Department of Families, Housing, Community Services and Indigenous Affairs

Implementation Review of the Family Responsibilities Commission

FINAL REPORT

September 2010

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References to 'review' throughout this report have not been used in the context of a review in accordance with assurance and other standards issued by the Australian Auditing and Assurance Standards Board.

The findings in this report are based on a qualitative study and the reported results reflect a perception of the stakeholders consulted but only to the extent of the sample surveyed, being the Department of Families, Housing, Indigenous Affairs and Community Services (FaHCSIA)'s approved representative sample of stakeholders. Any projection to the wider stakeholders is subject to the level of bias in the method of sample selection.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, stakeholders consulted as part of the process.

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Glossary

ACMs	**Attendance Case Managers** ACMs work to improve the school attendance rate in communities by liaising with parents, students, schools and the broader community to encourage school readiness and attendance.
AMP	**Alcohol Management Plan** Since 1 January 2003, Alcohol Management Plans have established legalised restrictions to the type and quantity of alcohol that may be brought into a number of Indigenous communities. These restrictions vary from community to community and change over time through negotiations with individual communities. The law applies to all residents and visitors to the community.
ATODS	**Alcohol, Tobacco and Other Drugs Services (Queensland Health)** Provides information, counselling and referral for individuals with concerns related to the use of drugs and alcohol.
Bama	Regional name for Indigenous Australians, relating to language groups in north Queensland.
CDEP	**Community Development and Employment Program** An Australian Government funded initiative for Indigenous job seekers which provides community-managed activities to develop participants' skills and employability in order to assist their move into employment outside CDEP.
CIM	**Conditional Income Management** CIM involves the FRC sending a notice to the Centrelink Secretary to recommend removing a person's individual discretion over the spending of a portion of their welfare payments (or direct some of it to a responsible adult in the case of family payments), so that the essential needs of children and families are met.
CoAG	**Council of Australian Governments** The peak intergovernmental forum in Australia comprising the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association.
CYI	**Cape York Institute for Policy and Leadership** An independent policy and leadership organisation formed in 2004 in partnership with the people of Cape York and Griffith University, with financial support from the Queensland and Australian Governments. CYI provides policy oversight to the

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	FRC through the Family Responsibilities Board.
CYP	**Cape York Partnerships** An organisation formed in 1999 through an agreement between the Australian and Queensland Governments and regional Indigenous organisations in Cape York Peninsula. CYP is also funded to provide services which form part of the broader welfare reform package, including Attendance Case Managers and Family Income Management.
DoHA	**Department of Health and Ageing** Federal department responsible for the health and ageing portfolio, focusing on strengthening evidence-based policy advising, improving program management, research, regulation and partnerships with other government agencies, consumers and stakeholders.
FaHCSIA	**Department of Families, Housing, Community Services and Indigenous Affairs** Federal department responsible for the families, housing, community services and Indigenous Affairs portfolio. The Department aims to improve the lives of Australians by creating opportunities for economic and social participation by individuals, families and communities.
FIM	**Family Income Management** Funded by FaHCSIA, staffed and managed by Cape York Partnerships (CYP) in partnership with Westpac Bank, the FIM program was operational in each of the communities prior to the Cape York Welfare Reform. It is a voluntary, confidential and free service that is specifically designed to meet the particular needs of Indigenous individuals and families, and provide them with the education, information and ongoing support needed to manage their own money effectively. Family Income Management is different to Conditional Income Management and operates independently of Income Support, however, there are some clients who are both on CIM and on FIM.
FRA	**Family Responsibilities Agreement** An FRA is a consensual agreement about how the client can work to adopt more socially responsible standards of behaviour and address the issues in their lives which have led to the notification.
FRC	**Family Responsibilities Commission** Statutory body established as a key plank of the Cape York Welfare Reform, to address breaches of obligations imposed on welfare recipients in order to encourage socially responsible behaviour.

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FRC Act	***Family Responsibilities Commission Act 2008* (Qld)** Legislation establishing and empowering the FRC.
LAGs	**Local Advisory Groups** Established by the RFDS as part of planning for the transition of Wellbeing Centres to community control, these groups allow for local representatives to have input into planning and service delivery models and is building greater community ownership.
LPO	**Local Program Office** Representatives of the Tripartite Partners at the local, community level.
NOD	**Notice of Decision** A compulsory decision that may be made by the FRC if it cannot enter into a consensual agreement with the client.
NTA	**Notice to Attend** A formal notice issued by the FRC to call individuals to conference. The Local Coordinator currently hand delivers the Notice to Attend Conference to community members.
RFDS	**Royal Flying Doctor Service** A not-for-profit organisation that delivers primary health care and 24-hour emergency service to Australians in regional and remote areas. RFDS manage the Wellbeing Centres.
SETs	**Student Education Trusts** SETs enable family members to make regular contributions to their child's trust which will be used to meet education-related expenses from 'birth to graduation'.
Tripartite Partners	**Australian and Queensland Governments and the Cape York Institute for Policy and Leadership** The partners responsible for overseeing and implementing the Cape York Welfare Reform.
VIM	**Voluntary Income Management** The FRC Act enables the FRC to receive voluntary self-referrals, where a community member asks for the FRC to give Centrelink a notice requiring the person to be subject to income management.
WBC	**Wellbeing Centres** Wellbeing Centres are funded by the Federal Department of Health and Ageing and managed by the RFDS. The centres provide a range of social support services such as counselling and community activities to address drug and alcohol addiction, mental health issues and other social problems such as family violence or problem gambling.

