return on investment of between \$3.28 and \$4.76 for every dollar spent.
- Family and relationship services is estimated to have reduced the share of clients experiencing mental health distress from 82 per cent to 43 per cent by the final session, with several studies substantiating reduced relationship distress, and demonstrating clients' willingness to pay for counselling services.
- A Mission Australia report (2016)⁶⁴ of its Reconnect services found that clients' personal wellbeing index increased from 61.7 to 71.2 due to interaction with the program.

Communities for Children Facilitating Partners

Communities for Children Facilitating Partners (CfC FP) is a place-based service (in 52 disadvantaged communities in Australia), which develops and facilitates a 'whole of community' approach to early childhood development and wellbeing for children from 0-12 years (sometimes including children up to 18 years). Services are targeted to bring about positive family functioning, safety and child development outcomes. Chart 6.1 shows the overarching program logic for CfC FPs.

⁶⁴ Mission Australia, 2016, *Reconnect evaluation 2016*, available at: <https://www.missionaustralia.com.au/documents/687-reconnect-evaluation-report/file>

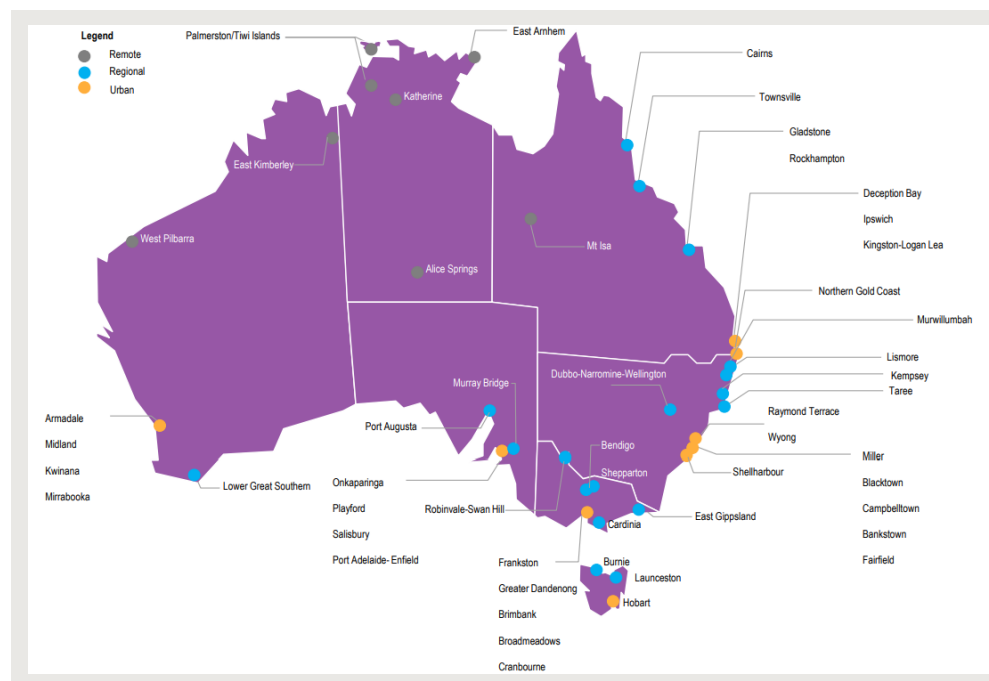
6.1 Program logic for Communities for Children Facilitating Partners



Data source: Program logics completed by FRS providers supplied to CIE by FRSA, CIE.

Place-based initiatives are challenging to evaluate because of issues such as attribution, long time scales, and different service delivery by region.⁶⁵ One aspect of complexity is the wide range of locations, with urban, regional and remote CfC FP sites (chart 6.2).

6.2 Map of CfC FP sites as at 2015/16



Data source: ACIL Allen (2016) *Post Implementation Review* p.2 (figure 1.1).

⁶⁵ Crew, M., 2020, *The effectiveness of place-based programmes and campaigns in improving outcomes for children*, available at: <https://files.eric.ed.gov/fulltext/ED607978.pdf>

Outcome evaluations

The evaluation of the Stronger Families and Communities Strategy provides evidence about outcomes achieved by the CfC FP program. Phase 1 of this study included a three-wave longitudinal study of 2 202 families living in 10 sites that had a CfC program and five comparable sites without a program (Edwards et al, 2009).⁶⁶ This study was followed by a Phase 2 study (Edwards et al, 2014),⁶⁷ which added two more waves to assess the medium- to longer-term effects of the program. Phase 2 corresponds to the time when children who received CfC FP would have started school.

These evaluations are a good source of information for the performance of the program, despite being dated, because they feature longitudinal data, include a large sample of participants, and have an appropriate control group. They compare outcomes in CfC communities to control communities and focus on the impact of being in a CfC community, rather than being a recipient of CfC services individually. Hence, these evaluations assess the community-wide impact of the program, rather than the individual impact.

Findings are compared in table 6.3. Overall, some impacts faded by Phase 2 such as parenting self-efficacy and the reduction in jobless households, while reduced hostile parenting, involvement in community service activities and child reading impacts were still present. Additionally, most of the negative impacts reported at Phase 1, such as worse child physical health and parental physical health among some cohorts were no longer apparent by Phase 2.⁶⁸

Phase 2 also provided evidence about how differences in early outcomes such as family joblessness flowed through to later child outcomes. This includes relationships between family joblessness, parents reading to their children, and the community involvement of primary carers and later literacy, numeracy, social and behavioural outcomes. Note that this analysis was not identifying the treatment effect of CfC, but rather the effect of differences in these outcomes among both CfC and control communities on later outcomes of interest (e.g. literacy).

Note that the outcome domains in the evaluation don't align closely to the range of domains in circumstances SCORE data. For example, many (such as less hostile parenting, improved parenting self-efficacy) would fall under the age-appropriate development domain but also relate to family functioning.

⁶⁶ Edwards, B., Wise, S., Gray, M., Hayes, A., Katz, I., Mission, S., Patulny, R. and Muir, K., 2009, *Stronger Families in Australia study: the impact of Communities for Children*, Occasional Paper No. 25, National Evaluation Consortium (Social Policy Research Centre, at the University of New South Wales, and the Australian Institute of Family Studies), available at: https://library.bsl.org.au/jspui/bitstream/1/1115/1/B13714_Stronger_Families_in_Australia_study_the_impact_of_Communities_for_Children.pdf

⁶⁷ Edwards, B., Mullan, K., Katz, I. and Higgins, D., 2014, *The Stronger Families in Australia (SFIA) Study: Phase 2*, Research Report no. 29, available at: <https://aifs.gov.au/sites/default/files/publication-documents/rr29.pdf>

⁶⁸ Note that the worse parental distress in Phase 2 was mainly due to distress reducing in comparison sites to a similar level to CfC sites, rather than distress worsening at CfC sites.

6.3 Impact of CfC FP on outcomes in evaluation

Domain	Phase 1 findings	Relevant Phase 2 findings
Less hostile parenting	✓✓	✓✓
Improved parenting self-efficacy	✓✓	–
Service needs are met	✗	–
Reduction in jobless households	✓✓	–
Involvement in community service activities	✓	✓✓
Community social cohesion	✓	✓
Child receptive vocabulary and verbal ability	✓	✓✓
Child has no/few emotional and behavioural problems	✓	–
Reported child physical health	✗✗	–
Parent-reported physical health	✗	–
Parent-reported mental health	✗	✗✗

Note: Ticks refer to positive impacts, while crosses refer to negative impacts. A dash indicates no finding. Two ticks/crosses corresponds to a statistically significant result for the full sample, while one tick/cross corresponds to a statistically significant result for a particular cohort defined in terms of hard-to-reach status, mother's education, or income.

Source: Edwards (2011) presentation slides about 2009 evaluation (available at:

https://www.rch.org.au/ccch/media/cph_d4_i4_ben_edwards.pdf),

Critically, the age range for CfC FP participation was increased from 0-5 years of age to 0-12 years of age in 2009, after the time of Phase 1 of the evaluation. Phase 2 of the evaluation considered the implications of extending the age range, and found that 'early years interventions are likely to be more effective than interventions when children are already at school.⁶⁹ This was informed by their analysis, such as findings that parents reading to children, volunteering, and returning to the workforce early in their children's lives had a greater influence on children's later wellbeing than reading and volunteering when children were older.

A range of other changes were made to the CfC FP program in 2014, which affects interpretation of results from the evaluation (Edwards et al, 2009 and Edwards et al, 2014). These changes included:⁷⁰

- requiring a 50 per cent of CfC FP funding to direct service delivery be of -evidence-based programs by 1 July 2017⁷¹
- requiring Facilitating Partners to play a facilitation and strategic role instead of direct service delivery, with all direct service delivery contracted to Community Partners unless unavailable

⁶⁹ Edwards et al (2014): p.xvi.

⁷⁰ ACIL Allen, 2017, *Communities for Children Facilitating Partners Program Post Implementation Review*, prepared for the Department of Social Services, available at: https://www.dss.gov.au/sites/default/files/documents/09_2017/ccfp-pir.pdf

⁷¹ The requirement remains at 50 per cent, per section 2.5.9 of the CfC FP operational guidelines, available at: https://www.dss.gov.au/sites/default/files/documents/03_2022/communities-children-facilitating-partner-operational-guidelines-2021.pdf

- requiring CfC Committees to have a broad and diverse membership, including clients, parents, etc.
- adding the ‘supporting school transition and engagement’ objective, and
- increasing focus on sub-contracting of Community Partners, including red-tape reduction.

Since 2014, further reforms have increased emphasis on the cultural competency and achievement of Closing the Gap priority reforms. The program operational guidelines include principles that grant recipients must abide by. For example, grant recipients are to work in ways that recognise and support local and cultural leaders and governance arrangements.⁷²

None of these changes would appear to have negative impacts on achieving of outcomes, with the first expected to improve outcomes.

Evidence-based program profiles

CfC FPs must use 50 per cent of the funding they allocate to direct service delivery to fund evidence-based programs. A wide range of programs have been deemed by the Australian Institute of Family Studies (AIFS) to have a sufficient evidence base to be approved as ‘evidence-based programs’ for the purpose of this requirement (table 6.4).

Note that the standard of evidence varies across programs. For example, the evidence supporting the Abecedarian Approach is rated as suggestive only on the basis that it was a relatively small study in the early 1970s, and there were substantial departures from random assignment to the program.⁷³

These examples illustrate the extent of variation in the objectives, structure (and likely costs) and outcomes of these programs. This highlights that estimating outcomes or drawing conclusions about effectiveness of the program in aggregate is difficult.

CfC FPs develop Community Strategic Plans that set out a broad vision for the service area, identifying community needs, priorities and outcomes.⁷⁴ These documents should draw on sources such as research evidence and published data about the FP’s community.

⁷² DSS, 2021, *Families and Children Activity – Communities for children Facilitating Partner Operational Guidelines*, effective 1 July 2021, available at: https://www.dss.gov.au/sites/default/files/documents/03_2022/communities-children-facilitating-partner-operational-guidelines-2021.pdf

⁷³ See <https://evidencebasedprograms.org/programs/abecedarian-project/>

⁷⁴ See DSS (2022) guidance about Community Strategic Plans, available at: https://www.dss.gov.au/sites/default/files/documents/03_2022/cfc-fp-community-strategic-plan-template-updated-march-2022.pdf

6.4 Selected examples of evidence-based programs for CfC FP

Program	Objectives	Structure	Evaluation and effectiveness
1-2-3 Magic and Emotion Coaching	Aims to help parents and carers manage difficult child behaviour	Select either 3 x 2 hour group sessions or 3 x 2 hour one-on-one sessions	Single Randomised Controlled Trial (RCT) showing significant improvement in child behaviour and for carers and parents.
Abecedarian Approach Australia (3a)	Teaching and learning strategies for use in early childhood settings and parenting programs design to enhance children's cognitive, emotional, communication and school-readiness outcomes	Provides educational childcare and high-quality preschool from age 0-5 to children from very disadvantaged backgrounds. Consists of learning games, conversational reading, language priority, enriched care-giving Training consists of 3 days plus affiliate trainer or coach add-ons	Single RCT in USA (1972-1977) showing higher cognitive test scores, academic achievement and language development than a control group. Mothers of participating children achieved higher educational and employment status. Health of children who participated for the first 5 years of life had better health at 35 years of age.
Cool Kids	Cognitive behaviour therapy program teaching children and their parents how to manage anxiety disorders	10 session program run over a minimum of 10 weeks, with online and face-to-face program variants.	Two RCTs and several other evaluations have been undertaken. Participant children show improvements in school attendance, academic results, confidence, number of friends and involvement in extra-curricular activities, decreases in worry, fear and family distress.
Playsteps	Child-based play program helping parents to strengthen their relationship with their child, learn practical parenting skills and build local support networks	9 week group program where parents are shown videos, given handouts and can participate in discussions about parenting	An evaluation was conducted by the Parenting Research Centre in 2007-2010, which demonstrated improvements in parenting, children's emotional and social competence, and parenting mental health.

Source: Derived from summaries on AIFS website (available at: <https://aifs.gov.au/projects/evidence-and-evaluation-support/cfc-program-profiles>) supplemented by detail from evidencebasedprograms.org (a website administered by the Arnold Ventures' Evidence-Based Policy Team, a US philanthropy organisation (see <https://www.arnoldventures.org/about>))

Economic evaluations

The Phase 1 findings were a key input to a cost-benefit analysis of CfC FP by Access Economics (2010).⁷⁵ This study involved quantifying the monetary value of positive family functioning using statistical analysis of the determinants of family and child outcomes. This study estimated a benefit-cost ratio for CfC FP of 4.76, assuming a unit cost of \$1 143 (in Dec-2022 dollars).

⁷⁵ Access Economics, 2010, *Positive Family Functioning*, Final Report, prepared for the Department of Families, Housing, Community Services and Indigenous Affairs, available at: https://www.dss.gov.au/sites/default/files/documents/positive_family_functioning.pdf

In 2017, a program specific evaluation of CfC FP in North West Adelaide was published.⁷⁶ This evaluation, looking at a specific geographical area, estimated a social return on the CfC FP program of 3.28:1. However, this study uses a replacement cost approach to estimate most benefit categories. This approach relies on, for example, assuming the benefit of CfC FP in terms of family functioning is equal to the benefit of ten group therapy sessions, and using the cost of ten sessions (\$254.50) as a measure of the benefit of CfC FP. This approach presupposes that the benefit of improved family functioning is equal to the cost of improving family functioning. This is the approach adopted for the majority of outcomes categories.⁷⁷

Family and Relationship Services

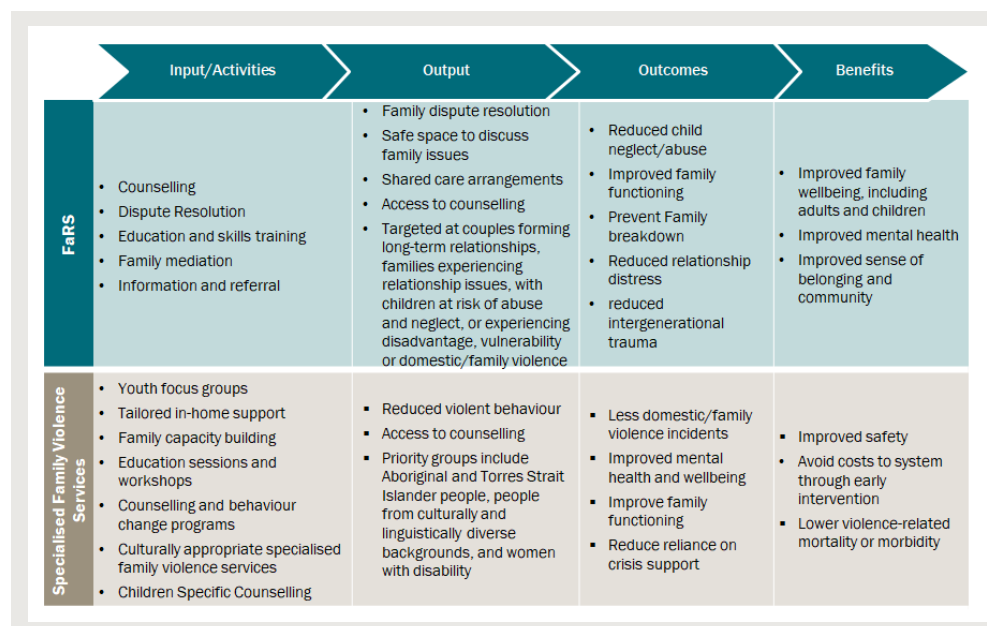
Family and Relationship Services (FaRS) including Mensline Australia covers early intervention and prevention services that aim to strengthen family relationships, prevent breakdown and ensure the wellbeing and safety of children through broad-based counselling and education. These early intervention and prevention services aim to support families when going through change such as when they form, extend or separate. Specialised Family Violence Services (SFVS) of the FaRS subactivity deliver specialised services supporting children, families, individuals and couples who are experiencing, or at risk of experiencing, family and domestic violence.

Chart 6.5 shows the overarching program logic for FaRS including SFVS.

⁷⁶ Nova, 2017, Communities for Children Program – Social Return on Investment Forecast Analysis, prepared for UnitingSA, available at: https://unitingsa.com.au/wp-content/uploads/2019/01/SROI_Forecast_Analysis_Digital_Final.pdf

⁷⁷ See Nova (2017) Table 4 at p.23, where five out of seven outcome categories use this approach to developing ‘financial proxies’.

6.5 Program logic for Family and Relationship services



Data source: Program logics completed by FRS providers supplied to CIE by FRSA, CIE.

Typical service provision and client population

Harvey and Muir (2018)⁷⁸ undertook a survey of FaRS-funded service providers, aimed at understanding their characteristics and activities. Providers deliver a range of primarily therapeutic, centre-based programs and referral services. Outreach activities were also conducted, particularly in regional and remote areas. While the largest source of referrals for both FaRS and SFVS is self-referrals, SFVS were more likely to have referrals from police, other domestic and family violence services, and specialist drug and alcohol services.

Schofield et al (2015)⁷⁹ undertook a preservice survey of couples attending services across eight community-based sites of Relationships Australia Victoria during 2008-2009. They contrasted the characteristics of couple counselling clients to relationship education clients. They found that those seeking couple counselling (compared to those seeking relationship education) had more children, more serious relationship issues, higher depression and aggression, lower education, and more financial difficulty.

⁷⁸ Harvey, J. and Muir, S., 2018, *National survey of FaRS-funded service providers — Overview of services and service provider perspectives*, available at: https://aifs.gov.au/sites/default/files/publication-documents/1808_national_survey_of_fars-funded_service_providers-with-image_0.pdf

⁷⁹ Schofield, M.J., Mumford, N., Jurkovic, I., Jurkovic, D., Chan, S.P., and Bickerdike, A., 2015, 'Understanding profiles of couples attending community-based coupling counselling and relationship education services', *Journal of Couple & Relationship Therapy*, 14(1): 64-90, available at: <https://www.tandfonline.com/doi/abs/10.1080/15332691.2014.953654>

Similarly, Petch et al (2014a) found that clients seeking FaRS and FDR had higher levels of psychological distress than the general population.⁸⁰ Further, the authors state that (at that time) there was no Australian research examining the effect of real-world couples counselling on psychological distress.

Impacts of family and relationship services on client wellbeing

There are a range of studies measuring the impact of receiving family and relationship services, on relationship satisfaction, levels of relationship distress, and similar variables.

The most comprehensive and relevant source of such evidence is analysis by Drummond Street Services of the impacts from FaRS, FHMSS and other services.⁸¹ Their findings include the following:

- Mental health distress decreased from the first to the final session, as measured by the Depression Anxiety Stress Scale (DASS-21) and the General Health Questionnaire (GHQ). The share of clients experiencing mental health distress decreased from 82 per cent to 43 per cent by the final session. Distress levels were very high at baseline, with 37 and 28 per cent of clients experiencing extremely severe anxiety and depression respectively.
- Child and young person wellbeing improved significantly, as measured by the Strengths and Difficulties Questionnaire (SDQ). The largest improvements were observed for emotional symptoms and conduct problems, with smaller improvements in hyperactivity and pro-social behaviour and no statistically significant impact on peer relationships.
- Family relationships improved, as measured by the Parenting and Family Adjustment Scale (PAFAS). Statistically significant improvements in coercive parenting and family relationships were observed, but the effects were small to medium in magnitude.
- Social connectedness improved by a small but statistically significant extent (8 per cent), as measured by three items from the 15-item MOS Social Support Survey.

Gibson et al (2019)⁸² find that parental mental health predicted child mental health at all ages among FaRS and FMHSS clients, however, the direction of causation could not be established. This result highlights the importance of whole-of-family approaches to improve the mental health and wellbeing of children and parents.

⁸⁰ Petch, J., Murray, J., Bickerdike, A., and Lewis, P., 2014, 'Psychological distress in Australian clients seeking Family and Relationship Counselling and Mediation Services', *Australian Psychologist*, 49(1): p.33.

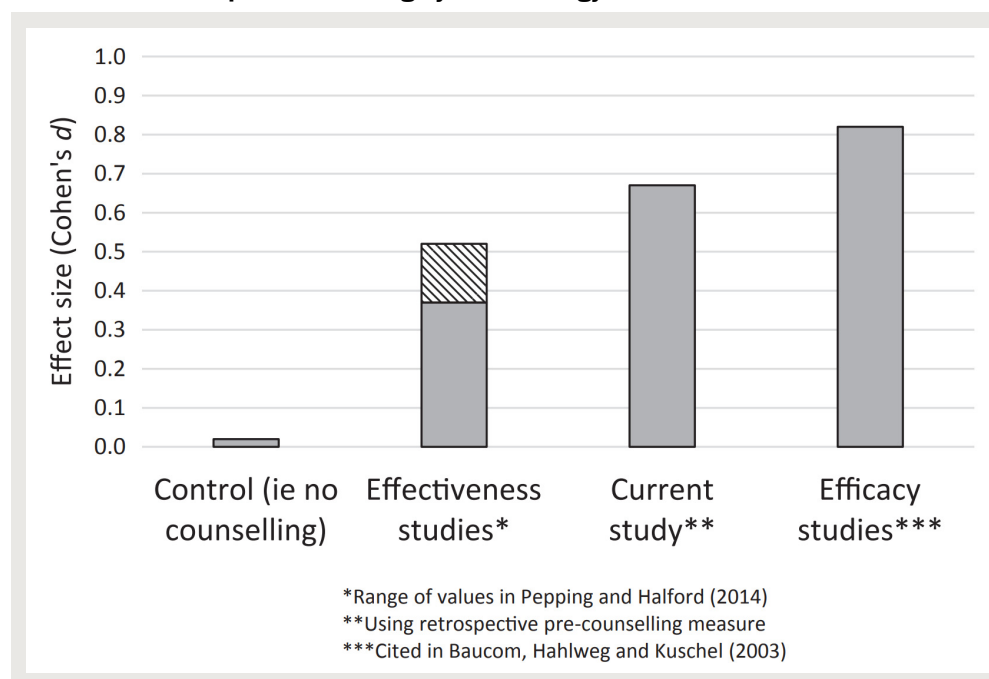
⁸¹ Results from outcomes evaluation by Drummond Street Services are documented in their Annual Report (2019): <https://cfre.org.au/wp-content/uploads/2019/07/Annual-Report-Snapshot-Series-CFRE.pdf>

⁸² Gibson, M., Johnson, S. and Field, K., 2019, *The relationship between parent and child mental health: Taking a family systems perspective in support services*, Peer reviewed paper for the FRSA National Conference 2019.

