

ACT AUDITOR–GENERAL'S **PERFORMANCE** **AUDIT REPORT**

**Management of key contracts under
A Step Up For Our Kids**

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The ACT Audit Office acknowledges and respects their continuing culture and the contribution they make to the life of this city and this region.

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The Speaker
ACT Legislative Assembly
Civic Square, London Circuit
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Dear Madam Speaker

I am pleased to forward to you a Performance Audit Report titled 'Management of key contracts under A Step Up For Our Kids' for tabling in the Legislative Assembly pursuant to Subsection 17(5) of the *Auditor-General Act 1996*.

The audit has been conducted in accordance with the requirements of the *Auditor-General Act 1996* and relevant professional standards including *ASAE 3500 – Performance Engagements*.

Yours sincerely



Michael Harris
Auditor-General
17 April 2024

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SUMMARY

The Community Services Directorate is responsible for the delivery of out-of-home care services under the *Children and Young People Act 2008. A Step Up for Our Kids*, the *Out of Home Care Strategy 2015-2020*, set out the ACT Government's approach to out-of-home care in the ACT.

Service delivery to children, young people and families is achieved through various contracted services from a number of providers. Two significant agreements for out-of-home care services are with ACT Together (Barnardos) and Uniting Children and Families ACT (Uniting CFACT). These agreements cover services for the provision of out-of-home care and other support for vulnerable families.

The audit considered the effectiveness of Community Services Directorate's oversight and administration of the agreements with ACT Together (Barnardos) and Uniting Children and Families ACT (Uniting CFACT).

Conclusions

SERVICE AND PERFORMANCE REQUIREMENTS

A feature of *A Step Up for Our Kids* was a commitment to 'performance-based contracting' with a view to achieving 'strengthened accountability, value and outcomes from purchased services'. CSD did not achieve this.

Performance-based contracting was intended to be achieved, in part, through:

- an Outcomes Framework; and
- a Performance Management Framework.

A draft Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT with a requirement for the 'parties [to] develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework'. Agreement could not be reached on implementing the Outcomes Framework after the Agreements had been executed and the requirement to implement an Outcomes Framework and report against associated indicators was subsequently removed from the Agreements.

The Service Funding Agreements required the parties to develop a Performance Management System (subsequently referred to as a Performance Management Framework). Agreement could not be reached on implementing the Performance Management Framework after the Agreements had been executed. CSD attempted to draft a revised Performance Management Framework in 2018, and again 2021, but these were never finalised and endorsed as agreement on its final content could not be reached with the service providers.

By not developing and agreeing an Outcomes Framework or Performance Management Framework at the outset, CSD's attempts to implement outcomes-based performance management processes have not been effective.

GOVERNANCE ARRANGEMENTS

CSD implemented a series of governance committees to oversight the implementation of *A Step Up for Our Kids*. Elements of this arrangement, including the Joint Governance Group and the Accountability, Performance and Evaluation Sub-Committee, were relevant to monitoring service provider performance. Neither of these committees met as regularly as expected. The Joint Governance Group was established as a decision-making body that reviewed and approved key deliverables under each contract, but it did not fulfill this role. Rather, it was primarily focused on information exchange and dissemination. The sub-committees to the Joint Governance Group, including the Accountability, Performance and Evaluation Sub-Committee, were also ineffective in fulfilling their purpose. Reasons for this included: having too many members; a lack of appropriate and committed members who regularly attended meetings; cross-over of responsibilities between each committee; lack of role clarity; and ineffective contributions from CSD staff and representatives.

SUPPORT FOR ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT do not effectively define how services delivered to Aboriginal and Torres Strait Islander children and families will meet their cultural needs.

CSD has implemented some contractual requirements relating to services to Aboriginal and Torres Strait Islander children and young people. This includes supporting care that recognises their cultural rights and maintaining connection with their cultural identity. However, CSD has not effectively monitored these requirements and cannot demonstrate whether ACT Together (Barnardos) or Uniting CFACT have met their obligations to Aboriginal and Torres Strait Islander people.

PLANNING FOR THE NEXT STAGE OF REFORM – NEXT STEPS

CSD has effectively developed an evidence base to understand *A Step Up for Our Kids* service delivery issues. This includes commissioning reviews, reports and evaluations of the out-of-home care system. It has used this evidence base to develop the *Next Steps* strategy.

The development of the *Next Steps* strategy has been supported by broad stakeholder consultation and the views of children, young people, families, and members of the Aboriginal and Torres Strait Islander community. This knowledge is imperative to improving service delivery through better contract management under *Next Steps*. Significant effort and attention needs to be devoted to

designing, implementing and managing Service Funding Agreements developed for the purpose of *Next Steps*.

Key findings

SERVICE AND PERFORMANCE REQUIREMENTS

Paragraph

Service Funding Agreement requirements

The Service Funding Agreements for both ACT Together (Barnardos) and Uniting CFACT specify the services to be delivered, along with associated conditions and deliverables. The Service Funding Agreement with ACT Together (Barnardos) also identifies *Service Principles*, which are designed to guide the delivery of the specific services. The Service Funding Agreement with ACT Together (Barnardos) has been varied 11 times and the Service Funding Agreement with Uniting CFACT has been varied seven times.

2.11

Performance expectations

A feature of *A Step Up for Our Kids* was a commitment to 'performance-based contracting'. *A Step Up for Our Kids* identified that the benefits of such an approach would be 'strengthened accountability, value and outcomes from purchased services'. A draft Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT. The draft Outcomes Framework had 13 components organised into three categories, and for each component a 'desired impact or outcome(s)' was identified along with associated 'outcome indicators'. The Service Funding Agreements required 'parties [to] develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework' and that 'the Outcomes and indicators ... are a deliverable that must be finalised by 31 December 2016'. Agreement could not be reached on implementing the Outcomes Framework after the Service Funding Agreements had been executed. Accordingly, the requirement to implement an Outcomes Framework and report against associated indicators was removed from the Services Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. This meant that a key element of performance management and oversight, i.e. outcomes-based performance management, was not achieved.

2.24

Neither the ACT Together (Barnardos) or Uniting CFACT Service Funding Agreements included an agreed and finalised Performance Management System at the time of signing, with well-defined and explicit key performance indicators. Instead, the Service Funding Agreements required a Performance Management System to be developed by the parties. Similar to the observation on the proposed Outcomes Framework, agreement could not be reached on implementing what was subsequently described as a Performance Management Framework after the Service Funding Agreements had been executed. There was a consistent view that designing a performance management system after the contracts were executed was difficult, as agreement could not be reached between the parties.

2.38

Throughout 2017 and 2018, the need for a Performance Management Framework was regularly discussed at meetings of the Accountability, Performance and Evaluation Sub-committee. In 2018 CSD attempted to draft a revised Performance Management Framework for *A Step Up for Our Kids* (two years after the Service Funding Agreements were signed). Two prototypes outlining performance and compliance indicators were drafted (one for ACT Together (Barnardos) and one for Uniting CFACT). The 2018 Performance Management Framework was never finalised and endorsed. A further draft Performance Management Framework, dated 23 September 2021, was also prepared, but this was not finalised. At the time of audit fieldwork, no formal, documented Performance Management Framework is in place for either ACT Together (Barnardos) or Uniting CFACT.

2.39

Performance monitoring

CSD has established practices and processes to obtain and oversight output level data provided by ACT Together (Barnardos) and Uniting CFACT. For ACT Together (Barnardos), output level data is collated and verified through a quarterly reconciliation process. For Uniting CFACT, output level data is provided through quarterly and cumulative key performance indicator reporting. CSD uses this data to produce *A Step Up for Our Kids* Snapshot Reports. These show service system demand and provide detailed data of children and young people accessing out-of-home care. The data provided is used to inform the whereabouts of children and young people in care; intensive CSD staff resources are allocated to ensure that data is matched and to correct any anomalies. Through this data, CSD provide a degree of assurance that output reporting relating specifically to children, placements and numbers is delivered on by ACT Together (Barnardos) and Uniting CFACT.

2.48

Performance management processes

Despite the absence of an agreed Outcomes Framework or Performance Management Framework, CSD has implemented some processes to provide limited assurance that the *Service Principles*, outcomes measures and performance expectations are broadly delivered on. These include: the Mid-Term contract reviews and associated action plans; monthly contract management meetings; and the conduct of operational audits. The monthly contract management meetings have been used predominately as an avenue for CSD and service providers to quality assure data about children and young people accessing out-of-home care and where children and young people are placed. An Issues Log was created with an extensive number of issues arising but it was not maintained nor were issues explicitly actioned or resolved. There is scope to improve the function and operation of the meetings.

2.67

The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT required the conduct of Mid-Term contract reviews. CSD undertook Mid-Term contract reviews with both service providers as required. CSD attempted to review performance against the *Step Up for Our Kids* strategic priorities and the contract outcomes. For most of these measures, there was no evidence available to demonstrate performance. The Mid Term contract review with ACT Together (Barnardos) culminated in an Action Plan being developed. Actions relating to ACT

2.78

Together (Barnardos) performance against the contract, with proposed actions to remedy issues were identified. Responsibility was assigned to the Relationship Management Team to oversee ACT Together (Barnardos) work.

GOVERNANCE ARRANGEMENTS

Paragraph

Governance arrangements

Following the launch of *A Step Up for Our Kids* in 2016 and the signing of the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT, CSD developed and promulgated the *Step Up for Our Kids* Operational Framework. The Operational Framework provides high-level guidance on operational, governance and administrative arrangements for *A Step Up for Our Kids* to CSD, its partner agencies and other stakeholders. The Operational Framework identified a series of governance committees to oversight the implementation of *A Step Up for Our Kids* including the Joint Governance Group and a range of supporting sub-committees. While the committees are predominantly focused on the implementation of the strategy for *A Step Up for Our Kids*, elements of this arrangement are responsible for monitoring service provider performance and ACT Together (Barnardos) and Uniting CFACT compliance with the Service Funding Agreements.

3.10

The Joint Governance Group commenced in 2016 and was expected to meet bi-monthly. CSD did not have sufficient records of meetings to demonstrate that the group met as expected. The Joint Governance Group was primarily focused on information exchange and dissemination. A review of the meeting minutes also shows that the Joint Governance Group was expected to have a role in reviewing and approving key deliverables such as the *Step Up for Our Kids* Operational Framework, Mid Strategy Evaluation, Mid-Term Contract Reviews and Annual Review Reports for children and young people in care.

3.18

Other sub-committees were established to support the activities of the Joint Governance Group and the implementation of *A Step Up for Our Kids*. These include the Accountability, Performance and Evaluation Sub-Committee, Policy and Operations Sub-Committee, Workforce Capability Sub-Committee and Carer Wellbeing Sub-Committee. The Accountability, Performance and Evaluation Sub-Committee was most relevant to supporting the operation of the contracts with ACT Together (Barnardos) and Uniting CFACT.

3.37

A review of the operation of the sub-committees highlighted several factors that undermined their effectiveness including:

3.38

- having too many members. Membership of the sub-committees ranged from seven to fourteen members;
- not having 'appropriate' representation. Membership of the sub-committees ranged from executive group manager level to project officer level. Membership would be enhanced by ensuring the most relevant personnel to attend;
- varying levels of commitment in terms of attendance at the meetings;

- duplication with the operations of the Joint Governance Group;
- a lack of clarity about roles and responsibilities in practice. This was despite the Governance Manual being explicit about responsibilities; and
- insufficient contribution and support from CSD staff and representatives.

The Joint Governance Group and its supporting sub-committees ceased in mid-2021 due to the *Next Steps* reform. Following this, CSD established *A Step Up for Our Kids* Reform Steering Committee and *A Step Up for Our Kids* Reform Project Board for a 12-month period with the explicit purpose of providing an expert advisory function to facilitate the development of the next iteration of *A Step Up for Our Kids* and a sourcing strategy to procure out-of-home care services after 30 June 2022. As at February 2024, work to implement new governance arrangements has not been fully completed for the purpose of the *Next Steps* strategy. 3.44

Risk management and fraud control

A risk register for *A Step Up for Our Kids* was developed prior to its implementation. The risk register focused on risks associated with the transition to new out-of-home care reform arrangements. The risk register identified a series of strategic and operational risks associated with the implementation of *A Step Up for Our Kids*, including risks associated with the procurement of service providers. The risk register was last updated in May 2015. An additional risk register was separately developed and implemented and regularly reviewed through the Joint Governance Group. There is evidence to show that the Joint Governance Group used the risk register to consider service delivery and contract management risks. 3.52

CSD did not develop or implement a specific fraud control strategy or plan that sought to identify, document and mitigate fraud risks associated with out-of-home care services being delivered through outsourced service providers. Notwithstanding the lack of a fraud control strategy or plan, one mechanism that seeks to mitigate the risk of fraud is a monthly data reconciliation process with ACT Together (Barnardos). The *ACT Together Reconciliation and Quarterly Payment Procedure* was developed and implemented to support the monthly data reconciliation process and ensure both CSD and ACT Together (Barnardos) have access to identical data. The monthly procedure is undertaken to support the quarterly payment procedure. It determines how many days of out-of-home care CSD will pay ACT Together (Barnardos) for over the quarter. 3.58

SUPPORT FOR ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

Paragraph

Aboriginal and Torres Strait Islander Child Placement Principle

Through *A Step Up for Our Kids*, CSD made a commitment to ensure Aboriginal and Torres Strait Islander children and young people would have access to culturally specific services provided by agencies including CYPs, ACT Together (Barnardos) and 4.24

Uniting CFACT. These services were meant to ensure all Aboriginal and Torres Strait Islander children and young people:

- have access to a range of culturally specific services through ACT Together, Uniting CFACT, CYPS and other community organisations such as Gugan Gulwan Youth Aboriginal Corporation;
- have a cultural care plan in place – that is, a plan specifically developed for each Aboriginal and Torres Strait Islander child or young person, with the engagement and participation of the child’s birth family and with the advice and support of cultural advisers who work across the out-of-home care service system - as per legislative and policy requirements; and
- are connected with their culture and are offered access to appropriate services and support.

Service Funding Agreement requirements for culturally appropriate care

The term *culturally appropriate care* is not clearly and/or prominently defined in CSD’s Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. However, the Service Funding Agreements mention more narrow aspects of culturally appropriate care. For instance, the Service Funding Agreement with ACT Together (Barnardos) refers to *cultural competence* and *cultural competency*. The Service Funding Agreement with ACT Together (Barnardos) and Uniting CFACT both refer to *culturally proficient*. 4.39

CSD’s Service Funding Agreement with ACT Together (Barnardos) includes clauses relating to services to Aboriginal and Torres Strait Islander children and young people, such as developing cultural care plans and supporting children to obtain certificates of Aboriginality. There are also broader contractual provisions to provide services that respect and acknowledge a child’s culture and heritage. However, aside from monitoring the number of cultural care plans, CSD does not routinely assure itself that ACT Together (Barnardos) is delivering out-of-home care services to Aboriginal and Torres Strait Islander children and young people in line with the Service Funding Agreement. No performance indicators, or similar, were established to monitor these contractual requirements. ACT Together (Barnardos) is, however, subject to regulation under the *ACT Care and Protection Standards*, which include consideration of care given to Aboriginal and Torres Strait Islander children. 4.49

CSD has clauses in its Service Funding Agreement with Uniting CFACT relating to providing services that are sensitive and promoting a connection to culture that reflect its narrower service scope for family and preservation services. There is no monitoring, oversight or indicators to assess Uniting CFACT’s adherence to the contractual provisions that are in place. 4.52

CSD and ACT Together (Barnardos) have developed a Monitoring and Review Framework for Aboriginal and Torres Strait Islander children and young people with the aim of supporting quality assurance of case management for Aboriginal Torres Strait Islander children who are under the care of ACT Together (Barnardos). Despite being developed a year later than required by the Service Funding Agreement, the 4.73

Framework is a preliminary measure for CSD to assess ACT Together (Barnardos) case management of Aboriginal and Torres Strait Islander children and young people and shows CSD’s commitment to Aboriginal and Torres Strait Islander children in line with the *Our Booris: Our Way* Review. Further to this, CSD’s CYPS Performance Team has developed Business Rules to guide the implementation of the Framework at an individual case level.

The Framework is intended to provide quality assurance of case management of Aboriginal Torres Strait Islander children under the care of ACT Together (Barnardos). The current Business Rules do not require that CSD provide evidence of a holistic examination of whether a child is in fact receiving appropriate care, or not. Furthermore, the Framework is predominately focused on individual case management level and therefore does not provide broader assurance that ACT Together (Barnardos) is delivering on their contractual requirements relating to Aboriginal Torres Strait Islander care. This is a missed opportunity and there is scope for CSD to further refine the approach going forward in the implementation of the *Next Steps* Strategy.

4.74

PLANNING FOR THE NEXT STAGE OF REFORM – NEXT STEPS

Paragraph

Review and evaluation

CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of *A Step Up for Our Kids*. CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform (*Next Steps*).

5.17

CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with *A Step Up for Our Kids*. This has provided a strong evidence base and research source to inform the development, objectives and focus for the next phase of out-of-home care; *Next Steps*. Whilst this is a positive first step to refining and remedying known issues associated with *A Step Up for Our Kids*, the challenge for CSD will be implementing the lessons learnt in *Next Steps*, especially in relation to contract management. Significant investment of time and resources should be dedicated to implementing *Next Steps* and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report.

5.18

CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of *A Step Up for Our Kids*. CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform; *Next Steps*.

5.23

CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with *A Step Up for Our Kids*. This has provided a strong evidence base and research source to inform the development, objectives and

5.24

focus for Next Steps. Whilst this is a positive first step to refining and remedying known issues associated with A Step Up for Our Kids, the challenge for CSD will be implementing the lessons learnt in Next Steps, especially in relation to contract management. Significant investment of time and resources should be dedicated to implementing Next Steps and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report.

Oversight of planning for Next Steps

Following the cessation of the Joint Governance Group, CSD established *A Step Up for Our Kids* Reform Steering Committee and Project Board to progress the development and implementation of *Next Steps*. Each body has approved terms of reference outlined in *A Step Up for Our Kids Reform: Steering Committee and Project Board Governance Guide*, which outlines the bodies' roles and responsibilities. A review of a sample of agendas and minutes for these bodies confirms that they have operated according to their terms of reference. In the absence of the Joint Governance Group, CSD's oversight of ACT Together and Uniting CFACT service delivery under *A Step Up for Our Kids* is fulfilled by ongoing contract management meetings and committees led by Children, Youth and Families Division executives. These arrangements confirm the presence of executive oversight for both ongoing service delivery and policy development prior to the implementation of new arrangements under *Next Steps*. 5.40

Stakeholder consultations for Next Steps

Prior to 2021, stakeholder engagement and consultations to elicit feedback on *A Step Up for Our Kids* were largely ad hoc. Despite no formal plan being developed at the commencement of *A Step Up for Our Kids* in 2016, CSD developed a *Communications and Engagement Strategy* in 2021 to coincide with its intention of undertaking targeted and rigorous stakeholder engagement in planning for the *Next Steps* reform agenda. The Strategy shows that CSD had a considered approach to identifying its target audience, developing key messages and identifying communication channels and processes to monitor and evaluate the Strategy. 5.47

CSD has undertaken broad and comprehensive stakeholder engagement and consultation with those who have lived experience of the out-of-home care system including children and young people, families, carers and Aboriginal and Torres Strait Islander community members. Further to this, CSD has also consulted with service providers, the workforce, peak bodies and regulatory and statutory bodies. Despite the solid program of stakeholder engagement, CSD has not recorded stakeholder engagement activities in a consistent, standardised and comprehensive manner. The establishment and maintenance of a centralised stakeholder engagement register with a standardised recording format would have supported CSD's ability to access progressive findings more easily and quickly from stakeholder engagement activities and identify their relevance/implication for its work in progressing the *Next Steps* reform agenda. 5.51

To prepare for *Next Steps*, CSD consulted widely over multiple years on its development. This included consultation with young people, families, carers, 5.58

members of the Aboriginal and Torres Strait Islander community and the broader community who have an interest in out-of-home care. As a result, the community provided input as to what should be the focus and aim of *Next Steps*. Further to this, CSD led the development and production of two Listening Reports, which focused on stakeholder experiences with the child protection and out-of-home care system. The Listening Reports are key publications for driving change in the out-of-home care reform agenda, *Next Steps*. CSD took account of stakeholder views in the development and finalisation of the *Next Steps* Strategy.

Recommendations

RECOMMENDATION 1 PERFORMANCE MANAGEMENT FRAMEWORK

As part of implementing the *Next Steps* strategy, CSD should implement a robust performance management framework with its contracted service providers. The framework should include:

- a) performance measures that are measurable and support accountability for delivery of contracted services;
- b) processes to regularly assess performance and provide timely feedback to providers; and
- c) mandatory contractual provisions that clearly express these arrangements as well as processes for managing non-compliance or poor performance in delivering contracted services.

RECOMMENDATION 2 GOVERNANCE AND ADMINISTRATIVE ARRANGEMENTS

For the purpose of the *Next Steps* strategy, CSD should develop and implement a revised approach for its governance arrangements and for managing service funding agreements with its service delivery partners. In doing so CSD should:

- a) undertake a lessons learnt exercise with regards to how its service funding agreements, and associated governance arrangements, with ACT Together (Barnardos) and Uniting CFACT have been administered under *A Step Up for Our Kids*;
- b) review better practice contract management and governance resources and critically examine how they could be implemented in *Next Steps*;
- c) articulate and document a contract management approach via a formal contract implementation plan at the outset of *Next Steps*;
- d) develop and implement risk, fraud and stakeholder communications plans for service delivery partners for *Next Steps*; and
- e) implement a process to continually review and refine contract management and governance arrangements over the life of *Next Steps* to ensure the approach is fit for purpose and achieving its desired goal.

RECOMMENDATION 3 CULTURALLY APPROPRIATE CARE

CSD should, applying the Child Placement Principles:

- a) work with Aboriginal and Torres Strait Islander community stakeholders to define and agree on *culturally appropriate care* prior to contracting service delivery partners for the purpose of *Next Steps*; and
- b) include the definition of *culturally appropriate care* in its approach to market and subsequent agreements with service delivery partners under *Next Steps*.

RECOMMENDATION 4 MONITORING AND REVIEW OF SERVICES TO ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

Under the *Next Steps* Strategy, CSD should develop and implement a monitoring and review framework that effectively addresses outsourced out-of-home care services to Aboriginal and Torres Strait Islander children and young people. The framework should provide assurance that Aboriginal and Torres Strait Islander children and young people receive culturally appropriate services from service delivery partners.

Agencies' responses

In accordance with subsection 18(2) of the *Auditor-General Act 1996*, the Community Services Directorate, was provided with:

- a draft proposed report for comment. All comments were considered and required changes were reflected in the final proposed report; and
- a final proposed report for further comment. All comments were considered and required changes were reflected in the final report.

In accordance with subsection 18(3) of the *Auditor-General Act 1996*, ACT Together (Barnardos) and Uniting Children and Families ACT were provided with:

- a draft proposed report for comment. All comments were considered and required changes were reflected in the final proposed report; and
- a final proposed report for further comment. All comments were considered and required changes were reflected in the final report.

The following comments were provided for inclusion in this Summary chapter.

ACT Together (Barnardos)

Barnardos Australia's longstanding commitment to changing life outcomes for vulnerable ACT children underpinned support of the large scale scope and scale of change for the service system envisaged by ASUFOK. The ACT Together consortium, led by Barnardos, successfully delivered transformative systems change in the provision of non-government OOHC services in the ACT, and

achievement of positive child focused outcomes across a range of dimensions. Barnardos' experience as lead agency for ACT Together indicates that further improvement opportunities related to the intent of ASUFOK funding agreements would have been achieved through more effective relationship management by the Directorate, based on a more directly evident partnership approach and mutual accountability. Barnardos is pleased to note that the current ACT Government commissioning framework includes a principle related to new ways of working across the commissioning cycle, overt recognition of the importance of quality relationships and trust between government and non-government service providers. Barnardos strong experience being that partnership principles are key determinants of effective co-production in service delivery, and essential to achievement of better outcomes in human services and including children's social care. Barnardos hopes to see the adoption of partnership principles reflected in the recommendations of the "Performance Audit Report: Management of key contracts under A Step Up For Our Kids".

1 INTRODUCTION

ACT out-of-home care

- 1.1 Placements in out-of-home care are provided for children who are unable to live with their families. This may be because of child abuse or neglect or because the child's family is unable to care for them due to, for example, illness or incarceration.
- 1.2 The Territory seeks to place a high degree of emphasis on supporting high-risk families to stay together, wherever possible, before children enter out-of-home care arrangements. The Territory seeks to:
 - focus on supporting parents to prevent the need for an out-of-home care placement; and
 - restore children, wherever possible, with their birth families within the shortest time possible.

Out-of-home care arrangements

- 1.3 Out-of-home care can be a temporary, medium or long-term arrangement for a child or young person. Care arrangements in the ACT are defined as follows:
 - **long-term orders** – care and protection orders with a duration greater than two years, or a final order to 18 years of age. Includes orders conferring Parental Responsibility to the Director-General of the Community Services Directorate, or to other third parties (such as a Family Group Conferencing Agreement or an Enduring Parental Responsibility);
 - **short-term orders** – final orders with a duration of two years or less;
 - **interim orders** – orders adjourned with conditions to reside, and Parental Responsibility, typically conferred to the Director-General in whole or part;
 - **emergency actions** – actions, lasting for not longer than two working days, made under section 410a of the *Children and Young People Act 2008*;
 - **voluntary care agreements** – voluntary care arrangements made between families and Child and Youth Protection Services (CYPS);
 - **no care and protection order** – a small number of children and young people may be in out-of-home care with no ACT care and protection order. They may be on an interstate order, a youth justice order or no formal order and will usually require very short periods of care.

- 1.4 The most common out-of-home care arrangements in the ACT include:
- **foster care** – where children and young people live with caregivers who are not members of their biological or cultural extended family. These carers are authorised and reimbursed for the care of the child or young person;
 - **kinship care** – where children and young people live with caregivers who are members of their biological or cultural extended family, such as aunts, uncles or grandparents. These carers are authorised and reimbursed for the care of the child or young person;
 - **residential care** – where children and young people live in a residential care facility / supported independent living under the care of paid staff; and
 - **ex-foster and ex-kinship care (Enduring Parental Responsibility)** – where an Enduring Parental Responsibility (EPR) order has been issued for the child or young person. This category includes the small number of paid adoptions for out-of-home care under section 108A of the *Adoption Act 1993*.