Source: organisational websites

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Executive summary

Background

The Cape York Welfare Reform is a joint initiative of the Australian and Queensland Governments and the Cape York Institute for Policy and Leadership, and is operating in the remote Queensland communities of Aurukun, Coen, Hope Vale and Mossman Gorge from July 2008-December 2011.

One of the Welfare Reform's central projects is the Family Responsibilities Commission (FRC). This is a unique regulatory authority, which is time limited, and involves local Indigenous people in decision-making. The FRC aims to support the restoration of socially responsible standards of behaviour and local authority, and to help people resume primary responsibility for their individual and communal wellbeing.

Implementation Review of the FRC

This Report focuses solely on the findings from the Implementation Review of the FRC (Review). This Review has considered the implementation and operation of the FRC in the first 18 months of its 3.5 year term. The objectives of the Review have been to establish:

- whether the FRC is being implemented effectively;
- what might need to be changed or addressed; and
- what initial impacts can be observed.

Terms of Reference that comprise eight questions and a range of sub-questions have guided the conduct of the Review.

A mixed-methods approach was used to collect and analyse information, including:

- visits to the four communities to talk to local people;
- consultation with over 100 stakeholders from the FRC, communities, service providers and government agencies;
- analysis of program and other administrative data; and
- observation of FRC conferences in process.

The data collection took place from August 2009 to January 2010 while analysis and validation of data occurred from February to July 2010. The data used to inform this Report are indicative only as it is not possible to have identifiable trends over such a short period of time. They reflect a specific point in time within an evolving context.

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Future stages in the evaluation of the Cape York Welfare Reform will consider the whole Reform.

The FRC and its functioning

The FRC can be conceptualised as a regulatory body which seeks to change people's behaviour and the social norms of the reform communities. The FRC forms part of a broader system, together with Queensland Government agencies which notify the Commission of breaches of social obligations, and support services which receive referrals from the FRC. The FRC system can be understood as a network of regulation based on collaboration between local Indigenous leaders, existing authorities and services from education, child protection, housing, income support, police and courts, plus non-government organisations.

The FRC holds conferences with individual community members who are welfare recipients and who have been identified as failing to uphold obligations around caring for children, sending them to school, abiding by the law, or abiding by public housing tenancy agreements. The FRC can refer clients to support services to address issues and barriers to change. Although its primary objective is to provide assistance, the FRC also has the authority to recommend that Centrelink manage a portion of an individual's welfare payments.

Findings

The Review has made the following findings. A full list of recommendations is set out in chapter 13.

Implementation and objectives
• The FRC has been successfully established as an innovative new body in accordance with the requirements of the design and legislation. • The FRC's jurisdiction is targeted appropriately and it is engaging community members in a very complex environment. • The process of establishing the FRC system has been more difficult than anticipated, but this is not unusual for changes in which collaboration across organisations at all levels is required, and issues are being worked through • The FRC is progressing towards its objectives, and there are opportunities to further enhance its influence in the communities.

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Initial impacts

- The FRC appears to be contributing to restoring Indigenous authority by supporting local and emerging leaders in Local Commissioner roles to make decisions, model positive behaviour and express their authority outside of the FRC.
- With average attendance rates of around 60-70 percent at conferences, which compares favourably with other conditional welfare initiatives, and the majority of clients reaching agreements with the FRC about what action they should take to improve their lives, there are signs of individuals responding to the drivers and incentives created by the FRC.
- There is growing awareness in the communities that the FRC is operational and will hold people accountable for certain behaviour, although this understanding is not yet broad or deep.
- Story telling through face-to-face interviews with FRC clients reveals that some people have experienced an improvement in their lives and the lives of their families, although there are also signs that individual change is fragile, with many people breaching another social obligation after being in the FRC system.
- Indicators of positive community-level change around school attendance, alcohol and violence in two communities (Aurukun and Mossman Gorge) may be associated with the FRC and other initiatives, and underpin a higher level of acceptance of the FRC in these communities.

Focus of improvements for remainder of term

The key issues which require further attention are as follows.

- Development of the FRC system should be progressed, focusing on the linkages and cooperation between the Commission, notifying agencies and support services.
- Forward planning for the volume of clients likely to enter the FRC system for the remainder of its term (including repeat clients) and the associated resourcing required, based on experience to date, is needed. It is critical that the FRC is able to respond quickly to identified breaches of social obligations, to facilitate early intervention and to maintain its credibility.
- Ongoing communication with community members about the FRC, to grow broader understanding about the consequences of negative behaviour and the supports for change to align with community values which it provides, should be continued. For individuals to do more than simply comply, and for changes to extend beyond individual clients to other community members, there needs to be broader understanding of how the FRC insists on and assists with change, and why. Working with sub-groups in the community where acceptance of the FRC is strongest, including former clients, to support them to be influencers within their family group or community will aid realisation of FRC goals and assist in raising awareness.

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The FRC's responsive regulation

The Review considered the FRC as a regulatory body according to selected criteria within the Australian National Audit Office (ANAO) *Administering Regulation Better Practice Guide*. Responsive regulation theory, which proposes that the best way to promote self-regulation is to start with the least intrusive strategies and escalate responsively, was also used as a tool to consider the implementation and operation of the FRC system.

The Review has found that the FRC structure and processes largely agree with the principles of good practice and responsive regulation. These principles include:

- the management of risk, information and relationships;
- resourcing and governance; and
- monitoring and enforcing compliance.