There is extensive evidence supporting couples counselling, like that used in FaRS, as being efficacious in reducing relationship distress. Petch et al (2014b)⁸³ identify over 30 randomised controlled trials demonstrating the effectiveness of couple therapy under controlled conditions (i.e. efficacy studies). However, they identify only four studies studying couples therapy as it is commonly practised in the community (i.e. effectiveness studies), and these estimate impacts that are about half of that measured in randomised controlled trials.

To address this, Petch et al (2014b) report the outcomes from a study of over 1500 Relationships Australia clients attending couples counselling. The outcome variable is relationship distress, as measured by the 4-item Couple Satisfaction Index. Services within-scope are both FaRS and Family Law Services (e.g. family mediation). They find a statistically significant moderate reduction in relationship distress (chart 6.6), which is larger than pre-existing effectiveness studies but still smaller than efficacy studies. Note that the range of 'Cohen's d', which is the impact of treatment divided by the standard deviation of the outcome variable, is between 0.5-0.8 across the range of studies, which corresponds to between a medium (d=0.5) and a large effect (d=0.8).

6.6 Effect of couples counselling by methodology



Note: * = the range of values in Pepping and Halford (2014), ** = using retrospective pre-counselling measure, *** = cited in Baucom, Hahlweg and Kuschel (2003).

Source: Petch et al (2014b).

⁸³ Petch, J., Lee, J., Huntingdon, B. and Murray, J., 2014, 'Couple counselling outcomes in an Australian not for profit: Evidence for the effectiveness of couple counselling conducted within routine practice', *Australian & New Zealand Journal of Family Therapy*, 35: 445-461.

Willingness to pay for counselling services

Willingness to Pay (WTP) captures the maximum value that an individual would pay for a good or service. Recipients of family and relationship services likely have positive WTP for these services, and the amount they are willing to pay would capture the outcomes they expect to attain from those services. Hence, estimating WTP provides a way of estimating the value of these services.

WTP can be inferred from real decisions that consumers make about a product. However, this is challenging where services are not bought and sold in a market, which is the case for FaRS services. Hence, 'stated preference' approaches, such as the contingent valuation method have been used to estimate monetary values for environmental values, cultural resources, and public information (see Ko et al, 2019).⁸⁴

We have not identified any studies that estimate WTP for recipients of family and relationship services.

In the context of psychological counselling services, Kim et al (2017)⁸⁵ found that a person receiving a salary equivalent to AUD3 655 and paying a private health insurance premium equivalent to AUD97 per month would be willing to accept an increase in premiums of 1 per cent in order to receive these services.⁸⁶ If a similar ratio of premiums to income applied in Australia, and given median personal income of \$52 338 per annum in Australia,⁸⁷ a WTP of 1 per cent of premiums would imply annual WTP of \$194 per person.

A small number of studies have estimated the WTP that members of the public have for free counselling services provided in the health and educational contexts:

- Sueki (2016)⁸⁸ estimated the WTP by members of the public for school counselling services in Japan, finding study participants recruited through an internet panel had a median WTP of \$21.50 per year (in Dec-22 AUD) for counselling services.
- Ko et al (2019) found that members of the public have WTP equivalent to AUD50 for a family education and counselling service provided by critical care nurses.⁸⁹ This

⁸⁴ Ko, C.M., Koh, C.K, Kwon, S., 2019, 'Willingness to pay for family education and counselling services provided by critical care advanced practice nurses', *International Journal of Nursing Practice*, 25(6), available at: <https://onlinelibrary.wiley.com/doi/full/10.1111/ijn.12782>

⁸⁵ Kim, A., Lee, S.M. and An, S., 2017, 'Estimating the economic value of counselling services using the contingent valuation method', *Psychotherapy Research*, 2017, available at:

⁸⁶ Values converted from USD to AUD and March 2023 dollars using historical exchange rates from the Reserve Bank of Australia and the CPI published by ABS.

⁸⁷ From ABS (2022) *Personal Income in Australia*, with escalation applied using the CPI from 2018/19 to March 2023, see: <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/personal-income-australia/2015-16-2019-20>

⁸⁸ Sueki, H., 2016, 'Willingness to pay for school counselling services in Japan: a contingent valuation study', *Asia Pacific Journal of Counselling and Psychotherapy*, 7:1-2, 15-25, available at: <https://www.tandfonline.com/doi/abs/10.1080/21507686.2016.1199438>

⁸⁹ Ibid.

counselling provided to families included reassurance about the patient's care and outcomes.

While we have not identified any studies estimating similar values for family and relationship counselling, we expect the members of the public may have some value on these services being provided since they promote equity (often being provided to people experiencing socio-economic disadvantage) and are expected to reduce societal harms associated with separation and family violence.

Specialised Family Violence Services

SFVS are targeted at families experiencing or at risk of experiencing family or domestic violence.

There are a range of studies quantifying the significant economic costs associated with family violence, such as those shown in table 6.7.⁹⁰ However, we have not identified any economic, quantitative or qualitative evaluations of Specialised Family Violence Services that might have estimated the impact of SFVS on family violence.

6.7 Studies of estimating the economic cost of violence in Australia

Source	Total cost in 2023 dollars	Time period for cost measure	Type of harm	Population
Access Economics, 2004, The Cost of Domestic Violence to the Australian Economy	\$12.0 billion	Annual	Domestic violence	Australian people
KPMG, 2009, The costs of Violence against Women and their Children	\$17.7 billion	Annual	Violence	Australian women and children
PwC, 2015, A high price to pay: The economic case for preventing violence against women	\$24.4 billion	Annual	Violence	Australian women and children
Deloitte Access Economics, 2019, The economic cost of violence against children and young people.	\$11.7 billion in financial costs and \$23 billion in non-financial costs	Annual	Violence	Australian children and young people
Australian Institute of Health and Welfare, 2018, <i>Australian Burden of Disease Study 2018</i>	Health expenditure of \$10.8 billion across all injuries, \$445 million for homicide or violence only	Annual	Homicide, violence or neglect	Australian people
Victoria Department of Human Services and VicHealth, 2004, The health costs of violence — <i>Measuring the burden of disease caused by intimate partner violence: a summary of findings</i>	8% of the total disease burden	N/A	Intimate partner violence	Australian people

Source: Taylor Fry and The CIE, 2023, Table D.3.

⁹⁰ This overview is derived from: Taylor Fry & The CIE, 2023, *The economic cost of violence, abuse, neglect and exploitation of people with disability*, prepared for the Disability Royal Commission.

Evaluation of a similar program targeted at violence reduction suggests that services involving counselling, case management, referral to other services, and similar support can significantly improve wellbeing. Zmudzki et al (2018)⁹¹ conducted an *Evaluation of the Integrated Domestic and Family Violence Service Program* for NSW. This multi-agency response to family violence targeted high-risk groups and communities, and followed identification of domestic violence in a family by police, child protection agencies or other services. Client wellbeing was primarily measured through the Outcome Rating Scale (ORS), which is a validated tool that assesses individual feelings of wellbeing. They found that client wellbeing increased significantly from program entry to exit, with a statistically significant reduction in average ORS score from 27.5 to 15.0 on average. This represented a reduction from baseline levels that were below the boundary for a clinical range of psychological distress at entry, to a non-clinical normal range at exit.

Children and Parenting Support

Children and Parenting Support encompasses early intervention and prevention services that are intended to improve childhood development and wellbeing with a focus on children aged 0-12 years, however it may include children up to 18 years.

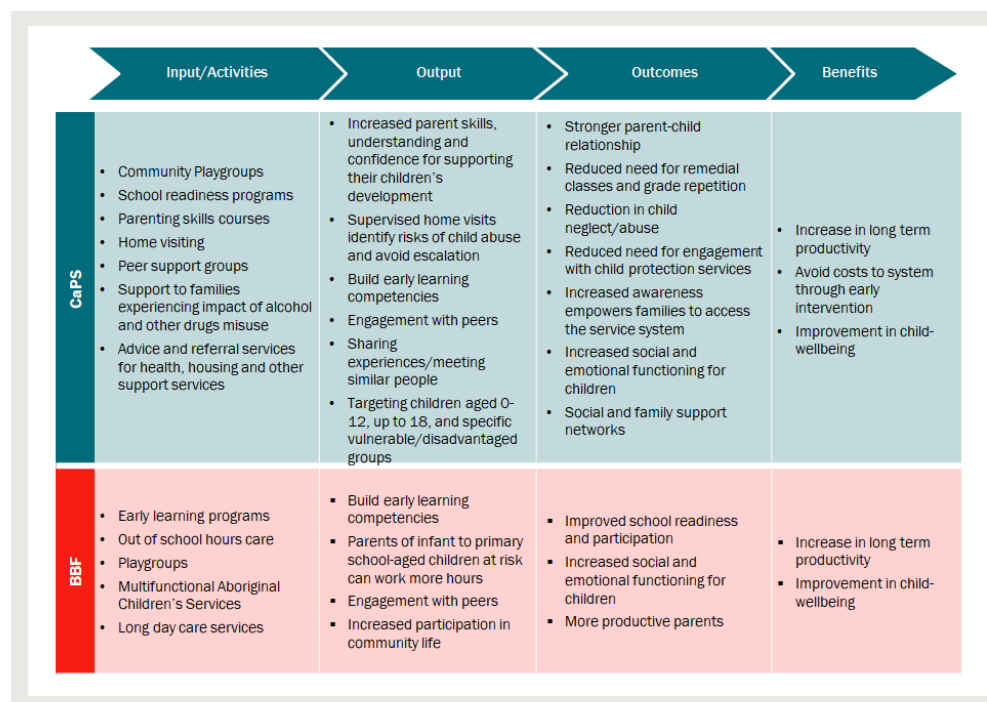
Children and Parenting Support includes the following in-scope programs and services:

- Children and Parenting Support (CaPS)
 - early intervention and prevention support to children and their families across Australia with the aim of identifying issues such as risk of neglect or abuse within families and providing interventions or referrals before these issues escalate.
- Budget Based Funded (BBF) Services
 - provides access to quality support services that focus on childcare and school readiness by way of provision of flexible and affordable adjunct care and early learning services to Australian families who may not work the traditional nine-to-five jobs.

Chart 6.8 shows the overarching program logic for CaPS and BBFS.

⁹¹ Zmudzki, F., Breckenridge, J., Newton, B.J., Delaney, M. and Valentine, K., 2018, *Evaluation of the Integrated Domestic and Family Violence Service Program*, prepared for the NSW Department of Family and Community Services, available at: <https://www.unsw.edu.au/content/dam/pdfs/unsw-adobe-websites/arts-design-architecture/ada-faculty/sprc/2021-06-IDFVS-Final-Report.pdf>

6.8 Program logic for Children and Parenting Support



Data source: CIE and program logics provided by FRSA members.

Children and Parenting Support service

The cost of failing to prevent serious issues affecting children that require crisis services has been estimated to be \$15.2 billion per year (Teager et al, 2019).⁹² The greatest costs of late intervention are services for children in out-of-home-care, police, court and health costs of youth crime, and welfare payments for young unemployed people.

There is extensive evidence in the literature that supports the effectiveness of parenting interventions in improving outcomes for children, particularly those at elevated risk.

Herman et al (2018) summarises the range of benefit categories estimated in the literature, including:

- “delayed smoking or drinking initiation,
- reductions in welfare benefit use,
- both increases (more students going to college) and decreases (lower need for remedial education) in education costs,
- education impacts on earnings and related tax revenues,
- decreases in use of health and mental health services, and reductions in criminal justice system involvement costs”.

⁹² Teager, W., Fox, S. and Stafford, S., How Australia can invest early and return more: A new look at the \$15b cost and opportunity. Early Intervention Foundation, The Front Project and CoLab at the Telethon Kids Institute, Australia, 2019.

A review of the evidence by the Department of Communities and Justice and the Centre for Evidence Implementation (2020)⁹³ identified 30 evidence-informed programs that prevent maltreatment and improve parenting knowledge, skills and behaviour. Selected examples of these programs, and the outcomes they target include the following:

- Triple P program, aimed at child maltreatment and child health,
- Incredible Years Parenting Training Program, aimed at improved parenting, and
- Child FIRST, aimed at improved parenting and service usage.

Economic evaluations have also found these programs to be cost-effective.

For example, Herman et al (2018) undertook a cost-benefit analysis of three types of parenting after-divorce programs in the USA.⁹⁴

They estimated that benefits of these programs were on average \$1077 (2007 USD) per family in present value terms at the 15th year, compared to a cost of \$633 (2007 USD) in the first year. Given that the authors did not quantify the benefits over the 14 years between intervention and the 15th year being evaluated, the benefit-cost ratio of the entire program would likely be very high. Key outcomes include reductions in outpatient visits, arrests, court convictions, and the number of times sent to jail.

Similarly, Skarda et al (2022)⁹⁵ estimated the lifetime health, wellbeing and inequality benefits associated with a parenting education program in the UK targeted at reducing child conduct problems. A systematic review of randomised controlled trials of the program under consideration (“Incredible Years”) found that it delivered a reduction in child SDQ of 0.46 standard deviations. They found that the cost per ‘good life-year’ associated with this program is well below the marginal cost of the health system producing a healthy life-year.

Impacts on wellbeing of reduced out-of-home care

Evidence is available about the subjective wellbeing of children in out-of-home care.⁹⁶ However, it is difficult to assess the extent that diversion from out-of-home care (OOHC)

⁹³ Department of Communities and Justice and the Centre for Evidence Implementation, 2020, *Preventing child maltreatment: what works?*, <https://evidenceportal.dcj.nsw.gov.au/evidence-portal-home/our-evidence-reviews/preventing-child-maltreatment.html>

⁹⁴ Herman, P.M., Mahrer, N.E., Wolchik, S.A., Porter, M.M., Jones, S., and Sandler, I.N., 2015, ‘Cost-Benefit Analysis of a Preventive Intervention for Divorced Families: Reduction in Mental Health and Justice System Service Use Costs 15 Years Later’, *Prevention Science*, 16(4): 586-596. doi:10.1007/s11121-014-0527-6.

⁹⁵ Skarda, I., Asaria, M. and Cookson, R., 2022, ‘Evaluating childhood policy impacts on lifetime health, wellbeing and inequality: Lifecourse distributional economic evaluation’, *Social Science and Medicine*, 302 (2022) 114960, available at: <https://www.sciencedirect.com/science/article/pii/S0277953622002660?via%3Dihub>

⁹⁶ For example: Create Foundation, 2020, *Health and Well-being – Perspectives of children and young people with an out-of-home care experience in NSW*, available at: <https://create.org.au/wp-content/uploads/2021/04/Health-and-Wellbeing-in-OOHC-2020.pdf>

impacts on wellbeing, since children in OOHC are likely to have lower subjective wellbeing for a range of reasons other than the causal effect of OOHC.

Adult specialist support

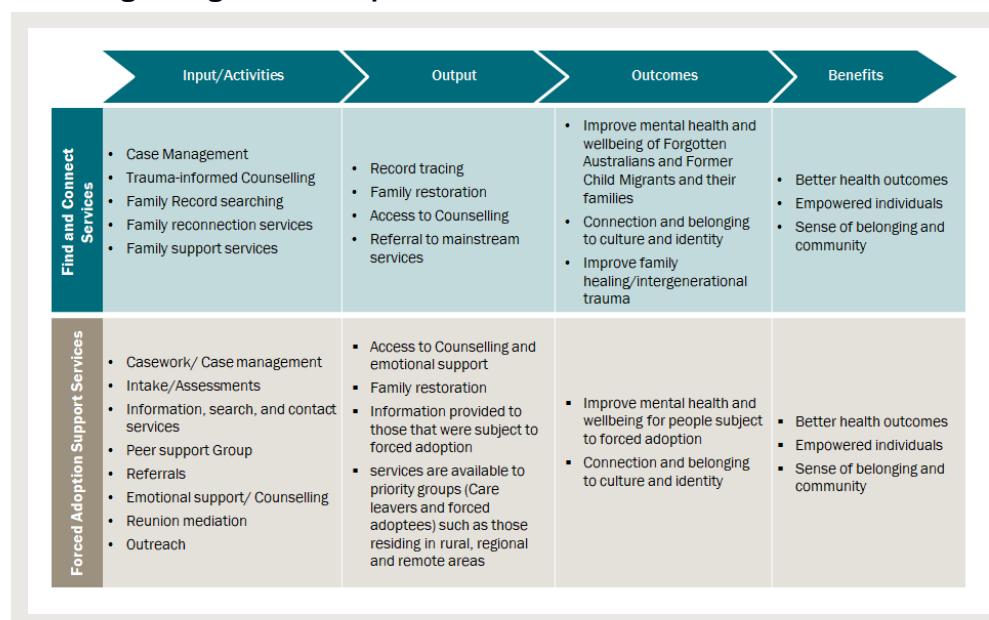
The Adult Specialist Support provides services and support to improve outcomes and enhance wellbeing for people adversely affected by past institutional and child-welfare practices and policies. These include specialised services for adults who have suffered specific traumas in their childhood, including Forgotten Australians and Former Child Migrants and those who are affected by forced adoption practices that forced the separation of mothers from their babies, and which created a lifelong legacy of pain and suffering.

The Adult specialist support sub-activity includes the following:

- Find and Connect support services — specialist trauma informed counselling and case management, and assistance to locate and access records and reconnect with family members where possible, and
- Forced adoption support services — specialist support services for people affected by past forced adoption policies and practices including specialist trauma informed counselling and case management, and assistance to locate and access records and reconnect with family members where possible.

Chart 6.9 shows the overarching program logic for Adult Specialist Services.

6.9 Program logic for Adult Specialist Services



Data source: FRS program logics completed by providers, CIE.

Find and Connect Services

Find and Connect Services are targeted at two cohorts:

- Forgotten Australians, who are survivors of the institutional care system in Australia, and
- Former child migrants.

Forgotten Australians experience a range of long-term outcomes as a result of growing up deprived of love, support, and individual attention, including a lack of trust and security, and mental illness.⁹⁷

The key outcomes for these clients from the Find and Connect services are improved mental health and wellbeing, connection and belonging to culture and identity, and empowerment. Murray, Malone and Glare (2008) highlight that access to records are a key way that people who grew up in institutional care can construct the story of their lives, and contribute to self-identity.⁹⁸ Access to records is also critical to reuniting with family and coming to terms with the past. Jones and O'Neill (2014) state that the vast majority of care leavers find getting their records is valuable, although it can be painful.⁹⁹ Note that the cohort of recipients of Find and Connect Services are likely to be ageing, and thus experiences more recently may differ from those in these studies.

Redaction and other limitations of record-keeping can cause trauma and confusion, which suggests the importance of counselling as a valuable intervention.

We have not identified any cost-benefit analyses of adult specialist support programs, nor any related programs in Australia or overseas. Further, we have not identified any studies that measure these outcomes in quantitative terms.

The evidence available relating to Find and Connect is limited to qualitative evaluations or discussions of services and analysis of how services are and should be delivered.¹⁰⁰

Australian Healthcare Associates conducted an evaluation of the Find and Connect Service in 2014.¹⁰¹ Service usage figures show that the majority of services were either counselling or record searching. The evaluation found that implementation of Find and Connect has not resulted in a single model of service delivery nationally. While

⁹⁷ Alliance for Forgotten Australians, 2014, *Forgotten Australians: Supporting survivors of childhood institutional care in Australia*, available at: <https://forgottenaustralians.org.au/assets/docs/Booklet/MiniAfaBooklet.pdf>

⁹⁸ Murray, S., Malone, J. and Glare, J., 2008, 'Building a life story: Providing records and support to former residents of children's homes', *Australian Social Work*, 61(3), available at: <https://www.tandfonline.com/doi/abs/10.1080/03124070801998434>

⁹⁹ Jones, M. and O'Neill, C., 2014, 'Identity, records and archival evidence: exploring the needs of Forgotten Australians and Former Child Migrants', *Archives and Records*, 35(2): 110-125.

¹⁰⁰ For example, AHA (2014) reviews alignment of the services with Service Design Principles.

¹⁰¹ Australian Healthcare Associates, 2014, *Evaluation of the Find and Connect Services*, Final Report, July 2014, available at: https://www.dss.gov.au/sites/default/files/documents/11_2015/final_report_word_version_find_and_connect_final_report_final_web_accessible_version_for_publishing_november_2015.pdf

counselling, records searching and the 1800 number are key elements of each service, different models have emerged in response to local client needs and local context.

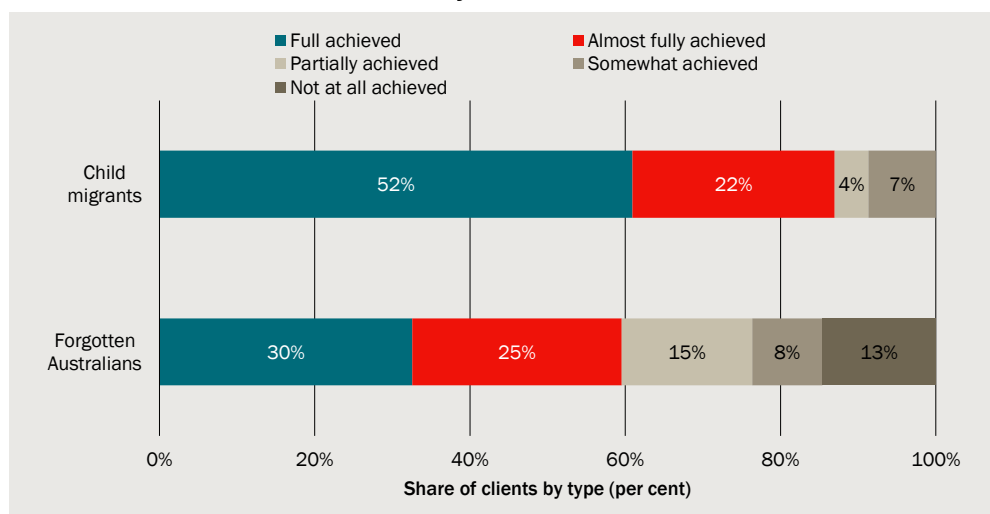
Differences between the state-based services can often be attributed to factors such as how long the service has been established, the history of service provision for Forgotten Australians in the area, staffing (number, full-time equivalent), whether access to state-based funding is available to enhance service delivery options, as well as the number and geographical distribution of clients.¹⁰²

The evaluation found that clients were satisfied with the services provided by Find and Connect, with 'strongly agree' being the most common response to statements such as:

- Staff understand and respect my experiences and history
- I'm happy with the level of support that has been provided to me, and
- Find and Connect staff have the right skills and knowledge.

Further, the majority of Forgotten Australians and former child migrants reported that they almost fully or fully achieved what they wanted with the services (chart 6.10).

6.10 Extent clients achieved what they wanted from *Find and Connect* services



Note: We have excluded the 'not applicable' response to this question, which was generally recorded by respondents who were new to the service and for whom insufficient time had passed to assess achievements.

Data source: Australian Healthcare Associates (2014).

There is limited qualitative evidence available about the value of commercially available ancestry services, which may be comparable to Find and Connect record search services.