Children and young people in out-of-home care in the ACT

- 1.5 The Community Services Directorate's *Out of Home Care Snapshot Report: A presentation of data covering 1 July 2017 to 30 June 2023* identified a total of 817 children and young people in out-of-home care in the Territory as at 30 June 2023. This included children and young people on long-term orders, short-term orders, interim orders, voluntary care agreements and those over 18 years old who are living in a supported placement after their care has formally ended. Table 1-1 shows the number of children and young people in out-of-home care as at June 2023.

Table 1-1 Number of children and young people in out-of-home care by placement type (as at 30 June 2023)

Placement Type	Total children and young people	Aboriginal and Torres Strait Islander children and young people
Foster	234	59
Kinship	390	132
Ex-foster care - Enduring Parental Responsibility [#] orders	73	27
Ex-kinship care - Enduring Parental Responsibility [#] orders and Family Group Conferencing orders	66	13
Residential care	51	10
Other ^{##}	3	0
Total	817	241

Source: ACT Government, Community Services Directorate, *Out of Home Care Snapshot Report: A presentation of data covering 1 July 2017 to 30 June 2023*. Number of children and young people living in out-of-home care by placement type (as at end of quarter).

Note: The total number of children and young people by placement type will not be equal to the total figure as each child / young person could be in multiple placements in a day due to placement changes, or respite care.

'Enduring Parental Responsibility' transfers responsibility for day to day and long-term decisions for a child or young person to a carer, without severing legal ties between the child or young person and their birth family Section 464 2c/Section 482 of the *Children and Young People Act 2008*. Family Group Conferencing orders refer to a process led by family members to make decisions about a plan to care for a child, young person (Section 390 of the *Children and Young People Act 2008*)

'Other' includes out-of-home care placements that are approved and funded by CYPS but are not kinship, foster or residential care placements, for example boarding schools, hospitals or motels.

Out of Home Care Strategy 2015-2020 (A Step Up for Our Kids)

- 1.6 In 2015 the *Out of Home Care Strategy 2015-2020* (referred to hereafter as *A Step Up for Our Kids*) commenced. The ACT Government endorsed the *Step Up for Our Kids* strategy in 2014 and provided funding in the *2015-16 ACT Budget*.
- 1.7 *A Step Up for Our Kids* was developed by CSD between 2012 and 2014. It was developed in consultation with young people, carers, out-of-home care agencies, peak bodies and non-government and government service providers.
- 1.8 A key feature of *A Step Up for Our Kids* was enhanced reliance on non-government service providers for the delivery of services.
- 1.9 *A Step Up for Our Kids* sought to explicitly address the challenges facing child protection and out-of-home care services both nationally and within the ACT. Such challenges included:
- more children and young people entering care;
 - Aboriginal and Torres Strait Islander children and young people being over-represented in the child protection system;

- poor life outcomes for those children and young people who have left care;
- difficulty in securing volunteer foster carers; and
- increasing costs of placing children and young people in care.

1.10 The design of *A Step Up for Our Kids* was influenced by various reviews:

- Public Advocate - *Emergency Response Strategy for Children in Crisis in the ACT 2011*;
- Public Advocate - *Review of the Emergency Response Strategy for Children in Crisis in the ACT (2012)*; and
- ACT Audit Office - *Care and Protection System (Report No.1/2013)*.

Features of *A Step Up for Our Kids*

1.11 *A Step Up for Our Kids* was characterised by:

- support for parents and families who are assessed as high-risk (known as placement prevention services);
- support for children to return to their birth families (known as reunification services);
- outsourced case management and long-term decision making for those children and young people on long-term care orders to a variety of non-government organisations (including those that are in scope for this audit - ACT Together (Barnardos) and Uniting CFACT);
- support for permanent out-of-home care placements for children or young people on long term orders;
- extension of care to young people up to the age of 21 years old;
- provision of residential care for children and young people with complex needs and challenging behaviours; and
- provision of independent community based cultural advisors for Aboriginal and Torres Strait Islander children to advise on placements and develop cultural plans.

1.12 In June 2022 *A Step Up for Our Kids* was superseded by a new out-of-home care strategy: *Next Steps Strategy 2022-2030 (Next Steps)*.

Service Funding Agreements

1.13 CSD engaged a number of service providers to deliver services for the purpose of *A Step Up for Our Kids*. Two key service providers were:

- ACT Together (Barnardos); and
- Uniting Children and Families ACT (Uniting CFACT).

ACT Together (Barnardos)

1.14 On 2 February 2016, the ACT Government engaged ACT Together (Barnardos) to deliver services for *A Step Up for Our Kids* (contract number 2015.25 41.220).

Services

1.15 ACT Together is a consortium of agencies made up of Barnardos Australia (as the lead agency) along with the Australian Childhood Foundation (ACF) and OzChild. The Service Funding Agreement with Barnardos encompassed all of the services to be provided through the ACT Together consortium, i.e. those delivered by Barnardos, ACF and OzChild. CSD does not have a direct contractual relationship with either ACF or OzChild.

1.16 Barnardos provides the following services for the purpose of *A Step Up for Our Kids*:

- residential care services;
- placement of children and young people in short and long-term foster care;
- case management of children and young people on long-term orders;
- foster and kinship carer assessments – these assessments enable decisions to be made about where a child or young person should reside;
- concurrency planning – this planning occurs when a child or young person is in care and where more than one option for permanency is pursued;
- restoration support – this support is provided in circumstances where children and young people are reunited with their birth families;
- contact services – these services provide children and young people with a safe, supervised environment to spend time with the parent they do not live with, or to facilitate the transfer of children from one parent to another, in circumstances where parents are not able to manage their own parenting time arrangements;
- therapeutic support – this support examines children and young people’s trauma history and how it impacts in areas such as health, education, behavioural and emotional development, culture and identity and family and social relationships;
- permanency assessments – these assessments facilitate decisions on open adoption or enduring parental responsibility; and
- the Community Adolescent Program (CAP) and post care support.

1.17 The services of ACF and OzChild were not directly considered as part of the audit. ACF provides therapeutic assessment services for children and young people in foster and kinship care and residential services, such as therapeutic assessments and plans. OzChild provides services under the *Functional Family Therapy Service* in supporting restoration of children and young people on short term orders in kinship and foster care arrangements. OzChild also provides services to stabilise children and young people at risk of placement breakdown and support restoration to kin for those on final orders.

Costs

- 1.18 The Service Funding Agreement is set up as an agreed flat fee per placement of each child or young person in the care of ACT Together (Barnardos). The placement, along with the flat fee for services, transfers responsibility for all costs incurred for the provision of services to that child or young person to ACT Together (Barnardos). In the first quarter of 2023, ACT Together (Barnardos) ceased to provide therapeutic residential care services and MacKillop Family Services became the Territory's service provider.
- 1.19 Over the life of the Service Funding Agreement, from 2016-17 to 2022-23, CSD has paid a total of \$311,602,811 (GST ex) to ACT Together (Barnardos).

Uniting Children and Families ACT (Uniting CFACT)

- 1.20 On 12 January 2016 the ACT Government engaged Uniting CFACT to deliver services for *A Step Up for Our Kids* (contract number 2015.25341.210).

Services

- 1.21 Uniting CFACT provides the following services for the purpose of *A Step Up for Our Kids*:
- intensive family response services – a safety focused, intensive intervention service with ongoing case management delivered either in the family home or in other community locations that are safe and important for the family;
 - *Newpin Family Preservation and Reunification Program* – an attachment focused program which can work with a family to break the cycle of destructive family behaviours and enhance parent-child relationships;
 - alcohol and drug addiction services – specialised, evidence-based drug and alcohol treatment within a community setting; and
 - parent-child interaction services – aimed at teaching emotional communication skills to parents that target relationship building, improving the parent-child bond and increasing child compliance to parental requests.

Costs

- 1.22 Over the life of the Service Funding Agreement, from 2016-17 to 2022-23, CSD has paid a total of \$24,154,183 (GST ex) to Uniting CFACT.

Next Steps Strategy 2022-2030

- 1.23 The *Next Steps Strategy 2022-2030* (Next Steps) was launched in June 2022. It provides for the next stage of reform for out-of-home care for the Territory following *A Step Up for Our Kids*. *Next Steps* seeks to focus on:
- Aboriginal and Torres Strait Islander children and young people in out-of-home care;

- the implementation of new Charters of Rights for parents and families and for carers (building on the existing *Charter of Rights for Children and Young People*);
- the provision of parenting support for families before they enter the child protection system;
- working with families in a ‘trauma responsive’ and restorative way, such as through family-led decision making and child and youth protection workers and community partners who are trained in restorative and trauma responsive approaches;
- the development of partnerships with the community to ensure ‘joined up’ service provision between CSD and non-government organisations working with children, young people and families; and
- the support of children by providing care up to 21 years of age, and by supporting residential care placements.

1.24 The *Next Steps* strategy document provides little information on how the key focus areas will be implemented in practice. At the time of releasing the strategy, the Territory expected to work with non-government organisations working with children, young people and families and service users to ‘co-design’ and develop action plans to implement the strategy.

1.25 The *Next Steps* strategy has been subsequently supported by a four-year action plan that was released in November 2023. The action plan states that it has been co-designed with government and community sector organisations. It lists actions across five priority initiatives to be completed by 2026, including milestones, responsibilities and stakeholders.

Our Booris: Our Way Review

1.26 In 2017 the ACT Government announced a review into the over-representation of Aboriginal and Torres Strait Islander children and young people in the child protection system in the ACT; the *Our Booris: Our Way Review*. This was a wholly Aboriginal and Torres Strait Islander led review and was identified as a national leading example of practical self-determination.

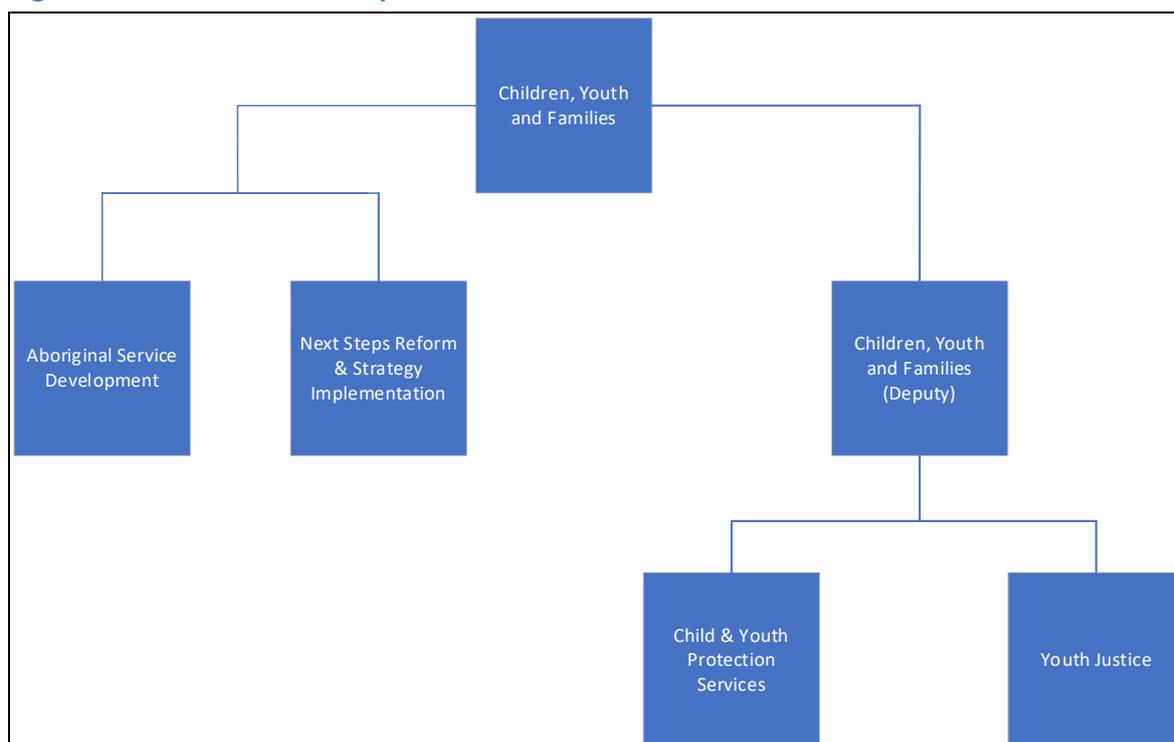
1.27 The review made a total of 28 recommendations and eight sub-recommendations to the ACT Government, iteratively, over a two-year period with the final report being presented in December 2019. An oversight committee, the *Our Booris: Our Way Implementation Oversight Committee*, was established in June 2002 to oversee the implementation of the recommendations. The Minister for Aboriginal and Torres Strait Islander Affairs tabled the ACT Government’s formal response to the review in the Legislative Assembly in August 2022. The response committed the ACT Government to producing a six-monthly update to the Legislative Assembly on progress against each of the recommendations.

Roles and responsibilities

Community Services Directorate

1.28 Figure 1-1 shows the organisational components of CSD that have a responsibility for the child and youth protection system and associated policy functions.

Figure 1-1 CSD roles and responsibilities



Source: ACT Audit Office, based on Community Services Directorate information.

Child and Youth Protection Services

1.29 Child and Youth Protection Services (CYPS) within the Children, Youth and Families Division in CSD has a legislative responsibility to support children, young people and families requiring out-of-home care under the *Children and Young People Act 2008*. CYPS is responsible for facilitating and coordinating services across government for the care and protection of children and young people believed to be at risk of harm. CYPS seeks to assess risk and work with families and other professionals to resolve issues that compromise the safety and wellbeing of children and young people.

1.30 CYPS is also responsible for the day-to-day management of the contracts with ACT Together (Barnardos) and Uniting CFACT.

Relationship Management Team

- 1.31 The Relationship Management Team in the Practice and Performance Group in CYPS is primarily responsible for developing and managing relationships with community partners, including providers such as ACT Together (Barnardos) and Uniting CFACT. This includes monitoring service delivery and supporting continuous improvement of contracted services and programs. As part of organisational changes throughout CSD, the Relationship Management Team is moving to a centralised function within Children, Youth and Families Division for managing relationships for most of the directorate's contracts worth over \$150 million annually.
- 1.32 CYPS has also developed operational supports for case management with Aboriginal Torres Strait Islander children, youth and families. It provides engagement activities with communities, cultural development training and cultural input into all aspects of case management and engagement. Support staff work with CYPS case managers, providing advice and referrals, to help Aboriginal and Torres Strait Islander children connect to their community and culture.

Next Steps Reform and Strategy Implementation

- 1.33 *Next Steps* Reform and Strategy Implementation is a branch within the Children, Youth and Families Division in CSD, which was responsible for developing *A Step Up for Our Kids*. The branch was also responsible for progressing key programs of work such as re-designing the out-of-home care strategy for the purpose of *Next Steps*. The branch has responsibility and oversight of a range of research, engagement and communication activities with key stakeholders and those with lived experience of out-of-home care.

Aboriginal Services Development

- 1.34 Aboriginal Services Development is a new branch within CYPS with responsibility for facilitating, developing and establishing ACT Aboriginal and Torres Strait Islander community-controlled organisations. It leads policy development, service design and partnerships and relationships with the ACT Aboriginal and Torres Strait Islander community, ACT Government and non-government organisations.

OneCSD and organisational change in Community Services Directorate

- 1.35 Since the conduct of audit fieldwork, CSD has progressed a directorate-wide organisational change program called OneCSD. CSD advised that, as part of the organisational change program, it intends to centralise and streamline a number of contract management, relationship management and other administrative functions across the directorate.
- 1.36 Organisational titles throughout this report reflect the titles in effect during the period considered as part of the audit. Reporting lines and organisational titles are expected to continue to change throughout 2024.

Other partner agencies for *A Step Up for Our Kids*

1.37 There are a range of other agencies that CSD has engaged to deliver services under *A Step Up for Our Kids*. These include:

- *Karinya House* – supports mothers and their babies in a 24-hour supervised and supported environment or via an outreach capacity;
- *CREATE Foundation* – provides the Children and Young People Engagement Support Service. This service is focused on organising events and activities for children and young people who are in the out-of-home care system, or who have left the system. CREATE provides information and a support network for children and young people and empowers them to have a voice in their care settings;
- *Australian Red Cross Birth Family Advocacy Support Service* – provides independent information and support to parents with children in care, or with children at risk of entering care. The service works with parents, to help them understand and participate in child protection processes;
- *Carers ACT Foster and Kinship Carer Advocacy Service* – provides support to carers in resolving issues with service providers. Carer feedback is drawn on to influence policy change for out-of-home care;
- *Gugan Gulwan Youth Aboriginal Corporation* – works in partnership with OzChild to deliver the Family Functional Therapy (FFT) program. This program aims to keep children and young people in their existing homes or foster care placements;
- *Curijo* – works in partnership with CYPs to deliver Family Group Conferencing (FGC). FGC aims to assist Aboriginal and Torres Strait Islander families, who are at risk, to keep their children safe and stay together.

1.38 The services of these agencies were not directly considered as part of the audit.

Oversight stakeholders

1.39 There are numerous stakeholders who have a role in overseeing the care and protection of children and young people in the ACT. These include:

- ACT Civil and Administrative Tribunal (ACAT);
- ACT Ombudsman;
- Children and Young People Official Visitors;
- Children and Young People’s Commissioner;
- ACT Human Rights Commission;
- Human Services Registrar (CSD); and
- Public Advocate.

- 1.40 A new Child and Family Reform Ministerial Advisory Council has also been formed to oversee the implementation of *Next Steps* and other changes to child, youth and family services. It is expected to provide the Minister and CSD with opinions and expertise that include people with lived experience of the children, youth and family system. It will oversee the development and management of the *Next Steps Action Plan*. It will also initiate and oversee the work of topic-specific *Next Steps* working groups.
- 1.41 Other relevant advocacy bodies include the ACT Foster Carers Association and the ACT Council of Social Services Inc (ACTCOSS).

Audit objective and scope

Audit objective

- 1.42 The objective of the audit was to assess the effectiveness of CSD's:
- management of key contracts for services delivered under *A Step Up for Our Kids*; and
 - planning for service delivery in the design of *Next Steps*.

Audit scope

Management of contracts for services delivered under A Step Up for Our Kids

- 1.43 The audit considered CSD's management of the contracts for services delivered by ACT Together (Barnardos) and Uniting CFACT under *A Step Up for Our Kids*. In doing so the audit considered CSD's activities to ensure prevention, reunification and out-of-home services delivered by ACT Together (Barnardos) and Uniting CFACT are delivered effectively and meet the needs of children and young people in the ACT. This includes examining whether the Directorate has implemented:
- appropriate governance arrangements (including, but not limited to, defined roles and responsibilities, oversight arrangements, day-to-day management arrangements and risk and fraud management processes),
 - an effective performance management system for the delivery of services (including, but not limited to, effective processes for monitoring performance, reporting requirements, managing disputes and grievances, and ensuring quality service delivery for prevention, reunification and out-of-home care), and
 - effective practices and processes with ACT Together (Barnardos) and Uniting CFACT to respond to and address the specific needs of Aboriginal and Torres Strait Islander children in out-of-home care.
- 1.44 Key issues for consideration in the audit included:
- whether the contracts with ACT Together (Barnardos) and Uniting CFACT reflect the National Standards for Out-of-Home Care 2011 and the Directorate's commitments for out-of-home care as outlined in *A Step up for Our Kids* strategy;

- the effectiveness of controls and processes to administer and manage the day-to-day aspects of the contracts with ACT Together (Barnardos) and Uniting CFACT;
- the effectiveness of controls and processes for monitoring and managing performance under the ACT Together (Barnardos) and Uniting CFACT contracts; and
- the existence and effectiveness of processes in place to specifically respond to and support the needs of Aboriginal and Torres Strait Islander children and young people in a culturally safe manner. This is especially the case in relation to placement prevention and reunifications services.

Planning for service delivery in the design of Next Steps

1.45 The audit also considered CSD's responsiveness to remedying service delivery issues and risks detected in *A Step Up for Our Kids* in planning for the *Next Steps* reform agenda. This includes examining whether the Directorate has implemented effective processes and practices to identify and respond to out-of-home care service delivery issues.

1.46 Key issues for consideration in the audit are:

- whether the Directorate has effectively engaged with stakeholders (including service providers and those with lived experience of the out-of-home care system) to obtain feedback and insights on service delivery issues under *A Step Up for Our Kids*;
- whether the Directorate has effectively used stakeholder feedback to implement service delivery changes in the *Next Steps* strategy; and
- whether the findings and recommendations from reports and reviews on *A Step Up for Our Kids* have been actioned and resolved prior to the *Next Steps* strategy being finalised.

Out of Scope

1.47 The audit did not consider CSD's management of other contracts it has in place with service delivery partners, other than ACT Together (Barnardos) and Uniting CFACT.

1.48 The audit did not report on whether, or to what extent, outcomes under *A Step Up for Our Kids* have been met nor will the audit examine the decision-making processes around placing children and young people into residential out-of-home care.

Audit criteria, approach and method

Audit criteria

- 1.49 To form a conclusion against the objective, the following criteria and sub-criteria were used:
- Does CSD have sound governance and administrative arrangements in place for the management of contracts with ACT Together and Uniting CFACT?

- Has CSD adequately planned for its contracts with Barnardos and Uniting CFACT and considered the risk and fraud environment and mitigated risks as appropriate in the design and establishment of the contracts and during contract implementation?
- Has CSD put in place appropriate governance arrangements, such as policies, procedures and processes to enable effective contract management and decision-making authority / oversight of the Barnardos and Uniting CFACT contracts?
- Has CSD assigned adequate and appropriate resources to effectively manage the contracts and undertake stakeholder management on a day-to-day basis with Barnardos and Uniting CFACT?
- Does CSD have effective performance monitoring and management processes in place for its contracts with ACT Together and Uniting CFACT?
 - Has CSD implemented processes and systems to monitor service delivery and performance expectations?
 - Does CSD effectively manage contractor reporting requirements?
- Has CSD planned for, and implemented, culturally appropriate care for Aboriginal and Torres Strait Islander children and young people through its contracts with ACT Together and Uniting CFACT?
 - Has CSD appropriately planned for, and responded to, the specific needs of Aboriginal and Torres Strait Islander children and young people by ensuring culturally appropriate care is routinely available?
 - Has CSD put in place measures to monitor and review services provided to Aboriginal and Torres Strait Islander children and young people?
 - Does CSD have mechanisms in place to continuously improve service delivery arrangements for Aboriginal and Torres Strait Islander children and young people?
- Has CSD identified and appropriately responded to service delivery issues and risks from *A Step Up for Our Kids* and adequately planned for an enhanced service delivery model under the *Next Steps* reform agenda?
 - Has CSD undertaken reports and reviews to ascertain service delivery issues and risks from *A Step Up for Our Kids*?
 - Has CSD engaged with service providers and those with lived experience of the out-of-home care system as part of the reform agenda?
 - Have issues and findings from commissioned reports and reviews been used in the planning phase of the *Next Steps* reform?

Audit approach and method

Australian Government Contract Management Guide better practice

1.50 The audit focuses on CSD's contract management and oversight with services providers ACT Together (Barnardos) and Uniting CFACT. As such, better practice guidance relating to effective contract management is drawn upon. The *Australian Government Contract Management Guide* (December 2020) outlines best practice contract management in relation to:

- contract governance
- performance management
- supplier relationship management
- contract administration.

1.51 Principles from this Guide have been drawn on throughout the audit to help identify better practice contract management practices as it relates to the contract management cycle, i.e. planning for contract management, contract start up, contract performance and contract closure.

Audit approach and method

1.52 The audit approach and method consisted of:

Researching, reviewing and examining

- legislation, reports and information (including the *National Standards for Out-of-Home Care 2011* and the *Aboriginal and Torres Strait Islander Child Placement Principles*) that relate to the administration and management of out-of-home care including as they relate to Aboriginal and Torres Strait Islander children and young people;
- reports, publications, reviews and evaluations undertaken on out-of-home care, *A Step Up for Our Kids* and *Next Steps* as undertaken both internally by CSD and externally, and as they relate to Aboriginal and Torres Strait Islander children and young people; and
- CSD's Service Funding Agreements (and all Deeds of Variation) with ACT Together (Barnardos) and Uniting CFACT and mapping service provider delivery requirements.

Identifying and assessing CSD's out-of-home care operating environment

- internal controls and procedures to ensure ACT Together (Barnardos) and Uniting CFACT are compliant with service delivery requirements including performance monitoring and management processes; and

- mapping how CSD works with service delivery partners ACT Together (Barnardos) and Uniting CFACT to administer out-of-home care for the Territory, including identifying how risks are managed and mitigated.

Conducting audit interviews

- staff from CSD in the Relationship Management Team (Practice and Performance, Children, Youth and Families Division), *Next Steps* Strategy and Implementation Section (Strategy and Governance), other CSD business units (such as the Cultural Services Team) and key staff from service delivery partners ACT Together (Barnardos) and Uniting CFACT;
- advocacy bodies for children and young people in out-of-home care; and
- Aboriginal and Torres Strait Islander community and advocacy organisations.

Examining issues impacting Aboriginal and Torres Strait Islander children, young people and their families in out-of-home care

- the effectiveness of processes to respond to and support the needs of Aboriginal and Torres Strait Islander children and young people in a culturally safe manner, especially in relation to placement prevention and reunifications services; and
- whether and how CSD has engaged with young people, carers and community organisations, including out-of-home care agencies and peak bodies, and government services to identify and remedy service delivery issues and risks in planning for the next stage of reform, *Next Steps* and assessing whether these issues and risks are reflected in the *Next Steps* strategy.

Assistance with the conduct of the audit

- 1.53 The ACT Audit Office engaged OCM and First Nations Consultants, Australia to provide assistance in the conduct of the audit. OCM assisted with the review on the design of the *Next Steps* strategy. First Nations Consultants provided subject matter advice on the service delivery and design of *A Step Up for Our Kids* involving Aboriginal and Torres Strait Islander children, youth and families. First Nations Consultants, Australia also led consultations with local Aboriginal and Torres Strait Islander community organisations.
- 1.54 The audit was performed in accordance with *ASAE 3500 – Performance Engagements*. The audit adopted the policy and practice statements outlined in the Audit Office’s *Performance Audit Methods and Practices* (PAMPr) which is designed to comply with the requirements of the *Auditor-General Act 1996* and *ASAE 3500 – Performance Engagements*.
- 1.55 In the conduct of this performance audit the ACT Audit Office complied with the independence and other relevant ethical requirements related to assurance engagements.