Areas where work is required by the FRC system to give effect to these criteria include:

- managing information to monitor client progress;
- regular, formal dialogue with the regulated parties (community members);
- monitoring workload and managing demand; and
- improving the timeliness of responses.

The FRC and the Welfare Reform's Theory of Change

The long-term aims of the Cape York Welfare Reform are complex and ambitious. These involve changes to social behaviours, beliefs and attitudes that are often subtle and difficult to measure and understand. The complexity and interconnectedness of the issues and reforms means that attribution of change to any one activity is not easy.

The Welfare Reform's program theory describes a hierarchy of changes or outcomes that are expected for individuals and families over time through the combination of Welfare Reform projects, including the FRC. The Review's findings, when analysed with reference to the program theory, indicate that the FRC has laid its own foundations and enablers for both individual and community-level change.

Examples of individual behaviour change through the FRC show that change is gradual and unpredictable, affected by the readiness, understanding, motivation and skills of an individual. Change is not instantaneous and support must be maintained, as while some people might change after one episode of interaction, many people require further support. The FRC conference environment and service referral approach reflects good practice for supporting personal change in this way.

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As the FRC begins to reach a critical mass of individuals in each community, and helps to address environmental or common barriers to change, it is expected to contribute to community-level change. The emerging trends of increasing school attendance and decreasing violence in two communities may be the result of a combination of efforts by the FRC and other government and community initiatives. Progress is not even across the communities, and individual behaviour changes can be fragile. This is to be expected considering the complexity of the changes being implemented and the strong support individuals require as they move to align their behaviour with community values.

The data generated by consultation with community members may yield more insights as time passes and further analysis is undertaken. It will be important to analyse trend data and conduct consultations with community members and other stakeholders again in coming years in order to build a longitudinal picture of change.

Summary

The FRC is a major project within the Welfare Reform, and has a unique and innovative charter. Despite numerous challenges and the complexity of operating within a remote environment, the FRC has been implemented as intended in all four communities. Its structures and processes conform to good practice principles, and during its first 18 months of operations, the FRC has established its own foundations and enablers which contribute to supporting individuals in behaving in ways consistent with community values and expectations of acceptable behaviour. Although many challenges remain, the FRC is already addressing a number of these as it continues to strengthen its role within the participating communities.

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Part A – Background to the FRC and its Implementation Review

Summary

The Cape York Welfare Reform is a joint initiative of the Australian and Queensland Governments and the Cape York Institute for Policy and Leadership, and operates in the remote Queensland communities of Aurukun, Coen, Hope Vale and Mossman Gorge.

One of the key projects of the Welfare Reform is the Family Responsibilities Commission (FRC). This is a new regulatory authority that is unique in Australia, time-limited, and involves local Indigenous people in decision-making. Along with other Welfare Reform projects, it aims to support the restoration of socially responsible standards of behaviour and local authority, and to help people resume primary responsibility for the wellbeing of their community.

The FRC conferences with individual community members, who are welfare recipients and have been identified as failing to uphold social norms and related obligations around caring for children, sending them to school, abiding by the law, or abiding by public housing tenancy agreements. The FRC can refer clients to support services to address issues and barriers to change. Although its primary objective is to provide assistance, the FRC also has the authority to recommend that Centrelink manage a portion of an individual's welfare payments.

The FRC was not intended to operate in isolation. It forms part of a broader system, together with Queensland Government agencies which notify the Commission of breaches of social obligations, and support services which receive referrals from the FRC. It can be understood as a system or network of regulation based on collaboration between local Indigenous leaders and a network of authorities and services from education, child protection, housing, income support, police and courts, plus non-government organisations.

The FRC has a fixed life under its own legislation: it is intended to restore positive social norms and local Indigenous authority to a level where communities can self-regulate thereafter.

This Report focuses solely on the Implementation Review of the FRC. Future stages in the evaluation of the Cape York Welfare Reform will consider the whole Reform.

The Review has considered the implementation and operation of the FRC in the first 18 months of its 3.5 year term. The Report highlights the progress made and recommends changes where these could help to improve the effectiveness of the FRC for the remainder of its term. It also documents the initial changes the FRC appears to be contributing to for individuals and communities.

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1 Introduction

The Cape York Welfare Reform is a joint initiative of the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), on behalf of the Australian Government, the Department of Communities on behalf of the Queensland Government and the Cape York Institute for Policy and Leadership (CYI). The Welfare Reform is governed by all three parties together (collectively referred to as the Tripartite Partners). FaHCSIA, on behalf of the Tripartite Partners, engaged KPMG in partnership with Courage Partners to undertake an Implementation Review of the Family Responsibilities Commission (FRC) as the first step in the evaluation of the Cape York Welfare Reform.

This Review has considered the implementation and operation of the FRC in the first 18 months of its 3.5-year term. This Report highlights the progress made and recommends changes where these could help to improve the effectiveness of the FRC for the remainder of its term. It also documents what is happening in the communities and considers this in light of what was expected for the Cape York Welfare Reform overall.

1.1 The Cape York Welfare Reform

The Cape York Welfare Reform is being implemented in Aurukun, Coen, Hope Vale and Mossman Gorge ('the reform communities') in the Cape York region of far north Queensland from 1 July 2008 to 31 December 2011 with the financial support of the Australian and Queensland Governments and through the policy guidance of the CYI.