WTP studies provide a way to value services that are not provided in a market, such as government-funded counselling. However, there are very few studies relating to WTP for services similar to Find and Connect. One tangentially related example is Crombach and

¹⁰² Ibid.

Siehl (2018),¹⁰³ which considered Narrative Exposure Therapy provided in the aftermath of a flood disaster in Burundi. This study evaluated therapy provided to people affected by trauma symptoms living in emergency camps who had lost homes and close relatives. They found that participants reported they would be willing to forgo as much as 1 month's worth of income in return for receiving trauma-focussed interventions following the disaster. This suggests that there is considerable value derived by individuals from such services, over-and-above any savings to the health system or other external impacts. This is relevant insofar as Find and Connect clients experience trauma, and the services such as counselling and record keeping alleviate this trauma.

It is difficult to draw sound conclusions about mental health of child migrants (Stevens and Vollebergh, 2008).¹⁰⁴ However, migrant children face barriers towards access to health care (during childhood and adulthood), and there are mental health risks associated with certain subgroups (e.g. war/conflict victims).

Forced Adoption Support Services

Forced Adoption Support Services improves access to counselling for people affected by forced adoption, including through counselling provided by delivery organisations and via referrals to suitable services where appropriate.

The *Forced adoption support services scoping study* (Higgins et al, 2014) identified that the most common impacts of forced adoption are psychological and emotional, and include:¹⁰⁵

- mental health conditions including depression, anxiety-related condition, post-traumatic stress disorder, identity and attachment disorders, and personality disorders, and
- complex and/or pathological grief and loss.

Further, it states that counselling and mental health care services can provide concrete reparation, provide support for ongoing trauma including clinical diagnoses such as depression, and help clients deal with their emotions relating to forced adoptions. Higgins et al (2014) highlighted the importance of trauma-informed service delivery.

Australian Healthcare Associates (2014)¹⁰⁶ conducted a Post Implementation Review, which found that effectiveness of most Forced Adoption Support Services clients was not

¹⁰³ Crombach, A., and Siehl, S., 2018, 'Impact and cultural acceptance of the Narrative Exposure Therapy in the aftermath of a natural disaster in Burundi', *BMC Psychiatry*, 18, available at: <https://bmcpsy psychiatry.biomedcentral.com/articles/10.1186/s12888-018-1799-3>

¹⁰⁴ Stevens, G., and Vollebergh, W., 2008, 'Mental health in migrant children', *The Journal of child Psychology and Psychiatry*, 49(3): 276-294.

¹⁰⁵ Higgins, D., Kenny, P., Sweid, R. and Ockenden, L., 2014, *Forced adoption support services scoping study*, Australian Institute of Family Studies, February 2014, p.xi, available at: https://www.academia.edu/43040992/Forced_adoption_support_services_scoping_study

¹⁰⁶ Australian Healthcare Associates, 2018, *Forced Adoption Support Services Post Implementation Review*, Final Report, January 2018, V1.1, available at:

being measured by providers due to only 62 of 1410 users having SCORE data recorded. However, consultation with Forced Adoption Support Services users suggested that satisfaction was high (table 6.11). The review also reported that there were 788 Forced Adoption Support Services clients and 4165 sessions in 2016/17.¹⁰⁷

6.11 User satisfaction with Forced Adoption Support Services

Respondent category	Dissatisfied/ Very Dissatisfied	Neutral	Satisfied/ Very Satisfied	Missing	Total
Adoptee	14 (12.8%)	13 (11.9%)	69 (63.3%)	13 (11.9%)	109 (66.9%)
Mother	8 (18.6%)	4 (9.3%)	27 (62.8%)	4 (9.3%)	43 (26.4%)
Other	3 (30.0%)	0	6 (60.0%)	1 (10.0%)	10 (6.1%)
Missing	0	0	0	1 (100.0%)	1 (0.6%)
Total	25 (15.3%)	17 (10.4%)	102 (62.6%)	19 (11.7%)	163 (100.0%)

Data source: AHA (2014).

No data is available from Australian Healthcare Associates (2014) about the impact of Forced Adoption Support Services on outcomes other than client satisfaction.

Reconnect

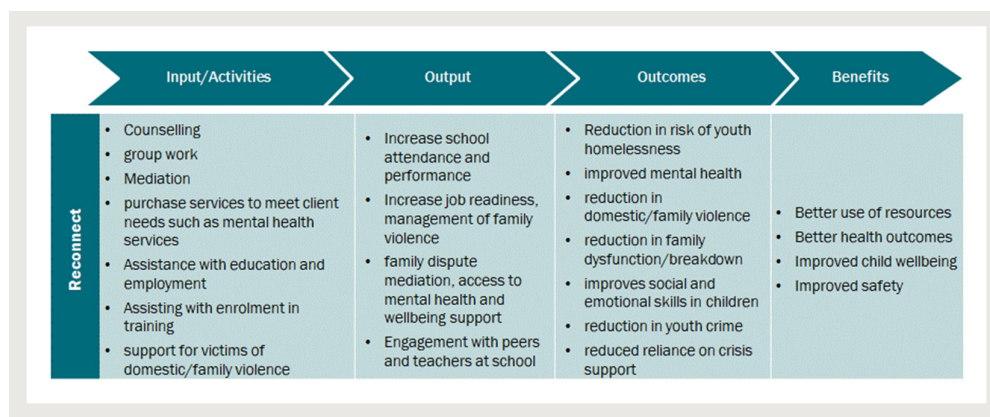
The aim of Reconnect is to prevent youth homelessness by intervening early with young people to stabilise and improve their housing situation and improve their level of engagement with family, education, training, employment and their local community. The Reconnect Program targets young people aged 12 to 18 years (or 12 to 21 years in the case of newly arrived youth) who are homeless or at risk of homelessness, and their families.

Chart 6.12 shows the overarching program logic for Reconnect.

https://www.dss.gov.au/sites/default/files/documents/02_2019/post-implementation-review-v11.pdf

¹⁰⁷ Ibid, table 4.1 at p.52.

6.12 Program logic for Reconnect



Data source: CIE.

Outcomes evaluations

Two evaluative studies were conducted on Reconnect in the early 2000s, namely, a 'community study'¹⁰⁸ and a 'longitudinal study'.¹⁰⁹ The first study concluded that the service had significant impacts, including building community infrastructure for early intervention and strengthening service networks. The longitudinal study identifying a significant improvement in the extent to which young people felt liked and respected at school, although no significant impacts were identified across other outcomes like school performance and interest, and expectations of educational attainment.

More recent evaluative evidence is available from Mission Australia (2016) against their seven Reconnect services.¹¹⁰ This study performed two comparisons to assess the impact on quantitative outcomes:

- **Matched clients:** Comparison of initial and follow-up surveys among the 19 clients with matched initial and follow-up surveys. The initial survey was typically after four months of receiving the service, and the follow-up survey was after seven months. However, there was significant variation in timing of surveys, with the first survey conducted after a period of service engagement ranging from 0-12 months.
- **Service duration clients:** Comparison of the 19 survey responses completed between 0-4 months since starting Reconnect and the 24 surveys completed between 8-16

¹⁰⁸ RPR Consulting, 2003, *Report of the Reconnect Longitudinal Study: Building Community Capacity for Early Intervention*, prepared for the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), available at: https://www.dss.gov.au/sites/default/files/documents/05_2012/longitudinalstudy_bccea_april2003.pdf

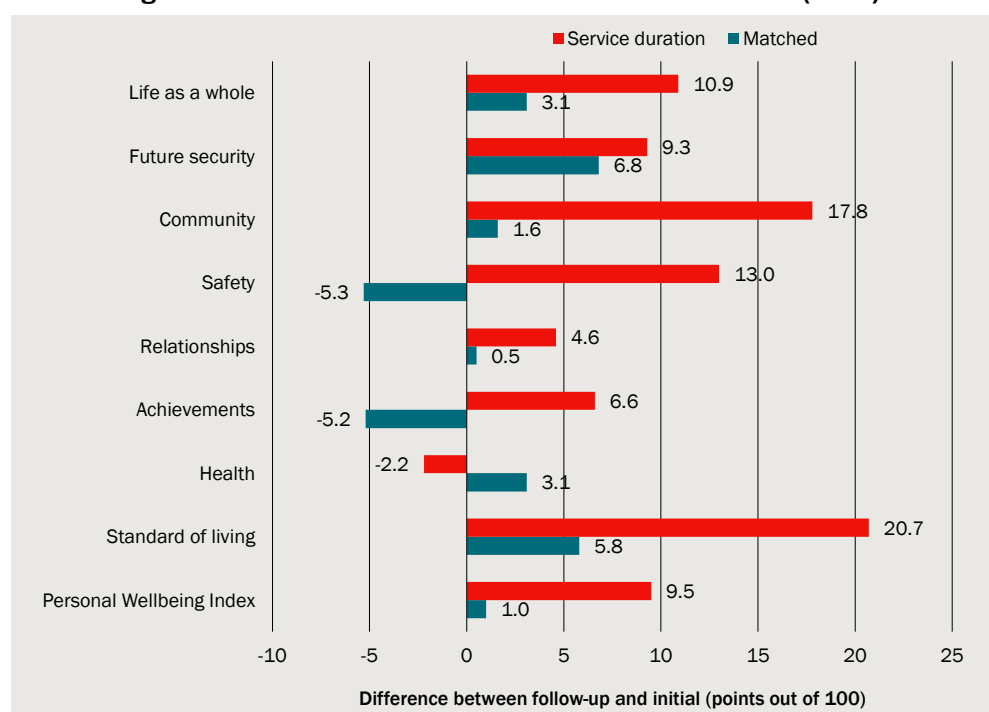
¹⁰⁹ RPR Consulting, 2003, *Longitudinal Survey of Reconnect Clients: Statistical Report of the Longitudinal Survey of Reconnect Clients*, prepared for FAHCSIA, document link not available online but discussed in Access Economics (2010).

¹¹⁰ Mission Australia, 2016, *Reconnect evaluation 2016*, available at: <https://www.missionaustralia.com.au/documents/687-reconnect-evaluation-report/file>

weeks since service engagement. These two groups of surveys were referred to as 'intake' and 'follow-up' cohorts respectively.

While using longitudinal data is almost always preferable because it compares the same person at different times, the service duration analysis was justified on the basis that service duration was expected to be a critical determinant of outcomes. The most significant finding was that comparing intake and follow-up, clients' personal wellbeing measured using the Personal Wellbeing Index (0-100) increased from 61.7 to 71.2 throughout the time they were supported by Reconnect (life as a whole, in chart 6.13).

6.13 Change in outcomes due to Reconnect from Mission Australia (2016)



Note: Note that follow-up and initial are defined differently for service duration and matched clients, as explained above this chart.

Data source: Mission Australia (2016), CIE.

DSS conducted a review of Reconnect in 2013¹¹¹ focussed on future directions and including quantitative analysis including of outcomes and cost per client.

Phase 1 provides a range of useful information, such as the range of interventions that Reconnect services are drawing on, which includes:

- Family Interventions, including mediation (33.7 per cent), family inclusive practice capturing a diverse range of practices that involve families (32.5 per cent of services mention the significance of family involvement), and family counselling (12 per cent),

¹¹¹ DSS, 2013, *Phase 2 evaluation: Departmental review of the Reconnect program*, February 2013, available at: https://www.dss.gov.au/sites/default/files/documents/02_2013/dept_review_of_the_reconnect_program.pdf

- One-on-one therapeutic interventions, including narrative therapy (14.5 per cent), Cognitive Behavioural Therapy (12 per cent), Solution Focused Brief Therapy (15.6 per cent), and Counselling in a general sense (27.7 per cent).).

There is potential to identify usage of other support services by Reconnect clients through data linkage. While we have not obtained such individual-level data or sought to undertake data linkage, this was contemplated as early as in 2004 by the Statistical Linkage Key Working Group.¹¹² Such linkage would provide useful data about how Reconnect drives engagement with other services, which would support achievement of Reconnect's objectives and thereby the economic benefits achieved.

An outcomes evaluation of a targeted early intervention program – the Geelong Project – found evidence for a significant prevention of homelessness associated with keeping people in school.¹¹³ The Geelong Project is targeted towards young people at risk of disengaging from or leaving school, becoming homeless and entering the justice system. It is similar to Reconnect in that it is targeted, can involve similar supports like counselling and mediation, and is aimed at achieving reduced homelessness through community, family and school engagement. The evaluation found that:

- youth homelessness could be reduced by 40 per cent¹¹⁴
- early school leaving could be reduced by more than 20 per cent, and
- the vast majority of students who received support had either a significant improvement in the home situation (20 per cent) or remained stable (70 per cent).

A CBA of Reconnect was undertaken by Access Economics (2010) as part of their modelling about the benefits of improved family functioning, estimating a benefit cost ratio of 1.8 based on a unit cost per person of \$5317.¹¹⁵

Evidence from a similar program in Canada – the *Family Reconnect* program – suggests that reconnection-based interventions are cost-effective at reducing youth homelessness.¹¹⁶

¹¹² Statistical Linkage Key Working Group, 2004, *Statistical Data Linkage in Community Services Data Collections*, available at: <https://www.aihw.gov.au/getmedia/fa260926-d5b6-46b8-aa88-817f1cde633d/sdlcsdc.pdf.aspx?inline=true>

¹¹³ MacKenzie, D., 2018, *Interim Report – The Geelong Project 2016-17*, available at: https://www.bcyf.org.au/wp-content/uploads/2020/10/TGP_Interim_Report_FINAL_e-PRINT.pdf

¹¹⁴ Between 2013-2016, the number of adolescents entering the Specialist Homelessness Service system in Geelong fell by 40 per cent from a 10-year base line of 230 to around 100 cases.

¹¹⁵ Access Economics, 2010, *Positive Family Functioning, Final Report*, prepared for the Department of Families, Housing, Community Services and Indigenous Affairs, available at: https://www.dss.gov.au/sites/default/files/documents/positive_family_functioning.pdf

¹¹⁶ Winland, Gaetz and Patton, 2011, *Family Matters: Homeless Youth & Eva's Initiatives Family Reconnect Program*, available at: https://www.homelesshub.ca/sites/default/files/attachments/FamilyMatters_April2011.pdf.

Family Mental Health Support Services

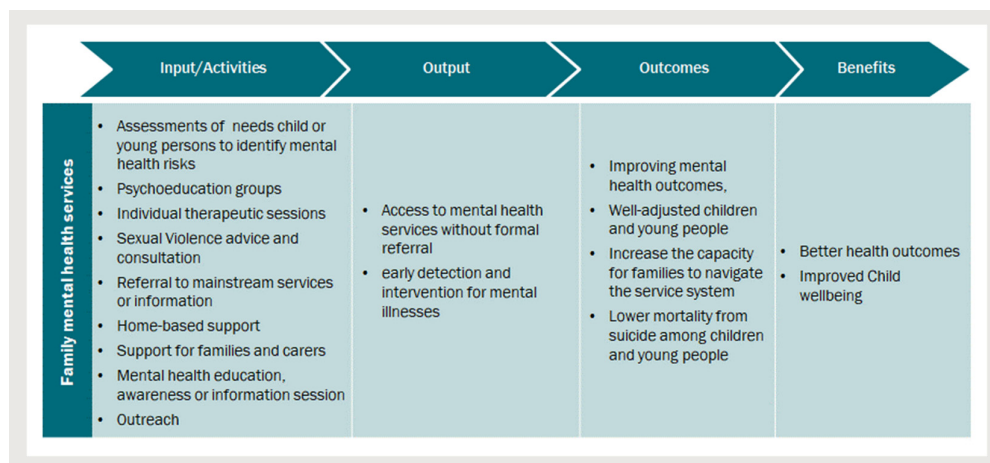
Family Mental Health Support Services (FMHSS) objective is to improve mental health outcomes for children and young people, and their families. It provides early intervention support to children and young people who are at risk or showing early signs of developing mental illness.

A formal diagnosis of mental illness is not required to access FMHSS. Services will accept referrals of children and young people from any source, including self-referrals, and conduct an initial brief screening process to ensure Family Mental Health Support Services is the appropriate service for them.

Highest priority is given to vulnerable children, young people and their families including those from Indigenous or culturally and linguistically diverse backgrounds, children and families in contact with the child protection system, and young people transitioning from out-of-home care.

Chart 6.14 shows the overarching program logic for Family Mental Health Services.

6.14 Program logic for Family Mental Health Services



Data source: CIE.

The total cost of mental ill-health has been quantified in a number of studies. The most recent of these for Australia is the Productivity Commission (2020) *Mental Health Inquiry* report,¹¹⁷ in which the annual cost to the economy of mental ill-health and suicide was estimated at \$70 billion in 2018-19. This cost consists primarily of lower economic participation and lost productivity (\$39 billion), with the remainder being direct expenditure on mental healthcare and support services (\$16 billion) and the cost of support provided by carers (equivalent to \$15 billion).

We have not identified any economic evaluations of FMHSS, and there are few that relate to interventions similar to FMHSS. The National Mental Health Commission has

¹¹⁷ Productivity Commission, 2020, *Mental Health*, Productivity Commission Inquiry Report Volume 2, No. 95, 30 June 2020, available at: <https://www.pc.gov.au/inquiries/completed/mental-health#report>

estimated the return of investment of a range of interventions (table 6.15), which included e-health, school, and workplace interventions, and nine out of the ten evaluations estimated a positive return on investment.

Some of these evaluations relate to interventions involving clinical psychologists. For example, a parenting education intervention to prevent anxiety disorders in children, involved group therapy sessions delivered by clinical psychologists (funded via Medicare) to parents based on the 'Cool Little Kids' program. Parents were provided with information about the nature of child anxiety disorders and principles of anxiety management. This evaluation found that anxiety disorders were prevented at a rate of 21 per cent in the first year after the intervention, and 42-45 per cent in the 2 years thereafter.

On the other hand, some evaluations are available about interventions without clinical involved. For example, an e-health intervention for the prevention of anxiety disorders in young people involved teachers conducting class-wide sessions of 45 minutes according to the 'MoodGYM' teacher manual, based on cognitive behavioural therapy principles and consisting of online modules.

6.15 Cost-benefit analysis of interventions similar to FMHSS

Intervention	Target population	Length of costs and benefits	Total costs	Total benefits	Benefit-cost ratio
		Years	\$m	\$m	Ratio
e-Health interventions for the prevention of anxiety disorders in young people	School students aged 11-17 years	10	6.2	18.8	3.06
Parenting interventions for the prevention of anxiety disorders in children	Preschool children aged 4-5 years	3	3.7	8.3	2.4
School based psychological interventions to prevent depression in young people	School students aged 11-17 years	10	31.1	37.1	1.19

Source: National Mental Health Commission, summaries of return on investment studies available at: <https://www.mentalhealthcommission.gov.au/lived-experience/contributing-lives-thriving-communities/economics-of-mental-health-in-australia>

The effectiveness of a program like FMHSS is supported by findings that mental health of parents and children is correlated. Gibson, Johnson and Field (2019)¹¹⁸ collected data about mental health distress from 399 pairs of parents and children participating in FMHSS and FaRS programs. Mental health distress was measured among parents using the General Health Questionnaire (GHQ) and among children using the Strengths and Difficulties Questionnaire (SDQ). They found that there was a positive and statistically significant Pearson's Correlation of 0.247 between GSQ and SDQ scores. While the causal direction of the relationship could not be established, parents with mental health distress were 3.5 times more likely to have a child with mental health distress than parents without.

Further, Gibson, Johnson and Field (2019) found that better family relationships mediate the relationship between parental and child mental health.

¹¹⁸ Gibson, M., Johnson, S. and Field, K, 2019, *The relationship between parent and child mental health: Taking a family systems perspective in support services*, available at: <https://cfre.org.au/wp-content/uploads/2019/12/The-Relationship-Between-Parent-and-Child-Mental-Health-4.pdf>

7 *Client and community outcomes from DEX*

Since 1st July 2021, all DSS Families and Children Activity service providers are required to measure and report client outcomes and, if applicable, community outcomes using the Standard Client/Community Outcome Reporting (SCORE) approach. Each provider must assess at least 50 per cent of identified clients for circumstances outcomes, 50 per cent for goals outcomes, and 10 per cent for satisfaction. Measuring and reporting client outcomes through the SCORE approach is also a requirement of AGD-funded Family Law Service Providers.

Service providers are encouraged to use validated outcomes measurement tools to measure outcomes, which are those that have been formally evaluated and psychometrically tested for reliability, validity and sensitivity.

This study is the first CBA of FRSA member services that uses SCORE across all Family Law and/or Families and Children Activity services.

It is the first to attempt to value changes in SCORE as a means of measuring the benefit of client interactions with the suite of family and relationship services.

Client outcomes

Approach to using client SCORE data

The main way that client outcomes can be consistently measured is using client SCORE, which is collected for individual clients only. Client SCORE currently measures changes across eleven ‘circumstances’ domains,¹¹⁹ six ‘goals’ domains and three ‘satisfaction’ domains.

DSS has provided a data extract from DEX of client SCORE data. This extract provides the count of earliest and latest client SCORE observations by domain, score level (i.e. 1-5), activity, and financial year.¹²⁰ For example, it shows the number of times a latest SCORE in 2020/21, for the family functioning domain, for Children and Parent Support Services, had a value of 2/5.

¹¹⁹ Although, prior to August 2018, education and employment outcomes were captured under the combined ‘employment, education and training’ domain, rather than by two separate domains.

¹²⁰ The extract also split counts by state, but we have not used this dimension to produce any state-specific results.

To estimate the average change in circumstances SCORE, we take the difference between the average earliest SCORE and latest SCORE for each domain by program. For the most commonly answered domain, this is the change in SCORE that we assume all individual clients receive.

Most clients with SCORE data do not have observations for all domains. We know this because the total count of SCORE observations vary by domain. The domain with the greater number of observations is typically family functioning for Family Law Services, and a mix of outcomes for Families and Children Activity services (see appendix F).

For unassessed domains, we conservatively assume that there is zero impact.¹²¹ For example, while there are 11 113 latest SCORE observations for Children's Contact Services in the Family Functioning domain, there were only 261 latest SCORE observations in the housing domain. Hence, for the 10 852 clients who were assessed for family functioning but not for housing, we assume there is no change in housing outcomes.

We use SCORE data for all years to calculate changes in SCORE, which ensures that we capture improvements for people whose earliest and latest SCOREs are in separate years, particularly when they span many years.¹²² However, we find similar average changes in SCORE if only data from 2021/22 onwards is used, from which point provision of client SCORE data for 50 per cent of clients was mandatory for all organisations.