2 SERVICE AND PERFORMANCE REQUIREMENTS

- 2.1 This chapter discusses CSD's activities to manage the services to be provided by ACT Together (Barnardos) and Uniting CFACT. It discusses the Service Funding Agreements and their identification of expectations for performance, as well as CSD's processes to monitor and review the delivery of services.

Summary

Conclusions

A feature of *A Step Up for Our Kids* was a commitment to 'performance-based contracting' with a view to achieving 'strengthened accountability, value and outcomes from purchased services'. CSD did not achieve this.

Performance-based contracting was intended to be achieved, in part, through:

- an Outcomes Framework; and
- a Performance Management Framework.

A draft Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT with a requirement for the 'parties [to] develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework'. Agreement could not be reached on implementing the Outcomes Framework after the Agreements had been executed and the requirement to implement an Outcomes Framework and report against associated indicators was subsequently removed from the Agreements.

The Service Funding Agreements required the parties to develop a Performance Management System (subsequently referred to as a Performance Management Framework). Agreement could not be reached on implementing the Performance Management Framework after the Agreements had been executed. CSD attempted to draft a revised Performance Management Framework in 2018, and again 2021, but these were never finalised and endorsed as agreement on its final content could not be reached with the service providers.

By not developing and agreeing an Outcomes Framework or Performance Management Framework at the outset, CSD's attempts to implement outcomes-based performance management processes have not been effective.

Key findings

	Paragraph
<h3>Service Funding Agreement requirements</h3>	
<p>The Service Funding Agreements for both ACT Together (Barnardos) and Uniting CFACT specify the services to be delivered, along with associated conditions and deliverables. The Service Funding Agreement with ACT Together (Barnardos) also identifies <i>Service Principles</i>, which are designed to guide the delivery of the specific services. The Service Funding Agreement with ACT Together (Barnardos) has been varied 11 times and the Service Funding Agreement with Uniting CFACT has been varied seven times.</p>	2.11
<h3>Performance expectations</h3>	
<p>A feature of <i>A Step Up for Our Kids</i> was a commitment to ‘performance-based contracting’. <i>A Step Up for Our Kids</i> identified that the benefits of such an approach would be ‘strengthened accountability, value and outcomes from purchased services’. A draft Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT. The draft Outcomes Framework had 13 components organised into three categories, and for each component a ‘desired impact or outcome(s)’ was identified along with associated ‘outcome indicators’. The Service Funding Agreements required ‘parties [to] develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework’ and that ‘the Outcomes and indicators ... are a deliverable that must be finalised by 31 December 2016’. Agreement could not be reached on implementing the Outcomes Framework after the Service Funding Agreements had been executed. Accordingly, the requirement to implement an Outcomes Framework and report against associated indicators was removed from the Services Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. This meant that a key element of performance management and oversight, i.e. outcomes-based performance management, was not achieved.</p>	2.24
<p>Neither the ACT Together (Barnardos) or Uniting CFACT Service Funding Agreements included an agreed and finalised Performance Management System at the time of signing, with well-defined and explicit key performance indicators. Instead, the Service Funding Agreements required a Performance Management System to be developed by the parties. Similar to the observation on the proposed Outcomes Framework, agreement could not be reached on implementing what was subsequently described as a Performance Management Framework after the Service Funding Agreements had been executed. There was a consistent view that designing a performance management system after the contracts were executed was difficult, as agreement could not be reached between the parties.</p>	2.38
<p>Throughout 2017 and 2018, the need for a Performance Management Framework was regularly discussed at meetings of the Accountability, Performance and Evaluation Sub-committee. In 2018 CSD attempted to draft a revised Performance Management Framework for <i>A Step Up for Our Kids</i> (two years after the Service Funding Agreements were signed). Two prototypes outlining performance and</p>	2.39

compliance indicators were drafted (one for ACT Together (Barnardos) and one for Uniting CFACT). The 2018 Performance Management Framework was never finalised and endorsed. A further draft Performance Management Framework, dated 23 September 2021, was also prepared, but this was not finalised. At the time of audit fieldwork, no formal, documented Performance Management Framework is in place for either ACT Together (Barnardos) or Uniting CFACT.

Performance monitoring

CSD has established practices and processes to obtain and oversight output level data provided by ACT Together (Barnardos) and Uniting CFACT. For ACT Together (Barnardos), output level data is collated and verified through a quarterly reconciliation process. For Uniting CFACT, output level data is provided through quarterly and cumulative key performance indicator reporting. CSD uses this data to produce *A Step Up for Our Kids* Snapshot Reports. These show service system demand and provide detailed data of children and young people accessing out-of-home care. The data provided is used to inform the whereabouts of children and young people in care; intensive CSD staff resources are allocated to ensure that data is matched and to correct any anomalies. Through this data, CSD provide a degree of assurance that output reporting relating specifically to children, placements and numbers is delivered on by ACT Together (Barnardos) and Uniting CFACT.

Performance management processes

Despite the absence of an agreed Outcomes Framework or Performance Management Framework, CSD has implemented some processes to provide limited assurance that the *Service Principles*, outcomes measures and performance expectations are broadly delivered on. These include: the Mid-Term contract reviews and associated action plans; monthly contract management meetings; and the conduct of operational audits. The monthly contract management meetings have been used predominately as an avenue for CSD and service providers to quality assure data about children and young people accessing out-of-home care and where children and young people are placed. An Issues Log was created with an extensive number of issues arising but it was not maintained nor were issues explicitly actioned or resolved. There is scope to improve the function and operation of the meetings.

The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT required the conduct of Mid-Term contract reviews. CSD undertook Mid-Term contract reviews with both service providers as required. CSD attempted to review performance against the *Step Up for Our Kids* strategic priorities and the contract outcomes. For most of these measures, there was no evidence available to demonstrate performance. The Mid Term contract review with ACT Together (Barnardos) culminated in an Action Plan being developed. Actions relating to ACT Together (Barnardos) performance against the contract, with proposed actions to remedy issues were identified. Responsibility was assigned to the Relationship Management Team to oversee ACT Together (Barnardos) work.

Service Funding Agreement requirements

2.2 The Service Funding Agreements for both ACT Together (Barnardos) and Uniting CFACT specify the services to be delivered, along with associated conditions and deliverables.

ACT Together (Barnardos)

2.3 ACT Together (Barnardos) is required to provide a range of services in accordance with its Service Funding Agreement. Schedule 2 of the Service Funding Agreement extensively outlines the services that are to be delivered.

2.4 The Service Funding Agreement identifies *Service Principles*. These are principles that are designed to guide the delivery of the specific services. Overarching *Service Principles* are identified for:

- foster and kinship care services; and
- therapeutic and residential care services.

2.5 *Service Principles* are also identified for different sub-components of the services.

Deeds of Variation

2.6 Since signing the Service Funding Agreement in 2016, there have been 11 variations to the Service Funding Agreement with ACT Together (Barnardos), as shown in Table 2-1. Of these, variations #6 to #11 include additional time to extend the Service Funding Agreement or relate to the cessation of residential care services prior to transition to a new provider of therapeutic residential care services. In response to the final proposed report, CSD advised that the first five variations occurred during the first six years of the Service Funding Agreements and this largely reflected 'the 'bedding-in-period' to implement the extensive reform and the time required for the new services and arrangements to become fully established and effective. These variations were instigated by the Territory and / or the Service Provider'.

Table 2-1 Overview of Deeds of Variation to Service Funding Agreement with ACT Together (Barnardos)

Variation #	Date	Summary of changes
Variation #1	28 June 2016	<ul style="list-style-type: none"> • Increases the flat fee per placement structure (Schedule 4 – Funding)
Variation #2	11 August 2016	<ul style="list-style-type: none"> • Changes to the Special Conditions Schedule 5 (including the requirement for a written child protection policy, development of a performance management system, and complaint management system, amongst other things)

Variation #	Date	Summary of changes
Variation #3 (Reporting Reference Letter)	16 March 2017	<ul style="list-style-type: none"> Changes to Schedule 3 – Performance Reports (removes the requirement to report against outcomes, reporting against outputs is all that is required of Barnardos)
Variation #4	21 June 2019	<ul style="list-style-type: none"> A new Schedule 1 inserted and increases to the flat fee per placement structure (Schedule 4 – Funding)
Variation #5	17 December 2020	<ul style="list-style-type: none"> Variation to the Service Funding Agreement period Implementation of a new Joint-Decision Making Framework Addressing a backlog of compliance reporting (Annual Reviews and Therapeutic Assessment Reviews) (Schedule 3) Variation to the flat fee per placement structure (Schedule 4 – Funding) Requirement to develop a Monitoring and Review Framework (commitment to addressing <i>Our Booris: Our Way</i> Recommendation 22a) (Schedule 5 – Special Conditions)
Variation #6	29 June 2022	<ul style="list-style-type: none"> Letter of variation to Service Funding Agreement period to 15 July 2022
Variation #7	15 July 2022	<ul style="list-style-type: none"> Variation to Service Funding Agreement period out to 30 June 2023 (Schedule 1) Cessation of residential care services as of 30 September 2022 Review of all children and young people in the Community Adolescent Program during 2022-23
Variation #8	27 and 29 September 2022	<ul style="list-style-type: none"> Exchange of letters to extend Service Funding Agreement period to 14 October 2022
Variation #9	14 October 2022	<ul style="list-style-type: none"> Letter of variation to extend Service Funding Agreement period to 31 October 2022
Variation #10	5 December 2022	<ul style="list-style-type: none"> Variation to Schedules 2, 4 and 5 to implement transitional arrangements for therapeutic residential care services to a new provider (Marymead)
Variation #11	28 June 2023	<ul style="list-style-type: none"> Variation to indemnity arrangements and extension of Service Funding Agreement period to 30 June 2024 Implementation of the Community Adolescent Program

Variation #	Date	Summary of changes
		<ul style="list-style-type: none"> Agreement to collaborate and communicate with Territory and Aboriginal Community Controlled Organisations on future service delivery planning Implementation of new referral processes for residential care

Source: ACT Audit Office analysis of Deeds of Variation to Service Funding Agreement with ACT Together (Barnardos).

Uniting CFACT

2.7 Similar to the Service Funding Agreement with ACT Together (Barnardos), Schedule 2 of the Service Funding Agreement with Uniting CFACT outlines a range of services that are to be delivered under the Agreement and associated activities and obligations.

Deeds of Variation

2.8 There have been seven variations to the Uniting CFACT Service Funding Agreement, as shown in Table 2-2. CSD was unable to confirm the nature of changes for variations 3 or 4.

Table 2-2 Overview of Deeds of Variation to the Service Funding Agreement with Uniting CFACT

Variation #	Date	Summary issues
Variation #1 (Reporting Reference Letter)	1 July 2017	<ul style="list-style-type: none"> Changes to Schedule 3 – Performance Reports (removal of requirement to report against outcomes, reporting against outputs only)
Variation #2 (Reporting Reference Letter)	21 May 2018	<ul style="list-style-type: none"> Changes to Schedule 3 – Performance Reports – updates to regular reporting requirements
Variation #3 (Reporting Reference Letter)	1 July 2019	<ul style="list-style-type: none"> Changes to Schedule 3 – Performance Reports
Variation #4 (Reporting Reference Letter)	26 June 2020	<ul style="list-style-type: none"> Changes to Schedule 3 – Performance Reports
Variation #5	4 August 2020	<ul style="list-style-type: none"> Changes to Schedules 1, 2 and 4 including changes to the services, outputs and performance expectation. Amongst other things, a new expectation is inserted requiring Uniting CFACT implement strategies to ensure access by Aboriginal and Torres Strait Islanders and people from culturally and linguistically diverse backgrounds
Letter of Variation (not specifically numbered)	21 June 2022	<ul style="list-style-type: none"> Extending Service Funding Agreement period to 15 July 2022
Variation #6	15 July 2022	<ul style="list-style-type: none"> Changes to Schedules 1, 2 and 4. Changes to the description of services, timeframes

Variation #	Date	Summary issues
		for outputs, performance expectations, quality standards and funding amounts
Variation #7	28 June 2023	<ul style="list-style-type: none"> • Extension of agreement to 30 June 2024 for 84 families in the 2023-24 financial year. • Removal of children and young people self-placing services from agreement • Agreement to collaborate and communicate with Territory and Aboriginal Community Controlled Organisations on future service delivery planning

Source: ACT Audit Office analysis of Deeds of Variation to Service Funding Agreement with Uniting CFACT

Other common deliverables

2.9 Schedule 5 of the Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT identify a range of other deliverables and activities to be undertaken. These include:

- child protection - reporting and training – each organisation was ‘required to have a written child protection policy prior to the commencement of Services that will be made available to the Territory is requested’;
- Performance Management System – the development and implementation of a performance management system was described. However, neither Service Funding Agreement specifically required the service provider (or the Territory) to develop the performance management system. The Service Funding Agreements are vague and imprecise with respect to specific responsibilities for the development of the performance management system; and
- evaluation and mid-point review – the Service Funding Agreements acknowledge that evaluation of *A Step Up for Our Kids* ‘will occur at key points throughout the Term of the Agreement’ and that ‘the Organisation will be called upon “as and when required” during the Term of the Agreement to engage and provide advice, input and reasonable access to information for the Consultant engaged to undertake the evaluation’.

2.10 In addition, the Service Funding Agreement with Uniting CFACT states it was ‘required to establish an effective and efficient complaint management system that fosters a culture of continuous improvement reporting on complaint investigation processes and outcomes’. A similar requirement was not in place for the ACT Together (Barnardos).

2.11 The Service Funding Agreements for both ACT Together (Barnardos) and Uniting CFACT specify the services to be delivered, along with associated conditions and deliverables. The Service Funding Agreement with ACT Together (Barnardos) also identifies *Service Principles*, which are designed to guide the delivery of the specific services. The Service Funding

Agreement with ACT Together (Barnardos) has been varied 11 times and the Service Funding Agreement with Uniting CFACT has been varied seven times.

Performance expectations

2.12 One feature of *A Step Up for Our Kids* was a commitment to 'performance-based contracting'. *A Step Up for Our Kids* stated:

The strategy directs additional resources to strengthening contract and relationship management. CSD needs to be able to ensure that it is receiving best value from purchased services and to achieve this it must invest to a higher degree than previously in relationships with providers and in analysis of business outcomes to support strategic management of purchased services. In addition, more flexible child-focused purchasing arrangements will require a greater level of oversight and scrutiny to ensure children and young people are receiving the best possible care.

2.13 *A Step Up for Our Kids* identified that the benefits of such an approach would be 'strengthened accountability, value and outcomes from purchased services'. *A Step Up for Our Kids* identified that an Out of Home Care Performance Framework was in the process of being developed at the time of its release:

An Out of Home Care Performance Framework is currently in development with a focus on both compliance with legislated and policy requirements and outcomes for children and young people. The framework will provide for a range of meaningful outcomes measures that are focused on obtaining outcomes that are in the best interests of the child or young person.

CSD is working towards introducing performance-based contracts for out of home care providers which will provide for regular performance reporting and which positively incentivise contracted services to meet key performance targets. Providers would be required to utilise the incentive funding to enhance services through investing in capacity building and innovation.

2.14 *A Step Up for Our Kids* asserted that the benefits of such an approach would be:

- clarity concerning the expectations of CSD as the purchaser of services;
- continuous improvement of services driven through performance reporting and validation; and
- additional funding available to high-performing services for innovation and capacity building.

Outcomes Framework

2.15 The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT outline expectations with respect to outcomes for the delivery of out-of-home care services.

Guiding Principles for Outcomes

2.16 Both Service Funding Agreements identify 'guiding principles for the new service system that will guide how the system operates and will drive the Outcomes that are to be achieved'. The Guiding Principles are:

- *Safe* – children and young people are protected from further abuse, neglect or exploitation;
- *Child focussed* – the best interests and needs of the child or young person are paramount in decision making regarding care arrangements;
- *Trauma informed* – children and young people are supported within a trauma-informed therapeutic practice framework which considers their wellbeing and developmental requirements;
- *Collaborative* – the organisation and the Territory share information and work together to achieve better outcomes for children and young people;
- *Holistic* – services are integrated around a 'continuum of care' model to minimise trauma and changes in care;
- *Empowering* – children and young people are given the opportunity to have a voice enabling them to influence decisions regarding their care or service arrangements;
- *Individualised* – services are tailored to meet children and young people's specific needs and goals;
- *Culturally proficient* – services are sensitive to children and young people's specific needs arising from their culture, and will facilitate connection to culture where appropriate (includes Aboriginal and Torres Strait Islanders, culturally and linguistically diverse communities, and LGBTQI groups);
- *Supportive* – families and carers are supported through appropriate services, training and financial assistance;
- *Preventative* – the system prioritises the prevention of children and young people entering care where possible, and emphasises early diagnosis, intervention and treatment;
- *Proportional* – services are funded to provide services in line with the varying intensity of the needs of children and young people;
- *Cost effectiveness* – the Territory and citizens receive 'value for money' for public funds, with productivity maximised improving the outcomes for children and young people;
- *Scalable and responsive* – the out-of-home care system is scalable to demand and can respond quickly where services are required;
- *Performance driven* – performance is measured at system, service and individual levels, which promotes quality and efficiency in service delivery;

- *Participative* – by all children, young people, birth parents, and other carers and stakeholders to ensure the care system operates safely, effectively, efficiently, equitably and sustainably; and
- *A learning system* – where all agencies commit to continuous improvement of services based on open and transparent reflection on performance using an evidence based approach.

Outcomes Framework

2.17 A draft Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT. The Service Funding Agreements state:

This DRAFT outcomes framework describes the important individual and societal impacts that the [Out of Home Care] strategy seeks, along with the indicators of performance and progress by which these impacts will be measured.

2.18 The draft Outcomes Framework had 13 components organised into three categories:

- Child and Young Person Outcomes
 - Children and young people are safe;
 - The child or young person has stable and/or permanent placement;
 - The child or young person lives and develops normally;
 - Children and young people are connected to culture and family;
 - The therapeutic needs of the child or young person are identified and addressed;
 - Life Outcomes for Children and Young People in the OOHC System.
- Outcomes for Carers and OOHC Providers
 - Organisations are able to deliver OOHC services;
 - Organisations are able to effectively recruit, train, deploy and support carers and workers;
 - System financial outcomes.
- Strengthening High Risk Families Outcomes
 - Children and young people are safe;
 - Effective engagement with the family;
 - The organisation has the capacity to coordinate and deliver support for families in the program;
 - Families are willing and able to care for and protect their children and young people.

2.19 For each component a ‘desired impact or outcome(s)’ was identified along with associated ‘outcome indicators’. By way of example the first facet to the Outcomes Framework is shown in Table 2-3.

Table 2-3 Extract of draft Outcomes Framework included in Service Funding Agreements

Child and Young Person Outcomes: Children and young people are safe	
Desired impact or outcome(s)	Outcome indicators
The child or young person is, and remains, safe.	Substantiated Child Protection reports relating to placement or carer.
	Feedback from the child on perceptions of safety via Viewpoint or otherwise.
	Incident reporting is accurate, timely and responded to appropriately.

Source: Service Funding Agreement with ACT Together (Barnardos) and Uniting CFACT.

2.20 The Service Funding Agreements state:

The parties will develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework ... These Outcomes will be derived from modelling processes undertaken during the first year of the Term.

2.21 The Service Funding Agreements state:

The Outcomes and indicators ... are a deliverable that must be finalised by 31 December 2016.

2.22 ACT Together (Barnardos), Uniting CFACT and CSD advised that agreement could not be reached on implementing the Outcomes Framework after the Service Funding Agreements had been executed. Accordingly, the requirement to implement an Outcomes Framework with associated indicators was removed by variation to the ACT Together (Barnardos) Services Funding Agreement on 16 March 2017 through a reporting reference letter. The letter stated:

This letter sets out guidance in relation to reporting requirements in order to further clarify the Agreement. Unless otherwise indicated, definitions used in this letter are consistent with those found in the signed Agreement.

Reporting

Variation: Please be advised that Item **2.1.1(1) Schedule 3 – PERFORMANCE REPORTS**, is deleted and replaced with the following:

Item 2.1.1. (1) report against Outputs as specified in Schedule 2, to be provided to the Territory on a half yearly basis within 30 days of 31 December and 30 June of each year of the Agreement Period.

This removes the requirement to report against the outcomes listed in **Item 3 Schedule 2**.

...

Both parties commit to the ongoing development of data/reporting and refinement of processes with an aim to reduce administrative burden and improve the quality of data collection and reporting.

2.23 A similar change was made to the Service Funding Agreement with Uniting CFACT on 1 July 2017 to remove the requirement to report against outcomes.

2.24 A feature of *A Step Up for Our Kids* was a commitment to 'performance-based contracting'. *A Step Up for Our Kids* identified that the benefits of such an approach would be 'strengthened accountability, value and outcomes from purchased services'. A draft

Outcomes Framework was developed and included in the Service Funding Agreement with both ACT Together (Barnardos) and Uniting CFACT. The draft Outcomes Framework had 13 components organised into three categories, and for each component a 'desired impact or outcome(s)' was identified along with associated 'outcome indicators'. The Service Funding Agreements required 'parties [to] develop Outcomes and indicators that will be used to measure the performance of the Organisation against the Outcomes Framework' and that 'the Outcomes and indicators ... are a deliverable that must be finalised by 31 December 2016'. Agreement could not be reached on implementing the Outcomes Framework after the Service Funding Agreements had been executed. Accordingly, the requirement to implement an Outcomes Framework and report against associated indicators was removed from the Services Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. This meant that a key element of performance management and oversight, i.e. outcomes-based performance management, was not achieved.

Performance Management System

2.25 The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT required a Performance Management System to be developed. The Service Funding Agreements state:

The Territory is seeking to drive improved outcomes for children and young people through the introduction of performance based contracting.

The Performance Management System is a management tool to monitor and measure the performance of the Organisation in delivering the Services as well as to measure the long term indicators of success of the Strategy. It will provide the framework for continuous improvement in the management and delivery of the Services and for determination of incentive payments or abatement deductions to the Organisation.

2.26 The Service Funding Agreements state:

The Performance Management System will be established for the Term of the Agreement and will be reviewed six months prior to each Anniversary Date.

Financial incentives and abatements

2.27 The Performance Management System envisaged the use of financial incentives and abatements:

Positive financial incentives will be available ... from year 3 of the anniversary date of the Agreement for those Organisations funded under the Strategy that meets agreed performance targets. These monies can be expended on capacity building and innovation for the funded program. This might include pilot projects, improvements to information technology, infrastructure and training.

...

Due to the transitional arrangements of the Agreement and the mid-term review ... the Organisation will not be subject to an incentive or abatement calculation until the commencement of year 2 of the Agreement.

- 2.28 Neither the ACT Together (Barnardos) or Uniting CFACT Service Funding Agreements included an agreed and finalised Performance Management System at the time of signing, with well-defined and explicit key performance indicators.

Requirement for a Performance Management Framework

- 2.29 The second Deed of Variation to the ACT Together (Barnardos) Service Funding Agreement, which was signed on 11 August 2016, identified that a 'performance management system' which was inclusive of the outcomes framework and associated indicators, was required to be developed within twelve months of signing the Service Funding Agreement. An identical requirement was included in Uniting CFACT's original Service Funding Agreement on 12 January 2016. No performance management system was implemented for either provider.
- 2.30 Following this, both service providers were issued with a Reporting Reference Letter (ACT Together (Barnardos) dated 2 February 2017, Uniting CFACT undated), which removed the requirement for *outcome* level reporting, and only provide CSD with *output* level data. No system of incentives or abatements was implemented either.
- 2.31 ACT Together (Barnardos), Uniting CFACT and CSD advised that agreement could not be reached on implementing the Performance Management Framework (or Outcomes Framework) after the Service Funding Agreements had been executed. While there was some variety in the reasons for disagreement, there was a consistent view between stakeholders and CSD that designing a performance management system after the contracts were executed was difficult, as agreement could not be reached between the parties.
- 2.32 In response to the draft proposed report, ACT Together (Barnardos) advised that 'noting that incentives and abatements were proposed as part of the [Performance Management Framework], it was going to be exceptionally difficult to finalise these particular elements after the other contract terms were essentially set'. ACT Together (Barnardos) asserted:
- ... the misalignment between information from CSD on high cost services prior to contract formalisation in 2016 and the actual requirement for delivery to high cost children, meant that Barnardos needed to invest donor funds to supplement contract funds from government, in order to provide adequate care for children in residential care.

Renewed attempt to develop Performance Management Framework

- 2.33 Throughout 2017 and 2018, the need for a Performance Management Framework was regularly discussed at meetings of the Accountability, Performance and Evaluation Subcommittee. Little progress was made through this committee in developing and agreeing a Performance Management Framework.
- 2.34 In 2018, CSD again attempted to draft a revised Performance Management Framework for *A Step Up for Our Kids* (two years after the Service Funding Agreements were signed). Two prototypes outlining performance and compliance indicators were drafted (one for ACT Together (Barnardos) and one for Uniting CFACT). The 2018 Performance Management

Framework was never finalised and endorsed as agreement on its final content could not be reached with the service providers.

2.35 A further draft Performance Management Framework, dated 23 September 2021, was also prepared, but this was not finalised.

2.36 In response to the draft proposed report, ACT Together (Barnardos) advised:

There was no direct request to Barnardos to agree a Performance Management Framework that we are aware of. Barnardos participated in several meetings with the aim of assisting in the development of same. ... At the time, Barnardos raised concern around the mechanism for capturing data generated through the many existing oversight and compliance activities occurring around ACT Together and feeding this into a PMF (where relevant), so as to avoid duplication.

...

Barnardos ... provided a large amount of data, relevant to a PMF, to CSD from the time of contract commencement. Barnardos did not control CSD's failure to use the data provided to give effect to the PMF..

2.37 At the time of audit fieldwork, no formal, documented Performance Management Framework is in place for either ACT Together (Barnardos) or Uniting CFACT. The development of a performance management system is envisaged as part of the implementation of the *Next Steps* strategy.