Figure 1: Location of the four communities[1]

[1] Family Responsibilities Commission, 2009, *Report to the Family Responsibilities Board and the Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships - Quarterly Report No. 5, July-September 2009*. Accessed at <http://www.frcq.org.au/sites/default/files/FRC%20Quarterly%20Report%205.pdf> viewed June 2010.

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The Cape York Welfare Reform consists of a range of projects and initiatives across four Streams: housing, education, economic development and social responsibility. These are outlined in Appendix I.

The Cape York Welfare Reform is intended to be a catalyst for change in the Cape York region where some Indigenous communities are considered to be living within a culture of reduced personal and community responsibility, believed to be a result of ingrained negative social norms and associated with a culture of passive welfare.[2]

The Cape York Welfare Reform seeks to tackle Indigenous disadvantage in a way which fosters personal responsibility and local leadership, and supports Indigenous people to effect change in their own lives through rebuilding positive social norms. The Cape York Welfare Reform ultimately aims to:

- restore positive social norms;
- re-establish local Indigenous authority;
- support community and individual engagement in the 'real economy'; and
- move individuals and families from welfare housing to home ownership.

This Report focuses solely on the findings from the Implementation Review of the FRC. It does not consider other projects or the broader Cape York Welfare Reform context. These are the subject of future evaluation activities to be determined by the Tripartite Partners.

1.2 The FRC and system

The FRC is situated within the social responsibility Stream[3] of the Cape York Welfare Reform, but is designed to be a key agent of change within the broader reform agenda. The Commission is a new regulatory authority that is unique in Australia, time-limited, and involving local Indigenous people in decision-making. It aims to support the restoration of socially responsible standards of behaviour and local authority, and to help people resume primary responsibility for the wellbeing of their community. The Commission also seeks to promote the interests, rights and wellbeing of children and other vulnerable persons living in these communities. See Appendix B for a more description of the establishment of the FRC.

[2] Cape York Institute for Policy and Leadership, 2007, *From Hand Out to Hand Up: Design recommendations*, Volumes 1 and 2. Available at: <http://www.cyi.org.au/WEBSITE%20uploads/Welfare%20Reform%20Attachments/From%20Hand%20Out%20to%20Hand%20Up_Welfare%20Reform%20Report.pdf and http://www.cyi.org.au/WEBSITE%20uploads/Welfare%20Reform%20Attachments/Cape%20York%20Welfare%20Reform%20Project%20-%20From%20Hand%20Out%20to%20Hand%20Up%20Volume%202.pdf > viewed February 2010.

[3] The other three Streams are Education, Economic Opportunity and Housing.

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The FRC was established by the *Family Responsibilities Commission Act 2008* (Qld) – (the FRC Act), and is an independent Queensland Government statutory authority made up of a legally qualified Commissioner (Commissioner Glasgow) and six Indigenous Local Commissioners from each of the reform communities (24 in total). The Local Commissioners and Commissioner Glasgow hold regular conferences in each community on a circuit, and are supported by Registry staff based in Cairns and the communities.

The conferences are conducted with individual community members who are welfare recipients and have been identified as failing to uphold obligations around caring for children, sending them to school, abiding by the law, or abiding by public housing tenancy agreements (social obligations). The relevant Queensland Government agencies identify breaches of these social obligations and notify the FRC, which then checks that the individuals concerned are within its jurisdiction and decides when to call them to a conference.

The FRC is designed to support the building of personal capacity by first trying to influence the individuals' desire for behaviour change and addressing environmental and other barriers to change, rather than imposing change. The FRC links individuals to relevant support services in their community: these include case managers to help children attend school; money management advisors; and counsellors for drug and alcohol addiction, family violence and mental health issues. The Commissioners try to reach agreement with individuals on actions they will take to assume responsibility and behave positively, through attending support services or through personal actions such as putting children to bed early. Agreements reached during a conference are documented as a Family Responsibilities Agreement (FRA). However, the FRC also has the authority to make decisions and referrals where the client does not agree.

Although the primary objective is to provide assistance, the FRC also has the authority to recommend that Centrelink manage a portion of an individual's welfare payments (Conditional Income Management, or CIM). The FRC can use CIM both as a means to ensure financial stability in the home and as an incentive for the individual to engage with support services and observe community obligations.

The FRC was not designed to operate in isolation and is to some extent reliant on the support services and agencies to effect change. Thus the FRC Act establishes a broader system that includes other Queensland Government agencies and community-based support services. Relevant Queensland Government agencies are required to notify the FRC if any of the following events occur:

- a child has three absences in a school term without reasonable excuse or a child is not enrolled in school without a lawful excuse;
- a person is the subject of a Child Safety concern or notification report;
- a Magistrates Court convicts the person of an offence; or
- there is a breach of a public housing tenancy agreement.

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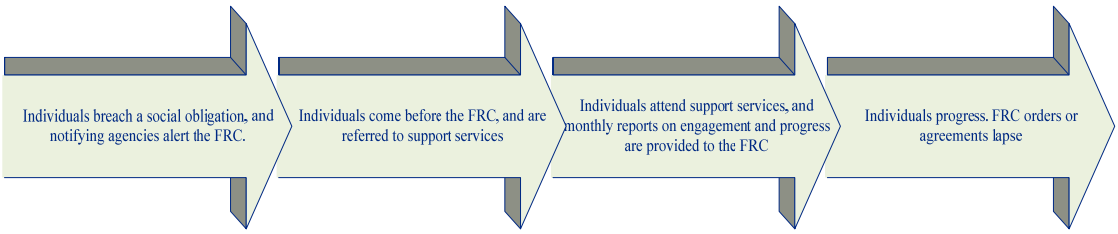
The agencies' role within the system is therefore one of identifying the individuals in each community who may require FRC consideration. At the other end of the FRC process, the system also includes the support services to which the FRC refers clients for help in changing their behaviour and the environment around them. These services also assist the Commission to monitor whether FRC clients are doing what they agreed to in their FRC conference, and are legislatively required to report to the FRC on progress.