Estimated changes in client SCORE

The average change in client SCORE due to Family Law services is similar across services (chart 7.1). Key impacts include the following:

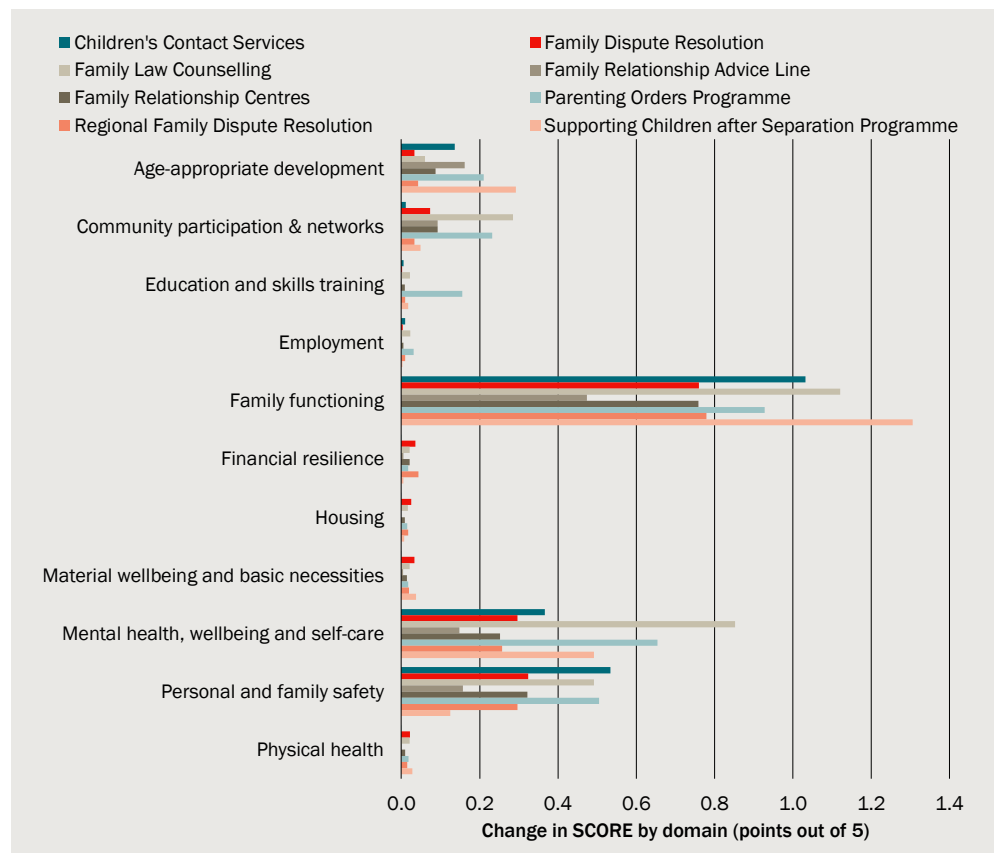
- Family functioning had the largest improvement. Much of this is due to it being the most commonly assessed domain for all Family Law Services except the Family Relationship Advice Line. The average change in family functioning ranges between 0.47 for the Family Relationship Advice Line and 1.31 for Supporting Children After Separation on a 5-point scale.
- Changes in Mental health, wellbeing and self-care were significant, particularly for Family Law Counselling. This is consistent with the literature supporting the effectiveness of counselling in reducing psychological distress.

¹²¹ No or low numbers of assessments in some domains also indicate that they aren't relevant to the program. For example, Children's Contact Services do not relate to housing outcomes, so providers will typically not measure this.

¹²² Some people will have an earliest SCORE data in earlier years to their latest SCORE observation (e.g. an earliest SCORE in 2014/15 and a latest SCORE in 2017/18). Hence, if we only used SCORE data since, say, 2021/22, we would be including latest SCOREs for some people without including their earliest SCORE. It is ideal that we are comparing average earliest and latest SCOREs for a matched cohort of people (i.e. each person has one earliest and one latest SCORE observation in the sample). Otherwise, the comparison of average latest and earliest SCOREs would not be comparing like-with-like (i.e. the sample of people we average over would differ between earliest and latest SCORE). In particular, we would not include the earliest SCORE of people who have received services over a long period of time.

- Personal and Family Safety improve, most of all for Childrens Contact Services and Family Law Counselling. Childrens Contact Services provides a safe, neutral venue for contact, which is seen to deliver a material improvement for clients in safety.
- Other impacts were typically small, often being unassessed. Two exceptions are
 - the improvement in age-appropriate development from Support Children After Separation and
 - the improved community participation from Family Law Counselling.

7.1 Average change in SCORE for Family Law Services



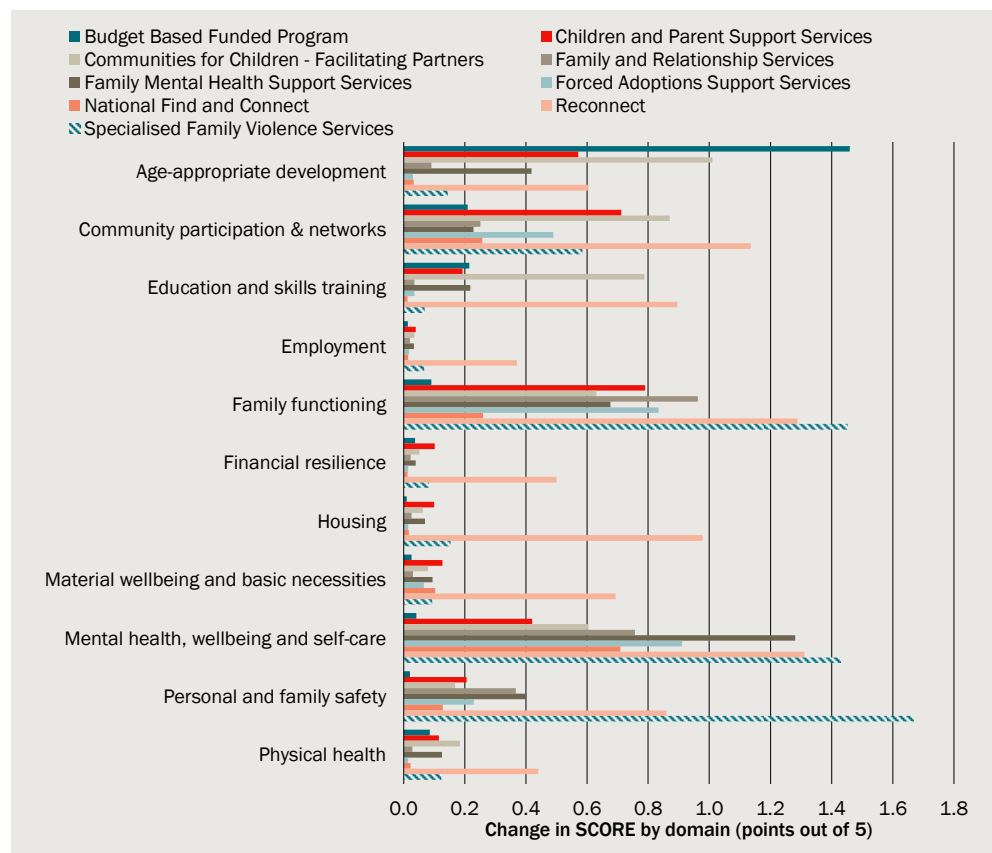
Source: DEX extract provided by DSS, CIE.

The impacts of Families and Children services on client circumstances SCORE varies significantly across services (chart 7.2), as follows:

- Many services lead to improvements in family functioning and mental health, wellbeing and self-care.
- Impacts on personal and family safety are small, except for Specialised Family Violence Service.
- Age-appropriate development impacts vary significantly, and are highest for Budget Based Funded Program, Communities for Children Facilitating Partners, and Children and Parent Support Services.

- The Reconnect program is associated with the largest change in SCORE across many domains, which is unsurprising given that it is a relatively more costly and intensive service.¹²³ Further, Reconnect leads to improvements in some outcomes that are not affected by other services, such as employment, financial resilience and housing.

7.2 Average change in SCORE for Families and Children services



Source: DEX extract provided by DSS, CIE.

Goals and satisfaction

Data is also collected in DEX about the achievement of client goals and satisfaction with services. Clients are asked to report the extent they have achieved a range of goals on a scale of one to five, including changing behaviours, skills, knowledge and empowerment, and this data is included in the DSS DEX extract for the earliest and latest observation. Similarly, satisfaction is rated across three areas, but only rated at the end of service provision.

¹²³ The cost per client-year of Reconnect is \$1091, which is not high relative to other services. However, many clients of Reconnect are unidentified group clients, and if we exclude these clients, the cost per individual client rises to \$3479, which is high relative to other services when unidentified group clients are excluded.

The average score from 1-5 for achievement of goals is consistently higher for services in the Families and Children Activity compared to Family Law Services (table 7.3). Other key findings include that:

- Family Relationship Advice Line clients are less likely to report achieving their goals.
- Changed behaviours and skills are achieved to a lesser extent than changed knowledge and engagement with relevant support services.
- Specialised Family Violence Services have lower rates of goals being achieved.
- Clients less frequently report being able to better deal with issues they sought help with compared to their level of satisfaction with the service and whether they feel the service understood their issue.

7.3 Achievement of goals and satisfaction based on client SCORE

Program component						Goals		Satisfaction	
	Changed behaviours	Changed impact of immediate crisis	Changed knowledge and access to information	Changed skills	Empowerment, choice and control to make own decisions	Engagement with relevant support services	I am better able to deal with issues that I sought help with	I am satisfied with the services I have received	The service listened to me and understood my issues
	Points/5	Points/5	Points/5	Points/5	Points/5	Points/5	Points/5	Points/5	Points/5
Family Law									
Children's Contact Services	3.3	3.3	3.6	3.5	3.6	3.6	4.1	4.4	4.4
Family Dispute Resolution	3.2	3.1	3.5	3.4	3.4	3.4	4.3	4.6	4.7
Family Law Counselling	3.0	3.1	3.4	3.1	3.2	3.5	4.4	4.7	4.7
Family Relationship Advice Line	2.1	2.3	3.1	2.5	2.5	3.6	4.7	4.9	4.9
Family Relationship Centres	3.1	3.1	3.3	3.1	3.3	3.3	4.2	4.5	4.6
Regional Family Dispute Resolution	3.4	3.4	3.7	3.4	3.5	3.5	4.5	4.7	4.7
Supporting Children after Separation Programme	3.2	3.4	3.5	3.3	3.5	3.5	4.2	4.5	4.6
Families and Children									
Budget Based Funded Program	4.0	4.0	3.9	4.0	4.1	4.1	4.4	4.6	4.6
Children and Parent Support Services	3.8	3.7	4.0	4.0	3.9	3.9	4.5	4.7	4.7
Communities for Children – Facilitating Partners	3.9	3.4	4.2	3.9	3.8	3.8	4.5	4.7	4.7
Family and Relationship Services ^a	3.2	3.2	3.6	3.4	3.5	3.4	4.4	4.7	4.7
Family Mental Health Support Services	3.6	3.5	3.8	3.6	3.7	3.8	4.4	4.6	4.6
Forced Adoptions Support Services	3.5	3.9	3.8	3.7	4.0	4.2	4.7	4.8	4.8
National Find and Connect	3.4	3.8	4.0	3.4	3.7	4.0	4.3	4.5	4.7
Reconnect	3.6	3.8	3.9	3.7	3.8	3.8	4.4	4.6	4.6
Specialised Family Violence Services	3.3	3.2	3.7	3.3	3.4	3.6	4.5	4.7	4.7

^a Includes Mensline Australia

Source: DEX extract provided by DSS, CIE.

Community SCORE

Client SCORE data is not available for unidentified group clients. For these clients, community SCORE is reported, which captures changes that may occur for a group or community rather than individual clients. Four domains of community SCORE are recorded:

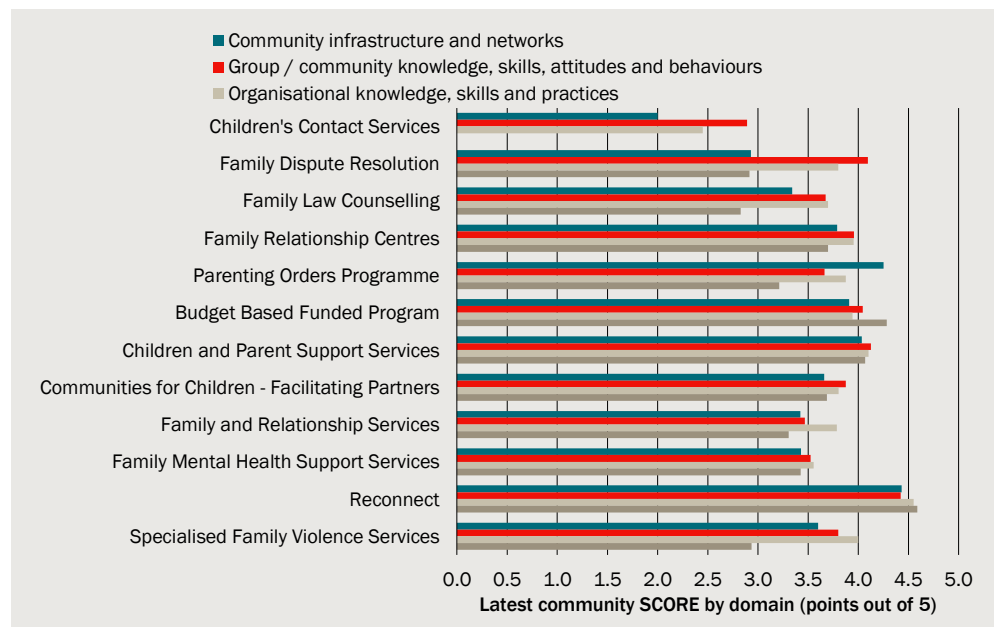
- Community infrastructure and networks,
- Group/community knowledge, skills, attitudes and behaviours,
- Organisational knowledge, skills and practices, and
- Social cohesion.

Similarly to client SCORE, a five-point rating scale is used to report changes in Community SCORE, with each level corresponding to the following outcomes:

- 1/5 – No change
- 2/5 – Limited change with emerging engagement
- 3/5 – Limited change with strong engagement,
- 4/5 – Moderate change, and
- 5/5 – Significant change

The latest community SCORE is around 3.5-4.5 across all services with at least 100 latest community SCORE observations (chart 7.4). Community outcomes are similar across domains.

7.4 Latest Community SCORE

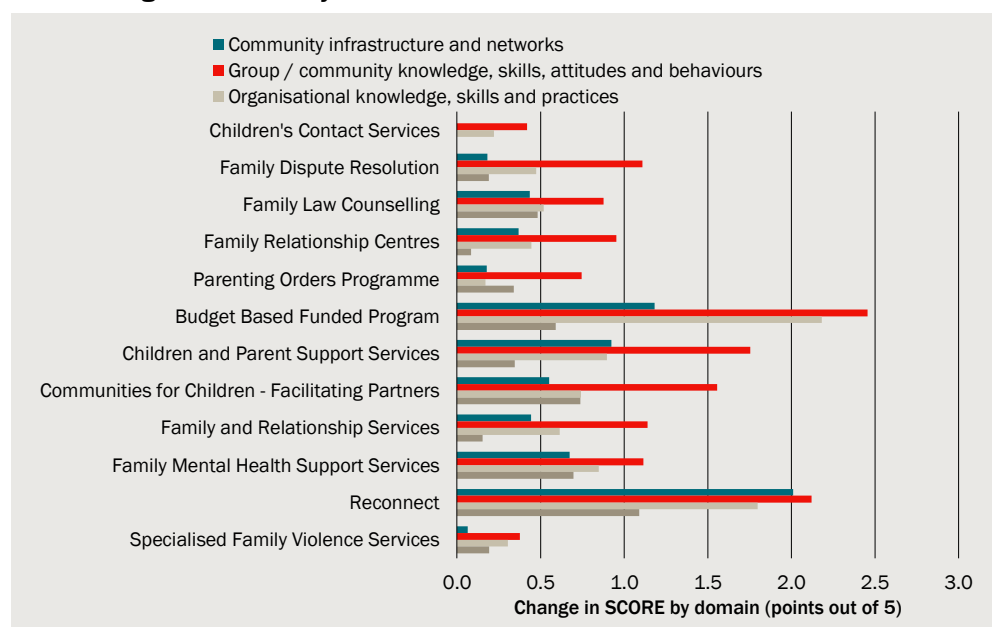


Note: Program components with less than 100 latest community SCORE observations are excluded.

Source: DEX extract provided by DSS, CIE.

The change in community SCORE between the earliest and latest observation varies more greatly across domains, with the largest improvement in group knowledge, skills, attitudes and behaviours (chart 7.5). Reconnect and Family Mental Health Support Services experience the largest improvements in community SCOREs, with changes in community infrastructure and networks and social cohesion being larger than any other program components.

7.5 Change in community SCORE from earliest to latest observation



Note: Program components with less than 100 latest community SCORE observations are excluded.

Source: DEX extract provided by DSS, CIE.

Limitations

While impacts on outcomes such as mental wellbeing and family functioning have been measured using SCORE in other evaluations, we have not identified any studies that assign an economic value to changes in client or community SCORE. In the *Strong and Resilient Communities Evaluation* (Social Research Centre, 2021)¹²⁴ changes in outcomes were measured using SCORE, and the authors originally intended to undertake a value for money assessment. However, a value for money assessment was not conducted because of data limitations, particularly those associated with SCORE.

A discussion of the most relevant limitations they identified, and their applicability to our analysis is shown in table 7.6. The most significant difference is that while circumstances SCORE data was only available for 13 per cent of Strong and Resilient Communities clients, we estimate that 33 per cent of clients had a latest SCORE observation in our

¹²⁴ Social Research Centre, 2021, *Strong and Resilient Communities Evaluation*, prepared for DSS, available at: https://www.dss.gov.au/sites/default/files/documents/05_2021/sarc-evaluation-report-final-word_0_0.pdf

data extract since 1 July 2021.¹²⁵ This difference supports our judgement that SCORE data is appropriate for undertaking a cost-benefit analysis of family and relationship services.

7.6 Data limitations in the *Strong and Resilient Communities Evaluation*

Issue	Description of relevance to <i>Strong and Resilient Communities Evaluation</i>	Discussion of relevance to this CBA of family and relationship services
Interpretability	Small cell suppression, which renders some small numbers/percentages inaccurate	Small cell suppression has not been applied to the data extract supplied by DSS, and we do not report any small numbers that would risk identification and require suppression
	Only aggregate data was available from DEX, which prevent analysis of potential confounding factors. For example, some organisations may have higher SCORE reporting rates, and this may bias the results towards only being representative of some organisations.	This also applies to the extract we've received. However, since 1 st July 2021 all providers have been required to report SCORE circumstances data for at least 50 per cent of clients. We test the sensitivity of our results to only including SCORE data from this period onwards in sensitivity analysis.
Accessibility	DEX data was only accessible through the DSS network, only standard DEX reports could be accessed, and all data was only available at the aggregate level.	Our data extract has been framed around the data available and using this data on our own systems rather than access through DSS systems. This has also limited the range of data we could obtain, but obtaining counts of the number of clients with each SCORE level 1-5 has somewhat mitigated the limitations of receiving aggregate data only.
Coherence	The vast majority of clients were unidentified group clients rather than individual clients	While there are substantial numbers of unidentified clients (see chapter 2), this was a minority of clients for almost all services.
	Demographic data was often missing or incomplete	We have not obtained demographic data to avoid the data extract being overly complex, which limits the extent to which we can account for the confounding effect of demographic differences, or assess how impacts differ by cohort.
	There is considerable variety of assessment methods for SCORE (i.e. validated tools, organisations own tools, or unknown), which limits the usability of SCORE data	This is similarly an issue for our CBA, and we test the sensitivity of the results to assuming that smaller proportions of the SCORE changes are causal impacts.

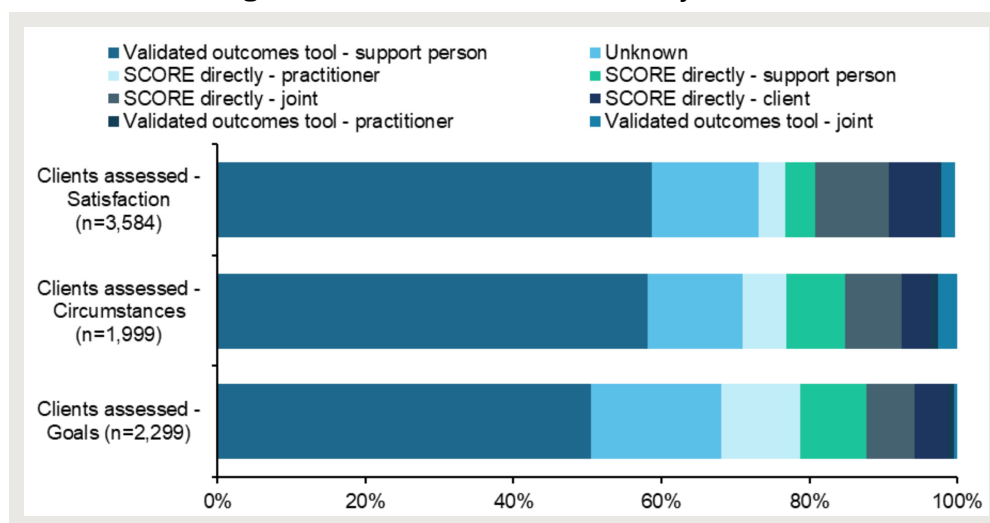
Source: Social Research Centre (2021) Appendix E (p.65 onwards), CIE.

Regarding the potential limitation of infrequent measurement of SCORE using validated tools, data from the *Strong and Resilient Communities Evaluation* suggests that client SCORE is typically measured using validated outcomes tools rather than the organisations own tools or an unknown assessment approach (chart 7.7). Around 30 per cent of clients had SCORE measured directly or by an unknown tool. We do not have

¹²⁵ Note that this is an approximation, since it is difficult to convert between the number of client years (which we observe in the data extract) and the number of unique clients (which we estimate). The calculation of this estimate is shown in Appendix F, which also provides additional detail about SCORE impacts.

similar data about the share of client SCORE measured using validated outcomes tools for family and relationship services.

7.7 Share of Strong and Resilient Communities clients by measurement tool



Data source: Social Research Centre (2021) p.70, based on DEX outcomes data.

Some additional limitations of the SCORE data we have available for this analysis include the following:

- The duration of impacts on SCORE is unknown without having data about follow-up observations after completion of services.
- Who estimates SCORE may be a source of bias and noise, since:
 - estimation of SCORE by practitioners may be biased to support the value of policy interventions
 - estimation of SCORE by individuals may be less reliable and more noisy,¹²⁶ and
 - SCORE levels likely mean different things to different people, which will be a source of error where SCORE is assessed directly rather than using a validated instrument.
- Having clients who receive multiple services means that comparing SCORE before and after is likely to capture the effect of multiple policy interventions, and benefits may be double-counted. Multiple service usage and attribution were highlighted as issues with evaluating interventions for children in the Northern Territory by Productivity Commission (2020).¹²⁷

¹²⁶ Statistical noise is unexplained variability within a data sample. Estimation of SCORE by individuals may have more unexplained variation due to, for example, the respondent's mood on the day, which would be unrelated to their outcomes and therefore make the measures less informative.

¹²⁷ Productivity Commission, 2020, *Expenditure on Children in the Northern Territory*, Productivity Commission Study Report, p.291, available at: <https://www.pc.gov.au/inquiries/completed/nt-children/report>

One factor that mitigates some of the limitations of SCORE is that in 2021/22 DSS undertook a client survey which independently validated the reported DEX outcome data for the Families and Children Activity.¹²⁸ This survey was undertaken to assess how funded programs and associated activities met the needs of individuals. DSS found that there was no material bias found for any of the Families and Children Activity programs surveyed, which included Reconnect, BBF, CaPS, CfC FP, FHMSS, FaRS and the Home Interaction Program for Parents and Youngsters (which is out of scope for our analysis). The survey was conducted in June 2022, and enabled clients since January 2021 to provide responses about their experiences of the support they received. The survey received 5643 responses, with 78 per cent of respondents reporting improved family functioning as a result of the surveys accessed.