2.38 Neither the ACT Together (Barnardos) or Uniting CFACT Service Funding Agreements included an agreed and finalised Performance Management System at the time of signing, with well-defined and explicit key performance indicators. Instead, the Service Funding Agreements required a Performance Management System to be developed by the parties. Similar to the observation on the proposed Outcomes Framework, agreement could not be reached on implementing what was subsequently described as a Performance Management Framework after the Service Funding Agreements had been executed. There was a consistent view that designing a performance management system after the contracts were executed was difficult, as agreement could not be reached between the parties.

2.39 Throughout 2017 and 2018, the need for a Performance Management Framework was regularly discussed at meetings of the Accountability, Performance and Evaluation Subcommittee. In 2018 CSD attempted to draft a revised Performance Management Framework for *A Step Up for Our Kids* (two years after the Service Funding Agreements were signed). Two prototypes outlining performance and compliance indicators were drafted (one for ACT Together (Barnardos) and one for Uniting CFACT). The 2018 Performance Management Framework was never finalised and endorsed. A further draft Performance Management Framework, dated 23 September 2021, was also prepared, but this was not finalised. At the time of audit fieldwork, no formal, documented Performance Management Framework is in place for either ACT Together (Barnardos) or Uniting CFACT.

Performance monitoring

- 2.40 Notwithstanding the lack of a documented Performance Management Framework for either ACT Together (Barnardos) or Uniting CFACT the Service Funding Agreements require both service providers to provide performance reports.
- 2.41 Further to the contract 'outcomes', both the ACT Together (Barnardos) and Uniting CFACT Service Funding Agreements have relevant 'outputs' that they are required to deliver on. For example, ACT Together (Barnardos) is required to deliver annualised placements for foster care, kinship care, therapeutic residential care, permanency services and support for those leaving care up to 25 years of age. On the other hand, Uniting CFACT is required to deliver a minimum capacity base for families for each quarter.
- 2.42 ACT Together (Barnardos) and Uniting CFACT report output level data to CSD formally on a quarterly basis, and more informally through CSD's day to day working relationship with the service providers. To ensure an optimal and safe service system, it is imperative that CSD knows at a minimum and, at any given point in time, children accessing out-of-home care and their associated whereabouts.

ACT Together (Barnardos)

- 2.43 For ACT Together (Barnardos), CSD developed and implemented the 'ACT Together Reconciliation and Quarterly Payment Procedure – Data Team Responsibilities' document. This procedure is a step-by-step reconciliation procedure that seeks to ensure:
- ACT Together are paid by CSD each quarter for the service that they provide to children and young people in the care of the Director-General. This includes providing case management, Post 18 Support, and placements such as foster, kinship and residential.
- 2.44 Even though this procedure is for the purpose of ensuring correct invoicing, it is also an opportunity to provide an exchange of information between ACT Together (Barnardos) and CSD to ensure that there is mutual alignment of children, placements and numbers between the respective information technology management systems.

Uniting CFACT

- 2.45 For Uniting CFACT, output level data is reported to CSD through the *Quarterly and Cumulative KPI Report*. This report provides output level data on matters such as:
- Families referred in the quarter
 - Families who engaged
 - Families who declined the service
 - Families who consented to the service, and
 - Annualised families for the financial year.

Snapshot Reports

2.46 CSD uses the output level data, gathered from the various service providers, to produce *A Step Up for Our Kids Snapshot Reports*. These provide comprehensive data on children and young people accessing out-of-home care. These reports are made publicly available via the CSD website. The purpose of the report is articulated as follows:

The operational data in the Snapshot Report is point in time data that provides an indication of the service demand and the capacity of the system to respond to this demand, in addition to throughput data. It is important to note that the Snapshot Report uses operational data which may change between reporting periods due to continuous entry of data and improvements made to data over time.

2.47 The information contained in the Snapshot reports includes a total of thirteen measures. Some examples include:

- Number of children and young people entering into and exiting out-of-home care
- Number of children and young people in out-of-home care by placement type
- Number of children and young people entering residential care
- Number of children and young people with a permanency order
- Number of Aboriginal and Torres Strait Islander children and young people with a care placement, and
- Number of care days used.

2.48 CSD has established practices and processes to obtain and oversight output level data provided by ACT Together (Barnardos) and Uniting CFACT. For ACT Together (Barnardos), output level data is collated and verified through a quarterly reconciliation process. For Uniting CFACT, output level data is provided through quarterly and cumulative key performance indicator reporting. CSD uses this data to produce *A Step Up for Our Kids Snapshot Reports*. These show service system demand and provide detailed data of children and young people accessing out-of-home care. The data provided is used to inform the whereabouts of children and young people in care; intensive CSD staff resources are allocated to ensure that data is matched and to correct any anomalies. Through this data, CSD provide a degree of assurance that output reporting relating specifically to children, placements and numbers is delivered on by ACT Together (Barnardos) and Uniting CFACT.

Performance management processes

2.49 According to the Australian Government Contract Management Guide, better practice contract management means measuring and managing performance during the contract implementation phase to ensure a contract delivers value for money. This involves:

- performance measurement – collecting accurate and timely data on the supplier’s performance; and

- performance assessment – deciding whether the supplier’s performance meets the standards contained in the contract.

2.50 There were no policies, procedures or guidelines to support and guide CSD staff in the Relationship Management Team to effectively monitor contractual requirements and service delivery expectations with ACT Together (Barnardos) or Uniting CFACT.

Barnardos

2.51 Despite the absence of an agreed Outcomes Framework or Performance Management Framework, CSD has implemented some processes that provide assurance that the *Service Principles*, outcomes measures and performance expectations are broadly delivered on. These include:

- the Mid-Term contract reviews and associated action plans, although this was conducted as a once-off in 2018 with limited follow up;
- monthly contract management meetings by CSD and ACT Together (Barnardos);
- management and oversight measures through *A Step Up for Our Kids* governance arrangements – the Joint Governance Group and the four sub-committees;
- informal and ad hoc meetings between CSD’s Relationship Managers and ACT Together (Barnardos); and
- the conduct of operational audits.

2.52 CSD provided documentation associated with one operational audit of ACT Together (Barnardos) relating to Enduring Parental Responsibility / Permanency Processes that was conducted in 2020. In response to the draft proposed report, ACT Together (Barnardos) advised of a further four operational audits that were conducted:

- Carer Approvals and Renewals (approximately May 2017);
- Critical Incidents (approximately May 2017);
- Records Management Baseline Self Audit (approximately December 2017); and
- Selection Induction Training & Supervision (approximately June 2018).

2.53 CSD ceased conducting operational audits from 2020 due to the COVID-19 pandemic.

Uniting CFACT

2.54 Similar to arrangements with ACT Together (Barnardos), CSD has implemented some processes that provide limited assurance that the *Service Principles*, outcomes measures and performance expectations for Uniting CFACT are broadly delivered on. These include:

- the Mid-Term contract reviews and associated action plans, although this was conducted as a once-off in 2018 with limited follow up;
- the monthly contract management meetings between CSD and Uniting CFACT;

- management and oversight measures through *A Step Up for Our Kids* governance arrangements – the Joint Governance Group and the four sub-committees; and
- informal and ad hoc meetings between CSD’s Relationship Managers and Uniting CFACT.

2.55 Over the life of *A Step Up for Our Kids*, CSD’s Relationship Management Team undertook two desktop operational audits of Uniting CFACT. These were:

- an audit of Selection, Induction, Training and Supervision in 2018 which found that Uniting CFACT had a well-managed system of recruitment managed by a centralised HR team. Only minor improvements were suggested; and
- an audit titled ‘Engagement Approach - Process, timeframes, sustainability of outcomes for clients’ (2018-19). The audit considered the information in Uniting CFACT’s client data base, *Carelink* and found that it was difficult to track progress and case plan goals based on scant information being recorded.

2.56 Two key processes are discussed further:

- monthly contract management meetings; and
- Mid-Term contract reviews.

Contract management meetings

2.57 At the commencement of *A Step Up for Our Kids*, CSD put in place monthly contract management meetings to help monitor and manage the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT.

2.58 Identical terms of reference were developed for the contract management meetings. The terms of reference are not dated for ACT Together (Barnardos), whilst Uniting CFACT’s are dated as April 2021.

2.59 The terms of reference for the ACT Together (Barnardos) contract management meetings state the meetings are to:

- Promote and strengthen joint work between CYPs and ACT Together in line with the Strategy
- Identify and discuss systemic issues related to Barnardos compliance against the Contract and to identify and implement an appropriate resolution to identified compliance issues
- Discuss performance against the Contract, and identify and implement an appropriate resolution to identified performance issues
- Ensure accurate and timely reporting of required data and identify and implement an appropriate resolution to identified data reporting issues
- Identify and mitigate organisational risks
- Monitoring accountability of ACT Together subcontractors

2.60 The ACT Together (Barnardos) meetings are chaired by the Executive Group Manager (Deputy), Children Youth & Families Division, CSD. The Uniting CFACT meetings are chaired

by the Manager, Relationships Management. Membership of the contract management meetings comprises representatives of CSD and the relevant organisation.

Agendas and meeting minutes

- 2.61 A selection of agendas and meeting minutes for both ACT Together (Barnardos) and Uniting CFACT were examined for a range of the contract management meetings. Examples of standing items discussed at the meetings with ACT Together (Barnardos) included:
- data and contingency planning;
 - COVID-19 and Business Continuity Planning;
 - Service Funding Agreement updates; and
 - *Our Booris: Our Way* implementation updates.
- 2.62 Examples of standing items discussed at the meetings with Uniting CFACT included:
- reconciliation of data between CSD and service providers – data processing and quarterly data information;
 - Child Protection Checklist;
 - communication updates and information sharing; and
 - items for logging on the Issues Register.
- 2.63 The contract management meetings are predominately focused on data sharing to ensure consistency in child protection data across CSD and ACT Together (Barnardos) and Uniting CFACT. Data sharing is required as CSD’s child protection database cannot be accessed by ACT Together (Barnardos) and Uniting CFACT and vice versa. Therefore, it is imperative to achieve consistency in understanding in relation to the number of children in care at any given point in time, where they are placed, and whom they are placed with.
- 2.64 The actions arising from the meetings are extensive, but are rarely followed up or resolved. There is scope to improve the function and operation of the meetings.

Maintenance of an Issues Log/Register

- 2.65 Both terms of reference identify that an Issues Log/Register will be maintained to track the status of implementation of agreed actions. An Issues Register was maintained, but it grew exponentially to the point where a decision was taken to cease the reporting of issues and roll known issues into broad discussions in the contract management meetings. The Issues Register has over 100 line items ranging from issues relating to placements, contact, data and payments, communications and contract management issues. There is no status update assigned to each issue on the Issues Register.
- 2.66 In response to the draft proposed report, ACT Together (Barnardos) advised:

Barnardos experience of the contract management particularly in the first contract period (to February 2021) was that it was characterised by a very clear ‘command and control’ approach,

which was at time highly directive, compliance driven against particular contract terms and lacking in partnership towards positive child outcomes. The approach was experienced as deficit driven and largely failing to respond to the enormity of the reform agenda or assist contracted providers through a partnership lens, recognising the enormity of the change which needed to occur across the whole system, including within CSD.

2.67 Despite the absence of an agreed Outcomes Framework or Performance Management Framework, CSD has implemented some processes to provide limited assurance that the *Service Principles*, outcomes measures and performance expectations are broadly delivered on. These include: the Mid-Term contract reviews and associated action plans; monthly contract management meetings; and the conduct of operational audits. The monthly contract management meetings have been used predominately as an avenue for CSD and service providers to quality assure data about children and young people accessing out-of-home care and where children and young people are placed. An Issues Log was created with an extensive number of issues arising but it was not maintained nor were issues explicitly actioned or resolved. There is scope to improve the function and operation of the meetings.

Mid-Term Contract Reviews

2.68 The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT require the conduct of Mid-Term contract reviews.

2.69 CSD undertook Mid-Term contract reviews with both service providers, as required in the Service Funding Agreements.

Mid-Term Contract Review with ACT Together (Barnardos)

2.70 In 2018, CSD commenced a Mid-Term contract review in relation to how ACT Together (Barnardos) was performing against its Service Funding Agreement and within the out-of-home care system overall. The review was undertaken by KPMG. The review focused on:

- contract compliance;
- financial analysis; and
- governance arrangements.

2.71 In relation to contract compliance, the Mid-Term review found:

The Contract Audit identified that of the 19 sample contract provisions reviewed ... 'satisfactory compliance' was evidenced for 14 clauses and 'partial compliance' was evidenced for five clauses.

2.72 Two notable examples of 'partial' compliance relate to:

Schedule 2 Cl 2.1.9 Case Management (single case management framework)

- Included in this, is the legislative requirements for the submission of Annual Review Reports (ARRs) which are an essential component of effective case management ...The finding of partial compliance was attributed to the outstanding ARR.

Schedule 2 Cl. 5.1.1 Performance Expectations

- The provision of services in accordance with CSD policy and procedures (in particular CYPs procedures) and all relevant legislation including but not limited to the *Children and Young People Act 2008*, *Territory Records Act 2002*, *Human Rights Act 2004* and the *Information and Privacy Act 2004 (ACT)*.
- The finding of partial compliance was attributed to non-compliance with sub-clause (d) namely that services are not being provided in accordance with legislative requirements (outstanding ARRs, ACA's and some of the sample departmental client files reviewed not having the required forms on the file).

2.73 CSD attempted to review performance against the *Step Up for Our Kids* strategic priorities and the contract outcomes. For most of these measures, there was no evidence available to demonstrate performance. In response to the draft proposed report, ACT Together (Barnardos) advised that it had provided large amounts of data to support an assessment against the strategic priorities and contract outcomes, but that CSD failed to use this data to make such an assessment.

2.74 The Mid Term contract review culminated in an Action Plan being developed. Actions relating to ACT Together (Barnardos) performance against the contract, with proposed actions to remedy issues were identified. Responsibility was assigned to the Relationship Management Team to oversee ACT Together (Barnardos) work. In response to the draft proposed report, ACT Together (Barnardos) provided information to show the Action Plan was monitored through contract meetings.

Mid-Term Contract Review with Uniting CFACT

2.75 CSD also undertook a Mid-Term contract review in 2018 in relation to how Uniting CFACT was performing against its Service Funding Agreement and within the system overall. The Mid Term contract review found:

... the overall system is maturing, collaboration continues to develop, and that there are still challenges in implementing a reform of this scale and complexity.

2.76 In relation to the contract compliance assessment, the Mid-Term review found:

The Contract Audit identified that of the 14 sample contract provisions reviewed... 'satisfactory compliance' was evidenced for all 14 clauses.

2.77 CSD also attempted to review Uniting CFACT's performance against the *Step Up for Our Kids* strategic priorities and contract outcomes. Many measures had no sources of data to demonstrate Uniting CFACT's performance.

2.78 The Service Funding Agreements with both ACT Together (Barnardos) and Uniting CFACT required the conduct of Mid-Term contract reviews. CSD undertook Mid-Term contract reviews with both service providers as required. CSD attempted to review performance against the *Step Up for Our Kids* strategic priorities and the contract outcomes. For most of these measures, there was no evidence available to demonstrate performance. The Mid Term contract review with ACT Together (Barnardos) culminated in an Action Plan being developed. Actions relating to ACT Together (Barnardos) performance against the contract,

with proposed actions to remedy issues were identified. Responsibility was assigned to the Relationship Management Team to oversee ACT Together (Barnardos) work.

RECOMMENDATION 1 PERFORMANCE MANAGEMENT FRAMEWORK

As part of implementing the *Next Steps* strategy, CSD should implement a robust performance management framework with its contracted service providers. The framework should include:

- a) performance measures that are measurable and support accountability for delivery of contracted services;
- b) processes to regularly assess performance and provide timely feedback to providers; and
- c) mandatory contractual provisions that clearly express these arrangements as well as processes for managing non-compliance or poor performance in delivering contracted services.

3 GOVERNANCE ARRANGEMENTS

- 3.1 This chapter discusses the governance and administrative arrangements that were established for the management and oversight of the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. This includes consideration of the role and function of governance committees, as well as risk management and fraud control arrangements.

Summary

Conclusion

CSD implemented a series of governance committees to oversight the implementation of *A Step Up for Our Kids*. Elements of this arrangement, including the Joint Governance Group and the Accountability, Performance and Evaluation Sub-Committee, were relevant to monitoring service provider performance. Neither of these committees met as regularly as expected. The Joint Governance Group was established as a decision-making body that reviewed and approved key deliverables under each contract, but it did not fulfill this role. Rather, it was primarily focused on information exchange and dissemination. The sub-committees to the Joint Governance Group, including the Accountability, Performance and Evaluation Sub-Committee, were also ineffective in fulfilling their purpose. Reasons for this included: having too many members; a lack of appropriate and committed members who regularly attended meetings; cross-over of responsibilities between each committee; lack of role clarity; and ineffective contributions from CSD staff and representatives.

Key findings

Paragraph

Governance arrangements

Following the launch of *A Step Up for Our Kids* in 2016 and the signing of the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT, CSD developed and promulgated the *Step Up for Our Kids* Operational Framework. The Operational Framework provides high-level guidance on operational, governance and administrative arrangements for *A Step Up for Our Kids* to CSD, its partner agencies and other stakeholders. The Operational Framework identified a series of governance committees to oversight the implementation of *A Step Up for Our Kids* including the Joint Governance Group and a range of supporting sub-committees. While the committees are predominantly focused on the implementation of the strategy for *A Step Up for Our Kids*, elements of this arrangement are responsible for monitoring service provider performance and ACT Together (Barnardos) and Uniting CFACT compliance with the Service Funding Agreements.

3.10

The Joint Governance Group commenced in 2016 and was expected to meet bi-monthly. CSD did not have sufficient records of meetings to demonstrate that the group met as expected. The Joint Governance Group was primarily focused on information exchange and dissemination. A review of the meeting minutes also shows that the Joint Governance Group was expected to have a role in reviewing and approving key deliverables such as the *Step Up for Our Kids* Operational Framework, Mid Strategy Evaluation, Mid-Term Contract Reviews and Annual Review Reports for children and young people in care. 3.18

Other sub-committees were established to support the activities of the Joint Governance Group and the implementation of *A Step Up for Our Kids*. These include the Accountability, Performance and Evaluation Sub-Committee, Policy and Operations Sub-Committee, Workforce Capability Sub-Committee and Carer Wellbeing Sub-Committee. The Accountability, Performance and Evaluation Sub-Committee was most relevant to supporting the operation of the contracts with ACT Together (Barnardos) and Uniting CFACT. 3.37

A review of the operation of the sub-committees highlighted several factors that undermined their effectiveness including: 3.38

- having too many members. Membership of the sub-committees ranged from seven to fourteen members;
- not having ‘appropriate’ representation. Membership of the sub-committees ranged from executive group manager level to project officer level. Membership would be enhanced by ensuring the most relevant personnel to attend;
- varying levels of commitment in terms of attendance at the meetings;
- duplication with the operations of the Joint Governance Group;
- a lack of clarity about roles and responsibilities in practice. This was despite the Governance Manual being explicit about responsibilities; and
- insufficient contribution and support from CSD staff and representatives.

The Joint Governance Group and its supporting sub-committees ceased in mid-2021 due to the *Next Steps* reform. Following this, CSD established *A Step Up for Our Kids* Reform Steering Committee and *A Step Up for Our Kids* Reform Project Board for a 12-month period with the explicit purpose of providing an expert advisory function to facilitate the development of the next iteration of *A Step Up for Our Kids* and a sourcing strategy to procure out-of-home care services after 30 June 2022. As at February 2024, work to implement new governance arrangements has not been fully completed for the purpose of the *Next Steps* strategy. 3.44

Risk management and fraud control

A risk register for *A Step Up for Our Kids* was developed prior to its implementation. The risk register focused on risks associated with the transition to new out-of-home 3.52

care reform arrangements. The risk register identified a series of strategic and operational risks associated with the implementation of *A Step Up for Our Kids*, including risks associated with the procurement of service providers. The risk register was last updated in May 2015. An additional risk register was separately developed and implemented and regularly reviewed through the Joint Governance Group. There is evidence to show that the Joint Governance Group used the risk register to consider service delivery and contract management risks.

CSD did not develop or implement a specific fraud control strategy or plan that sought to identify, document and mitigate fraud risks associated with out-of-home care services being delivered through outsourced service providers. Notwithstanding the lack of a fraud control strategy or plan, one mechanism that seeks to mitigate the risk of fraud is a monthly data reconciliation process with ACT Together (Barnardos). The *ACT Together Reconciliation and Quarterly Payment Procedure* was developed and implemented to support the monthly data reconciliation process and ensure both CSD and ACT Together (Barnardos) have access to identical data. The monthly procedure is undertaken to support the quarterly payment procedure. It determines how many days of out-of-home care CSD will pay ACT Together (Barnardos) for over the quarter.

3.58

Governance arrangements

A Step Up for Our Kids Operational Framework

3.2 Following the launch of *A Step Up for Our Kids* in 2016 and the signing of the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT, CSD developed and promulgated the *Step Up for Our Kids* Operational Framework. The purpose of the Operational Framework was:

... to describe the operating and governance arrangements required to deliver *A Step Up for Our Kids* - Out of Home Care Strategy 2015-2020. This document acts as a bridge between the legislation, contractual agreements and policy, and sets out how the Strategy will be delivered in practice.

3.3 The Operational Framework provides high-level guidance on operational, governance and administrative arrangements for *A Step Up for Our Kids* to CSD, its partner agencies and other stakeholders. The Operational Framework includes information on:

- the purpose and principles of *A Step Up for Our Kids*;
- the services provided through *A Step Up for Our Kids*;
- service provider roles and responsibilities;
- the 'operating framework' for *A Step Up for Our Kids*, including high-level information on the regulatory and oversight arrangements for out-of-home care;
- avenues for complaint and issues resolution;

- responsibilities under the *Children and Young People Act 2008* that have been delegated by the Director-General;
- parental responsibility under the *Children and Young People Act 2008*, including the differences between ‘daily care’ responsibility and ‘long-term care’ responsibility;
- an outcomes and evaluation framework associated with *A Step Up for Our Kids* (refer to paragraph 2.15); and
- governance arrangements for *A Step Up for Our Kids*, including:
 - external governance arrangements, e.g. courts and tribunals, statutory oversight bodies, ACT Government reporting requirements; and
 - internal governance arrangements, including the Joint Governance Group and its four sub-committees (refer to paragraph 3.6) and Joint Practice Panels.

***A Step Up for Our Kids* Operational Framework – Control Framework**

- 3.4 The Operational Framework includes a very brief section on the ‘control framework’ associated with the implementation of *A Step Up for Our Kids*. It is in the form of a diagram which outlines operational, service monitoring, advocacy, regulation, oversight and accountability controls. The controls are simply listed with no further discussion or description. Specific responsibilities for the implementation of the controls are not articulated and ascribed.
- 3.5 Some of the listed controls relate to the management of the Service Funding Agreements with the relevant service providers. As discussed in Chapter 2, there were significant shortcomings in the performance management arrangements for the service providers.

Governance committees

- 3.6 The *Step Up for Our Kids* Operational Framework identified a series of governance committees that were intended to oversight the implementation of *A Step Up for Our Kids*. These include:
- the Joint Governance Group; and
 - its supporting sub-committees:
 - Accountability, Performance and Evaluation Sub-Committee;
 - Carer Wellbeing Sub-Committee;
 - Policy and Operations Sub-Committee; and
 - Workforce Capability Sub-Committee.
- 3.7 The role and responsibilities of the different governance committees are outlined in a *Governance Manual: Terms of Reference and Workplans*. The Governance Manual states ‘the shared purpose of the governance committees is to ensure that children and young people in out-of-home care grow up strong, safe and connected’. For each of the committees, the Governance Manual sets out:
- terms of reference;

- membership; and
 - an annual work plan.
- 3.8 The Governance Manual, including the committees' annual work plans, is expected to be reviewed and updated on an annual basis. The annual work plans identify:
- actions expected to be progressed by the committee in the year, with reference to an overarching project/activity and priority, including;
 - key milestones and deliverables;
 - timeframes; and
 - persons responsible for implementation; and
 - a brief assessment of progress on the implementation of the action (i.e. complete / not commenced / on target to achieve objectives / at risk of achieving objectives / requires action to achieve).
- 3.9 While these committees are predominantly focused on the implementation of the strategy for *A Step Up for Our Kids*, there are elements of this arrangement which are responsible for establishing and overseeing mechanisms to monitor service provider performance and ACT Together (Barnardos) and Uniting CFACT compliance with the Service Funding Agreements. These are specifically:
- the Joint Governance Group; and
 - the Accountability, Performance and Evaluation Subcommittee.
- 3.10 Following the launch of *A Step Up for Our Kids* in 2016 and the signing of the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT, CSD developed and promulgated the *Step Up for Our Kids* Operational Framework. The Operational Framework provides high-level guidance on operational, governance and administrative arrangements for *A Step Up for Our Kids* to CSD, its partner agencies and other stakeholders. The Operational Framework identified a series of governance committees to oversee the implementation of *A Step Up for Our Kids* including the Joint Governance Group and a range of supporting sub-committees. While the committees are predominantly focused on the implementation of the strategy for *A Step Up for Our Kids*, elements of this arrangement are responsible for monitoring service provider performance and ACT Together (Barnardos) and Uniting CFACT compliance with the Service Funding Agreements.

Joint Governance Group

Overview and purpose

- 3.11 The Joint Governance Group is the decision-making body guiding the work of the sub-committees. The purpose of the Group was to:

- Lead cultural change across the service system under *A Step Up for Our Kids*
- Monitor and inform decisions about the implementation of *A Step Up for Our Kids*
- Oversee delivery of agreed outcomes

Minimise the impact of identified risk

3.12 The Joint Governance Group commenced in 2016 and was expected to meet bi-monthly. CSD did not have sufficient records of meetings to demonstrate that the group met as expected. The Chair was the Deputy-Director General, Community Services Directorate. Members included senior staff of CSD, the Chief Executive Officer of Barnardos, the General Manager, Operations of ACT Together, Director of Uniting CFACT and the heads of the other members in the ACT Together consortium – OzChild and Australian Childhood Foundation. CSD's Strategy and Governance Section provided secretariat services to the Group.

3.13 The Governance Manual identifies the responsibilities of the Group as being:

Reviewing and ensuring alignment with the strategic intent of *A Step Up for Our Kids*

Monitoring and ensuring business outcomes and benefits are defined and delivered

Identify, manage and resolve strategic risks and issues

Review and approve key deliverables

Provide advice on next steps for action where the sub-committees are unable to resolve issues.