The FRC process involving both the FRC and other parts of the system can take one of two forms. Where an individual changes their behaviour after interaction with the FRC system, the process is generally linear, as illustrated by the following diagram.

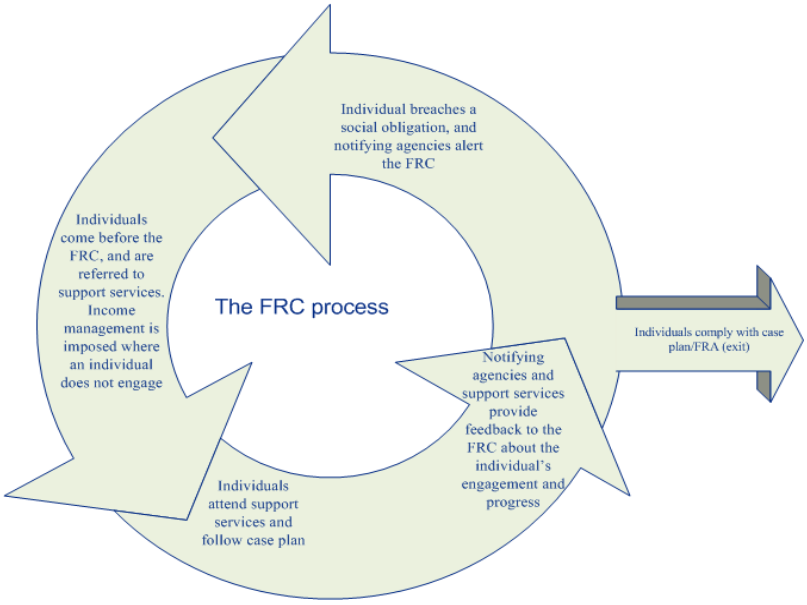
Figure 2: FRC process where individual changes their behaviour as a result of FRC interaction



Source: KPMG

Where individuals do not change their behaviour, either by failing to engage with the FRC and/or support services, or by breaching a social obligation again, they will be called back before the FRC or re-notified to the FRC.

Figure 3: FRC process where individual does not change behaviour



Source: KPMG

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The FRC system can be viewed as a new form of joined-up regulation. This is based on coordination between local Indigenous leaders and a network of authorities and services from education, child protection, housing, income support, police and courts, plus non-government organisations.

The FRC has a fixed life under its own legislation, ceasing to exist on 1 January 2012. The expectation is that positive behaviour and local Indigenous authority will have been restored to a point where communities can then self-regulate in line with the re-established social norms thereafter.

1.3 The FRC Implementation Review

An *Evaluation Framework for the Cape York Welfare Reform* (designed by Courage Partners in 2008) recommended that an implementation review of the FRC be undertaken as the first step of the evaluation, in order to understand the successes and challenges of the FRC in implementing its charter, and apply learnings from the review to the FRC throughout the remainder of the Welfare Reform period.

This FRC Implementation Review is therefore only the first stage within the broader evaluation of the Cape York Welfare Reform. The subsequent stages are: a progress review of the whole Reform; and an outcome evaluation of the Reform.

1.3.1 Objectives of the Implementation Review

The FRC Implementation Review commenced in August 2009, with information and data collection ceasing in January 2010. Analysis and validation of data occurred from February to July 2010.

Its objectives have been to establish:

- whether the FRC was being implemented effectively and in such a way that it is likely to achieve its stated objectives;
- what might need to be changed or added to assist the FRC to be effective during the current Welfare Reform period; and
- what initial impacts can be observed in communities and in people's behaviour, what intended and unintended consequences have occurred, how these impacts and consequences have come about, and to what extent the observed impacts might be attributed to the FRC or to other initiatives.

This Report is explicitly designed to address the Terms of Reference specified for the Implementation Review (see Appendix A). The Review has focused on the FRC as a separate institution and the FRC system in terms of the relationships and processes that link the notifying agencies, Commission and support services. The Review has not looked

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in-depth at the implementation, operation or quality of the individual notifying agencies or support services.

1.3.2 Methodology

In line with the recommendations of the *Evaluation Framework*, the Implementation Review used a mixed methods approach to collect and analyse information to answer its Terms of Reference. The approach included:

- a document review of: *From Hand Out to Hand Up* (the design report for the Cape York Welfare Reform)[4], the *Family Responsibilities Commission Act 2008* (Qld) and Explanatory Notes for the legislation, FRC Quarterly and Annual Reports, FRC policy and procedure documents, published research on theories of regulation and social norm change and other relevant, publicly available material;

- development of a process map which represents the end-to-end process of the FRC (see Appendix D);

- observation of a two day FRC Training and Cultural Awareness Session held by the Commission with its Cairns and community-based staff in September 2009;

- development of consultation guides for large scale qualitative survey[5] interviews, focus groups and individual interviews with FRC clients that were reviewed by an independent advisory group comprising a representative of the Cape York Leadership Academy and Indigenous and non-Indigenous academics;

- consultation with the FRC Commissioner, Registrar, Principal Case Manager and Executive Officer, administrative staff, Local Commissioners and Local Coordinators in each community;

- consultation with representatives of the Tripartite Partners;

- consultation with service providers, notifying agencies, and other relevant community based stakeholders (see Appendix F);

- two rounds of site visits to each community[6] in October and November 2009, comprising between five and eight days for each community in total, during which a range of consultation activities occurred including a public meeting, qualitative survey

[4] Cape York Institute, 2007, *From Hand Out to Hand Up, opcit.*
[5] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.
[6] Except Coen where community cultural commitments required one of the two visits planned to be cancelled.