¹²⁸ Information provided by DSS via email to FRSA and The CIE on 28 April 2023.

8 *Economic evaluation*

We estimate the benefits and costs of services provided during 2021/22. The focus of our analysis is on valuing changes in client circumstances, and their own perceived wellbeing. This wellbeing-centred approach makes novel use of SCORE data from DEX to provide benefit estimates that can be compared across the broad spectrum of services.

We find that the benefits outweigh costs for all services within Family Law Services and the Families and Children Activity. The benefit-cost ratio (BCR) is 7.85 for Family Law Services and 8.67 for the Families and Childrens Activity, which represents a very high return on investment. This means that for each dollar spent providing Family Law Services, there are \$7.85 of benefits to society including improved wellbeing, better family functioning and reduced court costs. Similarly, for each dollar spent providing Families and Childrens Activity, there are \$8.67 of benefits including long-term benefits to age-appropriate development and improved wellbeing.

The results are sensitive to assumption, particularly the assumed duration over which outcome improvements persist. However, the benefit-cost ratio remains positive under the set of plausible alternative assumptions we test. Further, we have been highly conservative in our assumptions, such as assuming that unidentified group clients receive no benefit due to methodological limitations.

Valuing changes in outcomes

We have not identified any studies that estimate the monetary value of changes in SCORE.

Hence, we produce novel estimates the value of changes in client SCORE in monetary terms (table 8.1), and this is the primary source of benefits in our economic evaluation. Changes in SCORE outcomes are valued using two broad approaches:

- To estimate the benefits of improving age-appropriate development and family functioning we rely on estimates of benefits from previous studies, which includes reducing societal costs of obesity, anxiety and depression, anti-social behaviour and improving productivity. These avoided costs typically occur in the years after receiving services rather than immediately.
- To estimate the benefits of improvements in other SCORE domains, such as personal and family safety and mental health and wellbeing, we estimate how much these outcomes affect subjective wellbeing. Subjective wellbeing is a self-reported measure of wellbeing, such as life satisfaction. For example, we estimate that a 1-point improvement in the 'personal and family safety' circumstance in SCORE is associated with a 0.19 point improvement in the average level of life satisfaction, scored from 1-

10 (as shown in Appendix H). We then apply an estimate of the value of a 1-point improvement in life satisfaction for a year of \$26 419, which implies a 1-point improvement in personal and family safety is worth \$9 881.

These are expressed in terms of the value per change of one standard deviation, which is a standard way to estimate and report effect size.

Appendix H provides greater detail about the assumptions underpinning these estimates of the value per unit of each client SCORE outcome.

To estimate the value of avoided court proceedings due to FDR, RFDR and FRC, we apply the estimated total cost per avoided proceeding of \$15 072 discussed in Chapter 5. The share of cases diverted from court is 77-78 per cent for FDR, RFDR and FRC, based on the share that do not receive s60(I) certificates in the DEX extract provided by DSS (see appendix G).

8.1 Value of improved outcomes

Domain	Approach to estimating the value of a 1-standard deviation change	Value of an increase of one standard deviation
		\$/year
Community participation & networks	Impact of feeling part of your local community on life satisfaction, based on HILDA modelling by CIE	5 142
Housing	Impact of satisfaction with the home you live in on life satisfaction, based on HILDA modelling by CIE	9 103
Personal and family safety	Impact of how safe you feel on life satisfaction, based on HILDA modelling by CIE	9 881
Financial resilience	Impact of financial security composite measure from HILDA.	668
Material wellbeing and basic necessities	Note, we halve the impact for each variable to account for double-counting across material wellbeing and financial resilience	668
Employment	Assuming that a 2-standard deviation change in employment SCORE is equivalent to being employed rather than unemployed or involuntarily out of the labour force, and applying the life satisfaction impact of that estimated based on HILDA modelling by CIE	1 363
Age-appropriate development	Applying the estimate from Skarda et al (2022) that a parenting program with an effect size of 0.47 is associated with a present value impact over the lifetime of \$8309, ^a hence a 1 standard deviation change is worth \$17 680. This captures the effect of improved child SDQ on outcomes such as childhood and later adulthood mental illness, eventual rates of imprisonment, future employment and earnings, and a reduction in premature mortality.	18 064
Family functioning	Applying estimate of the value of Positive Family Functioning from Access Economics (2010), assuming that the full value of PFF is achieved by increasing SCORE from 1 to 5, with the total value of PFF being equal to \$24 297 per person in present value terms over a lifetime. ^b This benefit includes reductions in the occurrence of anxiety and depression, obesity and substance abuse later in life, higher rates of secondary and tertiary educational achievement completion, and reduced antisocial behaviour and associated criminal justice system costs.	6 074
Education and skills training	Not valued	N/A

Domain	Approach to estimating the value of a 1-standard deviation change	Value of an increase of one standard deviation
		\$/year
Physical health		N/A

^a We have converted the impacts estimated by Skarda et al (2022) to Australian dollars (using RBA historical exchange rates) and March 2023 prices using the CPI. We also convert their present value estimate which applies a 1.5 per cent discount rate to a value using a 7 per cent discount rate using their estimates of impacts by years since the intervention, shown at figure 4.

^B Access Economics (2010) apply a 10 per cent discount rate, but the base year for discounting appears to be the age at entry to adulthood.

Source: CIE, further detail about sources provided in Appendix H.

We have assumed that the average changes in Family Law and Families and Children Activity services on client SCORE have effect for one year. This assumption is based on the following evidence:

- Data about service duration has been provided by two FRSA members to The CIE:
 - one 2023 survey respondent suggests that average service duration for a Family Law client is 107 days and for a Families and Children client is 194 days, and
 - one FRSA member consulted by The CIE estimates that median support days was 193 days for family resourcing and 143 days for counselling.
- PwC (2023) reports that it takes 201 days on average to resolve a civil law or family law matter, based on data from the Federal Court.¹²⁹
- Studies such as Access Economics (2010) and Skarda et al (2022) estimate lifetime impacts of childhood policy on outcomes such as health, wellbeing and inequality, finding significant impacts even decades after services are received.

Given that the objectives of services are not just addressing immediate circumstances, but rather giving clients the skills and knowledge to better manage future challenges, we expect that the benefit of services should last significantly beyond the final session.

To avoid a false sense of accuracy, we adopt an assumption of 1-year of benefit duration, but test the sensitivity of results to this assumption in sensitivity analysis.

Extrapolating changes in client SCORE across the entire client population

We have data about client SCORE for a subset of all unique clients. However, client SCORE data is not collected for unidentified group clients, and we have not attempted to value changes in community SCORE (which is measured for such group clients).

The pattern of benefits is likely to differ significantly between individual and group clients. Hence, we adopt the highly conservative assumption that clients with unknown address (primarily unidentified group clients) receive zero benefits, on the basis that these are unidentified group clients and we cannot estimate.

¹²⁹ PwC, 2023, 'The benefits of providing access to justice', prepared for National Legal Aid, January 2023, available at: <https://www.nationallegalaid.org/wp-content/uploads/2023/05/Final-Public-Report-PwC-The-Benefits-of-Providing-Access-to-Justice1-January-2023.pdf>

An alternative approach would be to exclude these clients from the cost-benefit analysis, but we do not have data about the difference in cost of servicing these clients compared to individual clients. Hence, we cannot exclude this group from the cost side of the CBA.

Estimating mental health impacts using LSAC

Rather than rely on changes in mental health, wellbeing and self-care SCORE from DEX, we have relied upon modelling of the impact of services on psychological distress using LSAC, as reported in Appendix E.¹³⁰

Cost-benefit analysis results

Table 8.2 shows the costs and benefits we estimate for family and relationship services. These primarily relate to improvements in client circumstances, as measured by SCORE, with the addition of system and individual cost savings due to court diversion for FDR, RFDR and FRC.

Key findings include the following:

- The benefits of all program components outweigh the costs.
- The largest benefit category for Family Law Services is avoided costs of court proceedings, which includes both costs to government and to the individual (e.g. legal costs). Among other benefit categories, the largest impacts are due to family functioning, safety and mental health and wellbeing.
- The largest benefit category for Families and Children Activity services is age-appropriate development, with community participation and networks, mental health and wellbeing and safety having significantly smaller but still material contributions.

Note that many in-scope services are co-located with others and that many clients may receive services from multiple programs. Therefore, while we have presented separate estimates of costs and benefits for each program, there is a degree of interdependence between outcomes from programs where clients are often receiving multiple services. However, we do not have visibility in the DEX data extracts received to measure how many people receive multiple services.

¹³⁰ The rationale for this choice is that LSAC provides data about both people receiving and not receiving services, which allows us to understand the impact of services compared to not receiving services. In contrast, SCORE data is not collected for people not receiving services, and so we can only estimate the difference in SCORE before and after, which is a less robust counterfactual.

8.2 Cost-benefit analysis results for family and relationship services in 2021/22

Program component	Benefits								Total	Costs	Net benefit	BCR
	AAD/FF	Community participation & networks	Employment	Housing	Material wellbeing	MHWSC	Personal and family safety	Avoided cost of court				
	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	\$m, PV	Ratio
Family Law												
Children's Contact Services	48	0	0	-1	0	14	41	0	104	23	80	4.43
Family Dispute Resolution	29	3	0	1	0	12	21	96	162	13	148	12.15
Family Law Counselling	53	12	0	1	0	15	39	0	120	16	104	7.62
Family Relationship Advice Line	53	8	0	0	0	31	26	0	119	10	109	11.45
Family Relationship Centres	167	18	1	3	0	68	117	537	911	110	801	8.25
Parenting Orders Program	31	7	0	1	0	10	28	0	77	17	60	4.65
Regional Family Dispute Resolution	17	1	0	1	0	7	11	46	82	8	74	10.43
Supporting Children after Separation Programme	24	1	0	0	0	6	4	0	34	7	27	4.84
Subtotal	423	50	1	6	1	163	286	679	1 609	205	1 404	7.85
Families and Children Activity												
Budget Based Funded Program	129	5	0	0	0	8	1	0	144	7	137	21.92
Children and Parent Support Services	261	89	2	21	2	43	48	0	466	67	398	6.93
Communities for Children – Facilitating Partners	513	121	1	14	1	48	44	0	743	45	698	16.38
Family and Relationship Services ^a	282	65	1	11	1	90	177	0	629	68	560	9.20
Family Mental Health Support Services	75	11	0	6	1	17	37	0	147	54	93	2.73
Forced Adoptions Support Services	2	1	0	0	0	1	1	0	4	2	3	2.45
National Find and Connect	3	2	0	0	0	3	2	0	11	4	7	2.91
Reconnect	40	21	2	29	2	6	29	0	129	24	105	5.37
Specialised Family Violence Services	47	17	0	7	0	10	90	0	172	11	161	15.43
Subtotal	1 352	333	7	89	7	228	428	0	2 444	282	2 162	8.67
All services												
Grand total	1 775	383	8	95	8	390	714	679	4 052	487	3 566	8.33

^a Includes Mensline Australia

Note: ADD = Age-appropriate development, FF = Family Functioning, and MHWSC = Mental health, wellbeing and self-care. Material wellbeing is a short name for 'material wellbeing and basic necessities'.

Source: CIE.

Sensitivity analysis

We tested the sensitivity of the results to a range of alternative assumptions (table 8.3). Key sensitivity tests include the following:

- Using SCORE data about mental health impacts rather than the change in Kessler score estimated based on analysis of HILDA increases the BCR to 10.5
- Assuming that unidentified group clients receive 50 per cent of the benefits of individual clients rather than zero increases the BCR to 10.4 across all services.
- Using only the family functioning impacts from Access Economics (2010) without any age-appropriate development impacts from Skarda et al (2022) decreases the BCR significantly, while using the age-appropriate development impacts only for all services has a smaller impact.
- We tested the impact of assuming that only part of the change in SCORE is causal, which decreases benefits significantly. This reflects some uncertainty that we may be capturing some sources of upward bias:
 - Circumstances SCORE may improve over time as challenging life circumstances resolve for reasons other than service provision. For example, a client may obtain FMHSS at a time of personal crisis, which resolves itself due to external circumstances, and so part of the improvement in SCORE reflects that change in circumstances rather than the impact of services.
 - Harvey and Muir (2018) found through a survey of providers that more than 80 per cent of FaRS and SFVS providers are co-located with other DSS-funded services, such as Family Law Services and Children and Parenting Support, and with non-DSS services such as family or housing services. It is possible that clients are having their SCORE data counted by multiple service providers, and, therefore, that their improvements in outcomes may be double-counted.
- Discount rate assumptions do not make much of a difference, since we only estimate benefits in future years from age-appropriate development and family functioning, and we are unable to vary the discount rate assumed for the family functioning estimates due to Access Economics (2010) not reporting the value of family functioning throughout the life course.

8.3 Sensitivity of cost-benefit analysis results to alternative assumptions

Central case	Net benefit			BCR		
	Family Law	F&C	All services	Family Law	F&C	All services
	\$m, PV	\$m, PV	\$m, PV	Ratio	Ratio	Ratio
Central case	1 404	2 162	3 566	7.9	8.7	8.3
Mental health impact based on SCORE	1 603	3 023	4 626	8.8	11.7	10.5
Assume benefits only achieved for duration of services	870	1 164	2 033	5.2	5.1	5.2
Allocating 50 per cent benefit to group clients	1 419	3 167	4 586	7.9	12.2	10.4

Central case	Net benefit		BCR			
	Family Law	F&C	All services	Family Law	F&C	All services
	\$m, PV	\$m, PV	\$m, PV	Ratio	Ratio	Ratio
Subjective wellbeing value based on threshold used in Australian health evaluations (\$50-60k)	1 048	1 395	2 443	6.1	6.0	6.0
Family Functioning value from Access Economics (2010)	1 399	1 420	2 819	7.8	6.0	6.8
Improved childhood development estimate from Skarda et al (2022)	1 174	1 931	3 105	6.7	7.9	7.4
Assume 50 per cent of SCORE changes are causal impacts	1 021	1 054	2 074	6.0	4.7	5.3
Assume 25 per cent of SCORE changes are causal impacts	829	500	1 329	5.0	2.8	3.7
Use actual funding for all program components in 2021/22 as a cost estimate	1 365	2 113	3 478	6.6	7.4	7.1
Discount-rate – 3%	1 521	3 483	5 004	8.4	13.4	11.3
Discount-rate – 5%	1 436	2 615	4 051	8.0	10.3	9.3
Discount rate 10%	1 389	1 805	3 194	7.8	7.4	7.6
Assume ratio of client-years to clients of 70%	1 308	1 885	3 193	7.4	7.7	7.6

Source: CIE.

Conclusion

We find that the benefits outweigh costs for all services within Family Law Services and the Families and Children Activity. The benefit-cost ratio is 7.85 for Family Law Services and 8.67 for the Families and Children Activity, which is very high. While results are sensitive to assumptions, particularly the assumed duration over which outcome improvements persist, the benefit-cost ratio remains positive under the set of plausible alternative assumptions we test. Further, we have been highly conservative in our assumptions that unidentified group clients receive no benefit.

All programs deliver net benefits, much of which derives from improved subjective wellbeing of participants. This is not a financial benefit akin to a cost saving, but rather is a non-financial benefit for which we have estimated the equivalent monetary value.

While there is significant variation in the benefit-cost ratio across programs, clients may receive multiple services and referrals to other programs are a key part of service delivery. Given this issue, the relative cost-benefit ratios for specific programs should be interpreted cautiously and with the interdependence of multiple programs in mind.

The approach adopted for this cost-benefit analysis focussed on valuing changes in subjective wellbeing. We note that this is only one possible approach to understanding the benefits of these services, but that the literature provides broad support for these findings based on other approaches.

***BA** Overview of CBA methodology*

CBA measures the costs and benefits to a range of stakeholders, including Government, community, participants, and families.

The set of steps involved in cost-benefit analysis are specified in the Cost-Benefit Analysis Guidance Note published by PMC,¹³¹ as follows:

- 1 Specify the set of options
- 2 Decide whose costs and benefits count
- 3 Identify the impacts and select measurement indicators
- 4 Predict the impacts
- 5 Monetise (attach dollar values to) impacts
- 6 Discount future costs and benefits to obtain present values
- 7 Compute the net present value of each option
- 8 Perform sensitivity analysis
- 9 Reach a conclusion

Defining the base case and options

This cost-benefit analysis of the FRSA member services is an *ex-post* analysis, meaning that it is backward-looking. In general, the base case for cost-benefit analysis should be a 'do nothing' or 'business as usual' option. For the purpose of this analysis, the base-case is a scenario where the types of services provided by FRSA members were not provided, whether by FRSA members or otherwise. Therefore, the scope of the analysis goes beyond services provided by FRSA members themselves, but rather all Family Law Services funded by the Attorney General's Department under the Family Relationships Services Program and in-scope services funded by DSS under the Families and Children ActivityActivity.

Only one option is considered, which is the option that was taken to have FRS services provided as they have been in 2021/22. While generally cost-benefit should consider multiple options, for the purpose of this *ex post* analysis to assess the merits of the chosen policy, we will only consider the FRS services as-provided.

We only consider the use of FRS services in 2021/22. However, services provided in this financial year are expected to have impacts for clients and others over a longer period. Many of the benefits included within the CBA estimate the impact from the program

¹³¹ Department of the Prime Minister and Cabinet, 2020, *Cost-benefit analysis — guidance note*, March 2020, available at: <https://oia.pmc.gov.au/sites/default/files/2021-09/cost-benefit-analysis.pdf>

over multiple years, and we have not excluded any quantifiable benefit categories on the basis of them accruing after the end of 2021/22. Any impacts beyond 2021/22 are discounted to present values.

Deciding whose costs and benefits count

For the purpose of this analysis, measuring national costs and benefits is appropriate, and there are unlikely to be any relevant international impacts. Costs and benefits to all people residing in Australia will be included where possible.

Approach to discounting

To compare costs and benefits occurring at different points in time, it is necessary to convert the value of future costs and benefits to an equivalent value received immediately. This is referred to as ‘discounting’, and a discounted value is referred to as the present value of a future cash flow. To estimate the present value, future values are multiplied by a factor reflecting a specified rate of return over time, in this case, the social discount rate.¹³² The higher the social discount rate, the more the future cash flows will be discounted, resulting in a lower present value.

The value of costs and benefits in each past and future year are discounted to a base year of 2021/22. The discount rate is only applied to two cost or benefit streams in the analysis, the remainder of which occur within 2021/22.

- The estimated impact of improvements in age-appropriate development from Skarda et al (2022) includes impacts in future years, which are discounted to a present value with a base year of 2021/22. This is discussed further in Appendix H.
- In this CBA we estimate the benefit of improvements in SCORE for clients receiving services in 2021/22. The impact of these services on SCORE is assumed to last for one year. Hence, the improvement in wellbeing will last into 2022/23 for some clients. We discount the value of changes in subjective wellbeing in 2022/23 to a base year of 2021/22.

A real discount rate of 7 per cent is used for the analysis, with sensitivity testing of 3, 5 and 10 per cent. These rates are consistent with guidance from the Department of Prime Minister and Cabinet about discounting in cost-benefit analysis.¹³³

The nominal value of costs and benefits has been converted to real values using a price year of 2023 (March 2023 being the most recent period for which CPI is available from the ABS).

¹³² The discount rate is the rate used to determine the present value of future cash flows. By discounting future cash flows to today’s value, the CBA accounts for the opportunity cost of the cash flows. I.e. the consumer preference, consumption benefit, and financial benefit from receiving a dollar today rather than a dollar in the future. Discounting future cash flows also allows a true comparison of current and future cash flows.

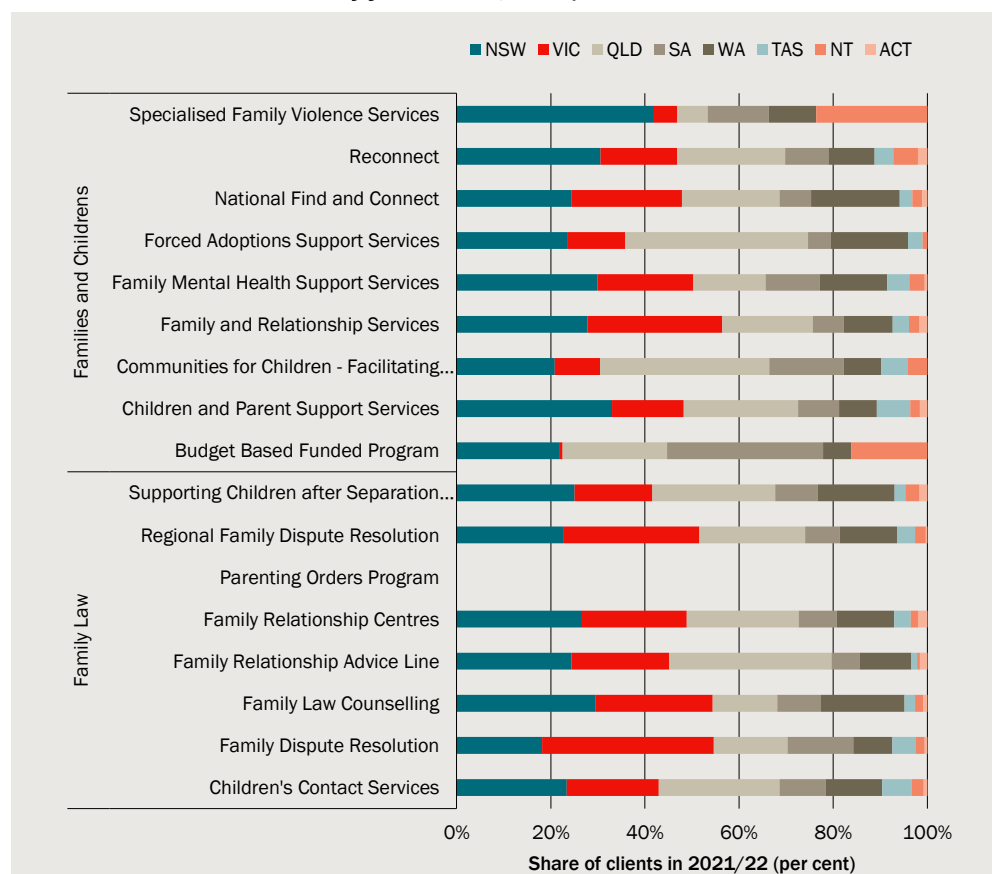
¹³³ Department of the Prime Minister and Cabinet, 2020, *Cost-benefit analysis — guidance note*, March 2020, available at: https://pmc.gov.au/sites/default/files/publications/cost-benefit-anassslysis_0.pdf

€B *Patterns of access to services across states*

The share of clients that are located in each State and Territory varies across program components (chart C.1).

- A session/case can contain multiple individual clients who have addresses in multiple client jurisdictions. When this occurs, the session/case will be counted against each client jurisdiction.
- Individual Clients with addresses that cannot be geo-coded are assigned a client State or Territory value of 'Unknown'. Since addresses are not recorded for unidentified clients (group clients) they are assigned a Client State or Territory value of 'Unknown'.

C.1 Distribution of clients by jurisdiction, 2021/22



Note: Individual Clients with addresses that can't be geo-coded are assigned a client State value of 'Unknown'. Since addresses are not recorded for unidentified group clients they are assigned a Client State value of 'Unknown'. Those designated as 'unknown' are excluded from this chart.