Operation and effectiveness

3.14 To understand the operation and effectiveness of the Joint Governance Group the Audit Office reviewed meeting minutes and interviewed representatives from CSD, ACT Together (Barnardos) and Uniting CFACT.

3.15 The Joint Governance Group was primarily focused on information exchange and dissemination. A review of a selection of meeting minutes indicated agenda items for discussion included, but were not limited to:

- information sharing with carers;
- presentation of learnings or other guest presentations;
- sub-committee updates;
- presentation of data (but insufficient opportunity to consider its broader implications on service delivery);
- service delivery partner updates; and
- updates on the Reportable Conduct Scheme – a Scheme that requires certain organisations working with children to report allegations of child abuse to the ACT Ombudsman.

3.16 A review of the meeting minutes also shows that the Joint Governance Group was expected to have a role in reviewing and approving key deliverables such as the *Step Up for Our Kids* Operational Framework, Mid Strategy Evaluation, Mid-Term Contract Reviews and Annual Review Reports for children and young people in care.

Mid-Term Contract Review

- 3.17 As noted in paragraphs 2.64 to 2.76, in 2018 CSD carried out Mid-Term contract reviews with both service partners, as required in the Service Funding Agreements. The Mid Term contract reviews found that the Joint Governance Group was operating well with service providers committed to its functioning.
- 3.18 The Joint Governance Group commenced in 2016 and was expected to meet bi-monthly. CSD did not have sufficient records of meetings to demonstrate that the group met as expected. The Joint Governance Group was primarily focused on information exchange and dissemination. A review of the meeting minutes also shows that the Joint Governance Group was expected to have a role in reviewing and approving key deliverables such as the *Step Up for Our Kids* Operational Framework, Mid Strategy Evaluation, Mid-Term Contract Reviews and Annual Review Reports for children and young people in care.

Accountability, Performance and Evaluation Sub-Committee

- 3.19 The purpose of the Accountability, Performance and Evaluation Sub-Committee was to:
- Establish a risk framework and monitor treatments
 - Monitor and report progress of indicators and inform decisions about *A Step Up for Our Kids* and its implementation
 - Monitor outcomes of a shared audit schedule
 - Identify opportunities for improvement
- 3.20 The Accountability, Performance and Evaluation Sub-Committee was expected to meet every six weeks during the implementation phase of *A Step Up for Our Kids*. CSD was not able to supply sufficient records to demonstrate the sub-committee had met this expectation. The Committee members consisted of representatives of CSD, ACT Together (Barnardos), Uniting CFACT and Australian Childhood Foundation. The Committee was chaired by the Executive Group Manager, Children, Youth and Families.
- 3.21 The Governance Manual identifies the responsibilities of the Committee as:
- Review and monitor progress of the implementation of *A Step Up for Our Kids* against the outcomes and evaluation framework
 - Identify, manage and report on shared audit schedule
 - Identify and oversee response to strategic risks or trends highlighting service delivery pressures or issues
 - Identify opportunities for improvement

Other committees to support implementation of *A Step Up for Our Kids*

- 3.22 Three other committees are outlined in the Governance Manual, but did not have a specific role in supporting compliance with, or oversight of, the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. These are the:
- Policy and Operations Sub-Committee;

- Workforce Capability Sub-Committee; and
- Carer Wellbeing Sub-Committee.

Policy and Operations Sub-Committee

3.23 The purpose of the Policy and Operations Sub-Committee was to:

Lead operational alignment with strategic intent of *A Step Up for Our Kids*

Identify, develop and implement joint policies across partners

Ensure business as usual operational processes and practices are in place to deliver the outcomes of *A Step Up for Our Kids*

Develop a shared understanding and management of client and operational risk

Promote the delivery of a trauma-informed service and system

3.24 The Policy and Operations Sub-Committee was expected to meet quarterly. The Committee members consisted of representatives of CSD, ACT Together (Barnardos), Uniting CFACT and Australian Childhood Foundation. The Committee was chaired by the Executive Senior Branch Manager, Practice and Performance.

3.25 The Governance Manual identifies the responsibilities of the Committee as:

Ensure business systems and processes are in place to meet outcomes

Ensure integration of practice, aligned with contract and strategy

Monitor data related operational performance (demand, throughput, practice interface)

Identify new and emerging strategic and client risks

Identify trends and drivers that may influence policy and practice (e.g. quarterly outputs/Report on Government Services/Evaluation Framework/external initiatives)

Operational issue identification and management as identified through business as usual operational groups/meetings

External operational stakeholders pivotal to client outcomes

Seek feedback from Advocacy groups to inform practice and policy (quarterly)

Workforce Capability Sub-Committee

3.26 The purpose of the Workforce Capability Sub-Committee was to 'build and maintain workforce capability across the sector'.

3.27 The Workforce Capability Sub-Committee was expected to meet every two months. The Senior Manager, Practice and Performance, Child and Youth Protection Services and Regional Manager, Carers and Contact, ACT Together (Barnardos) were responsible for co-chairing the meeting. Membership of this sub-committee is the smallest of all committees with seven members, plus a secretariat function.

3.28 The Governance Manual identifies the responsibilities of the Committee as:

Develop, implement, monitor and report on communications strategy – internal and external

Develop, implement, monitor and report on cultural competency strategies

Provide opportunities to enhance a culture of collaboration
 Monitor and report on workforce development and capacity
 Monitor carer recruitment strategies

Carer Wellbeing Sub-Committee

3.29 The purpose of the Carer Wellbeing Sub-Committee was to:

... support good governance of *A Step Up for Our Kids* by providing advice to the Joint Governance Group on matters relating to:

- Monitoring and reporting on the wellbeing of Carers
- Advice on strategies to support the role of carers within *A Step Up for Our Kids*
- Monitor how *A Step Up for Our Kids* impacts on the carer experience

3.30 The Carer Wellbeing Sub-Committee was expected to meet every six weeks. The Committee members consisted of representatives of CSD, ACT Together (Barnardos), Uniting CFACT and Australian Childhood Foundation. The Committee was chaired by the General Manager, Operations (ACT Together (Barnardos)).

3.31 The Governance Manual identifies the responsibilities of the Committee as:

Monitor and provide advice in relation to the implications of the *A Step Up for Our Kids* in relation to carer wellbeing

Work in partnership to achieve the goals of *A Step Up for Our Kids*

Effectiveness of the sub-committees

3.32 The Audit Office sought feedback on the operation of the sub-committees from CSD, ACT Together (Barnardos) and Uniting CFACT. The feedback highlighted several factors that undermined the effective operation of the four sub-committees. These primarily related to aspects of sub-committee membership including:

- having too many members. Membership of the sub-committees ranged from seven to fourteen members;
- not having 'appropriate' representation. Membership of the sub-committees ranged from executive group manager level to project officer level. Membership would be enhanced by ensuring the most relevant personnel to attend;
- varying levels of commitment in terms of attendance at the meetings;
- duplication with the operations of the Joint Governance Group;
- a lack of clarity about roles and responsibilities in practice. This was despite the Governance Manual being explicit about responsibilities; and
- insufficient contribution and support from CSD staff and representatives.

- 3.33 The Audit Office reviewed a selection of sub-committee meeting minutes from the Accountability, Performance and Evaluation Sub-Committee and the Joint Governance Group. The minutes highlighted a range of issues:
- there was an overlap of responsibility between the Accountability, Performance and Evaluation Sub-Committee and the Joint Governance Group;
 - the relationship between these groups and the regular contract management meetings was unclear. Neither of the groups recognised and documented their respective roles and responsibilities vis a vis the contract management meetings. Similarly, the contract management meetings did not have a clear reporting line to either of these groups to inform an assessment of performance and escalate issues.
- 3.34 A review of minutes shows that attendance by members at the Accountability, Performance and Evaluation Sub-Committee was sporadic. For example, despite the sub-committee consisting of 14 members, the 3 July 2018 minutes indicate that only eight members attended, while the 23 February 2021 minutes report that only 10 members attended.
- 3.35 Consultation with sub-committee representatives from the service providers indicated that those who were members of the Policy and Operations Sub-Committee found the Committee gave them some opportunity to have input and influence on policy direction and decision-making. However, feedback was also received in relation to:
- participation on the committees being administratively burdensome;
 - overlap and duplication with the Joint Governance Group;
 - need for updates to be prepared for every meeting; and
 - a lack of timely progression on actions despite there being a formal Issues Register.
- 3.36 Smaller numbers of sub-committee members may have greatly enhanced the operations of the sub-committees.
- 3.37 Other sub-committees were established to support the activities of the Joint Governance Group and the implementation of *A Step Up for Our Kids*. These include the Accountability, Performance and Evaluation Sub-Committee, Policy and Operations Sub-Committee, Workforce Capability Sub-Committee and Carer Wellbeing Sub-Committee. The Accountability, Performance and Evaluation Sub-Committee was most relevant to supporting the operation of the contracts with ACT Together (Barnardos) and Uniting CFACT.
- 3.38 A review of the operation of the sub-committees highlighted several factors that undermined their effectiveness including:
- having too many members. Membership of the sub-committees ranged from seven to fourteen members;
 - not having ‘appropriate’ representation. Membership of the sub-committees ranged from executive group manager level to project officer level. Membership would be enhanced by ensuring the most relevant personnel to attend;

- varying levels of commitment in terms of attendance at the meetings;
- duplication with the operations of the Joint Governance Group;
- a lack of clarity about roles and responsibilities in practice. This was despite the Governance Manual being explicit about responsibilities; and
- insufficient contribution and support from CSD staff and representatives.

Cessation of the governance groups

3.39 The Joint Governance Group and its supporting sub-committees ceased in mid-2021 due to the *Next Steps* reform. In formal correspondence to stakeholders CSD advised:

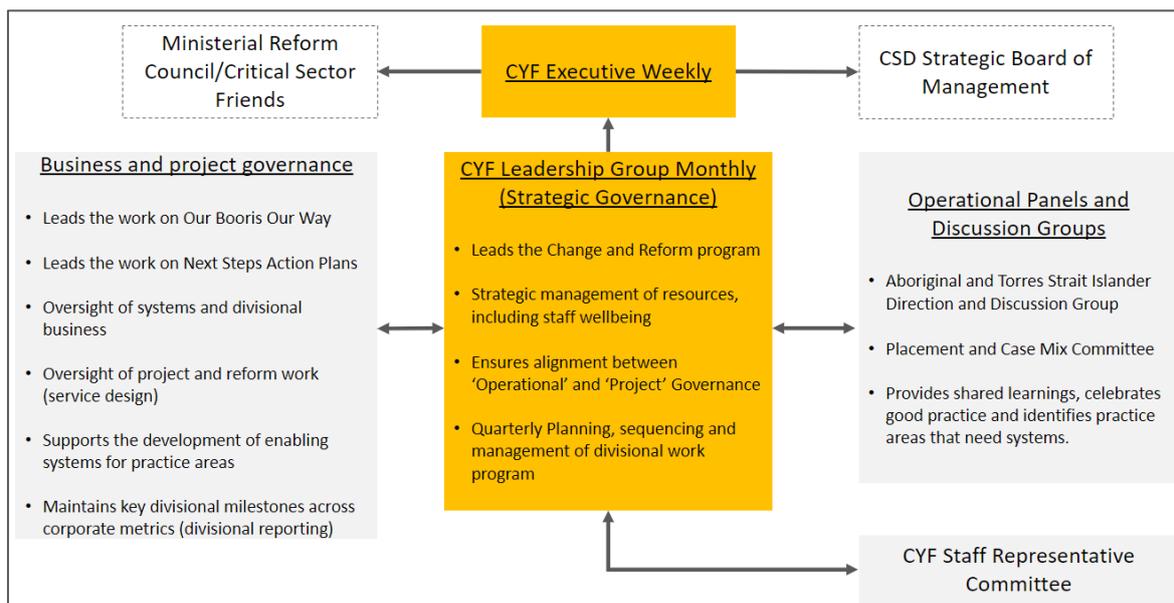
Consistent with the legislative framework, and as the Territory enters the stage of defining the reform strategy, it must pursue value for money for all procurement activities, having regard to probity and ethical behaviour. This means the Territory is obligated to ensure that no sector or interest group has access to any information not publicly available. In this context, and in line with the ACT Government legislative and policy requirements on probity in a procurement environment [stet] The Directorate has pursued internal governance arrangements and has established two temporary non-statutory committees to fulfil an expert advisory function to facilitate the development of the next iteration of *A Step Up for Our Kids* and a sourcing strategy to procure out of home care services for the ACT Government post 30 June 2022. Based on this, I would like to inform you that a decision has been made to cease the operations of the Joint Governance Group (JGG) and the affiliated sub-committees that report to the JGG effective 30 July 2021.

3.40 Following the cessation of the Joint Governance Group in mid-2021, CSD established the *Step Up for Our Kids* Reform Steering Committee and *A Step Up for Our Kids* Reform Project Board for a 12-month period with the explicit purpose of providing an expert advisory function to facilitate the development of the next iteration of *A Step Up for Our Kids* and a sourcing strategy to procure out-of-home care services post 30 June 2022.

3.41 This gap in governance arrangements meant that there was a period (mid-2021 to mid-2022) where no governance arrangements were in place that focused on the implementation of *A Step Up for Our Kids*. This meant that there was also a lack of governance for contract management and administration.

3.42 CSD advised that it intends to implement new governance arrangements under the *Next Steps* strategy. A representation of this structure is shown at Figure 3-1.

Figure 3-1 New governance arrangements for Next Steps oversight



Source: Community Services Directorate

3.43 As at February 2024, the revised governance arrangements have not been fully implemented for the purpose of the *Next Steps* strategy. CSD advised that, while the Placement and Case Mix Committee was established in April 2023, other parts of the ‘operational panels and discussion groups’ component of Figure 3-1 will be implemented during 2024. CSD advised that the Child and Family Reform Ministerial Council was established on 1 September 2023, and this has the primary function of overseeing the *Next Steps* strategy.

3.44 The Joint Governance Group and its supporting sub-committees ceased in mid-2021 due to the *Next Steps* reform. Following this, CSD established *A Step Up for Our Kids* Reform Steering Committee and *A Step Up for Our Kids* Reform Project Board for a 12-month period with the explicit purpose of providing an expert advisory function to facilitate the development of the next iteration of *A Step Up for Our Kids* and a sourcing strategy to procure out-of-home care services after 30 June 2022. As at February 2024, work to implement new governance arrangements has not been fully completed for the purpose of the *Next Steps* strategy.

Risk management and fraud control

Risk management

3.45 The *ACT Government’s Risk Management Policy 2019* defines risk management as:

... the combination of culture, systems and processes undertaken by an entity in the identification and management of risk.

3.46 The policy aims to assist ACT Government entities to:

- develop a culture of risk resilience;
- develop risk management methodology in planning, project management, operational management and review processes;
- define responsibility and accountability for the management of risk; and
- identify risks and opportunities to drive enhanced performance and values.

A Step Up for Our Kids Strategic Risk Register

3.47 A risk register for *A Step Up for Our Kids* was developed prior to its implementation. The risk register focused on risks associated with the transition to new out-of-home care reform arrangements. It was developed with reference to the ACTIA ACT Government Risk Matrix. The risk register identified:

- seven strategic risks (four High risks and 3 Medium risks); and
- 14 operational risks (five High risks and nine Medium risks).

3.48 The risks identified in the risk register were varied and included, for example, fundamental risks associated with the failure to deliver the expected benefits of the out-of-home care reforms, failure to procure appropriate service providers and failure to effectively implement the revised administrative arrangements. Existing controls are identified as well as additional controls needed to further manage the risk.

3.49 This risk register was last updated in May 2015.

3.50 An additional risk register was separately developed and implemented and regularly reviewed through the Joint Governance Group. This risk register considered service delivery and contract management risks and assigned responsibilities to subcommittees at regular meetings of the Joint Governance Group. However, these processes were no longer in effect once the Joint Governance Group ceased in mid-2021.

3.51 CSD advised that it is identifying risks of potential suppliers under tender arrangements for new contracts under *Next Steps*, and a risk management plan is being created to support the transition to new arrangements, both within CSD and for external stakeholders. CSD advised this plan will be finalised once the panel of providers for services under *Next Steps* has been implemented.

3.52 A risk register for *A Step Up for Our Kids* was developed prior to its implementation. The risk register focused on risks associated with the transition to new out-of-home care reform arrangements. The risk register identified a series of strategic and operational risks associated with the implementation of *A Step Up for Our Kids*, including risks associated with the procurement of service providers. The risk register was last updated in May 2015. An additional risk register was separately developed and implemented and regularly reviewed through the Joint Governance Group. There is evidence to show that the Joint

Governance Group used the risk register to consider service delivery and contract management risks.

Fraud control

- 3.53 The revised service delivery arrangements under *A Step Up for Our Kids* represented a considerable change to out-of-home care service delivery. There are considerable sums of money being paid to service delivery partners for outsourced service delivery. A particular and specific set of fraud-related risks becomes apparent through these arrangements.
- 3.54 CSD did not develop or implement a specific fraud control strategy or plan that sought to identify, document and mitigate fraud risks associated with out-of-home care services being delivered through outsourced service providers.
- 3.55 A fraud control strategy or plan could include things such as:
- a summary of how any fraud risks relating to possible service provider fraud have been identified and mitigated;
 - an outline of strategies to reduce fraud risk and vulnerabilities associated with outsourcing out-of-home care;
 - a clear position on who within CSD is accountable for designing, implementing and evaluating fraud strategies and countermeasures, as they relate to out-of-home care; and
 - details and protocols for reporting suspicions of fraud.

Monthly reconciliation of data – ACT Together (Barnardos)

- 3.56 Notwithstanding the lack of a fraud control strategy or plan, one mechanism that seeks to mitigate the risk of fraud is a monthly data reconciliation process with ACT Together (Barnardos). The monthly data reconciliation process seeks to ensure that data on children and young people in out-of-home care is consistent between CSD and ACT Together (Barnardos).
- 3.57 The *ACT Together Reconciliation and Quarterly Payment Procedure* was developed and implemented to support the monthly data reconciliation process to ensure both CSD and ACT Together (Barnardos) have access to identical data. This was because the management information systems used by CSD and ACT Together (Barnardos) were not linked. The monthly procedure is undertaken to support the quarterly payment procedure. It determines how many days of out-of-home care CSD will pay ACT Together (Barnardos) for over the quarter.
- 3.58 CSD did not develop or implement a specific fraud control strategy or plan that sought to identify, document and mitigate fraud risks associated with out-of-home care services being delivered through outsourced service providers. Notwithstanding the lack of a fraud control strategy or plan, one mechanism that seeks to mitigate the risk of fraud is a monthly data

reconciliation process with ACT Together (Barnardos). The *ACT Together Reconciliation and Quarterly Payment Procedure* was developed and implemented to support the monthly data reconciliation process and ensure both CSD and ACT Together (Barnardos) have access to identical data. The monthly procedure is undertaken to support the quarterly payment procedure. It determines how many days of out-of-home care CSD will pay ACT Together (Barnardos) for over the quarter.

RECOMMENDATION 2**GOVERNANCE AND ADMINISTRATIVE ARRANGEMENTS**

For the purpose of the *Next Steps* strategy, CSD should develop and implement a revised approach for its governance arrangements and for managing service funding agreements with its service delivery partners. In doing so CSD should:

- a) undertake a lessons learnt exercise with regards to how its service funding agreements, and associated governance arrangements, with ACT Together (Barnardos) and Uniting CFACT have been administered under *A Step Up for Our Kids*;
- b) review better practice contract management and governance resources and critically examine how they could be implemented in *Next Steps*;
- c) articulate and document a contract management approach via a formal contract implementation plan at the outset of *Next Steps*;
- d) develop and implement risk, fraud and stakeholder communications plans for service delivery partners for *Next Steps*; and
- e) implement a process to continually review and refine contract management and governance arrangements over the life of *Next Steps* to ensure the approach is fit for purpose and achieving its desired goal.

4 SUPPORT FOR ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

- 4.1 This chapter discusses CSD’s activities to promote culturally appropriate care for Aboriginal and Torres Strait Islander children and young people through its Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. The chapter considers the Child Placement Principle, the complexities of defining ‘culturally appropriate care’ and the measures CSD has put in the Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT to best support Aboriginal and Torres Strait Islander children and young people.

Summary

Conclusion

Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT do not effectively define how services delivered to Aboriginal and Torres Strait Islander children and families will meet their cultural needs.

CSD has implemented some contractual requirements relating to services to Aboriginal and Torres Strait Islander children and young people. This includes supporting care that recognises their cultural rights and maintaining connection with their cultural identity. However, CSD has not effectively monitored these requirements and cannot demonstrate whether ACT Together (Barnardos) or Uniting CFACT have met their obligations to Aboriginal and Torres Strait Islander people.

Key findings

Paragraph

Aboriginal and Torres Strait Islander Child Placement Principle

Through *A Step Up for Our Kids*, CSD made a commitment to ensure Aboriginal and Torres Strait Islander children and young people would have access to culturally specific services provided by agencies including CYPS, ACT Together (Barnardos) and Uniting CFACT. These services were meant to ensure all Aboriginal and Torres Strait Islander children and young people:

4.24

- have access to a range of culturally specific services through ACT Together, Uniting CFACT, CYPS and other community organisations such as Gugan Gulwan Youth Aboriginal Corporation;
- have a cultural care plan in place – that is, a plan specifically developed for each Aboriginal and Torres Strait Islander child or young person, with the engagement and participation of the child’s birth family and

with the advice and support of cultural advisers who work across the out-of-home care service system - as per legislative and policy requirements; and

- are connected with their culture and are offered access to appropriate services and support.

Service Funding Agreement requirements for culturally appropriate care

The term *culturally appropriate care* is not clearly and/or prominently defined in CSD's Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. However, the Service Funding Agreements mention more narrow aspects of culturally appropriate care. For instance, the Service Funding Agreement with ACT Together (Barnardos) refers to *cultural competence* and *cultural competency*. The Service Funding Agreement with ACT Together (Barnardos) and Uniting CFACT both refer to *culturally proficient*. 4.39

CSD's Service Funding Agreement with ACT Together (Barnardos) includes clauses relating to services to Aboriginal and Torres Strait Islander children and young people, such as developing cultural care plans and supporting children to obtain certificates of Aboriginality. There are also broader contractual provisions to provide services that respect and acknowledge a child's culture and heritage. However, aside from monitoring the number of cultural care plans, CSD does not routinely assure itself that ACT Together (Barnardos) is delivering out-of-home care services to Aboriginal and Torres Strait Islander children and young people in line with the Service Funding Agreement. No performance indicators, or similar, were established to monitor these contractual requirements. ACT Together (Barnardos) is, however, subject to regulation under the *ACT Care and Protection Standards*, which include consideration of care given to Aboriginal and Torres Strait Islander children. 4.49

CSD has clauses in its Service Funding Agreement with Uniting CFACT relating to providing services that are sensitive and promoting a connection to culture that reflect its narrower service scope for family and preservation services. There is no monitoring, oversight or indicators to assess Uniting CFACT's adherence to the contractual provisions that are in place. 4.52

CSD and ACT Together (Barnardos) have developed a Monitoring and Review Framework for Aboriginal and Torres Strait Islander children and young people with the aim of supporting quality assurance of case management for Aboriginal Torres Strait Islander children who are under the care of ACT Together (Barnardos). Despite being developed a year later than required by the Service Funding Agreement, the Framework is a preliminary measure for CSD to assess ACT Together (Barnardos) case management of Aboriginal and Torres Strait Islander children and young people and shows CSD's commitment to Aboriginal and Torres Strait Islander children in line with the *Our Booris: Our Way* Review. Further to this, CSD's CYPS Performance Team has developed Business Rules to guide the implementation of the Framework at an individual case level. 4.73

The Framework is intended to provide quality assurance of case management of Aboriginal Torres Strait Islander children under the care of ACT Together 4.74

(Barnardos). The current Business Rules do not require that CSD provide evidence of a holistic examination of whether a child is in fact receiving appropriate care, or not. Furthermore, the Framework is predominately focused on individual case management level and therefore does not provide broader assurance that ACT Together (Barnardos) is delivering on their contractual requirements relating to Aboriginal Torres Strait Islander care. This is a missed opportunity and there is scope for CSD to further refine the approach going forward in the implementation of the *Next Steps Strategy*.

Aboriginal and Torres Strait Islander Child Placement Principle

- 4.2 The Aboriginal and Torres Strait Islander Child Placement Principle (ATSICPP) was first developed in 1984 to help address the growing and disproportionate rate of Aboriginal and Torres Strait Islander children and young people being adopted or placed in out-of-home care with non-Indigenous carers.
- 4.3 The national non-governmental peak body for Aboriginal and Torres Strait Islander children, SNAICC – the National Voice for Our Children, has produced a guide to support organisations implement the Child Placement Principle in practice: *The Aboriginal and Torres Strait Islander Child Placement Principle: A Guide to Support Implementation* (Child Placement Principle Guide).
- 4.4 The Child Placement Principle Guide notes that the Child Placement Principle aims to:
- Ensure an understanding that culture underpins and is integral to safety and wellbeing for Aboriginal and Torres Strait Islander children and is embedded in policy and practice;
 - Recognise and protect the rights of Aboriginal and Torres Strait Islander children, family members and communities in child welfare matters;
 - Increase the level of self-determination of Aboriginal and Torres Strait Islander people in child welfare matters; and
 - Reduce the over-representation of Aboriginal and Torres Strait Islander children in child protection and out-of-home care systems.
- 4.5 The five core elements of the Child Placement Principle are:
- *Prevention* – protecting children’s rights to grow up in family, community and culture by redressing causes of child protection intervention;
 - *Partnership* – ensuring the participation of community representatives in service design, delivery and individual case decisions;
 - *Placement* – placing children in out-of-home care in accordance with the established ATSICPP hierarchy:
 - with Aboriginal and Torres Strait Islander relatives or extended family members, or other relatives and family members; or
 - with Aboriginal and Torres Strait Islander members of the child’s community; or
 - with Aboriginal and Torres Strait Islander family-based carers.

If the above preferred options are not available, as a last resort the child may be placed with:

– a non-Indigenous carer or in a residential setting.

If the child is not placed according to the highest priority, the placement must be in close geographic proximity to the child's family.