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interviews with community members[7], focus group discussions, individual interviews with FRC clients and observation of the FRC conferences in operation;

- analysis of de-identified client data from the FRC (i.e. where the privacy of individual clients was protected by removing any identifying information from the data); and
- synthesis, analysis and triangulation (i.e. comparison of data from a range of sources to check validity).

Further detail on the methodology is provided in Appendix E.

1.3.3 Cautionary note for readers

Readers should note that the primary field data informing this Review were collected between August 2009 and January 2010 while the FRC client datasets analysed covers the period July 2008 – December 2009 / January 2010. This Report therefore presents a picture of the implementation and operation of the FRC in the first 18 months of its 3.5 year term (July 2008 – December 2011).

The data used to inform this Report on the Implementation Review are indicative only as it is not possible to have identifiable trends over such a short period of time. They reflect a specific point in time within an evolving context.

In the interests of protecting the privacy of individuals, attribution of comments is not always included.

1.3.4 Theoretical analysis

The Review used two major sources to inform and contextualise its analysis of findings:

- objective, theory-based criteria identified from the literature on regulation (the relevant theory and criteria are described in Appendix H); and
- the program theory for the Cape York Welfare Reform that was proposed in the *Evaluation Framework* (Appendix I). This program theory outlines the key outcomes that are expected to be seen over time as the Cape York Welfare Reform projects, including the FRC, take effect. Evidence from the Implementation Review was considered to compare the FRC against these expected outcomes.

[7] Many findings in this report are based on a qualitative survey, based on a convenience, non-representative sample. The reported results reflect the perceptions of community members and other stakeholders interviewed. FaHCSIA approved this methodology as it offered a way of gathering a range of peoples' views via both interview and, where people wished to, via self-completion of the questionnaire. The findings of these interviews cannot be used to make generalizations about the total population, because this sample is not representative.

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1.4 Structure of this report

This report presents the final themes and findings from the Implementation Review of the FRC. It has been structured according to the processes of the Commission and the questions posed by the Terms of Reference.

This report is organised into four Parts, as follows:

Part A – Background	Terms of Reference questions addressed
1. Introduction	Overview of all
Part B – Establishment and implementation	**Terms of Reference questions addressed**
2. Implementation of the FRC	1, 3
3. Identifying and reaching FRC clients	2, 10
4. Conferencing processes	5
5. Support services	7
6. Income management	6
7. Monitoring client progress and tailoring responses	5
Part C – Post-implementation impacts	**Terms of Reference questions addressed**
8. Re-establishing Indigenous authority and community acceptance of the FRC	8, 9
9. What is happening in the communities	11, 13
10. Unintended consequences	12
Part D – Contextualising the findings	**Terms of Reference questions addressed**
11. The FRC as a regulatory body	All inform the analysis
12. The FRC and the Welfare Reform theory of change	All inform the analysis
13. Recommendations	All

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Part B – Establishment and implementation of the FRC

Summary

This Part looks at the implementation and initial 18 months of operation of the FRC as an institution and within the broader FRC system.

FRC case managers based in each community were a feature discussed during the design, however this was not implemented. The fact that the FRC was operational before some of the necessary support services were available in some communities was also inconsistent with the original design. Improvements to the administrative arrangements should help the FRC achieve its outcomes better, including: amending parts of the legislation to streamline processes, enabling Local Commissioners or a Deputy Commissioner to share the conference load and upgrading physical and technological infrastructure. Barriers and facilitators to implementation include factors internal to the FRC system and environmental factors over which it has limited control. While processes are still being embedded and improved, the FRC and supporting system are implemented and functioning. The FRC has made good progress considering the novelty of the Commission, small staffing complement, difficult operating environment and the sensitive nature of the issues it is dealing with.

The four triggers are appropriate, and largely effectual in identifying community members who will most benefit from interaction with the FRC. Increasing existing efforts to encourage relevant people to attend FRC conferences should be made to ensure that all the people responsible for breaching social obligations are accountable to the community through the FRC. Strengthening the coordination and timeliness of processes between notifying agencies and the FRC would enhance the regulatory network created, and ultimately enable communities to self-regulate.

The average attendance rate for FRC conferences can be understood in different ways, but is between around 60 percent and almost 75 percent. The FRC was able to reach consensual agreement (a Family Responsibilities Agreement) with the majority of clients.

The three key support services are in place in each community, although there are mixed views on appropriateness and accessibility. Establishing the FRC quickly meant limited shared pre-planning and piloting of processes were undertaken and collaborative processes are still being developed. The volume of referrals was higher than expected and continues to be a challenge. Attendance at services is around 60 percent. Mechanisms are needed to improve case management of, and coordination of services to, FRC clients. Improved monitoring of clients' attendance at support services and progress against case plans is necessary.