Data source: DEX data as extracted and supplied by DSS, CIE.

DC Selected results from the 2023 survey

Cost per client

Using data provided by survey respondents about total costs by year and total client volumes by year, we estimate the cost per client in each year (table **Error! Reference source not found.**). Cost per client gradually increases for most services, and is relatively more stable than funding per client. Note that the response rate, discussed below, is low for a number of programs, such as Reconnect.

D.1 Cost per client from the 2023 survey

Program component	2018/19	2019/20	2020/21	2021/22
	\$/client	\$/client	\$/client	\$/client
Family Law				
Children's Contact Services	1 171	1 442	1 679	3 028
Family Dispute Resolution	331	386	445	471
Family Law Counselling	1 347	1 455	1 251	1 613
Family Relationship Advice Line	N/A	N/A	N/A	N/A
Family Relationship Centres	1 487	1 534	1 672	1 763
Parenting Orders Program	1 487	1 534	1 672	1 763
Regional Family Dispute Resolution	1 195	1 192	1 123	1 350
Supporting Children after Separation Programme	582	595	909	783
Families and Children				
Budget Based Funded Program	N/A	N/A	N/A	N/A
Children and Parent Support Services	588	574	910	788
Communities for Children-- Facilitating Partners	N/A	N/A	N/A	N/A
Family and Relationship Services ^a	835	816	878	1 093
Family Mental Health Support Services	1 216	1 046	1 278	1 585
Forced Adoptions Support Services	N/A	N/A	N/A	N/A
National Find and Connect	N/A	N/A	N/A	N/A
Reconnect	2 686	4 596	3 448	5 785
Specialised Family Violence Services	829	907	1 270	1 011

^a Includes Mensline Australia

Source: FRSA members who responded to the 2023 survey, CIE.

Response rate to the survey

The number of organisations responding to the survey and the number of clients they provided services to in each year is shown in table D.2. Among the fourteen survey respondents, twelve provide both Family Law and Families and Children Activity Services.

There are some program components for which we received no survey responses, namely Family Relationship Advice Line, Budget Based Funded Program, Forced Adoption Support Services and National Find and Connect. Note that not all questions were answered by all respondents or responses were not viewed as representative. For example, we did not receive any cost data that we could use for CfC FP.

D.2 Number of organisations responding to the 2023 survey

Program component	Number of services responding	Number of clients			
		2018/19	2019/20	2020/21	2021/22
	No. of organisations	'000s of clients	'000s of clients	'000s of clients	'000s of clients
Family Law					
Children's Contact Services	5	3.3	2.8	2.5	2.6
Family Dispute Resolution	6	11.5	9.9	8.8	9.1
Family Law Counselling	9	2.8	2.6	3.7	4.1
Family Relationship Advice Line	0	0.0	0.0	0.0	0.0
Family Relationship Centres	11	17.5	20.0	19.9	21.1
Parenting Orders Program	11	17.5	20.0	19.9	21.1
Regional Family Dispute Resolution	10	2.0	2.0	2.6	2.3
Supporting Children after Separation Programme	3	4.1	4.1	2.8	3.2
Subtotal	13	58.6	61.4	60.2	63.6
Families and Children Activity					
Budget Based Funded Program	0	0.0	0.0	0.0	0.0
Children and Parent Support Services	5	2.0	2.0	1.3	1.5
Communities for Children - Facilitating Partners	3	0.2	0.1	0.0	0.1
Family and Relationship Services ^a	13	18.9	19.0	21.0	19.0
Family Mental Health Support Services	7	5.5	6.5	5.9	4.7
Forced Adoptions Support Services	0	0.0	0.0	0.0	0.0
National Find and Connect	0	0.0	0.0	0.0	0.0
Reconnect	1	0.4	0.2	0.3	0.1
Specialised Family Violence Services	7	1.5	1.4	2.1	2.2
Subtotal	13	28.4	29.2	30.6	27.7
All services					
Grand total	14	87.0	90.7	90.8	91.3

^a Includes Mensline Australia.

Note: We assume that FRSA respondents have counted clients in the same manner as DSS count them in the DEX extracts. That is, that a client with sessions in multiple financial years is counted once in each of those years. Sums of programs won't align to totals because organisations may respond that they provide multiple services. For example, there are 13 respondents that indicate they provide at least one Families and Children Activity, and all 13 indicated they provide FaRS.

Source: FRSA member survey 2023 and CIE.

Survey responses covered between 35-45 per cent of total Family Law Services clients in each year (chart D.3). For example, in 2021/22, survey respondents provided services to around 64 000 people out of a total of 143 000 Family Law Services clients across all organisations in Australia.

The share of clients covered for Families and Children Activity Services was lower, although it peaked at 9 per cent in 2021/22. A high share of clients was covered for some services, namely FaRS and FMHSS.

D.3 Share of clients covered by survey respondents

Program component	2018/19	2019/20	2020/21	2021/22
	Per cent	Per cent	Per cent	Per cent
Family Law				
Children's Contact Services	20	20	19	20
Family Dispute Resolution	71	69	73	86
Family Law Counselling	14	14	23	31
Family Relationship Advice Line	0	0	0	0
Family Relationship Centres	26	29	30	33
Parenting Orders Program				
Regional Family Dispute Resolution	34	31	40	36
Supporting Children after Separation Programme	59	71	51	63
Average	35	38	39	45
Families and Children Activity				
Budget Based Funded Program	0	0	0	0
Children and Parent Support Services	1	2	2	3
Communities for Children - Facilitating Partners	0	0	0	0
Family and Relationship Services ^a	15	17	20	22
Family Mental Health Support Services		4 408	724	16
Forced Adoptions Support Services	0	0	0	0
National Find and Connect	0	0	0	0
Reconnect	1	1	1	1
Specialised Family Violence Services			115	103
Average	4	7	8	9
All services				
Average	10	15	17	20

^a Includes Mensline Australia

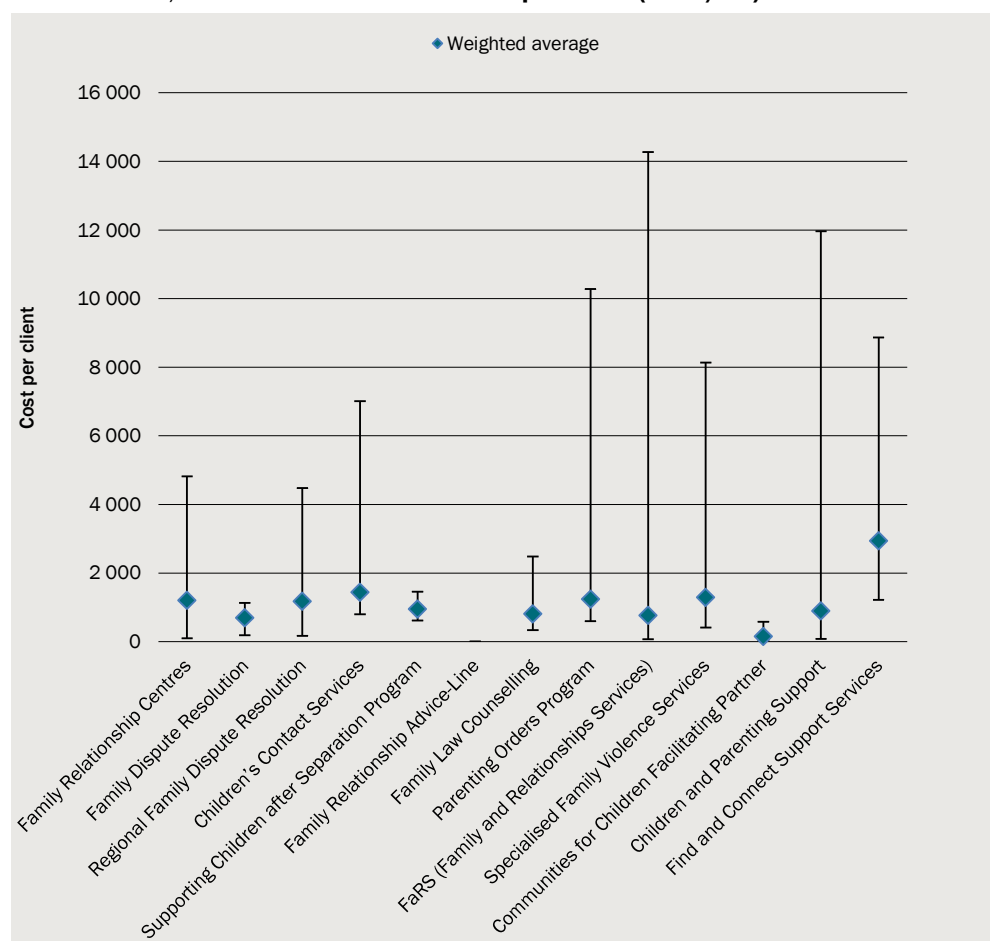
Note: We assume that FRSA respondents have counted clients in the same manner as DSS count them in the DEX extracts. That is, that a client with sessions in multiple financial years is counted once in each of those years.

Source: DSS counts of client numbers, FRSA member survey 2023 and CIE.

ED Cost data from the 2018/19 survey

Chart E.1 show the median, minimum and maximum cost per client from the 2018/19 survey data, without escalation applied. There is considerable variation in costs, but the volume-weighted average cost is typically between \$1000-2000 per client.

E.1 Median, minimum and maximum cost per client (2018/19)

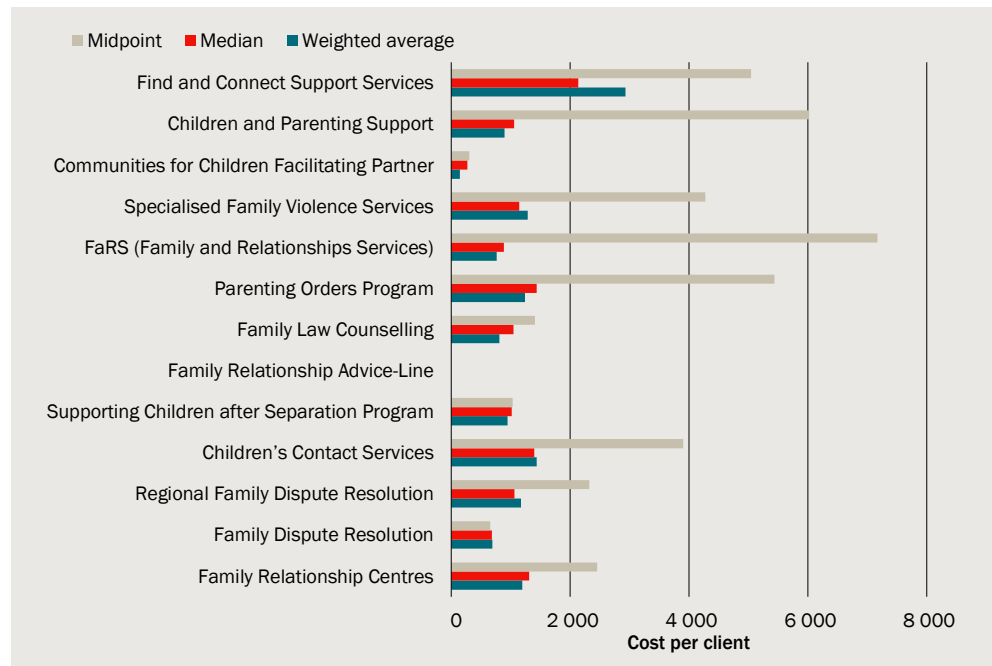


Note: This chart excludes a range of programs included in the 2018/19 survey but not included in the scope for this cost-benefit analysis, namely: Royal Commission Community-Based Support Services, Child Support Advocacy, Home Interaction Program for Parents and Youngsters, and Intensive Family Support. It also doesn't include services that are in-scope for this cost-benefit analysis, but which were not included in the 18/19 survey, namely: Forced Adoption Support Services, Reconnect, Family Mental Health Support Services.

Data source: 2018/19 survey of FRSA members, CIE.

The midpoint of the range of costs is typically a lot higher than the median or weighted average (chart E.2).

E.2 Measure of central tendency for cost per client (2018/19)

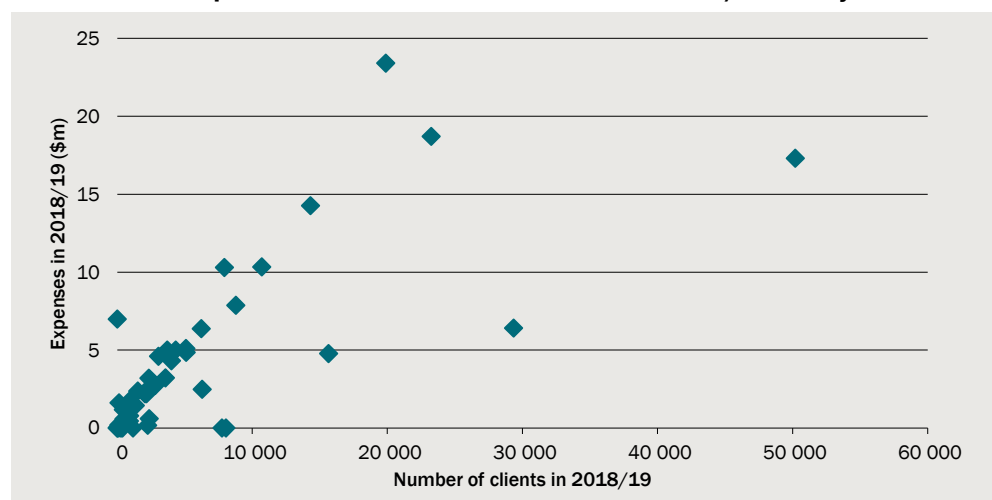


Note: This chart excludes a range of programs included in the 2018/19 survey but not included in the scope for this cost-benefit analysis, namely: Royal Commission Community-Based Support Services, Child Support Advocacy, Home Interaction Program for Parents and Youngsters, and Intensive Family Support. It also doesn't include services that are in-scope for this cost-benefit analysis, but which were not included in the 18/19 survey, namely: Forced Adoption Support Services, Reconnect, Family Mental Health Support Services.

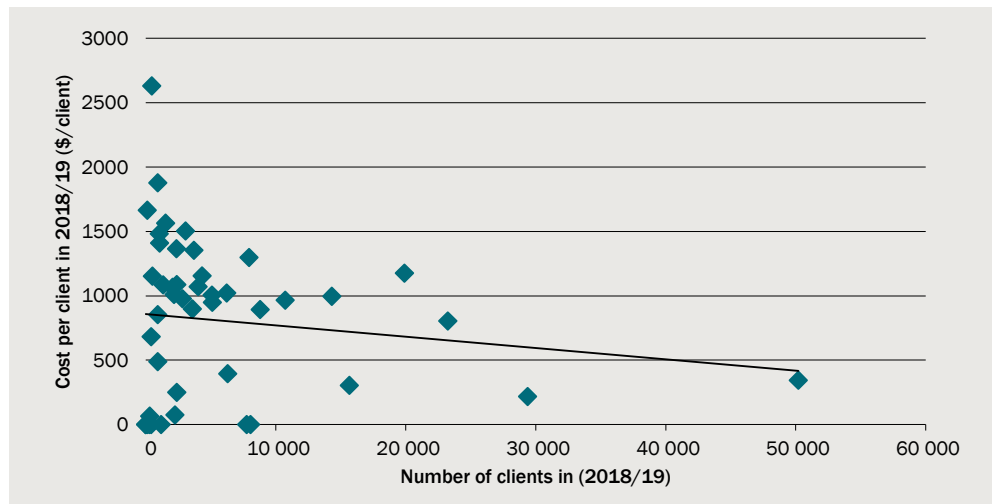
Data source: 2018/19 survey of FRSA members, CIE.

There is weak evidence to support existence of economies of scale in provision of family and relationship services (chart E.3 and E.4).

E.3 Relationship between costs and client numbers in 2018/19 survey data



Data source: 2018/19 survey of FRSA members, CIE.

E.4 Cost per client and client numbers in 2018/19 survey data

Data source: 2018/19 survey of FRSA members, CIE.

***FE** Statistical analysis of the Longitudinal Study of Australian Children*

Statistical analysis of the **Longitudinal Study of Australian Children** undertaken for this review confirms that people who receive services are experiencing elevated psychological distress. It also shows that people who want services and cannot access them have elevated psychological distress. We find that when people receive services (across all service types), their level of distress is 0.53 points lower than people who wanted services but did not receive them, as measured by the Kessler 6 psychological distress score. For specific services, we find a statistically significant reduction in the Kessler 6 score of 1.18 for people who receive relationship education services.

Our analysis also demonstrates that receiving either parental support or parental courses, relative to wanting but not receiving such services, reduces the child difficulties score in the internationally validated Strengths and Difficulties Questionnaire by 0.67.

We find that when we isolate specific effects of other services (such as mental health services, relationship counselling services or parental support services), the results are not statistically significant.

Overall, our analysis provides further evidence that family and relationship services decrease psychological distress among parents, and improves psychosocial functioning among children.

Characteristics of the sample

Our analysis draws from the data from the Longitudinal Study of Australian Children (LSAC), a representative study of two cohorts of Australian Children.¹³⁴ The sampling frame for LSAC was created using the Medicare database, a comprehensive database of Australia's population. Children born within specific date ranges were randomly selected, based on a stratified random sample of Australian postcodes. This sample was broadly representative of Australian children.

For analyses where the outcome was based on the child in the study, the estimates presented were made using sample weights that adjusted for differential probability of selection into the sample, differential response rates, and the clustered nature of the data. The younger cohort of children in LSAC (the B cohort) was aged 0–1 years, and the older cohort (the K cohort) aged 4–5 years at the time of the first Wave in 2004. We used these

¹³⁴ Australian Institute of Family Studies (2005), *Growing Up in Australia the Longitudinal Study of Australian Children Annual report*. Melbourne: Australian Institute of Family Studies.

data, along with data collected in waves two to eight of the study, collected every two years. Analyses focused on the outcomes of parents did not use weighting.

For our central estimates, the B and K cohorts were combined¹³⁵. Where the outcome was based on the child in the study, analyses were also conducted separately on each cohort as a robustness check.

Approach to modelling the impact of services

Respondents to the LSAC are asked about whether, in the last 12 months, they or their family have used any of the following services:

- relationship education services
- relationship counselling
- other counselling
- adult mental health services
- parenting education courses or programs, and/or
- parent support groups.

We group together relationship education, counselling, and adult mental health services as counselling services. For each type of service, we construct a variable with value one if the person or their family received any of the above services in the 12 months prior to answering the survey, and value zero otherwise.

For each of these services, we test the impact on either or both of the following variables (as shown in table F.1):

- Kessler 6 psychological distress score of the parent, and/or,
- Strengths and Difficulties questionnaire results for the child.

F.1 LSAC family and relationship services

Outcome	Services
Parental Kessler 6	Mental health
Parental Kessler 6	Relationship education
Parental Kessler 6	Relationship counselling
Parental Kessler 6	Parental support group
Child SDQ	Parental support group
Child SDQ	Parenting course

Source: CIE.

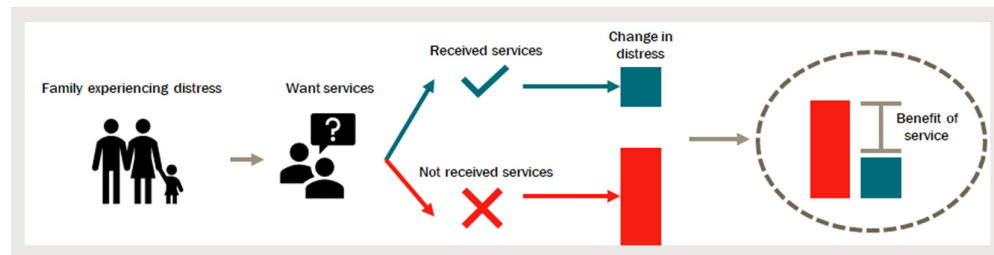
Our hypothesis for the modelling was that if a family experiences a stressful event, receiving support services should reduce the negative impact on the psychological distress of the parents and the SDQ of the child (together ‘distress’), of the stressful event. Chart F.2 illustrates this chain of logic.

¹³⁵ In LSAC, all information is collected in the same way for each cohort, such that the main difference between the two cohorts is the ages of children.

To estimate what the impact of not receiving the services would have on distress, we included a control variable for services not received. This variable asks the same question around wanting support services, but in this case not receiving the support services. We assume that these people were in a similar stressful situation which has led them to want services, but they do not receive the benefit of the support group. We note that there are reasons these groups may not be directly comparable, such as this group may not have received services due to their situation not being serious enough to secure limited support services. Without knowing the reason they did not receive services, we note there is not full certainty on the comparability of these groups.

To estimate the impact of services, we look at the difference in distress between the two groups, expecting that the group who received the services should be better off than the group who wanted services but did not receive them.

F.2 Modelling impact of services received and not received



Data source: CIE.

Psychological distress

Psychological distress of mothers and fathers was measured using the Kessler 6 (K6) scale. The K6 has been demonstrated to be consistent across sub-samples and is useful for its brevity¹³⁶ (Furukawa, Kessler, Slade, & Andrews, 2003; Kessler et al., 2003). Using five-point Likert scales, responses were summed such that a higher score reflected poorer mental health.

In line with Kessler et al. (2003) and other Australian studies,¹³⁷ K6 scores can be categorised as:

¹³⁶ Furukawa, T. A., et al. (2003). The performance of the K6 and K10 screening scales for psychological distress in the Australian National Survey of Mental Health and Well-Being. *Psychological Medicine*, 33(2), 357–362. doi:10.1017/S0033291702006700; Kessler, R. et al. (2003). Screening for serious mental illness in the general population. *Archives of General Psychiatry*, 60(2), 184–189. doi:10.1001/archpsyc.60.2.184

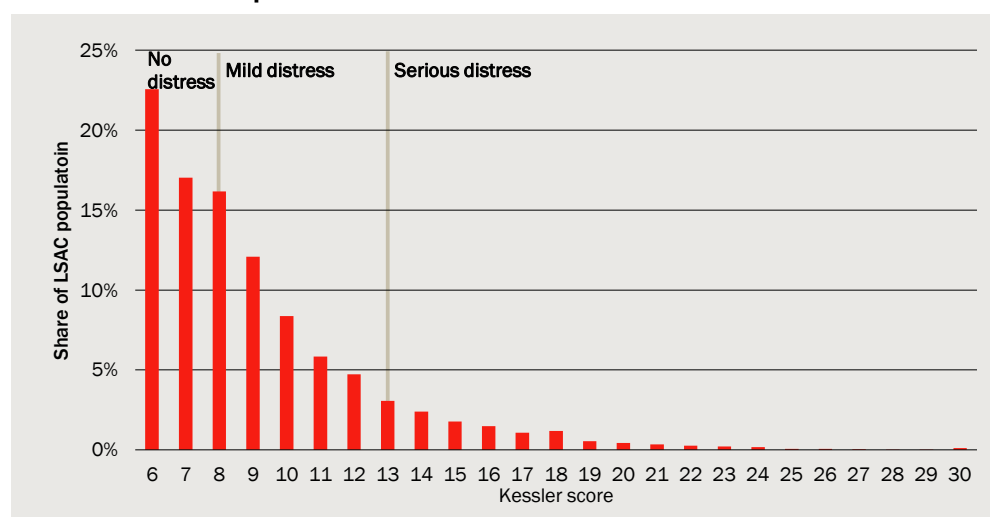
¹³⁷ Giallo, R., et al. (2012). Father mental health during the early parenting period: Results of an Australian population based longitudinal study. *Social Psychiatry and Psychiatric Epidemiology*, 47(12), 1–10. doi:10.1007/s00127-012-0510-0; Martin, J., et al. (2007). Adverse associations of infant and child sleep problems and parent health: An Australian population study. *Pediatrics*, 119(5), 947–955. doi:10.1542/peds.2006-2569; Strazdins, L., et al. (2007). What does family-friendly really mean? wellbeing, time, and the quality of parents' job. *Australian Bulletin of Labour*, 33(2), 202–225.