- *Participation* – ensuring the participation of children, parents and family members in decisions regarding the care and protection of their children; and
- *Connection* – maintaining and supporting connections to family, community, culture, and country for children in out-of-home care.

4.6 The *Our Booris: Our Way* Review explicitly referred to the Child Placement Principle in three recommendations:

- Recommendation 2 - Engagement of SNAICC for training on embedding the Child Placement Principle;
- Recommendation 3 - Policy and Practice Review to explicitly embed the Child Placement Principle; and
- Recommendation 5 - Ensure the full intent of Aboriginal and Torres Strait Islander Child Placement Principle is reflected in the *Children and Young People Act 2008*.

4.7 It is important that Aboriginal and Torres Strait Islander children and young people are placed in out-of-home care arrangements in accordance with the Child Placement Principle and that CSD ensures that the Principle is reflected in policy and practice.

Cultural safety/culturally appropriate care

4.8 The national non-governmental peak body for Aboriginal and Torres Strait Islander children, SNAICC – the National Voice for Our Children, has also produced a guide to support organisations to demonstrate the principles of cultural safety: *Keeping Our Kids Safe: Cultural Safety and the National Principles for Child Safe Organisations*.

4.9 The guide applies the ten *National Principles for Child Safe Organisations* to cultural safety for Aboriginal and Torres Strait Islander children, young people, families and communities. It recognises that cultural safety is an important part of an organisation being child safe. Such an organisation recognises that children, young people, family and community members feel that their culture and identity are respected. The guide confirms that:

Cultural safety is the positive recognition and celebration of cultures. It is more than just the absence of racism or discrimination and more than 'cultural awareness' and 'cultural sensitivity'. It empowers people and enables them to contribute and feel safe to be themselves.

4.10 The guide applies the National Principles for Child Safe Organisations to demonstrate cultural safety can be embedded into organisation practices. It confirms that practices such as making service delivery culturally safe and effective for Aboriginal and Torres Strait

Islander children and families is needed to demonstrate an organisation is child safe for these groups.

- 4.11 The guide is applicable to a variety of organisations. In the context of child care organisations, the term cultural safety is synonymous with the term culturally appropriate care which is a term also used widely in healthcare settings. The *Our Booris, Our Way* report also refers to expectations for services that are ‘culturally appropriate’.

Commitments to Aboriginal and Torres Strait Islander children and young people

- 4.12 Aboriginal and Torres Strait Islander children and young people comprise approximately three percent of all children and young people in the ACT, but represent approximately 31 percent of all children and young people in the out-of-home care system.

CSD commitments to Aboriginal and Torres Strait Islander children and young people

- 4.13 CSD acknowledges on its ‘Diverse Cultures’¹ page in the Child and Families section of its website that all children and birth parents involved in the child protection system have a ‘fundamental right to expect staff and carers to understand and recognise the:

- importance of cultural continuity in a child or young person’s life;
- importance of acknowledging cultural characteristics; and
- damage that may be caused by making cultural assumptions.’

- 4.14 The ‘Diverse Cultures’ page also confirms that CSD also recognises that the ‘highest priority is for Aboriginal and Torres Strait Islander children and young people to be cared for by relatives or kin community members therefore prioritising care within family networks over all other forms of care’.

- 4.15 CSD further commit publicly via its ‘Diverse Cultures’ page that:

CYPS and ACT Together seek to provide and promote the importance of culturally appropriate practice with carers as they understand cultural characteristics can have a fundamental impact on:

- child rearing practices
- domestic living arrangements
- domestic relationships
- kinship relationships
- communication styles
- body language
- knowledge and historical factors.

¹ <https://www.communityservices.act.gov.au/children-and-families/adoption-kinship-and-foster-care/carer-handbook/diverse-cultures>. Date accessed: 11 January 2024

4.16 Since the commencement of *A Step Up for Our Kids* in 2016, the ACT Government has agreed to, and implemented, major commitments to support the care and protection of Aboriginal and Torres Strait Islander children and young people. Commitments include:

- *Safe and Supported – the National Framework for Protecting Australia’s Children 2020-2031*. The framework is aimed at ensuring that children and young people in Australia have the right to grow up safe and supported, in nurturing and culturally appropriate environments. Aboriginal and Torres Strait Islander children and young people are one of four priority groups under this framework, which includes a focus on addressing the over-representation of Aboriginal and Torres Strait Islander children in care; and
- *National Agreement on Closing the Gap* – Target 12 aims to reduce the rate of over-representation of Aboriginal and Torres Strait Islander children in out-of-home care by 45 percent by 2031. Furthermore, all socio-economic targets in the *National Agreement on Closing the Gap* (17 in total) are interconnected and contribute to creating safe and supported environments for Aboriginal and Torres Strait Islander children and young people.

4.17 Further to this, a range of ACT-specific commitments have been adopted to support Aboriginal and Torres Strait Islander children and young people. These include:

- commissioning a wholly Aboriginal-led review into out-of-home care in the ACT, the *Our Booris: Our Way* Review, and agreeing to implement all recommendations and sub-recommendations arising from the review. This is discussed in more detail in paragraphs 1.26 to 1.27;
- the establishment of an Aboriginal and Torres Strait Islander Co-Design Network and Secretariat by CSD in 2019. This is a network comprising Aboriginal and Torres Strait Islander community members with lived experience and expertise in the human services system in the ACT. The Network works with CSD to inform service, practice and policy changes; and
- the establishment of the Ngura Naraganabang (Safety in the Pouch) Advisory Group, a stakeholder group comprising all Aboriginal and Torres Strait Islander representatives in key services across government and non-government.

***Our Booris: Our Way* Review**

4.18 The ACT Government commissioned the *Our Booris: Our Way* Review to investigate Aboriginal and Torres Strait Islander child protection and out-of-home care issues in the ACT. The Review commenced in 2017 and was finalised in 2019. Subsequently, CSD either agreed, or agreed in principle, to all 36 recommendations made in the review (consisting of 28 recommendations and eight sub recommendations).

4.19 Many of the recommendations agreed to have impacts on out-of-home care service delivery as provided by ACT Together (Barnardos) and Uniting CFACT, or otherwise need to be considered by these organisations when delivering their contracted services.

Specific commitments for Aboriginal and Torres Strait Islander children and young people under *A Step Up for Our Kids*

4.20 One feature of *A Step Up for Our Kids* was a commitment to ‘independent, community-based cultural advisors’. *A Step Up for Our Kids* stated:

To better support our Aboriginal and Torres Strait Islander children, action is being taken to strengthen placements and support for Aboriginal and Torres Strait Islander children and young people so that they can stay connected to their families, their culture and their country. Independent, community-based cultural advisors will assist in strengthening decision making about Aboriginal and Torres Strait Islander children and young people by advising on:

- placement of children and young people in care
- development of cultural plans
- transition from care arrangements.

4.21 *A Step Up for Our Kids* acknowledged that the benefits of such an approach would be:

- greater Aboriginal and Torres Strait Islander community participation in decision making;
- greater identification of needs and support services for Aboriginal and Torres Strait Islander children and young people; and
- adherence to the National Out of Home Care Standards.

4.22 Despite making these commitments and the importance of providing care that is culturally appropriate to Aboriginal and Torres Strait Islander children and families, no reference is made to these commitments in the Service Funding Agreements or associated variations with ACT Together (Barnardos) or Uniting CFACT. One variation with ACT Together (Barnardos) implemented a minimum number of kinship placements.

Aboriginal and Torres Strait Islander children and young people in out-of-home care

4.23 Despite the investment in initiatives to reduce the over-representation of Aboriginal and Torres Strait Islander children and young people in care, the number of Aboriginal and Torres Strait Islander children and young people in out-of-home care has remained static since 2017. Table 2-1 shows the numbers of Aboriginal and Torres Strait Islander children and young people in care from 2017 to 2021.

Table 4-1 Number of Aboriginal and Torres Strait Islander children and young people in care in the ACT as at 30 June (2018 to 2023)

Placement type	2018	2019	2020	2021	2022	2023
Foster care	87	76	73	61	58	59
Kinship care	150	136	140	144	152	132
Ex-Kinship – Enduring Parental Responsibility orders [#] & Family Group Conferencing orders	12	13	12	12	13	13

Placement type	2018	2019	2020	2021	2022	2023
Ex-Foster – Enduring Parental Responsibility orders [#]	15	17	18	23	27	27
Residential	12	12	12	6	9	10
Other ^{##}	1	0	0	0	0	0
Total Aboriginal and Torres Strait Islander children and young people	277	254	255	246	259	241
Number of all children and young people in out-of-home care	819	799	816	819	847	817
% of children and young people in out-of-home care identified as Aboriginal and Torres Strait Islander children	34%	32%	31%	30%	31%	29%

Source: ACT Government, Community Services Directorate, *Out of Home Care Snapshot Report: A presentation of data covering 1 July 2017 to 30 June 2023*. Number of children and young people living in out-of-home care by placement type (as at end of quarter).

Note: The total number of children and young people by placement type will not be equal to the total figure as each child / young person could be in multiple placements in a day due to placement changes, or respite care.

'Enduring Parental Responsibility' transfers responsibility for day to day and long-term decisions for a child or young person to a carer, without severing legal ties between the child or young person and their birth family Section 464 2c/Section 482 of the *Children and Young People Act 2008*. Family Group Conferencing orders refer to a process led by family members to make decisions about a plan to care for a child, young person (Section 390 of the *Children and Young People Act 2008*)

'Other' includes out-of-home care placements that are approved and funded by CYPs but are not kinship, foster or residential care placements, for example boarding schools, hospitals or motels.

4.24 Through *A Step Up for Our Kids*, CSD made a commitment to ensure Aboriginal and Torres Strait Islander children and young people would have access to culturally specific services provided by agencies including CYPs, ACT Together (Barnardos) and Uniting CFACT. These services were meant to ensure all Aboriginal and Torres Strait Islander children and young people:

- have access to a range of culturally specific services through ACT Together, Uniting CFACT, CYPs and other community organisations such as Gugan Gulwan Youth Aboriginal Corporation;
- have a cultural care plan in place – that is, a plan specifically developed for each Aboriginal and Torres Strait Islander child or young person, with the engagement and participation of the child's birth family and with the advice and support of cultural advisers who work across the out-of-home care service system - as per legislative and policy requirements; and
- are connected with their culture and are offered access to appropriate services and support.

Service Funding Agreement requirements for culturally appropriate care

Service Funding Agreement requirements

Cultural competency

4.25 As discussed in paragraph 2.4, the Service Funding Agreement with ACT Together (Barnardos) refers to a series of service principles that are expected to be complied with in the delivery of the services. The Service Funding Agreement with ACT Together (Barnardos) refers to *cultural competency* or *cultural competence*. In relation to foster and kinship care services, the following service principle is explicitly identified:

Cultural Competence

Cultural competency involves respecting and acknowledging a Child's or Young Person's cultural heritage, their history, culture and traditions, and the importance of this to the Child or Young Person and development of pride assists in building identity. Cultural competency involves developing skills, welcoming and encouraging diversity, respecting the unique needs of all Children and Young People, acknowledging culture as a significant factor in shaping behaviours and values and embracing the benefit of different cultural values, beliefs and community interactions.

The organisation is to ensure that a Child or Young Person's cultural needs are a pertinent feature in any planning, assessments and recommendations, that will help a Child or Young Person develop and heal from trauma and give pride in their culture and identity.

4.26 The Service Funding Agreement states:

The Organisation is to ensure that all staff who work with Children and Young People in care demonstrate cultural respect both in terms of their skills and attitudes through the recruitment process, and in their day to day work.

4.27 A similar requirement is not identified in the Service Funding Agreement with Uniting CFACT. Nevertheless, as discussed in paragraph 2.16, both Service Funding Agreements specify a guiding principle for the new service system, one of which is *culturally proficient*:

Services are sensitive to Children and Young People's needs arising from their culture, and will facilitate connection to culture where appropriate (includes Aboriginal and Torres Strait Islanders, Culturally and Linguistically Diverse Communities and LGBTI groups, etc).

4.28 As discussed in paragraphs 2.2 to 2.11, both Service Funding Agreements also require the service provider to:

... implement strategies to ensure access by Aboriginal and Torres Strait Islanders and people from culturally and linguistically diverse backgrounds.

4.29 The Service Funding Agreement with ACT Together (Barnardos) further states:

Carers are to be provided with training and advice about caring for Children and Young People in a culturally competent way.

The single point case management process is to ensure that the issues of cultural heritage and contact for the Child or Young Person are considered and actioned as part of the therapeutic assessment process and case plan.

4.30 The Service Funding Agreement with ACT Together (Barnardos) also states:
The Organisation will implement a targeted recruitment strategy to engage Aboriginal and Torres Strait Islander case workers.

4.31 The Service Funding Agreement with ACT Together (Barnardos) also states:
All Children or Young People that are Aboriginal or Torres Strait Islander or who come from a Culturally or Linguistically Diverse background are to have a cultural care plan that is developed with the engagement and participation of their Birth Family and with the advice and support of Cultural Advisors who will work across the Service system.

4.32 The Service Funding Agreement with ACT Together (Barnardos) also states:
All Children or Young People who are Aboriginal are to be supported to receive their Confirmation of Aboriginality certificates.

Cultural competency and cultural proficiency vs cultural appropriateness

4.33 The Service Funding Agreement with ACT Together (Barnardos) refers to *cultural competence* and *cultural competency* in various contexts and for various requirements. The Service Funding Agreement with ACT Together (Barnardos) and Uniting CFACT both refer to *culturally proficient* as a guiding principle for the new service system.

4.34 The context in which *cultural competence* and *cultural competency* is referred to in the ACT Together (Barnardos) Service Funding Agreement mostly relates to personal qualities, attributes and attitudes of staff individually and collectively. However, the Service Funding Agreement also refers to *cultural competence* and *cultural competency* in relation to the development of cultural plans, inclusion of heritage, contact in the therapeutic assessment process, case plans and assisting children to obtain a certificate of Aboriginality.

4.35 The wording associated with the term *culturally proficient* gives a specific and narrow meaning (i.e. being sensitive to the children's needs and facilitating connection to culture, where appropriate).

4.36 *Cultural competence* is an aspect of *culturally appropriate care*, as is *cultural proficiency*. However, in the context of the Service Funding Agreements, these terms would not be a substitute for the term *culturally appropriate care*. This term is of a holistic nature, which embraces every aspect of service provision as well as factors impacting on service provision.

4.37 There is no standard or comprehensive or holistic definition for *culturally appropriate care* in the scope and context of the ACT Government's out-of-home care system. Furthermore, principles of self-determination would mean that an array of Aboriginal and Torres Strait Islander community stakeholders would need to be consulted and in agreement with such a definition before it is adopted by CSD as being appropriate to mandate for its service delivery partners ACT Together (Barnardos) and Uniting CFACT.

4.38 Fully implementing the recommendations from the *Our Booris, Our Way* Review and embedding SNAICC's *Aboriginal and Torres Strait Islander Child Placement Principles* would

reflect elements of *culturally appropriate care*. They represent better practice service provision for Aboriginal and Torres Strait Islander children and young people.

- 4.39 The term *culturally appropriate care* is not clearly and/or prominently defined in CSD's Service Funding Agreements with ACT Together (Barnardos) and Uniting CFACT. However, the Service Funding Agreements mention more narrow aspects of culturally appropriate care. For instance, the Service Funding Agreement with ACT Together (Barnardos) refers to *cultural competence* and *cultural competency*. The Service Funding Agreement with ACT Together (Barnardos) and Uniting CFACT both refer to *culturally proficient*.

RECOMMENDATION 3 CULTURALLY APPROPRIATE CARE

CSD should, applying the Child Placement Principles:

- a) work with Aboriginal and Torres Strait Islander community stakeholders to define and agree on *culturally appropriate care* prior to contracting service delivery partners for the purpose of *Next Steps*; and
- b) include the definition of *culturally appropriate care* in its approach to market and subsequent agreements with service delivery partners under *Next Steps*.

Monitoring and review of Service Funding Agreement obligations

ACT Together (Barnardos)

- 4.40 The Service Funding Agreement for ACT Together (Barnardos) identifies specific requirements for the delivery of services in a way that is sensitive and responsive to the specific needs of Aboriginal and Torres Strait Islander children and young people. Table 4-2 shows the requirements in the ACT Together (Barnardos) Service Funding Agreement.

Table 4-2 ACT Together (Barnardos) requirements for the delivery of services to Aboriginal and Torres Strait Islander children and young people

Reference	Requirement
2.4.3(g)	Cultural competence involves respecting and acknowledging a child's or young person's cultural heritage, their history, culture and traditions and the importance of these to the child or young person and development of pride assist in building identity (described as 'cultural competency'. This involves developing skills, welcoming and encouraging diversity, respecting the unique needs of all children and young people, acknowledging culture as a significant factor in shaping behaviours and values and embracing the benefit of the different cultural values, beliefs and community interactions.
2.4.8	When considering placement by way of foster and/or kinship care the organisation must consider... (d) The child's or young person's culture and placing with carers who are from the same culture, or the carers' ability or willingness to support the child or young person to engage with their culture.

Reference	Requirement
2.4.32	Carers are to be provided with training and advice about caring for children and young people in a culturally competent way.
2.4.31	The organisation is to ensure that all staff who work with children and young people in care demonstrate cultural respect both in terms of their skills and attitudes through the recruitment process, and in their day-to-day work.
2.4.33	The single point case management process is to ensure that the issues of cultural heritage and contact for the child or young person are considered an action as part of the therapeutic assessment process and case plan.
2.4.34	The organisation will implement a targeted recruitment strategy to engage Aboriginal and Torres Strait Islander caseworkers.
2.4.35	All children or young people that are Aboriginal Torres Strait Islander or who come from a culturally or linguistically diverse background are to have a cultural care plan that is developed with the engagement and participation of their birth family and with the advice and support of cultural advisers who will work across the service system.
2.4.36	All children or young people who are Aboriginal are to be supported to receive their confirmation of Aboriginality certificate.
2.4.74	If required, the restoration care workers are to be available to undertake assessment of kinship carers should a child or young person not be able to live with their own birth family; using the Winangay Aboriginal Kinship Care Assessment tool.
2.4.98	A Sense of Culture and Identity The organisation is to ensure that children and young people have the opportunity to explore their culture and identity. This is to be achieved through direct care staff being culturally competent, therapeutic homes set up according to their identified cultural background, targeted recruitment of staff and proactive community engagement with appropriate cultural support partners.
	Case management framework (vi) ongoing review of all case planning, including six monthly review of case plans with care team and annual review of cultural care and Leaving Care Plans.
	Support for Care Leavers (e) identity and culture - supporting the young person with their emerging independent identity
Item 5 Performance Expectations 5.1.1	Implementing strategies to ensure access by Aboriginal and Torres Strait Islanders and people from culturally and linguistically diverse backgrounds.
Attachment 1 – Draft Outcomes Framework (4)	Child or young person positively identifies with their culture and has appropriate connections with their birth family and an appropriate sense of belonging.

Source: Service Funding Agreement between ACT Together (Barnardos) and CSD

Uniting CFACT

4.41 Similar to the ACT Together (Barnardos) Service Funding Agreement, the Service Funding Agreement with Uniting CFACT imposes some obligations relating to the delivery of services

in a way that is sensitive and responsive to the specific needs of Aboriginal and Torres Strait Islander children and young people. These are shown in Table 4-3.

Table 4-3 Uniting CFACT requirements to deliver services to Aboriginal and Torres Strait Islander children and young people

Reference	Requirement
Item 3 Outcomes 3.1.1	Culturally proficient - providing services that are sensitive to children and young people's needs arising from their culture, and facilitating connection to culture, where appropriate (includes Aboriginal and Torres Strait Islander children and young people).
Item 5 Performance Expectations (a)	Implementing strategies to ensure access by Aboriginal and Torres Strait Islanders and people from culturally and linguistically diverse backgrounds.
Attachment 1 – Draft Outcomes Framework (4)	<p>Child or young person positively identifies with their culture and has appropriate connections with their birth family and an appropriate sense of belonging.</p> <p>Outcome Indicators:</p> <ul style="list-style-type: none"> • Indicators will be specific to the child and should be included in their care/cultural care plan, with an emphasis on the voice of the child. • Evidence that the child or young person celebrates appropriate life achievements, relevant to their age and development and that these are recorded in an up-to-date life storybook, with relevant emphasis on cultural identity, and participation of the child or young person. • Provisions are taken to address relationships with siblings, where these are cared for separately from the child, and with other relatives or significant supporting adults. • Provisions are taken to address relationships with birth family, including the support of the carer or provider to achieve this.

Source: Service Funding Agreement between Uniting CFACT and CSD

- 4.42 CSD does not actively monitor or oversight the contractual obligations relating to Aboriginal and Torres Strait Islander children and young people.
- 4.43 CSD's Relationship Management Team does not oversight or monitor the activities or outputs that ACT Together (Barnardos) has produced in relation to caring for Aboriginal and Torres Strait Islander children, young people and their families as required in the Service Funding Agreements. For example, there are no indicators for monitoring contractual requirements as they relate to Aboriginal and Torres Strait Islander children and young people. CSD could not demonstrate that it was monitoring, reviewing or requesting any information from ACT Together (Barnardos) in relation to how it meets its contractual obligations relating to Aboriginal and Torres Strait Islander children and young people.
- 4.44 One exception relates to cultural care plans. Cultural care plans are a requirement under the *Children and Young Peoples Act 2008*. CSD monitors the number of cultural plans developed and for whom they are developed.

Cultural care plans

- 4.45 As of December 2021, only 78 percent of all Aboriginal and Torres Strait Islander children for whom parental responsibility resided with the Director-General and who are living in an out-of-home care placement with active care and protection orders, have a cultural care plan in place. This figure is lower than previous years where the percentage was, on average, around 85 percent. Since this time, this figure has increased to 99 percent, because as at 30 June 2023 more cultural care plans have been completed and endorsed. In response to the draft proposed report ACT Together (Barnardos) advised that it has been 100 percent compliant with completion and submission of cultural care plans for Aboriginal and Torres Strait Islander children since 2021.
- 4.46 CSD has only recently began quality assuring the cultural plans through its CSD – ACT Together (Barnardos) Monitoring and Review Framework (refer to paragraph 4.58).
- 4.47 ACT Together (Barnardos) advised that its contractual obligations relating to Aboriginal Torres Strait Islander children and young people were being supported through the Barnardos' Aboriginal Cultural Unit, which is located in Sydney. Measures put in place to support Aboriginal Torres Strait Islander children, young people and their families include:
- support for ACT case workers by providing advice and input into cultural care plans;
 - development of resources, including a resource titled '*Cultural Rights of a Child*' and a resource to inform service delivery in accordance with the *Aboriginal and Torres Strait Islander Child Placement Principles*;
 - organisation of informal activities with carers, children and young people to give an opportunity to connect with carers and children informally and undertake cultural activities with children and young people;
 - implementation of a Cultural Plan Committee consisting of members of Aboriginal organisations, members of the Aboriginal Cultural Unit and an independent Aboriginal community member. The committee meets once a month but there is an intention to hold meetings more frequently;
 - reviewing the *Our Booris, Our Way* targets;
 - engagement with Aboriginal community and organisations including Gugan Gulwan;
 - partnering with Gugan Gulwan, which undertakes Family Functional Therapy with Aboriginal and Torres Strait Islander and children and young people and their families; and
 - implementation of a compulsory online learning module '*Our Mob Learning*' for ACT Together (Barnardos) staff.
- 4.48 In response to the draft proposed report ACT Together (Barnardos) noted that, as an accredited 'Care and Protection' organisation, it was subject to regular review against the *ACT Care and Protection Standards* by Quality, Complaints and Regulation, another team in CSD separate to the Relationship Management Team and other functions related to

oversighting the Services Agreement. The *ACT Care and Protection Standards* include consideration of care given to Aboriginal and Torres Strait Islander children and young people. ACT Together (Barnardos) asserted that it was fully compliant throughout the period of the Service Funding Agreement. ACT Together (Barnardos) also asserted that the Quality, Complaints and Regulation Team shared results of reviews with the Relationship Management Team to confirm this compliance.

- 4.49 CSD's Service Funding Agreement with ACT Together (Barnardos) includes clauses relating to services to Aboriginal and Torres Strait Islander children and young people, such as developing cultural care plans and supporting children to obtain certificates of Aboriginality. There are also broader contractual provisions to provide services that respect and acknowledge a child's culture and heritage. However, aside from monitoring the number of cultural care plans, CSD does not routinely assure itself that ACT Together (Barnardos) is delivering out-of-home care services to Aboriginal and Torres Strait Islander children and young people in line with the Service Funding Agreement. No performance indicators, or similar, were established to monitor these contractual requirements. ACT Together (Barnardos) is, however, subject to regulation under the *ACT Care and Protection Standards*, which include consideration of care given to Aboriginal and Torres Strait Islander children.

Uniting CFACT

- 4.50 Uniting CFACT's contractual obligations relating to Aboriginal Torres Strait Islander children and young people are being met through:
- Uniting CFACT's Aboriginal Service Development Unit, which develops policy and practice relating to the recruitment, and provision, of support for Aboriginal staff;
 - Uniting CFACT's employment of an Aboriginal Family Connect worker;
 - implementation of online and face-to-face cultural awareness programs for Uniting CFACT staff;
 - development of a productive working relationship with the CYPS Cultural Services Team and attendance at family conferencing processes;
 - support for the integration of Aboriginal-specific services such as Winnunga Nimmityjah Health and Community Services and Gugan Gulwan in the care plan process; and
 - Uniting CFACT staff being required to maintain an awareness and attend Aboriginal cultural events and celebrations.
- 4.51 Similar to ACT Together (Barnardos), it is apparent that Uniting CFACT has developed and implemented measures to support Aboriginal and Torres Strait Islander children and young people. However, CSD's Relationship Management Team does not oversight or monitor Uniting CFACT's activities or outputs in relation to caring for Aboriginal and Torres Strait Islander children, young people and their families as provided for by the Service Funding Agreement.

- 4.52 CSD has clauses in its Service Funding Agreement with Uniting CFACT relating to providing services that are sensitive and promoting a connection to culture that reflect its narrower service scope for family and preservation services. There is no monitoring, oversight or indicators to assess Uniting CFACT's adherence to the contractual provisions that are in place.