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Around one-fifth of all FRC clients were or are currently the subject of a Conditional Income Management order. In some cases the FRC use income management as a means to stabilise the family budget and environment to create an environment where other issues can then be addressed. The threat of income management can also be used to motivate people to engage with the FRC and support services, and to change negative behaviours. FRC staff report that many individuals on income management appreciate the structure and stability that it brings, and feel proud when they see they can pay rent, meet bills, afford groceries and have savings. A reduction in discretionary income under the BasicsCard can also be a source of shame, impede people's ability to travel outside of the community for medical reasons, or to visit family.

The majority (61 percent) of all FRC clients breach another social condition after engaging with the FRC. Personal change is a difficult journey and rarely linear. Greater understanding of why clients breach again, individual changes they are making, and what more is needed will come from improved communication between the FRC and support services, and gathering information from clients on the differences they can see.

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2 Implementation of the FRC

This chapter reports on the Terms of Reference regarding the implementation of the FRC, with a specific focus on:

- whether there were any departures from what was originally intended to be implemented;
- the Commission's administrative arrangements and governing legislation; and
- barriers and facilitators to implementation.

This analysis is based on the description of the structure and processes of the FRC in Appendices C and D.

2.1 Origin and establishment

The origins for the FRC are bound up within the origins of the Welfare Reform, summarised below, based on the information provided by the Tripartite Partners.

Under the leadership of Noel Pearson, Cape York Institute (CYI) developed an holistic framework for social and economic reform – the Cape York Agenda – which aims to ensure that "Cape York people have the capabilities to choose the life they have reason to value". This framework evolved from critical reflection on policy, community consultation and research by Cape York leaders and organisations, and work previously undertaken to develop a regional strategy to address substance abuse. Central to the ideas reflected in the Agenda was the concept of restoring personal responsibility and positive social norms in Indigenous communities through changing the incentives and drivers associated with welfare. This included establishing an FRC-type body. In mid-2005, community leaders from Aurukun, Coen, Hope Vale and Mossman Gorge signed statements of agreement to work with CYI on welfare reform.

The Cape York Welfare Reform Project started in earnest in June 2006 when the Australian Government committed $3 million to the project and the Queensland Government agreed to provide in-kind support. As part of the design phase, the CYI undertook a 12-month community engagement process. A Community Engagement team, made up of two staff based in the communities, engaged leaders and community members in a dialogue around social norms and welfare payment reform. This aimed to ensure community involvement in the project's design.[8] In parallel with the community engagement process, CYI Cairns-based staff continued research and policy design work.

[8] Cape York Institute, 2007, *The origins of the Cape York Welfare Reform trial*, available at http://www.cyi.org.au/WEBSITE%20uploads/Welfare%20Reform%20Attachments/The%20origins%20of%20the%20Cape%20York%20Welfare%20Reform%20trial.pdf, viewed February 2010.

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The design phase was governed by a Cape York Welfare Reform Steering Committee which reviewed the key proposals being developed by the CYI concurrently with feedback from the community engagement. This Committee included senior representatives from the Australian and Queensland Governments, CYI and each of the mayors and community leaders of the four communities.[9] In late 2007, the four communities each gave their final agreement to participate in the Welfare Reform.[10]

The results of the community consultation efforts and the policy development were reported to governments in May 2007 through the first volume of *From Hand Out To Hand Up*. The second volume was released in November 2007.[11] Together, the reports proposed a 'welfare reform trial' to restore positive social norms and local Indigenous authority, and change behaviours in response to chronic levels of welfare dependency, social dysfunction and economic exclusion. The design report contained recommendations for comprehensive reforms to incentives and services in the Cape York Welfare Reform communities. Among these recommendations were that:

- four obligations be attached to welfare payments (relating to school attendance, child safety, criminal offences and public housing tenancy)[12]; and

- a new State statutory authority, the FRC, be established by the Queensland Government and empowered to determine whether a breach of the obligations has occurred and take appropriate action.[13]

While the design drew on research and experience from overseas, and the FRC has elements in line with progressive justice approaches in Australia (such as Drug Courts, Koori Courts and circle sentencing), there were no other working models in Australia to build upon.

After further consultation undertaken by the Queensland Government with relevant State and Commonwealth agencies, and community leaders through various forums (see Appendix B), the *Family Responsibilities Commission Act 2008* (Qld) (FRC Act) was passed with bipartisan support on 13 March 2008, establishing the FRC. The FRC commenced operations on 1 July 2008. A sunset clause in the legislation provides that the Commission will cease when the FRC Act expires on 1 January 2012.

Appendix B provides a more detailed description of the design phase, including funding commitments.

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[9] Interview with FaHCSIA Welfare Reform Policy Officer, December 2009; Explanatory Notes, *Family Responsibilities Commission Bill 2008* (Qld), pp12-13.
[10] Cape York Institute, 2007, *The origins of the Cape York Welfare Reform trial*, *opcit*.
[11] Cape York Institute, 2007, *From Hand Out to Hand Up*, Volumes 1 and 2, *opcit*.
[12] Referred to throughout this report as 'social obligations'.
[13] Cape York Institute, 2007, *From Hand Out to Hand Up*, *opcit*, Volume 2, pp.7-9.

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2.2 Implementation against what was planned

The objectives for, and key components of, the FRC are set out in the FRC Act, and reflect the recommendations outlined in *From Hand Out to Hand Up*.[14] The key components include:

- attaching obligations to welfare payments and requiring agency notifications to be issued where breaches of these obligations are observed;
- establishing a separate State statutory authority supported by the Registry and overseen by an independent Board;
- making options available to the FRC in addressing individuals who have breached welfare conditions, including referrals to support services and compulsory income management; and
- the roles and powers of the Commissioner and Local Commissioners.