- No distress - score 0 to less than 8,
- Mild distress - 8 to less than 13, and
- Serious distress - 13 and greater.

Distribution of distress in LSAC cohort see chart F.3.

- 40 per cent no distress
- 47 per cent mild distress, and
- 13 per cent serious distress.

F.3 Distribution of parental distress in LSAC cohort



Data source: LSAC, CIE

We estimate a model predicting the Kessler 6 score of parents, with the key variables of interest being:

- whether a person or their family received services in the past 12 months, and
- whether a person or their family wanted services but did not receive them.

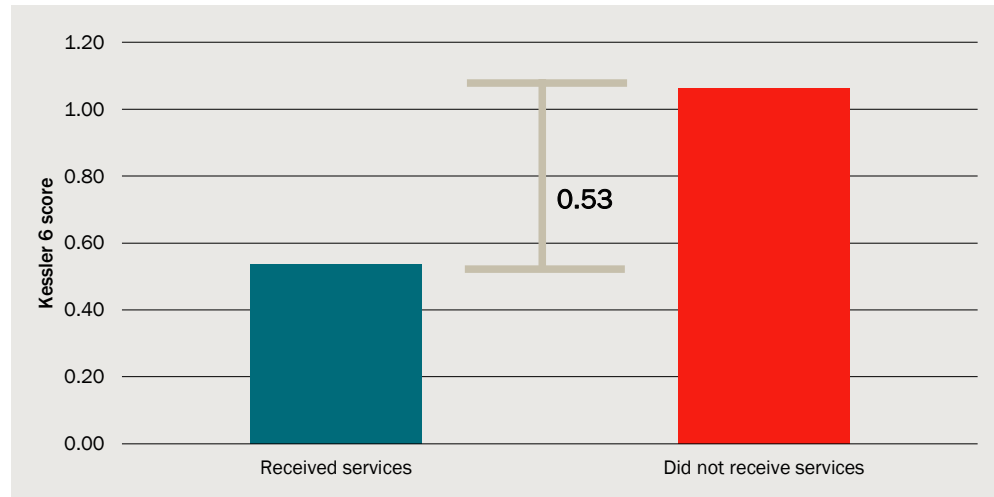
The control variables for the regression are:

- age variables
- work hours
- life events
- labour force status
- household income
- age of youngest child, and
- coparenting support.

Chart F.4 shows the estimated difference between the Kessler 6 score of parents who received services and those who wanted services but did not receive them. Note that receiving services is associated with an increase in Kessler score of around 0.5, reflecting that people who receive services are experiencing elevated psychological distress.

However, the impact of wanting services but not getting them is larger, at more than 1.0. This means that the effect of getting services relative to wanting them but not getting them is 0.53.

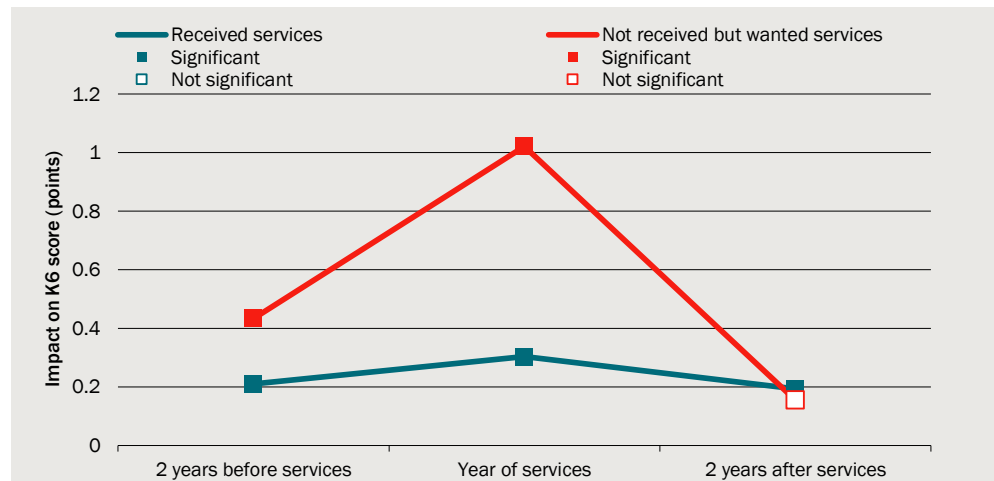
F.4 Impact on Kessler 6 of receiving and not receiving services



Data source: CIE

We also estimate the impact on Kessler 6 score in the LSAC wave preceding receiving services and the wave after, with 2 years separating each wave. We find that levels of distress are similar before and after receiving services, with the large difference in score evidence in the year of services (chart F.5). Note that those who want but don't receive services have somewhat higher distress in the wave preceding the year they want services. This suggests some selection bias, in that those who want but do not receive services have worse baseline distress. The impact of services (0.53) is based on the difference in distress from the wave preceding to the year of services, which is ~0.6 for those who wanted but didn't receive services, net of the difference in distress among those who did receive services (~0.1).

F.5 Impact of counselling services on parental K6 score



Data source: CIE.

Table E.6 shows the output from a linear regression model used to produce the estimates, and shows that the difference in Kessler from all services ('grouped services') relative to wanting but not receiving some services is statistically significant.¹³⁸

F.6 Parental Kessler 6 model measuring impact of receiving services

Model	Variable	Effect	Sig.	Control	Sig.	Difference	Sig.
Grouped services	Grouped services	0.54	0.00***	1.06	0.00***	-0.53	0.01***
Individual services	Mental health	1.05	0.00***	0.58	0.07**	0.47	0.08**
	Relationship education	0.31	0.11*	1.49	0.05**	-1.18	0.06**
	Relationship counselling	0.50	0.00***	0.58	0.08**	-0.07	0.41
	Parental support	0.36	0.00***	0.46	0.20	-0.10	0.39
Individual services autoregressive	Mental health	1.02	0.00***	0.76	0.04***	0.26	0.24
	Relationship education	0.22	0.28	0.79	0.25	-0.58	0.21
	Relationship counselling	0.49	0.00***	0.38	0.26	0.11	0.37
	Parental support	0.32	0.01***	0.54	0.20	-0.22	0.31

Note: *** statistically significant at $p < 0.05$, ** statistically significant at $p < 0.10$, * statistically significant at $p < 0.15$. The 'difference' column is the effect of getting services minus the effect of wanting but not receiving services.

Source: LSAC, CIE analysis

Child wellbeing

The strengths and difficulties questionnaire (SDQ) is one of the most widely and internationally used measures of child and young persons' mental health.¹³⁹ Our analysis used the mean SDQ which sums the responses to questions around hyperactivity, peer relationship problems and prosocial behaviour, to estimate children's wellbeing. Scores are summed such that a higher score represents poorer psychosocial functioning.

In the regression models presented below, we include the following control variables:

- child age
- did the mother receive coparent support
- SEIFA
- household income

¹³⁸ We have separate estimates of the impact of each service type of distress, however, the results are not expected to be reliable and infrequently statistically significant. We have also included estimates of the impacts under an alternative model specification where we include an autoregressive term, which controls for Kessler scores in the previous period. However, the results from this model are not statistically significant.

¹³⁹ Goodman. A & Goodman, R. (2009), Strengths and difficulties questionnaire as a dimensional measure of child mental health. *Journal of the American Academy of Child and Adolescent Psychiatry*, 48(4), 400-403. Klein. A et al. (2013). Psychometric properties of the parent-rated SDQ in pre-schoolers. *European Journal of Psychological Assessment*.

- Kessler mother
- Kessler father
- interaction of child age and the above
- parental warmth mother score, and
- parental warmth father score.

Modelling on both the B and K cohorts

We find that receiving either parental support or parental courses, relative to wanting but not receiving such services, reduces the child difficulties score by 0.67 (table F.7). This impact is not statistically significant for the K cohort but is significant for the B cohort. The impact is more reliably estimated for parent courts or ‘grouped services’ (which combines both), but not for parental support services which often have a statistically insignificant impact.

F.7 Estimated impact of service on child SDQ

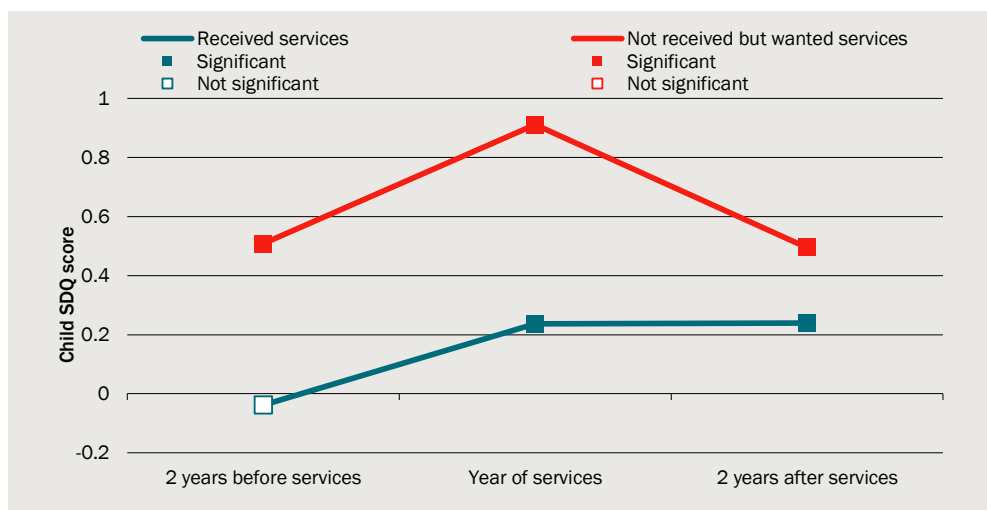
Model	Variable	Effect	Sig.	Control	Sig.	Difference	Sig.
Pooled	Grouped services	0.24	0.04***	0.91	0.00***	-0.67	0.02***
	Parental support	1.00	0.00***	0.51	0.43	0.49	0.49
	Parent course	0.07	0.53	1.14	0.00***	-1.06	0.00***
Cohort K	Grouped services	1.43	0.01***	-0.17	0.92	1.60	0.59
	Parental support	-0.06	0.83	1.17	0.02***	-1.23	0.38
	Parent course	0.23	0.35	0.62	0.28	-0.39	0.05**
Cohort B	Grouped services	0.51	0.30	1.01	0.29	-0.50	0.08**
	Parental support	-0.30	0.22	0.98	0.06**	-1.28	0.62
	Parent course	-0.11	0.63	0.85	0.06**	-0.96	0.04***

Note: *** statistically significant at $p < 0.05$, ** statistically significant at $p < .10$, * statistically significant at $p < .15$

Source: LSAC, CIE analysis.

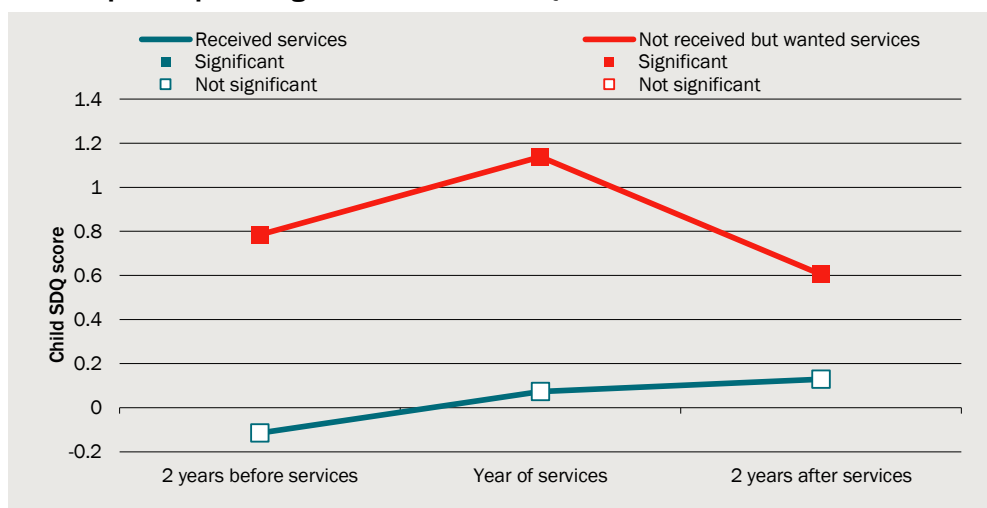
However, much of the difference in child wellbeing outcomes is present in the year before people receive or want services. This can be described as a problem of selection bias, in that child wellbeing is significantly worse for children of parents that want but do not receive services, even in the wave preceding when they want services. This is true both for the grouped variable (i.e. parenting support and/or courses) (chart F.8) and parenting courses specifically (chart F.9). Impacts for parental support are too imprecisely estimated and not shown.

F.8 Impact of parenting support/courses on Child SDQ for B and K cohorts



Data source: LSAC, CIE analysis

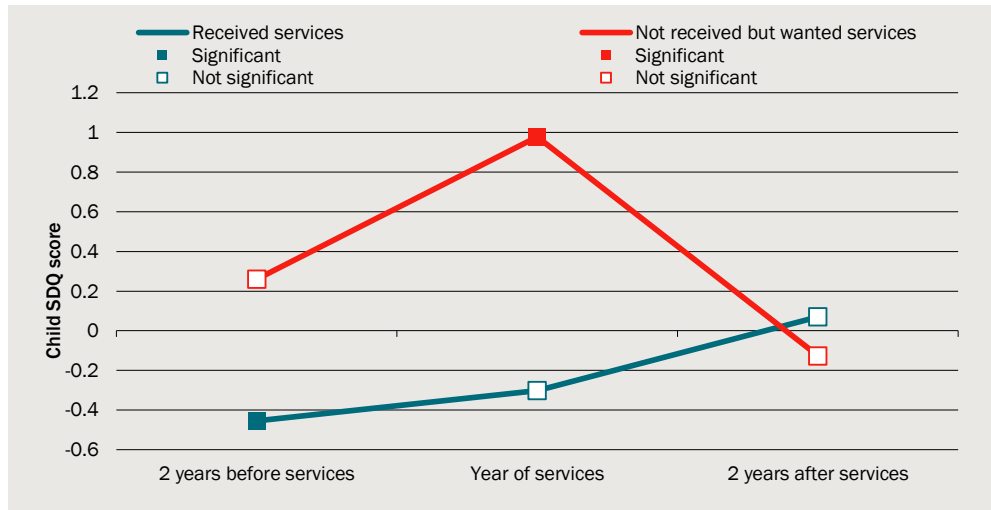
F.9 Impact of parenting courses on Child SDQ for B and K cohorts



Data source: LSAC, CIE analysis

Impacts for B and K cohort separately

Modelling of the B cohort only shows a clearer impact from services on child wellbeing relative to child wellbeing in the preceding wave (chart 8.10 for all parenting services and chart F.10).

F.10 Impact of parenting services on child SDQ, cohort B only

Data source: LSAC, CIE analysis

Conclusion

While there is suggestive evidence of an impact of parenting services on child wellbeing as measured by SDQ, we do not consider that the effect has been estimated with sufficient precision to be applicable in the cost-benefit analysis.

GF Additional detail about SCORE impacts

Share of unique clients with a SCORE observation

We estimate that 33 per cent of unique clients since 1 July 2021 have a latest client SCORE observation (table G.1). This estimate assumes that the ratio of client-years (i.e. the number of clients receiving a session of service in a given financial year) to the number of unique clients is 80 per cent.

G.1 Share of individual clients with a circumstances SCORE since July 2021

Program	Clients with a latest SCORE since 2021/22 ^a	Client-years, excluding group clients since 2021/22	Unique individual clients ^b	Share of individual clients with a latest circumstances SCORE since 1 July 2021 ^c
	Number	Number of client-years	Number of clients	
Family Law	78 127	227 123	181 698	43.0
Families and Children	75 835	357 281	285 825	26.5
Total	153 962	584 404	467 523	32.9

^a This is an estimate of the number of unique clients with a latest SCORE observation since July 2021. The calculation involves first identifying the most commonly assessed SCORE domain for each program among latest SCOREs since 2021/22 (E.g. for CCS this is family functioning.) and then counting the number of clients with a latest family functioning SCORE since 2021/22 (6460 latest SCOREs for CCS). This is taken to be an estimate of the number of CCS clients with a latest SCORE since 2021/22.

^b The number of client-years excluding group clients (counted using DEX data) multiplied by 80 per cent.

^c The number of clients with a latest SCORE since 2021/22 divided by the estimated number of unique individual clients over this period.

Source: DEX data extract provided by DSS, CIE.

Most commonly reported client SCORE domains

The most commonly reported domain for each program component is shown in table G.2. We assume that for each program, the total number of clients assessed for any domain is equal to the number assessed for the most frequently reported domain. That is, there are 12 107 Children's Contact Services clients with latest SCORE for family functioning and, hence, we assume that there are 12 107 clients in total with SCORE data for any domain.

G.2 Most commonly assessed client SCORE domains by program

Program component	Most frequently answered domain	Number of latest SCORE observations for most frequently observed domain
Number		
Family Law		
Children's Contact Services	Family functioning	12 107
Family Dispute Resolution	Family functioning	25 154
Family Law Counselling	Family functioning	28 627
Family Relationship Advice Line	Mental health, wellbeing and self-care	4 249
Family Relationship Centres	Family functioning	104 968
Parenting Orders Program	Family functioning	14 099
Regional Family Dispute Resolution	Family functioning	9 437
Supporting Children after Separation Programme	Family functioning	6 151
Families and Children Activity		
Budget Based Funded Program	Age-appropriate development	1 935
Children and Parent Support Services	Family functioning	21 890
Communities for Children - Facilitating Partners	Age-appropriate development	20 179
Family and Relationship Services ^a	Family functioning	110 310
Family Mental Health Support Services	Mental health, wellbeing and self-care	15 428
Forced Adoptions Support Services	Mental health, wellbeing and self-care	392
National Find and Connect	Mental health, wellbeing and self-care	938
Reconnect	Mental health, wellbeing and self-care	12 174
Specialised Family Violence Services	Personal and family safety	5 680

^a Includes Mensline Australia

Source: DEX data extract provided by DSS, CIE.

Change in client SCORE measured using Cohen's d

We measure convert estimated changes in SCORE into estimates of 'effect size' using the 'Cohen's d' measure, which is the ratio of the change in means between groups (i.e. earliest and latest) divided by the standard deviation.¹⁴⁰ We use the following standard thresholds to report effect size:

- Very large ≥ 1.3
- Large ≥ 0.8
- Moderate ≥ 0.5
- Small ≥ 0.2

Table G.3 shows the standard deviation used to calculate effect size. We use the standard deviation of the combined distribution of earliest and latest SCOREs, believing this to be

¹⁴⁰ Sullivan and Feinn (2012) discuss the importance of effect size measures and the .

the best representation of the hypothetical distribution of SCORE in the general population (most of whom do not receive services).

G.3 Standard deviation of SCORE

Circumstances domain	Standard deviation of latest SCORE	Standard deviation of earliest SCOREs	Standard deviation of combined earliest and latest SCOREs
	Points/5	Points/5	Points/5
Age-appropriate development	1.07	1.21	1.19
Community participation & networks	1.10	1.23	1.24
Education and skills training	1.15	1.27	1.29
Employment	1.34	1.43	1.41
Employment, education & training	1.22	1.42	1.42
Family functioning	1.24	1.20	1.30
Financial resilience	1.18	1.28	1.27
Housing	1.18	1.39	1.33
Material wellbeing and basic necessities	1.13	1.32	1.27
Mental health, wellbeing and self-care	1.14	1.21	1.25
Personal and family safety	1.15	1.33	1.29
Physical health	1.12	1.27	1.23

Source: DEX data extract provided by DSS, CIE.

We find that effect size is typically moderate or large for family functioning and mental health, wellbeing and self-care, small for personal and family safety, and close to zero for other domains (table G.4). Certain other combinations of services and domains have medium/large effects, such as Budget Based Funding and age-appropriate development.

We use estimates of Cohen's *d* for each program and domain combination to estimate the monetary value of the outcome. That is, we multiply the estimate of Cohen's *d* by a value per standard deviation shift in average SCORE for a domain.

G.4 Change in SCORE measured in number of standard deviations

Program component	Age-appropriate development	Community participation & networks	Education and skills training	Employment	Family functioning	Financial resilience	Housing	Material wellbeing and basic necessities	Mental health, wellbeing and self-care	Personal and family safety	Physical health
	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction	Fraction
Family Law											
Children's Contact Services	0.11	0.01	0.00	0.01	0.79	-0.01	-0.01	-0.01	0.29	0.42	-0.01
Family Dispute Resolution	0.03	0.06	0.00	0.00	0.58	0.03	0.02	0.03	0.24	0.25	0.02
Family Law Counselling	0.05	0.23	0.02	0.02	0.86	0.02	0.01	0.02	0.68	0.38	0.02
Family Relationship Advice Line	0.14	0.07	0.00	0.00	0.36	0.00	0.00	0.00	0.12	0.12	0.00
Family Relationship Centres	0.07	0.08	0.01	0.00	0.58	0.02	0.01	0.01	0.20	0.25	0.01
Parenting Orders Program	0.18	0.19	0.12	0.02	0.71	0.01	0.01	0.01	0.52	0.39	0.02
Regional Family Dispute Resolution	0.04	0.03	0.01	0.01	0.60	0.03	0.01	0.02	0.21	0.23	0.01
Supporting Children after Separation Programme	0.25	0.04	0.01	0.00	1.00	0.00	0.01	0.03	0.39	0.10	0.02
Families and Children Activity											
Budget Based Funded Program	1.22	0.17	0.17	0.01	0.07	0.03	0.01	0.02	0.03	0.02	0.07
Children and Parent Support Services	0.48	0.57	0.15	0.03	0.61	0.08	0.07	0.10	0.34	0.16	0.09
Communities for Children - Facilitating Partners	0.85	0.70	0.61	0.03	0.48	0.04	0.05	0.06	0.48	0.13	0.15
Family and Relationship Services ^a	0.08	0.20	0.03	0.02	0.74	0.02	0.02	0.02	0.61	0.29	0.02
Family Mental Health Support Services	0.35	0.18	0.17	0.02	0.52	0.03	0.05	0.08	1.03	0.31	0.10
Forced Adoptions Support Services	0.03	0.39	0.03	0.01	0.64	0.01	0.01	0.05	0.73	0.18	0.01
National Find and Connect	0.03	0.21	0.01	0.01	0.20	0.01	0.01	0.08	0.57	0.10	0.02
Reconnect	0.51	0.92	0.69	0.26	0.99	0.39	0.73	0.55	1.05	0.67	0.36
Specialised Family Violence Services	0.12	0.47	0.05	0.05	1.12	0.07	0.12	0.07	1.15	1.30	0.10

^a Includes Mensline Australia

Note: We have excluded the SCORE domain for 'Employment, education and training', which was a combined domain that was only used before 19th August 2018, and there is little evidence of an impact for this domain.