Contract management meetings

- 4.53 Since the commencement of *A Step Up for Our Kids*, CSD's Relationship Management Team has held monthly contract meetings with ACT Together (Barnardos) and Uniting CFACT. These meetings are broad in nature and relate to all aspects of contract management, aspects of which may relate to service provision for Aboriginal and Torres Strait Islander children and young people in the care system.
- 4.54 Since 2020 CSD has included *Our Booris: Our Way* as a standing agenda item at its monthly contract management meetings with ACT Together (Barnardos). The meetings are a means by which CSD and ACT Together (Barnardos) can discuss service provision to Aboriginal and Torres Strait Islander children and young people and associated challenges. Prior to 2020, service delivery to Aboriginal and Torres Strait Islander children and young people was not a standing item for discussion at the monthly contract management meetings. There is no similar standing agenda item for discussing service delivery to Aboriginal and Torres Strait Islander children and young people in Uniting CFACT contract management meetings.

Monitoring and review of case management

CSD – ACT Together (Barnardos) Monitoring and Review Framework

Background

- 4.55 CSD and ACT Together (Barnardos) have worked together to develop a monitoring and review framework for the case management of Aboriginal and Torres Strait Islander children and young people in out-of-home care.
- 4.56 The need arose as a key community stakeholder, the *Our Booris: Our Way* Implementation Oversight Committee, was of the view that the case management of Aboriginal and Torres Strait Islander children and young people by ACT Together (Barnardos) was not effective. Specifically, Recommendation 22(a) of the *Our Booris: Our Way* review stated:
- ... that there be a framework developed and implemented for the formal monitoring and supervision of the quality of case work being conducted by ACT Together in relation to Aboriginal and Torres Strait Islander children on long term orders.
- 4.57 In July 2020, CSD provided an update on the implementation of this recommendation:
- Given that a substantial proportion of Out of Home care arrangements are provided by ACT Together and that no Aboriginal Community Controlled Organisation is currently in place in the ACT, it is imperative to ensure a high standard of casework is consistently achieved through the contractual arrangement and guided by expectations set by the *Our Booris, Our Way* Steering Committee.

The Community Services Directorate is currently working with Barnardos (ACT Together Lead Consortium Partner) to develop a Monitoring and Review Framework for Aboriginal and Torres Strait Islander case management under the *Continuum of Care* contract with expected completion by end August 2020.

Draft Monitoring and review Framework is in development with expected completion by end August 2020.

Contractual requirement to deliver a Monitoring and Review Framework

- 4.58 On 17 December 2017 CSD and ACT Together (Barnardos) agreed to a contract variation that formally included the requirement to develop an *Our Booris: Our Way* Monitoring and Review Framework for the case management of Aboriginal and Torres Strait Islander children and young people.
- 4.59 According to the Deed of Variation, the *Our Booris: Our Way* Monitoring and Review Framework was due to be implemented on 21 February 2021. However, the Framework was only developed during 2022. The Framework was developed in consultation with the *Our Booris: Our Way* Implementation Oversight Committee. The Audit Office was advised that the delay was caused by the time needed to consult with the Committee and seek its feedback and for ACT Together (Barnardos) to prepare to implement any required changes.

Purpose and adequacy of the CSD – ACT Together (Barnardos) Monitoring and Review Framework

- 4.60 The purpose of the Framework is to improve the quality of cultural care plans for Aboriginal and Torres Strait Islander children and young people, with input from the community. The Framework is expected to provide:

Quality care, case management and decision making for improved life outcomes for Aboriginal and Torres Strait Islander children and young people in out-of-home care.

- 4.61 The Framework covers six areas relating to:
- children's rights;
 - partnership and participation;
 - placement and connection;
 - health and behaviour support;
 - education; and
 - transition to independence.
- 4.62 Amongst other things, the *Our Booris: Our Way* Monitoring and Review Framework requires ACT Together (Barnardos) to submit annual documentation to CSD on:
- cultural care plans;
 - case plans;
 - therapeutic assessment reviews; and
 - annual review reports.

- 4.63 CSD's Audit, Compliance and Operational Team in CYPS Performance has a role in implementing the *Our Booris: Our Way* Monitoring and Review Framework. It has developed *Monitoring and Review Framework Business Rules* to support CSD staff when assessing the six areas under the Framework.
- 4.64 The Business Rules present a series of close ended questions and rely on a yes/no judgement being made by the assessor against each of the six areas of the Framework. However, the Business Rules do not support a holistic examination of the child or young person's cultural care plan (and other documents) to assess whether they are fit for purpose. There is a lack of requirement for the caseworkers to demonstrate their professional judgement in analysing whether the cultural care plan supports care that is appropriate to the needs of Aboriginal and Torres Strait Islander children and families.
- 4.65 Cultural care plans for Aboriginal and Torres Strait Islander children and young people were identified by Aboriginal and Torres Strait Islander community stakeholders as not supporting culturally appropriate care. Stakeholders advised that cultural care plans were 'cut and paste' from other plans and not followed up. Stakeholders also advised cultural care plans:
- should be a living document (they currently sit on the file and are not routinely referred to);
 - did not support Aboriginal and Torres Strait Islander children to be aware of their heritage until after they left care; and
 - included supports that were tokenistic of supporting cultural heritage such as 'watching NITV (the national Aboriginal and Torres Strait Islander television service)'.
- 4.66 Given this feedback, it is imperative that the standards and internal controls around cultural care plans continue to be refined and strengthened under the *Our Booris: Our Way* Monitoring and Review Framework and associated Business Rules.
- 4.67 After reviewing the Business Rules, the Service Funding Agreements, and discussions with stakeholders, the Audit Office considers that the framework and Business Rules, as they stand, are inadequate, unless supporting information is provided, particularly if the answer to a question is 'no'. Without supporting information, there is no clear indication of whether the child or young person is in fact receiving adequate care, and if the child isn't, what the reasons are and what actions are being taken to rectify this.
- 4.68 The lack of evidence to support a caseworker's assessment of the cultural appropriateness of care can be demonstrated by example. In 'Domain 3 Placement and Connection' of the Business Rules, one indicator of the cultural appropriateness of care is:
- Evidence the placement will maintain links with the child or young person's Aboriginal community in:
- own community and culture?, and
 - community and culture where they live?

4.69 To answer this indicator, the assessor is asked to answer the following to either one or both of these questions:

Yes evidence in Cultural Plan of actions/activities that have taken place/occurred

No evidence in Cultural Plan of actions/activities that have taken place/occurred

4.70 If the assessor answers 'Yes', it does not allow for sharing and encouraging better practice. If the assessor answers 'No', there is little opportunity to provide high quality feedback to the carer and throughout ACT Together (Barnardos). To fulsomely answer this indicator, there needs to be information about *why* this did not occur and what action is being taken to rectify the situation and/or whether the information is being recorded elsewhere, to assess whether the child is receiving optimal care and being connected to culture. The Business Rules do not require this.

4.71 On 1 February 2022, CSD's Audit, Compliance and Operational Team in CYPS Performance undertook its first audit using the *Our Booris: Our Way* Monitoring and Review Framework. The audit assessed the adequacy of cultural care plans, annual review reports, therapeutic assessment reports and other documents as required, submitted by ACT Together (Barnardos) to CSD. Since February 2022, a total of 70 individual cases have been reviewed by CSD using the Framework.

4.72 The *Our Booris: Our Way* Monitoring and Review Framework provides a basic level of assurance at the individual case management level, but does not monitor and assess broader contractual requirements for delivering services to Aboriginal and Torres Strait Islander children, young people and their families. For example, the Framework does not assess:

- the quality, content and regularity of cultural awareness/cultural competency training for both ACT Together (Barnardos) staff and carers;
- progress in relation to the recruitment of Aboriginal and Torres Strait Islander staff;
- the effectiveness of ACT Together (Barnardos) policies and procedures to provide services appropriate to Aboriginal and Torres Strait Islander children; or
- the effectiveness of ACT Together (Barnardos) relationships with relevant Aboriginal community organisations.

4.73 CSD and ACT Together (Barnardos) have developed a Monitoring and Review Framework for Aboriginal and Torres Strait Islander children and young people with the aim of supporting quality assurance of case management for Aboriginal Torres Strait Islander children who are under the care of ACT Together (Barnardos). Despite being developed a year later than required by the Service Funding Agreement, the Framework is a preliminary measure for CSD to assess ACT Together (Barnardos) case management of Aboriginal and Torres Strait Islander children and young people and shows CSD's commitment to Aboriginal and Torres Strait Islander children in line with the *Our Booris: Our Way* Review. Further to this, CSD's CYPS Performance Team has developed Business Rules to guide the implementation of the Framework at an individual case level.

4.74 The Framework is intended to provide quality assurance of case management of Aboriginal Torres Strait Islander children under the care of ACT Together (Barnardos). The current Business Rules do not require that CSD provide evidence of a holistic examination of whether a child is in fact receiving appropriate care, or not. Furthermore, the Framework is predominately focused on individual case management level and therefore does not provide broader assurance that ACT Together (Barnardos) is delivering on their contractual requirements relating to Aboriginal Torres Strait Islander care. This is a missed opportunity and there is scope for CSD to further refine the approach going forward in the implementation of the *Next Steps Strategy*.

Uniting CFACT

4.75 The *Our Booris: Our Way* Monitoring and Review Framework does not apply to the services provided to Aboriginal and Torres Strait Islander children and young people by Uniting CFACT. This reflects that Uniting CFACT's scope of services is different in nature to ACT Together (Barnardos) – i.e. a focus on prevention and reunification services rather than case management of individual Aboriginal and Torres Strait Islander children and young people.

4.76 In response to the draft proposed report Uniting CFACT advised that it places reliance on cultural care plans developed by ACT Together (Barnardos) for Aboriginal and Torres Strait Islander children in the out-of-home care system in developing case plans to support families. Uniting CFACT also advised it collaborates with supporting local Aboriginal Community Controlled organisations in delivering care.

4.77 Uniting CFACT advised it has:

- an Aboriginal Service Development unit which develops policy and practice relating to the recruitment and support of Aboriginal and Torres Strait Islander staff; and
- a reconciliation action plan and provides an online cultural awareness program to its staff, along with professional development delivered by Aboriginal and Torres Strait Islander trainers on generational trauma and healing.

4.78 In response to the draft proposed report Uniting CFACT advised that it reports on outcomes achieved for Aboriginal and Torres Strait Islander children and families in its quarterly data submissions to CSD.

4.79 Despite the difference in services between Uniting CFACT and ACT Together (Barnardos), Uniting CFACT's services nevertheless provide a crucial service to reduce the need to remove Aboriginal and Torres Strait Islander children from their families, in the first instance, or where they have been removed, ensuring a delay free and successful reunification occurs. Furthermore, there are contractual provisions relating to how Uniting CFACT should work with Aboriginal and Torres Strait Islander children and young people. The lack of quality assurance practices and requirements in the Service Funding Agreement to support culturally appropriate care for Uniting CFACT reduces the assurance CSD can provide on the quality of services for Aboriginal and Torres Strait Islander children and families.

RECOMMENDATION 4 MONITORING AND REVIEW OF SERVICES TO ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

Under the *Next Steps* Strategy, CSD should develop and implement a monitoring and review framework that effectively addresses outsourced out-of-home care services to Aboriginal and Torres Strait Islander children and young people. The framework should provide assurance that Aboriginal and Torres Strait Islander children and young people receive culturally appropriate services from service delivery partners.

Feedback from Aboriginal and Torres Strait Islander community stakeholders

- 4.80 As part of the audit, the Audit Office consulted with a range of Aboriginal and Torres Strait Islander community stakeholders who have a role and function in relation to children in out-of-home care. The purpose of the consultations was to seek views and insights in relation to whether, or to what extent, CSD and its service delivery partners ACT Together (Barnardos) and Uniting CFACT were providing culturally safe and sensitive care to Aboriginal and Torres Strait Islander children and young people. Community organisation representatives included:
- service providers working in the child protection and out-of-home care service area who have worked closely with ACT Together (Barnardos) and/or Uniting CFACT;
 - Aboriginal kinship carers/Aboriginal consumers of the out-of-home care service; and
 - members of advisory groups to government (such as the Aboriginal and Torres Strait Islander Elected Body (ATSIEB), the Co-Design Network (consisting of Aboriginal people with lived experience of the CYPS system) and the *Our Booris: Our Way* Implementation Oversight Committee).
- 4.81 Aboriginal community members and Aboriginal organisations spoken to as part of the audit identified that the out-of-home care system in the ACT does not deliver appropriate care to Aboriginal and Torres Strait Islander children and young people.
- 4.82 It was also apparent there is a great amount of anger, distrust, frustration and in some consultations. Some stakeholders believed that poor service design and implementation by CSD had led to ACT Together (Barnardos) being unable to provide a satisfactory level of culturally appropriate care to Aboriginal and Torres Strait Islander children and families. Others believed Uniting CFACT did not demonstrate culturally appropriate care through its service delivery.

Issues emerging from the consultations are grouped as follows:

- *Need for attitudinal change*
 - A considerable focus of the feedback regarding Barnardos and Uniting CFACT centred on the services' attitude towards Aboriginal and Torres Strait Islander people. There was a view of a lack of consultation and respect by the services for the Aboriginal community, Aboriginal organisations, Aboriginal children, young people and families. It was also perceived that there is a general lack of service provider understanding of Aboriginal culture and principles and self-determination.
- *Lack of culturally appropriate care and lack of cultural understanding*
 - There was feedback that the service provision of both ACT Together (Barnardos) and Uniting CFACT lacked both cultural appropriateness and cultural understanding. It was acknowledged that ACT Together (Barnardos) does have an Aboriginal Unit, but it is based in Sydney, suggesting that it might not be as effective as it could be.
 - Many felt that cultural care plans were inadequate and inappropriate with little quality control enforced. Even though there was a Cultural Care Plan Committee that supported ACT Together (Barnardos), concerns were raised that cultural care plans are a 'tick the box activity'. Concerns were also raised relating to whether feedback from the Committee was incorporated into the cultural care plans. Others suggested that a 'cut and paste' approach was used in the formation of cultural care plans.
 - Another concern raised centred on ACT Together (Barnardos) approaching the needs of Aboriginal and Torres Strait Islander children and their families from a Western perspective with little understanding of Indigenous concepts of collective parenting.
- *Need for an Aboriginal Community Controlled Organisation (ACCO)*
 - The need for an ACCO to provide out-of-home care services for Aboriginal children and young people was a constant issue that was raised. All Aboriginal organisations and/or community members consulted agreed with the need to implement the *Our Booris: Our Way* Recommendation 6 that recommended a feasibility study be undertaken on setting up an Aboriginal childcare association to:
 - ... fulfil the role of advocate, service integrator and work to respect and preserve the rights of Aboriginal and Torres Strait Islander children, young people and families in all services delivered in the ACT.
 - The recommendation is the most effective way of ensuring that culturally appropriate service delivery is provided to Aboriginal Torres Strait Islander children and young people within the out-of-home care system.

5 PLANNING FOR THE NEXT STAGE OF REFORM – NEXT STEPS

- 5.1 This chapter discusses CSD’s activities to plan for the next phase of out-of-home care; *Next Steps*. The chapter considers CSD’s activities to recognise and respond to service delivery issues and risks identified for *A Step Up for Our Kids* and address these as part of planning for *Next Steps*.

Summary

Conclusion

CSD has effectively developed an evidence base to understand *A Step Up for Our Kids* service delivery issues. This includes commissioning reviews, reports and evaluations of the out-of-home care system. It has used this evidence base to develop the *Next Steps* strategy.

The development of the *Next Steps* strategy has been supported by broad stakeholder consultation and the views of children, young people, families, and members of the Aboriginal and Torres Strait Islander community. This knowledge is imperative to improving service delivery through better contract management under *Next Steps*. Significant effort and attention needs to be devoted to designing, implementing and managing Service Funding Agreements developed for the purpose of *Next Steps*.

Key findings

	Paragraph
Review and evaluation	
CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of <i>A Step Up for Our Kids</i> . CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform (Next Steps).	5.17
CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with <i>A Step Up for Our Kids</i> . This has provided a strong evidence base and research source to inform the development, objectives and focus for the next phase of out-of-home care; <i>Next Steps</i> . Whilst this is a positive first step to refining and remedying known issues associated with <i>A Step Up for Our Kids</i> , the challenge for CSD will be implementing the lessons learnt in <i>Next Steps</i> , especially in relation to contract management. Significant investment of time and	5.18

resources should be dedicated to implementing *Next Steps* and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report.

CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of A Step Up for Our Kids. CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform; Next Steps. 5.23

CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with A Step Up for Our Kids. This has provided a strong evidence base and research source to inform the development, objectives and focus for Next Steps. Whilst this is a positive first step to refining and remedying known issues associated with A Step Up for Our Kids, the challenge for CSD will be implementing the lessons learnt in Next Steps, especially in relation to contract management. Significant investment of time and resources should be dedicated to implementing Next Steps and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report. 5.24

Oversight of planning for *Next Steps*

Following the cessation of the Joint Governance Group, CSD established *A Step Up for Our Kids* Reform Steering Committee and Project Board to progress the development and implementation of *Next Steps*. Each body has approved terms of reference outlined in *A Step Up for Our Kids Reform: Steering Committee and Project Board Governance Guide*, which outlines the bodies' roles and responsibilities. A review of a sample of agendas and minutes for these bodies confirms that they have operated according to their terms of reference. In the absence of the Joint Governance Group, CSD's oversight of ACT Together and Uniting CFACT service delivery under *A Step Up for Our Kids* is fulfilled by ongoing contract management meetings and committees led by Children, Youth and Families Division executives. These arrangements confirm the presence of executive oversight for both ongoing service delivery and policy development prior to the implementation of new arrangements under *Next Steps*. 5.40

Stakeholder consultations for *Next Steps*

Prior to 2021, stakeholder engagement and consultations to elicit feedback on *A Step Up for Our Kids* were largely ad hoc. Despite no formal plan being developed at the commencement of *A Step Up for Our Kids* in 2016, CSD developed a *Communications and Engagement Strategy* in 2021 to coincide with its intention of undertaking targeted and rigorous stakeholder engagement in planning for the *Next Steps* reform agenda. The Strategy shows that CSD had a considered approach to identifying its target audience, developing key messages and identifying communication channels and processes to monitor and evaluate the Strategy. 5.47

CSD has undertaken broad and comprehensive stakeholder engagement and consultation with those who have lived experience of the out-of-home care system 5.51

including children and young people, families, carers and Aboriginal and Torres Strait Islander community members. Further to this, CSD has also consulted with service providers, the workforce, peak bodies and regulatory and statutory bodies. Despite the solid program of stakeholder engagement, CSD has not recorded stakeholder engagement activities in a consistent, standardised and comprehensive manner. The establishment and maintenance of a centralised stakeholder engagement register with a standardised recording format would have supported CSD's ability to access progressive findings more easily and quickly from stakeholder engagement activities and identify their relevance/implication for its work in progressing the *Next Steps* reform agenda.

To prepare for *Next Steps*, CSD consulted widely over multiple years on its development. This included consultation with young people, families, carers, members of the Aboriginal and Torres Strait Islander community and the broader community who have an interest in out-of-home care. As a result, the community provided input as to what should be the focus and aim of *Next Steps*. Further to this, CSD led the development and production of two Listening Reports, which focused on stakeholder experiences with the child protection and out-of-home care system. The Listening Reports are key publications for driving change in the out-of-home care reform agenda, *Next Steps*. CSD took account of stakeholder views in the development and finalisation of the *Next Steps* Strategy. 5.58

Review and evaluation

- 5.2 The audit sought to understand the extent to which CSD had identified issues, challenges, risks and opportunities associated with the implementation of *A Step Up for Our Kids* and sought to address these as part of planning for *Next Steps*. The audit considered the extent to which CSD had:
- undertaken reviews, evaluations and other reflective activities of *A Step Up for Our Kids*; and
 - addressed any findings that arose, as part of planning for *Next Steps*.

Monitoring and Evaluation Architecture (2018)

- 5.3 At the outset of *A Step Up for Our Kids*, CSD documented a *Monitoring and Evaluation Architecture* (2018). It provided a summary of the monitoring and evaluation activities that were expected to be conducted over the life of *A Step Up for Our Kids*.
- 5.4 The architecture included a summary of:
- governance arrangements (i.e. the Joint Governance Group and the role of the Relationship Management Team);
 - performance monitoring arrangements (Snapshot reports, Performance Management Framework and Mid Term contract reviews);

- the outcomes evaluation framework (baseline evaluation and mid-term evaluation); and
- compliance and accountability measures (i.e. through the *Children and Young People Act 2008*, Human Services Register, Out of Home Care Standards and annual reports and oversight bodies).

5.5 An evaluation timeline report was also prepared that identified a strategy for conducting the Mid-Strategy Evaluation. This demonstrates planning for review activity needed to be undertaken over the life of *A Step Up for Our Kids*.

Reviews and evaluations

5.6 CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of *A Step Up for Our Kids*. CSD has commissioned consultancies for some of these and undertaken others itself.

5.7 CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform (*Next Steps*).

5.8 Reviews, reports, and evaluations conducted over the life of *A Step Up for Our Kids* include:

- Evaluation of *A Step Up for Our Kids 2015-2020*, Baseline report (KPMG) (June 2017);
- Sustainability Review: ACT Community Services Directorate Report (EY) (12 May 2017);
- Final Report for the Mid-Strategy Evaluation, *A Step Up for Our Kids: One Step Can Make a Lifetime of Difference*, ACT Out of Home Care Strategy 2015-2020 (KPMG) (5 June 2019);
- Post Strategy Evaluation Stage 1 report *A Step Up for Our Kids Out of Home Care Strategy 2015-2020* (Community Services Directorate) (November 2021); and
- internal audit on the governance arrangements for *A Step Up for Our Kids*, (GenSolutions) (November 2021).

5.9 CSD also prepared:

- a series of *A Step Up for Our Kids* Snapshot reports tabled in the Legislative Assembly. The Snapshot reports provided data on service demand and system performance of out-of-home care;
- *What We Know Overview*, *A Step Up for Our Kids Strategy 2015-20* (October 2021); and
- *Next Steps for our Kids 2022-2030*, References and useful resources that guide our work (June 2022).

5.10 Complementing this, CSD has also conducted internal workshops to understand lessons learned and gaps in practice across key processes and activities within the out-of-home care services.

5.11 These include:

- *Next Steps for our Kids 2022-2030: Appendix A - A Step Up for Our Kids Journey* (June 2022). This report acknowledges what has worked well under *A Step Up for Our Kids*, what the data shows, accounts of lived experience of the out-of-home care system and stakeholder views about *A Step Up for Our Kids*; and
- *Next Steps for our Kids 2022-2030: Appendix B – Review of contemporary practice in Out of Home Care* (June 2022). This report examines broader state and territory reforms in out-of-home care, models for supporting Aboriginal and Torres Strait Islander children and young people and providing information on models of out-of-home care that are based on restorative, therapeutic and trauma informed practice.

Themes from reports, reviews and evaluations

5.12 The Audit Office reviewed previous reports, reviews and evaluations to ascertain the themes and trends in service delivery and service system issues identified from *A Step Up for Our Kids*.

5.13 At a broad level, the following themes were identified:

- Aboriginal and Torres Strait Islander children and young people:
 - continued over-representation of Aboriginal and Torres Strait Islander children and young people in out-of-home care, who still constitute around 30 per cent of all children and young people entering and living in out-of-home care placements.
- children and young people in care:
 - continued poor outcomes such as gaps in educational and other life outcomes
 - Increased behavioural complexity of those in out-of-home care
 - continued need for children and young people to be reunified with birth families, and
 - the need to include children and young people (and their parents and carers) in out-of-home care decision-making processes.
- service system functioning issues:
 - the current system does not consistently support shared outcomes for families
 - inconsistent service performance by service providers delivering out-of-home care
 - the current system requires greater shared accountability and stronger governance arrangements
 - creating long term and strategic partnerships with service delivery partners is required, and

- consistently using restorative and trauma informed models of care as best practice.
- service system capability and capacity issues:
 - availability of suitably skilled and qualified staff to deliver services, and
 - supporting and ensuring the workforce has a shared understanding of desired outcomes and the right skills and expertise to deliver.

5.14 The reports, reviews and evaluations of *A Step Up for Our Kids* identify a range of challenges and issues in delivering out-of-home care to children and young people. The most prominent issue remains that Aboriginal and Torres Strait Islander children and young people remain over-represented in the out-of-home care system despite constituting a small percentage of the ACT population.

CSD activities supporting reports, reviews and evaluations

5.15 In addition to the abovementioned reports, reviews and evaluations of *A Step Up for Our Kids*, CSD has also undertaken a range of activities to comprehensively synthesise and analyse the findings from various reports, reviews and evaluations of *A Step Up for Our Kids* to identify themes, lessons and gaps.

5.16 CSD has used the outcome of these activities to help determine how best to address these issues moving forward, including incorporating these actions into the design of *Next Steps*. For example, activities include, but are not limited to:

- various workshops with the CSD executive team with the aim of analysing lessons and gaps from *A Step Up for Our Kids*, and considering how lessons and gaps can be addressed in the next stage of reform, *Next Steps*. Workshops have focused on:
 - addressing the continued over-representation of Aboriginal and Torres Strait Islander children and young people in out-of-home care
 - permanency, placement stability and attachment bonds
 - carers and children and young people
 - residential care, and
 - information sharing and decision making.
- developing and maintaining an Issues Register as a means of identifying issues from reports and reviews and documenting how CSD could address the issues as part of the *Next Steps* reform agenda;
- engaging with the *Our Booris Our Way* Implementation Oversight Committee, including through discussions and presentations, to seek advice on how to best address findings relating to Aboriginal and Torres Strait Islander children and young people and their families in out-of-home care;
- seeking advice from the *Step Up for Our Kids* Reform Steering Committee on policy, service delivery and procurement considerations to inform the development of *Next Steps*. A Reform Steering Committee was stood up to explicitly manage and address learnings arising out of *A Step Up for Our Kids*. A good example to highlight this is an

agenda item titled ‘What we Know from the Research and Evaluation Undertaken’ discussed at the Committee’s 21 April 2021 meeting;

- *A Step Up for Our Kids* Reform Project Board. The Project Board retained responsibility for the Reform Steering Committee for the delivery of the next phase of *A Step Up for Our Kids* out-of-home care reform and provided guidance and direction to ensure the successful delivery of the Strategy;
- the Strategy and Governance team undertaking a stocktake and analysis exercise of practice and policy relating to *A Step Up for Our Kids*. This document identifies what worked, what didn’t, service system gaps and future work to be undertaken. The document is grouped into themes, including, but not limited to, carers, children and young people, community sector, contract management, and information sharing across the service system; and
- *A Step Up for Our Kids* Element Review – a maturity assessment of *A Step Up for Our Kids* produced using quantitative and qualitative information with the aim of reviewing progress of implementing and establishing the Strategy. The Review also identified future considerations for the next phase of out-of-home care, post 2020 .

5.17 CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of *A Step Up for Our Kids*. CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform (Next Steps).

5.18 CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with *A Step Up for Our Kids*. This has provided a strong evidence base and research source to inform the development, objectives and focus for the next phase of out-of-home care; *Next Steps*. Whilst this is a positive first step to refining and remedying known issues associated with *A Step Up for Our Kids*, the challenge for CSD will be implementing the lessons learnt in *Next Steps*, especially in relation to contract management. Significant investment of time and resources should be dedicated to implementing *Next Steps* and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report.

Uptake of identified themes and issues in Next Steps Strategy

5.19 Based on a review of the *Next Steps* Strategy and the themes observed at paragraph 5.13, it is apparent that the *Next Steps* Strategy has taken account of the key delivery issues and challenges that have been identified from the research, reviews and evaluations of *A Step Up for Our Kids*, as well as from its extensive stakeholder consultations, to inform the development of the *Next Steps* Strategy.

5.20 One noteworthy achievement is the ACT Government’s commitment to implement the *Our Booris: Our Way* Review recommendations in full. The *Next Steps* Strategy devotes one of

the six 'domains' or focus areas of the Strategy to that the realisation of all 28 recommendations and six sub-recommendations, as intended, over the life of the *Next Steps* Strategy.

- 5.21 Other documentation reviewed by the Audit Office, including internal briefings to the CSD Executive and to the Minister, demonstrate that CSD has also taken account of identified key service delivery issues and risks as part of its planning for the next stage of the reform. Some examples include the need to:
- reflect the National Aboriginal and Torres Strait Islander Child Placement Principle, Family Therapy, Family Group Conferencing and prevention and restoration programs in the new Strategy,
 - continue a focus on trauma informed care, prevention and restoration and permanency for children and young people,
 - consider developments in contemporary practice and learnings from the implementation phase of *A Step Up for Our Kids*,
 - consider the recommendations of the Sustainability Review undertaken by Ernst and Young, and
 - implement a new Strategy that accommodates the maturing of the out-of-home care service system following on from *A Step Up for Our Kids*.
- 5.22 Despite a significant investment of resources and effort, CSD had not performed a mapping or acquittal exercise to demonstrate that the issues of previous evaluations and reviews of *A Step Up for Our Kids* had been taken account of in the development of the *Next Steps* strategy.
- 5.23 CSD has undertaken a wide range of reviews, reports and evaluations over the six-year implementation of *A Step Up for Our Kids*. CSD has commissioned consultancies for some of these and undertaken others itself. CSD intended this body of work to identify achievements, collect data about the views of those with lived experience of the out-of-home care service system and identify issues, challenges and gaps requiring remediation in the next stage of out-of-home care reform; *Next Steps*.
- 5.24 CSD has used these reviews, reports and evaluations to identify themes, lessons and gaps in service delivery associated with *A Step Up for Our Kids*. This has provided a strong evidence base and research source to inform the development, objectives and focus for *Next Steps*. Whilst this is a positive first step to refining and remedying known issues associated with *A Step Up for Our Kids*, the challenge for CSD will be implementing the lessons learnt in *Next Steps*, especially in relation to contract management. Significant investment of time and resources should be dedicated to implementing *Next Steps* and considering the known service delivery issues, as referred to in the chapters 2 and 3 of this report.

Oversight of planning for *Next Steps*

- 5.25 Following the cessation of the Joint Governance Group, CSD established two new temporary governance arrangements in mid-2021 for a 12-month period to provide an advisory function to facilitate the development of *Next Steps* and a strategy to procure out-of-home care services post 30 June 2022.
- 5.26 These monitoring and oversight arrangements consisted of:
- *A Step Up for Our Kids* Reform Project Board and Steering Committee; and
 - the Business Improvement Executive.
- 5.27 The Directorate regularly briefed the Minister for Children, Youth and Families (and later the Minister for Families and Community Services) and this provided a line of sight over the progress of its planning activities for the programs of work under *Next Steps*.

A Step Up for Our Kids Reform: Steering Committee

- 5.28 On 26 May 2021, CSD released *A Step Up for Our Kids Reform: Steering Committee and Project Board Governance Guide* (the Governance Guide), which outlines the role and function of the two committees.
- 5.29 The role of the Steering Committee and the Project Board was defined as:
- The Steering Committee and Project Board are non-statutory temporary committees established for a 12-month term which, at the discretion of the Community Services Directorate (CSD) may be extended. Their purpose is to fulfil an expert advisory function to facilitate the development of the next iteration of an out of home care strategy and a sourcing strategy to procure out of home care services for the ACT Government post 30 June 2022.
- The Steering Committee and Project Board (via the Steering Committee) are reportable to the Directorate’s Strategic Board of Management (SBoM) and are ultimately responsible to the Minister for Families and Community Services.
- 5.30 Amongst other things, the Governance Guide outlines administrative procedures and governance principles, accountability and probity requirements and provides a Confidentiality and Conflict of Interest Undertaking Form for committee members to complete.
- 5.31 The terms of reference for *A Step Up for Our Kids Reform: Steering Committee* state the purpose of the Steering Committee is to:
- Provide oversight responsibility for the redesign of the ACT’s next out of home care strategy and procurement of services to commence 01 July 2022. The Steering Committee is responsible for approving strategy redesign, budget, defining and realising benefits, and monitoring risks, quality and timeliness of the next iteration of *A Step Up for Our Kids* out of home care strategy. Incorporated into this is the development and approval of an overarching monitoring and evaluation framework that articulates outcomes measures and benefit measurements (defining and realising benefits).

5.32 The Steering Committee has the following functions:

- Being fully briefed on data and evidence relating to the current and future state of out of home care in the ACT;
- Provide oversight for demand modelling for out of home care for the next decade, including cohort segmentation;
- Provide oversight for a cost-benefit analysis of current funding model for the continuum of care;
- Provide advice on future pricing structures and flexible approaches to funding options;
- Provide advice on budget strategy that can be supported by the Steering Committee when being considered by the ACT Government;
- Provide advice on procurement scheduling and options that is supported by the Steering Committee when being considered by Government Procurement Board (GPB);
- Provide advice on risks and mitigations, in particular timing risks; and
- Intersections with related procurement processes across CSD and the Human Services Cluster.

5.33 The role of the Chair is undertaken by a Deputy Director-General of CSD. The Project Sponsor is the Executive Group Manager, Children, Youth and Families and the Project Lead is the Executive Branch Manager, Out of Home Care Strategy and Governance. Membership is made up of senior executives from CSD, CMTEDD, an independent procurement and probity adviser and a project team.

A Step Up for Our Kids Reform: Project Board

5.34 The terms of reference for *A Step Up for Our Kids Reform: Project Board* states the Project Board's purpose as:

The *A Step Up for Our Kids Reform: Project Board* (Project Board) is responsible, through the Project Sponsor, to the *A Step Up for Our Kids Reform: Steering Committee* (Steering Committee) for the delivery of the next phase of *A Step Up for Our Kids* out of home care reform (the Project). The Project Board provides direction and guidance to the Project Team to ensure the successful delivery of the Project. Issues that are not able to be resolved by the Project Team will be escalated to the Steering Committee.

5.35 The Project Board has the following functions:

- Monitoring and driving the progress of the Project through a robust project management approach;
- Making decisions on escalated issues and risks;
- Ensuring the Steering Committee is fully briefed on Project deliverables and timeframes;
- Ensuring the Steering Committee is fully briefed on issues, risks, and mitigation options;
- Approving project exceptions and change requests;
- Providing ongoing support and guidance to ensure the Project remains viable and delivered within constraints;
- Ensuring resources are made available in accordance with the Project Plan;
- Endorsing project deliverables identified in the Project Plan for signoff by the Project Sponsor;
- Endorsing project milestones for signoff by the Project Sponsor; and

Supporting the Steering Committee to fulfil their functions as articulated in the Terms of Reference for the A Step Up for Our Kids Reform: Steering Committee (refer to Terms of Reference for further detail on specific functions).

- 5.36 The Project Board is chaired by the Executive Group Manager, Children, Youth and Families, who also holds the role of Project Sponsor. Similar to the governance arrangements established to implement *A Step Up for Our Kids*, the Project Board has extensive membership including senior executives from CSD, senior executives from CMTEDD, an independent probity and procurement adviser and a project team of Senior Directors and Directors from CSD. The Project Board was required to meet monthly, two weeks before the Steering Committee meetings and is ultimately accountable to the Steering Committee and Project Sponsor.
- 5.37 A review of a agendas and meeting minutes for the *Step Up for Our Kids* Reform Steering Committee and Project Board identified they were operating in line with their respective terms of reference. Minutes for Steering Committee meetings, for example, showed discussion of research/evaluation of *A Step Up for Our Kids*, procurement activities and strategy for *Next Steps* and updates on stakeholder engagement. Minutes of Project Board meetings showed discussion of progress of the program of work (redesign of the strategy, procurement and commissioning), stakeholder engagement activities and drafting of the *Next Steps* strategy.
- 5.38 Following the cessation of the interim governance arrangements, and until permanent governance arrangements are established for *Next Steps*, CSD advised that oversight of service delivery is provided internally through:
- the regular and ongoing program of contract management meetings – held between CSD Relationship Management staff and ACT Together (Barnardos) and Uniting CFACT;
 - CSD’s Children, Youth and Families Strategic Business Improvement Executive, whose purpose is to provide oversight and guidance across the Children, Youth and Families Division more broadly. The Business Improvement Executive aims to improve performance, encourage innovation and support the achievement of strategic and operational objectives. One of its key functions is oversight of CYF projects, all of which require approval of the Business Improvement Executive. Meetings are held fortnightly, and membership comprises senior executives from the Children, Youth and Families Division; and
 - CSD’s Children Youth and Families Performance and Risk Management Committee, whose purpose is to provide regular reporting and a line of sight to the CSD Director-General. Its key functions include monitoring service performance and systemic risks and reviewing implementation of commitments, initiatives and service reforms relating to the Children, Youth and Families Division. Meetings are held monthly, and membership comprises senior executives from Children, Youth and Families Division.

5.39 During audit fieldwork, the Audit Office was advised that:

A refresh of internal CYF [Children, Youth and Families] governance is being progressed. The inaugural CYF Leadership Group meets on 19 September 2022 and brings together the senior leadership team from across the Division. The whole day forum, scheduled monthly, will focus on providing CYF leaders with a forum for shared decision making, transparent information from CSD Strategic Board of Management, and ensure CYF leaders understand and contribute to the key reform pieces being led across the Directorate. The new forum will be chaired by the Executive Group Manager, Children, Youth and Families.

5.40 Following the cessation of the Joint Governance Group, CSD established *A Step Up for Our Kids* Reform Steering Committee and Project Board to progress the development and implementation of *Next Steps*. Each body has approved terms of reference outlined in *A Step Up for Our Kids Reform: Steering Committee and Project Board Governance Guide*, which outlines the bodies' roles and responsibilities. A review of a sample of agendas and minutes for these bodies confirms that they have operated according to their terms of reference. In the absence of the Joint Governance Group, CSD's oversight of ACT Together and Uniting CFACT service delivery under *A Step Up for Our Kids* is fulfilled by ongoing contract management meetings and committees led by Children, Youth and Families Division executives. These arrangements confirm the presence of executive oversight for both ongoing service delivery and policy development prior to the implementation of new arrangements under *Next Steps*.

Stakeholder consultations for *Next Steps*

Planning for stakeholder consultations

5.41 Establishing processes for stakeholder consultations with the purpose of gathering insights and intelligence on service delivery issues is an important part of improving service performance. Taking account of the variety and diversity of community views is an important part of this process.

5.42 Prior to 2021, CSD did not develop or implement a thorough plan for the conduct of a program of stakeholder consultations under *A Step Up for Our Kids*. There was no single master document or engagement/consultation register that was established as part of consultation planning between 2016 and 2021. Had this occurred, it would likely have supported a consolidated record of consultations and enabled CSD to keep track of consultations and access the findings and themes of progressive consultations across the entire implementation phase of *A Step Up for Our Kids*. This may have more easily informed planning for *Next Steps*.

5.43 CSD did, however, develop a *Communications and Engagement Strategy for A Step Up for Our Kids* in 2021, which comprised two parts:

- Part A: Communications Plan
- Part B: Engagement Plan

5.44 The *Communications and Engagement Strategy* acknowledges that:

The development of the next iteration of the Strategy has drawn stakeholder interest locally, across jurisdictions and has implications for the Government's role under the *National Framework for Protecting Australia's Children 2009-2020* and the *National Standards for Out-of-Home Care*.

The Minister for Families and Community Services has endorsed a co-design process with community in the redesign of the next iteration of the Strategy that:

... supports children, young people, families, carers and staff to participate in or co-design the Strategy

5.45 Amongst other things, the objective of Part A: Communications is to:

inform, update and share information with stakeholders;

invite, and increase access to, participation in the development of the next iteration of the Strategy; and

ensure that key stakeholders are part of the conversation to mature reform to the child protection system.

5.46 The intent of Part B: Engagement is to:

... seek the views of external and internal stakeholders in the development of the next iteration of the Government's out of home care strategy. Engagement will provide opportunities for stakeholders, particularly people with lived experience, to contribute to the Government's out of home care reform agenda.

5.47 Prior to 2021, stakeholder engagement and consultations to elicit feedback on *A Step Up for Our Kids* were largely ad hoc. Despite no formal plan being developed at the commencement of *A Step Up for Our Kids* in 2016, CSD developed a *Communications and Engagement Strategy* in 2021 to coincide with its intention of undertaking targeted and rigorous stakeholder engagement in planning for the *Next Steps* reform agenda. The Strategy shows that CSD had a considered approach to identifying its target audience, developing key messages and identifying communication channels and processes to monitor and evaluate the Strategy.

Conduct of stakeholder consultations

5.48 CSD's Strategy and Governance Section has led consultation and engagement with a diverse range of key stakeholders across the life of *A Step Up for Our Kids* to seek feedback on experiences of service delivery under the strategy, including identifying what worked and what didn't work, and gaps and challenges, with the intention of using this feedback to inform its development of *Next Steps*.

5.49 Some examples of CSD's consultation and engagement activities during the implementation of *A Step Up for Our Kids* include, but are not limited to:

- 2018
 - hosting a 'Youth Roundtable' in partnership with CREATE, the Youth Coalition of the ACT and the Australian Catholic University Institute of Child Protection

- Studies to obtain the views and experiences of young people about case planning and decision making in out-of-home care,
- conducting a survey of the wellbeing of foster and kinship carers across the ACT, overseen by CSD’s Joint Governance Group and Carer Wellbeing Sub-Committee, and
 - developing and publishing *‘Stepping up for our Kids: Real Stories of Keeping Children and Young People Strong, Safe and Connected, 2018’* – a collection of feedback stories on children and young people’s experiences under *A Step Up for Our Kids*.
- 2019
 - hosting a forum comprising CSD staff, ACT Together (Barnardos), Uniting CFACT, CREATE Foundation, Red Cross and Carers ACT to enable service providers and peak bodies to examine trends and initiatives in child protection in Australia. The theme for the forum was *‘Stepping with Dignity: Empowering Children and Families through Purposeful Partnerships’*.
 - 2021
 - undertaking stakeholder consultations focused on seeking the views of people with lived experience under *A Step Up for Our Kids* to help inform the development of the *Next Steps Strategy* (see Listening Reports below). These were conducted over a seven-month period, and involved over 700 stakeholders including service users, people with lived experience, the non-government sector, the workforce, academics, researchers and government. The aim was to explore community needs through ensuring the voice of end users were heard, capturing individual and group experience of *A Step Up for Our Kids*,
 - the Minister for Families and Community Services hosting a ‘Children and Family Services Forum’ with 40 community organisations and Government representatives. This provided an opportunity for agencies working in the out-of-home care sector an opportunity to discuss *Next Steps* and enhanced ways for working with Government. Amongst other things, this work culminated in a Discussion Paper that provided a high-level overview of the ACT reform landscape and a Listening Report,
 - undertaking Workshops with service providers (including ACT Together (Barnardos) and Uniting CFACT) to seek feedback on *Next Steps* reform agenda and the transition process,
 - holding meetings with the Public Advocate, Children and Young People’s Commissioner and Official Visitors, as representatives of statutory oversight bodies, to discuss what worked and what didn’t work under *A Step Up for Our Kids*, and
 - holding discussions with the Aboriginal and Torres Strait Islander Co-design Network to help guide policy and practice improvement, and engagement with the *Our Booris: Our Way* Implementation Oversight Committee to seek guidance on embedding this work in the *Next Steps Strategy*.

- 2022
 - holding further discussions with what are known as ‘critical sector friends’ comprising representatives of service providers, peak bodies and statutory oversight bodies. This was hosted by the Minister for Families and Community Services, with the aim of seeking feedback on the draft *Next Steps* strategy, including among other things, on its structure and content.

Issues from stakeholder consultations

5.50 A review and analysis of key documents relating to the stakeholder consultations shows that there were several suggestions for improving the *Next Steps* Strategy document and approach to service delivery. Some of these relate to:

- *Structure* – including mentioning the shortcomings and challenges of *A Step Up for Our Kids* Strategy and the statutory child protection system more generally and how *Next Steps* will address these known challenges; and
- *Content* – including a clearer articulation of how the out-of-home care service system will work together, such as funded community service organisations working together and with government, and information about what is changing under the service systems, the reasons why, and the impact these changes will have for children, young people and families.

5.51 CSD has undertaken broad and comprehensive stakeholder engagement and consultation with those who have lived experience of the out-of-home care system including children and young people, families, carers and Aboriginal and Torres Strait Islander community members. Further to this, CSD has also consulted with service providers, the workforce, peak bodies and regulatory and statutory bodies. Despite the solid program of stakeholder engagement, CSD has not recorded stakeholder engagement activities in a consistent, standardised and comprehensive manner. The establishment and maintenance of a centralised stakeholder engagement register with a standardised recording format would have supported CSD’s ability to access progressive findings more easily and quickly from stakeholder engagement activities and identify their relevance/implication for its work in progressing the *Next Steps* reform agenda.

Listening Reports

5.52 Following the stakeholder consultations being carried out in 2021, CSD published two reports:

- *Stage One Listening Report, The Next Iteration of A Step up for our Kids Out of Home Care strategy 2022-32* (August 2021); and
- *Stage Two Listening Report to Inform Next Steps for our Kids Out of Home Care Strategy 2022-32* (November 2021).

Stage One Listening Report

5.53 The *Stage One Listening Report* is based on issues arising from stakeholder consultations with:

- children and young people in care or who have experienced care;
- birth and biological families;
- carers including kinship and foster carers;
- members of the Aboriginal and Torres Strait Islander community;
- the community sector, including current out-of-home care providers, peak organisations and organisations not funded to deliver services under *A Step Up for Our Kids* Strategy;
- oversight agencies and bodies;
- ACT Government directorates and agencies; and
- CYPS workforce.

5.54 It identifies three key areas of change needed to strengthen the child protection and out-of-home care system. These relate to:

- out-of-home care policy and strategy – feedback provided by stakeholders was that the ACT’s child protection and out-of-home care systems requires more time to build on change, with long-term direction needed to reach a point of capability;
- evidence-based and contemporary models of care – community feedback identified a need for a focus on evidence-based programs and practices to strengthen the out-of-home care model. Other contemporary practice techniques include being child-centric, recognising and identifying a connection to culture and incorporating family-centred planning; and
- contemporary service provision – feedback was that contemporary service provision means using evidence-based practice on a day-today basis, using practices that have worked well with families and adapting these to the ACT context. Amongst other things, it acknowledges that multi-agency approaches are needed and services across Government need to be coordinated.

Stage Two Listening Report

5.55 The *Stage Two Listening Report* included consultations with:

- young people in care or who have experienced care;
- biological families;
- carers including kinship and foster carers;
- members of the Aboriginal and Torres Strait Islander community; and

- the community sector, including community organisations working alongside diverse communities.

5.56 Feedback from these consultations identified the following areas as critical for improvement:

- improving the experiences of out-of-home care for all children and young people. These can be achieved through:
 - addressing the impact of fear, stigma and discrimination on children and young people;
 - developing clear policy and practice guidelines to support the safety and mental health of children and young people; and
 - ensuring adequate and appropriate service provision for all children and young people in out-of-home care and supporting connection to community, culture and family.
- supporting biological families early on and strengthening restorative practices. This can be achieved through:
 - addressing the power imbalance between CYPS and biological families through earlier and greater access to advocacy services;
 - improving practices that consider trauma impact and shared problem solving;
 - identifying the need for culturally appropriate services and ensuring information provision takes account of language and cultural differences;
 - providing independent advocacy and legal support; and
 - improving the methods of communication.
- strengthening support for foster and kinship carers. This can be achieved through:
 - supporting parents with teenagers, greater involvement of foster and kinship carers in decision making and information sharing processes, and communicating relevant changes to child protection and out of-home care policy and processes.
- improving data collection. This can be achieved through:
 - improving data integrity to ensure systems meet the needs of community members and ensuring processes in place to monitor and evaluate improvements in practice and implement measurable outcomes.

5.57 The Listening Reports have been used by CSD to inform *Next Steps*. In a brief prepared by CSD for the Minister for Families and Community Services in July 2021, the following was noted:

Stakeholder engagement is building on the evidence base to inform the next iteration of the Strategy. Stage One engagement activities commenced in early 2021 with a focus on engaging people with lived experience and including the Aboriginal and Torres Strait Islander Co-Design Network. Key themes in experience and feedback from stakeholders include the need for collaborative and transparent decision making as well as coordinated and flexible earlier support options for families. Stakeholders have indicated their interest in the ACT's next stage of reform in the out of home care system.

5.58 To prepare for *Next Steps*, CSD consulted widely over multiple years on its development. This included consultation with young people, families, carers, members of the Aboriginal and Torres Strait Islander community and the broader community who have an interest in out-of-home care. As a result, the community provided input as to what should be the focus and aim of *Next Steps*. Further to this, CSD led the development and production of two Listening Reports, which focused on stakeholder experiences with the child protection and out-of-home care system. The Listening Reports are key publications for driving change in the out-of-home care reform agenda, *Next Steps*. CSD took account of stakeholder views in the development and finalisation of the *Next Steps* Strategy.

APPENDIX A: AUSTRALIAN GOVERNMENT CONTRACT MANAGEMENT GUIDE BETTER PRACTICE

The *Australian Government Contract Management Guide* (December 2020) outlines best practice contract management in relation to:

- contract governance
- performance management
- supplier relationship management
- contract administration.

The Guide defines contract management as:

... all the activities undertaken by an entity, after the contract has been signed or commenced, to manage the performance of the contract (including any corrective action) and to achieve the agreed outcomes.

During the contract start-up phase, key better practice activities to conduct include, but are not limited to:

- reviewing the contract (including understanding all obligations, outcomes to be delivered)
- confirming contract management roles and responsibilities (including appointing nominated representatives, document delegates and develop contract management plan)
- setting up contract administration
- setting up contract information management
- setting up communication management
- reviewing and updating plans (including a contract management plan, risk management plan, communications plan, transition in plan and probity plan, for example)
- providing the supplier with agreed access, assets and information security (where applicable), and
- conducting start up meetings with the supplier.

During the contract performance stage, key better practice activities include, but are not limited to:

- building and maintaining effective professional working relationships with the supplier
- managing delivery and acceptance

- measuring and managing performance
- performing contract administration tasks
- managing contract risk, and
- managing contract variations.

It is good practice to develop, implement and routinely monitor arrangements to support effective contract management. It is especially prudent to mitigate risk, clarify roles and responsibilities, accountabilities and delegations and outline processes to address and remedy issues when engaging a third party to deliver services. This is especially important when entering high-risk and high-dollar service delivery contracts, such as those CSD has in place with ACT Together (Barnardos) and Uniting CFACT.

Audit reports

Reports Published in 2023-24	
Report No. 01 - 2024	Urban Tree Management
Report No. 11 - 2023	2022-23 Financial Audits – Financial Results and Audit Findings
Report No. 10 - 2023	Human Resources Information Management System (HRIMS) Program
Report No. 09 - 2023	2022-23 Financial Audits Overview
Report No. 08 - 2023	Supports for students with disability in ACT public schools
Report No. 07 - 2023	Annual Report 2022-23
Report No. 06 - 2023	Implementation of the ACT Aboriginal and Torres Strait Islander Agreement
Report No. 05 - 2023	Activities of the Government Procurement Board
Reports Published in 2022-23	
Report No. 04 - 2023	Procurement of a hybrid electric fire truck
Report No. 03 - 2023	Financial Management Services for Protected Persons
Report No. 02 - 2023	Management of Operation Reboot (Outpatients)
Report No. 01 - 2023	Construction occupations licensing
Report No. 10 - 2022	2021-22 Financial Audits Financial Results and Audit Findings
Report No. 09 - 2022	ACT Emergency Services Agency cleaning services arrangement
Report No. 08 - 2022	2021-22 Financial Audits – Overview
Report No. 07 - 2022	ACT Childhood Healthy Eating and Active Living Programs
Report No. 06 - 2022	Annual Report 2021-22
Report No. 05 - 2022	Procurement and contracting activities for the Acton Waterfront Project
Reports Published in 2021-22	
Report No. 04 - 2022	Governance arrangements for the planning of services for Parkwood, Ginninderry
Report No. 03 - 2022	Taxi Subsidy Scheme
Report No. 02 - 2022	Fraud Prevention
Report No. 01 - 2022	Management of Detainee mental health services in the AMC
Report No. 13 - 2021	Campbell Primary School Modernisation Project Procurement
Report No. 12 - 2021	2020-21 Financial Audits – Financial Results and Audit Findings
Report No. 11 - 2021	Digital Records Management
Report No. 10 - 2021	2020-21 Financial Audits Overview
Report No. 09 - 2021	Annual Report 2020-21
Report No. 08 - 2021	Canberra Light Rail Stage 2a: Economic Analysis

These and earlier reports can be obtained from the ACT Audit Office's website at <http://www.audit.act.gov.au>.