Source: DEX data extract provided by DSS, CIE.

HG Outcomes specific to family law clients

There are a range of program-specific mandatory fields for Family Law Services within the DEX Protocols. Data about whether a Section 60(I) certificate was issued and for what reason is collected for each client, while data about parenting and property Issuance of section 60(I) certificates

The share of clients issued with section 60I certificates is 23-24 per cent for FRC, FDR and RFDR (table H.1). This is a lower share than the shares estimated in Qu et al (2014).¹⁴¹ However, the data we have available cannot distinguish between clients who do not have a certificate issued but do not resolve their dispute and those who resolve their dispute and do not seek a certificate.

H.1 Share of clients issued with s60(I) certificates

Program component	Clients who accessed family law activities but do not have a Section 60(1) Certificate.	Attended - genuine effort	Attended - not genuine effort	FDR began - considered inappropriate to continue	Matter inappropriate for resolution	Not held due to refusal or failure of other person to attend
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Family Dispute Resolution	77	7	0	1	7	7
Family Relationship Centres	77	7	0	1	6	8
Regional Family Dispute Resolution	76	9	0	2	5	8

Source: DEX data extract provided by DSS, CIE.

Parenting agreement

There are few parenting agreements reached based on the data extract supplied by DSS, with most family law service clients accessing services but not having a parenting agreement (table H.2).

¹⁴¹ Qu, L, Weston, R., Moloney, L, Kaspiew, R., and Dunstan, J., 2014, *Post-separation parenting, property and relationship dynamics after five years*, Australian Institute of Family Studies.

H.2 Share of cases depending on whether a parenting agreement is reached

Program component	Full	Partial	Not reached	Accessed services but do not have a parenting agreement
	Per cent	Per cent	Per cent	Per cent
Family Dispute Resolution	7.9	5.3	13.9	72.9
Family Law Counselling	0.1	0.2	0.4	99.3
Family Relationship Advice Line	0.2	0.2	0.1	99.5
Family Relationship Centres	7.4	5.0	11.0	76.6
Regional Family Dispute Resolution	8.6	4.9	10.7	75.8

Source: DEX data extract provided by DSS, CIE.

Property agreement

Only 0.4 per cent of family law cases for which legal outcome data is available have a property agreement being sought. Hence, we do not report the share of cases which reach a property agreement.

***IH** Additional detail about valuation of SCORE*

Services are associated with a combination of market outcomes, such as government cost savings and changes in productivity, and non-market outcomes such as changes in wellbeing.

Subjective wellbeing

The value of a 1-point increase in life satisfaction, measured on a scale from 0 to 10, over a 1-year period is \$26 419.¹⁴² This is based on the average between an approach relying on the VSLY and a Willingness to Pay approach, per UK Guidance about valuing subjective wellbeing.¹⁴³

- Applying a relationship between the value of a QALY and the value of improvements in subjective wellbeing for a year. This involves assuming that one QALY is equal in value to a 7 point change in life satisfaction (from someone with no health problems, which is a score of 8 out of 10, to a score of 1, which is assumed to be the lower bound of life satisfaction). The UK guidance describes this approach as being a standard practice in the UK, and being ‘assumption-driven’, although logical. This is equal to approximately £10,000. Using an Australian VSLY, this would equate to \$32,000 in Australian dollars.
- Calculating the willingness to pay for life satisfaction changes. Fujiwara (2021) estimates that the elasticity of subjective wellbeing with respect to income is 1.25. This is converted to an estimate of the WTP for a 1-point increase in subjective wellbeing for a year, which is equal to approximately £16,000. Instead using median Australian income, this gives a value of around \$21,000 Australian dollars.

We estimate changes in subjective wellbeing caused by a range of different SCORE measures. The process of converting a change in a SCORE domain to subjective wellbeing is shown by the following equation:

¹⁴² Vincent, J., McCarthy, D., Miller, H., Armstrong, K., Lacey, S., Lian, G., Qi, D., Richards, N., Berry, T., 2022, *The economic cost of violence, abuse, neglect and exploitation of people with disability*, Taylor Fry, pp.297-298, available at: <https://disability.royalcommission.gov.au/system/files/2023-05/Research%20Report%20-%20Economic%20cost%20of%20violence%2C%20abuse%2C%20neglect%20and%20exploitati on%20of%20people%20with%20disability.pdf>

¹⁴³ HM Treasury, 2021, *Wellbeing Guidance for Appraisal: Supplementary Green Book Guidance*, available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005388/Wellbeing_guidance_for_appraisal_-_supplementary_Green_Book_guidance.pdf

$$\frac{V_{d,S}}{\sigma_{d,S}} = \frac{V_{d,H}}{\sigma_{d,H}}$$

where

- $V_{d,S}$ is the value of a 1-unit change in an outcome for domain d in SCORE (denoted by the S subscript),
- $V_{d,H}$ is the value of a 1-unit change in an outcome for domain d in HILDA (denoted by the H subscript)
- $\sigma_{d,S}$ and $\sigma_{d,H}$ are the standard deviation of the SCORE and HILDA variables respectively, for domain d .

This illustrates that the key assumption is that a 1-standard deviation change for a SCORE variable has the same value as a 1-standard deviation change in the chosen HILDA proxy variable for that domain.

A key intermediary step is that $V_{d,H}$ is estimated based on the estimated relationship between each HILDA proxy variable and life satisfaction measured in HILDA, which we estimate using a linear regression model (table I.1).

I.1 Regression model predicting life satisfaction of HILDA respondents

losat	Coefficient	Robust standard error	z	P>z	95% CI - lower	95% CI - upper
Age	-0.071	0.017	-4.06	0.000	-0.105	-0.037
Age^2	0.001	0.001	1.34	0.179	0.000	0.002
Age^3	0.000	0.000	0.40	0.690	0.000	0.000
Age^4	0.000	0.000	-1.44	0.151	0.000	0.000
Female	0.059	0.013	4.65	0.000	0.034	0.084
Disability * age	-0.002	0.001	-2.71	0.007	-0.004	-0.001
Disability	0.013	0.040	0.33	0.738	-0.065	0.092
K10 score	-0.048	0.001	-38.92	0.000	-0.051	-0.046
K10 missing	-0.938	0.112	-8.39	0.000	-1.157	-0.719
Employed full-time	0.116	0.029	4.04	0.000	0.060	0.172
Employed part-time and wants more hours	0.055	0.032	1.73	0.084	-0.007	0.117
Employed part-time and doesn't want more hours	0.140	0.028	5.05	0.000	0.086	0.195
Not in the labour force - voluntarily	0.145	0.030	4.75	0.000	0.085	0.204
Not in the labour force - involuntarily	0.036	0.035	1.04	0.297	-0.032	0.104
Works more than forty hours per week	-0.036	0.013	-2.75	0.006	-0.061	-0.010
Married	0.230	0.026	8.67	0.000	0.178	0.281
De facto relationship	0.245	0.026	9.59	0.000	0.195	0.295
Separated	-0.100	0.045	-2.23	0.026	-0.188	-0.012
Divorced	-0.032	0.038	-0.85	0.397	-0.105	0.042
Widowed	0.094	0.044	2.14	0.032	0.008	0.180
Has always been single	0.008	0.028	0.28	0.781	-0.047	0.062

losat	Coefficient	Robust standard error	z	P>z	95% CI - lower	95% CI - upper
Number of kids under 15	0.015	0.006	2.57	0.010	0.004	0.027
Log of household income	0.028	0.008	3.72	0.000	0.013	0.043
Owns home	-0.013	0.031	-0.41	0.682	-0.073	0.048
Renter - public	0.201	0.054	3.72	0.000	0.095	0.307
Renter - private	0.109	0.032	3.39	0.001	0.046	0.171
SEIFA score of postcode	-0.012	0.002	-5.98	0.000	-0.016	-0.008
Is a club member	0.002	0.010	0.19	0.850	-0.017	0.021
Lives in a state capital	-0.027	0.012	-2.23	0.026	-0.050	-0.003
Experienced negative life event past 12 months	-0.096	0.009	-10.52	0.000	-0.114	-0.078
Experienced positive life event past 12 months	0.092	0.012	7.60	0.000	0.068	0.116
Agreeableness	0.068	0.007	10.21	0.000	0.055	0.081
Conscientiousness	0.015	0.006	2.51	0.012	0.003	0.027
Emotiveness	0.009	0.006	1.48	0.138	-0.003	0.021
Openness	-0.017	0.006	-2.97	0.003	-0.029	-0.006
Financial security - constructed	-0.039	0.005	-7.24	0.000	-0.050	-0.028
Satisfaction - feeling part of your local community	0.096	0.003	30.79	0.000	0.090	0.103
Satisfaction - the home in which you live	0.170	0.004	41.31	0.000	0.162	0.178
I often feel very lonely	-0.052	0.004	-13.97	0.000	-0.059	-0.045
Satisfaction - How safe you feel	0.191	0.005	36.01	0.000	0.180	0.201
Financial security missing	-1.267	0.352	-3.60	0.000	-1.957	-0.577
Satisfaction - feeling part of your local community - missing	-0.672	0.359	-1.87	0.061	-1.375	0.032
Satisfaction - the home in which you live - missing	0.052	0.059	0.88	0.379	-0.064	0.167
I often feel very lonely - missing	-0.263	0.333	-0.79	0.429	-0.916	0.389
Satisfaction - How safe you feel - missing	-0.333	0.153	-2.18	0.029	-0.632	-0.033
Constant	5.704	0.223	25.61	0.000	5.268	6.141

Note: A '95% CI' refers to a 95 per cent confidence interval. Variables with 'missing' in the title are constructed to have value 1 if the relevant variable (e.g. 'I often feel very lonely') is missing, and value 0 otherwise. Definition and construction of each variable is as per Taylor Fry and The CIE (2023) *Economic cost of violence, abuse, neglect and exploitation of people with disability*, Appendix C.

Source: CIE modelling using HILDA.

Table I.2 shows our calculation of the value per standard deviation of outcomes valued using HILDA. The only addition to this is valuing changes in employment. Being employed or voluntarily out of the labour force is associated with higher life satisfaction of 0.103 relative to being involuntarily out of the labour force or wanting more hours of part time work. Based on this being equivalent to a 2-standard deviation improvement in the employment circumstances SCORE, this suggests a life satisfaction impact of around \$1300 per point of the employment circumstances SCORE.

Construction of a financial security measure using HILDA is shown in box I.3.

I.2 Value of improved outcomes using proxies for SCORE and HILDA

SCORE domain	Equivalent outcome variable in HILDA	Impact of 1-unit change in HILDA outcome on life satisfaction	Value of a 1-unit change in outcome	Standard deviation of the HILDA outcome variable	Impact of 1 standard deviation change in outcome	Value of 1 standard deviation change in outcome
		Points out of 10	\$/point	Units of outcome	Points out of 10	\$/SD
Community participation & networks	Satisfaction - Feeling part of your local community	0.096	2 527	2.035	0.196	5 184
Financial resilience	Composite financial security measure constructed by CIE	0.039	1 052	1.271	0.050	1 311
Housing	Satisfaction - The home in which you live	0.170	4 483	2.031	0.345	9 126
Material wellbeing and basic necessities	Composite financial security measure constructed by CIE	0.039	1 052	1.271	0.050	1 311
Personal and family safety	Satisfaction - How safe you feel	0.191	5 022	1.968	0.375	9 912
Mental health, wellbeing and self-care	Psychological distress	0.048	1 259	9.491	0.458	12 092

Source: HILDA, CIE.

I.3 Construction of a financial security composite measure in HILDA

HILDA reports a series of questions focused on indicators of financial distress. The questions are structured as ‘Since January [year] did any of the following happen to you because of a shortage of money?’

- Could not pay electricity, gas or telephone bills on time
- Asked for financial help from friends or family
- Could not pay the mortgage or rent on time
- Pawned or sold something
- Was unable to heat home
- Went without meals
- Asked for help from welfare/community organisations

For each of these questions, we construct a dummy variable for each wave taking value 1 if the response was yes and value 0 otherwise. We then sum all responses such that answering yes to more of these questions results in a higher score for this constructed financial distress variable.

Alternative approach using the SCORE translation matrix

An alternative approach to valuing changes for some SCORE domains is to convert SCORE outcomes into other measures for which we have values using the SCORE translation matrix published by DSS (2019),¹⁴⁴ which provides alignment between selected variables and validated measures such as Kessler scores.¹⁴⁴ We have not used the SCORE estimates for mental health outcomes, instead preferring to apply estimates based on the LSAC, which control better for causation.

Table I.4 shows the SCORE translation matrix. Where a level of SCORE translates to a range of values for the measure, we show the midpoint of that range (e.g. a mental health, wellbeing and self-care score of 2 corresponds to a Kessler score of between 22-29). While the Parental Empowerment and Efficacy measure is aligned to convert the Changed Behaviours client goal SCORE, and doesn’t directly measure family functioning, it is relevant because it is a measure of parenting practices.

¹⁴⁴ Department of Social Services, 2019, *Data Exchange SCORE Translation Matrix*, Version 3, available at: <https://dex.dss.gov.au/sites/default/files/documents/2022-07/1133-doc-score-translation.pdf>

I.4 SCORE translation matrix

Measure	Recommended SCORE domain	Recommended SCORE translation					Range
		1	2	3	4	5	
Child Neglect Index (CNI)	Personal and family safety	50	49.4	34.5	25	10	0 to 60
Carers Star (CS)	Mental health, wellbeing and self-care (MHWSC)	1	2	3	4	5	1 to 5
Edinburgh Postnatal Depression Scale (EPDS)	MHWSC	13	12	10.5	5	0	0 to 30
Growth Empowerment Measure	MHWSC	1	2	3	4	5	1 to 5
Kessler Psychological Distress Scale (K10)	MHWSC	30	25.5	18.5	13	10	10 to 50
Outcome Rating Scale	MHWSC	6	15.5	21.5	27.5	35.5	0 to 40
Parental Empowerment and Efficacy Measure	Changed behaviours	62.5	117.5	153.5	184	195.5	20 to 200
Personal Wellbeing Index	Physical health, Personal and family safety, Material wellbeing and basic necessities	0.5	2.5	4.5	6	8.5	0 to 10
SDQ difficulties rating (self-reported)	MHWSC	30	18.5	16	12.5	5	0 to 40
SDQ prosocial rating (self-reported)	MHWSC	2	5	6	7	9	0 to 10

Note: This table excludes the Sessions Rating Scale which is used to convert measure progress of goals, and doesn't relate to circumstances outcomes.

Source: DSS, (2019).

Child wellbeing

The Strengths and Difficulties Questionnaire (SDQ) is increasingly used as the primary outcome measure in population health interventions involving children. For example, Chatterton et al (2020)¹⁴⁵ measures changes in adult wellbeing using QALYs and changes in child wellbeing using SDQ. However, it is not preference-based, meaning that it is difficult to value directly.¹⁴⁶ SDQ is related in some measurement properties to the Child Health Utility 9D (CHU9D), a generic preference-based health-related quality of life measure, suggesting there is promise for indirectly valuing changes in SDQ.

¹⁴⁵ Chatterton, M.L., Bayer, J.K., Engel, L., Rapee, R.M., Beatson, R., Hisock, H., Bretherton, L., Wake, M., Mihalopoulos, C., 2020, 'Cost-effectiveness of preventing child internalising problems: Results from the translation trial of *Cool Little Kids* at school entry', *Journal of Anxiety Disorders*, 70, available at: <https://www.sciencedirect.com/science/article/abs/pii/S0887618520300050?via%3Dihub>

¹⁴⁶ Boyer, N.R.S., Miller, S., Connolly, P. and McIntosh, E., 2016, 'Paving the way for the use of the SDQ in economic evaluations of school-based population health interventions: an empirical analysis of the external validity of SDQ mapping algorithms to the CHU9D in an educational setting', *Quality of life research*, 25: 913-923, available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4830858/>

Family functioning

Access Economics (2010) estimated the monetary value of positive family functioning to be \$7.6 billion (Mar-2023 dollars).¹⁴⁷ This estimate was based on statistical modelling of two longitudinal datasets (LSAC and the Australian Temperament Project). Family functioning – defined through domains of emotions, governance, cognitive, physical, intrafamilial and social – was found to determine three broad areas of outcomes:

- Health outcomes: occurrence of anxiety and depression, obesity and substance abuse,
- Productivity outcomes: secondary and tertiary educational attainment, flowing through into lifetime earnings, and
- Social outcomes: occurrence of antisocial behaviour such as delinquency and crime, resulting in criminal justice system costs.

It is not within the scope of this study to replicate and/or update the modelling of Access Economics (2010), which relies on multiple linked statistical models and a longitudinal dataset that is not accessible for the purpose of this project (the Australian Temperament Project).

Family functioning may be linked directly to life satisfaction, which can be valued directly, as a simple means of valuing family functioning. While evidence about life satisfaction is still emerging, there is support from the literature for a correlation between life satisfaction and family functioning (see, for example, Szcześniak and Tułeczka, 2020).¹⁴⁸

However, family functioning is highly multidimensional, and approaches like Access Economics (2010) that capture the range of impacts across different domains are preferable to simplistic approaches like applying a linear relationship between a measure of family functioning and subjective wellbeing.

We estimate the lifetime value of positive family functioning by taking the sum of the impact per person from obesity, productivity and other outcome categories (table I.5). Access Economics (2010) do not present an estimate of the lifetime value of positive family functioning per person, but state that the total benefit of positive family functioning is based on multiplying per-person impacts by the number of children entering adulthood in 2010 (313 577 people).¹⁴⁹ It is unclear whether the base year for discounting is the year of entry to adulthood or the year of birth for each child, since estimates are described as lifetime cost estimates.

¹⁴⁷ Access Economics, 2010, *Positive Family Functioning*, Final Report, prepared for the Department of Families, Housing, Community Services and Indigenous Affairs, available at: https://www.dss.gov.au/sites/default/files/documents/positive_family_functioning.pdf

¹⁴⁸ Szcześniak, M. and Tułeczka, M., 2020, 'Family functioning and life satisfaction: the mediatory role of emotional intelligence', *Psychology Research and Behaviour Management*, 13, available at: <https://www.dovepress.com/family-functioning-and-life-satisfaction-the-mediatory-role-of-emotion-peer-reviewed-fulltext-article-PRBM>

¹⁴⁹ Access Economics (2010), p.69.

I.5 Value of positive family functioning per person, March 2023 dollars

Outcome category	NPV lifetime cost per case of each outcome	Impact of positive family functioning on this outcome	Share of people affected	Total benefit for all children entering adulthood in 2010	Benefit per child entering adulthood in 2010
	\$	Per cent	Per cent	\$m	\$
Obesity	71 729	-24.8	6.6	365	1 163
Productivity	105 512	29.1	41.9	4 031	12 856
Anxiety and depression	184 188	-17.7	8.0	813	2 592
Antisocial	647 164	-7.3	5.2	765	2 440
Addictions	362 204	-7.5	19.2	1 645	5 245
Total				7 619	24 297

Source: Access Economics, ABS CPI, CIE.

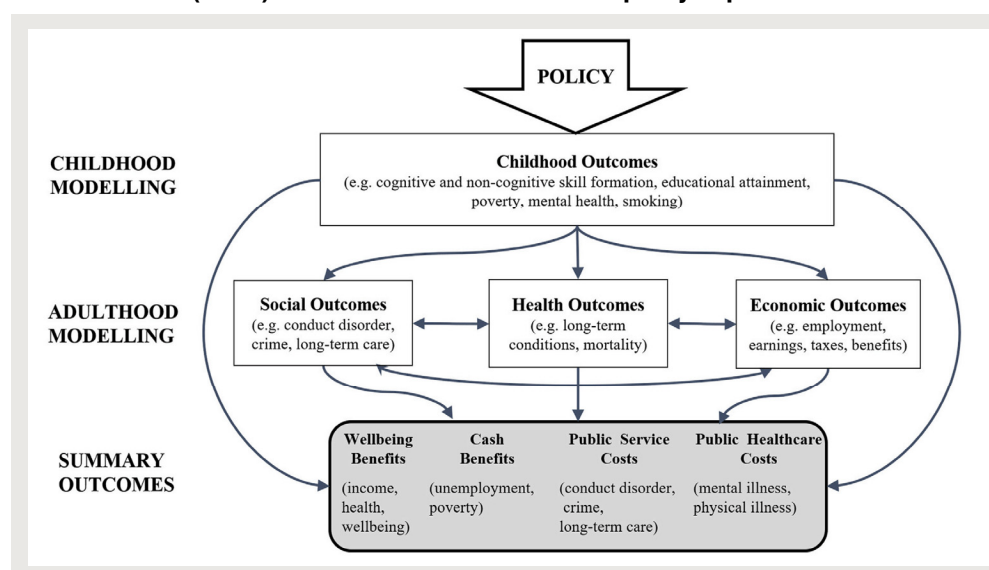
Age-appropriate development

Age-appropriate development is closely related to Family Functioning, in that both outcomes impact outcomes of affected children into adulthood.

Skarda et al (2022)¹⁵⁰ estimate the benefits of a parenting policy intervention. Their intervention considers the lifetime benefits associated with health, wellbeing and inequality outcomes, including public cost savings. The intervention they consider is the “Incredible Years” program, which involves parent-training to improve child conduct problems. They extrapolate the impacts from a systematic review of randomised controlled trial evidence of this program over the life course using a microsimulation model. The structure of their model is shown in chart I.6.

¹⁵⁰ Skarda, I., Asaria, M. and Cookson, R., 2022, ‘Evaluating childhood policy impacts on lifetime health, wellbeing and inequality: Lifecourse distributional economic evaluation’, *Social Science and Medicine*, 302 (2022) 114960, available at: <https://www.sciencedirect.com/science/article/pii/S0277953622002660?via%3Dihub>

I.6 Skarda et al (2022) model structure for childhood policy impacts



Data source: Skarda et al (2022), figure 2.

The lifetime benefits estimates by Skarda et al (2022) are almost 12 million pounds in 2015/16 dollars, discounted at a rate of 1.5 per cent per annum. After conversion to AUD, nominal escalation to March 2023, and conversion to a discount rate of 7 per cent, this implies lifetime benefits of \$8 309 per person in present value terms (table I.7).

I.7 Lifetime benefits from Skarda et al (2022) by discounted rate

Units	Present value of lifetime benefit of intervention, by discount rate		
	1.5%	5.0%	7.0%
Pounds (15/16)	11 628	4 838	3 404
Dollars (15/16)	23 484	9 771	6 876
Dollars (March 2023)	28 754	11 964	8 309

Source: Skarda et al (2022), RBA historical exchange rates, ABS CPI, CIE.

The effect of the Incredible Years program is an average decrease in SDQ conduct problem and impact scores of 0.46 standard deviations, with larger effects for parents with mental health problems and for children with a higher baseline conduct problems score. Extrapolating the estimated impact linearly suggests the impact of a one standard deviation shift in SDQ would be \$18 064.

I.8 Converting Skarda et al (2022) result to a one-standard deviation change

Impact	Share of standard deviation		Value
	Per cent	AUD 2023	
Combined effect size in Skarda et al (2022)	46	8 309	
Effect of a one-standard deviation change	100	18 064	

Source: Skarda et al (2022), CIE.



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