The Commission uses the FRC Act to guide its operations, and operates consistently across the four communities. However, there are two elements originally envisaged for the FRC system that were not implemented as planned.

The first relates to case management. Consultations with the FRC and Tripartite Partners indicated that initial ideas plans discussed included four FRC case managers, one located within each of the reform communities, to support FRC clients to comply with any case plans developed during conferences. When Wellbeing Centres were developed separately by the federal Department of Health and Ageing, and then linked as one of the support services for FRC clients, the Tripartite Partners subsequently determined that these Centres were better placed than the FRC to play a case management role. Consequently, FRC community-based case manager positions were not implemented on the basis that the Wellbeing Centres would play this role.

However, the Wellbeing Centres were not functional in each community when the FRC was established, and have not taken on a formalised case management role for FRC clients since this time. As discussed in chapter 5, this has limited the FRC's ability to connect clients to community support services and monitor their progress against FRC case plans. Instead, the Commission has been reliant on support services to engage FRC clients and provide regular feedback on them to be able to assess their progress, which was not always occurring in a meaningful way.

In 2010, the FRC intends to send its Principal Case Manager and recently appointed Business Support Officer to communities on a monthly basis to perform the functions originally envisaged for community-based case managers. This should assist the FRC to address this issue, but continues to require input from FRC staff based in the communities, including the Local Commissioners and Local Coordinators.

[14] Cape York Institute, 2007, *From Hand Out to Hand Up*, *opcit*.

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The second element which differed from what was envisaged in the Act relates to the set up of the FRC system. The speed with which the FRC was established as a separate body (detailed in Appendix B) meant that it was in place before key support services were established in some communities, so during the early stages the network was not fully functional. This meant that, initially, referrals and case support could not occur as intended. This has created ongoing problems with managing caseloads, referrals and monitoring of case plans, also discussed further in chapter 5.

Apart from these two elements, the FRC and its associated system were implemented as intended.

2.3 Efficacy of administrative arrangements

The FRC's administrative arrangements include its governance, legislative framework, staff and systems. In considering whether administrative arrangements were working effectively, the Review examined the impact of administrative practices on the Commission's ability to achieve its objectives. However a full business service review, necessary to draw conclusions about the efficiency of the FRC, was outside the scope of the Implementation Review.

2.3.1 Governance and reporting

The Family Responsibilities Board is described further in Appendix C. The members of the Cape York Welfare Reform Project Board also make up the Family Responsibilities Board. This enables issues to do with the FRC or its broader system to be raised with the key decision-makers promptly and directly. The support and priority focus for the FRC by both Boards gave the Commission a profile and say in senior levels of both governments which led agency cooperation at regional and local levels.

The FRC Act requires that the Board meets at least once every three months and each member must be present at each meeting.[15] This provision of the FRC Act means the members are not empowered to send a delegate and this has delayed obtaining agreement on some decisions when members have been unavailable. If this continues to be an issue, consideration should be given to amending the legislation to allow for two members of the Board to constitute a quorum and for members to nominate delegates. Full advantage should be taken of opportunities to utilise technology to facilitate participation in Board meetings to ensure that decisions can be made in a timely manner.

Working across two levels of government, with multiple agencies and a third non-government body, provides opportunities but also creates complexities. It can also create frequent reporting requirements for the FRC, which has been required to respond to requests for briefings and information from the individual Tripartite Partners as well as report to the Board quarterly in its first 18 months of operation. This was reported by the FRC to represent a significant resource implication for a relatively small body.

[15] *Family Responsibilities Commission 2008* (Qld), s.123

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Recommendation 1

It is recommended that the Board explore ways to minimise the reporting requirement on the FRC such as through restructuring reports to suit multiple purposes, and coordinating information requests between members (see also Recommendation 22).

2.3.2 Legislative framework

While a legislative review was outside the scope of this Implementation Review, a number of changes to the FRC Act for consideration within any legislative review were identified in order to:

- ensure procedures enable Commissioners to streamline their activities (especially as they develop experience in administering the legislation);
- ensure that clients are clear about their responsibilities; and
- reduce the administrative burden on the FRC and support services such as through streamlining reporting and procedural requirements.

Interviews with FRC staff and a review of documentation indicated that the FRC relies heavily on the FRC Act to guide its daily operations. The Act identifies specific requirements related to each process step, including receiving a notification, establishing jurisdiction, notifying clients of their conference and monitoring clients after their conference. While this provides clear guidance on how administrative procedures should be undertaken and helps keep operations in line with the rules and purpose of the FRC, it also creates an administrative burden that cannot be streamlined or adapted since the steps are entrenched in legislation. Consistency and clarity in regulation is a key aspect of procedural fairness, which is a principle of good practice in regulation as discussed in chapter 11. The Act enabled consistent, clear practice to be implemented in the establishment of the FRC. However, halfway through its term, the FRC may maintain consistency and clarity in its processes without embedding these in legislation. The agility and responsiveness of the FRC are limited by the need to adhere closely to the FRC Act.

The FRC Act also imposes a heavy reporting requirement on the FRC, requiring five reports to be published a year (quarterly and annual reports).

The legislation specifies a number of documents to be provided to community members and the form that these are to take. These are difficult for some clients to read and understand. The role of the Local Coordinators is, in part, to explain the FRC paperwork to clients but the required documents can still have a negative impact on clients' engagement with the FRC and the intended process of change. Clients need a user-friendly form of advice.

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The FRC is also considering possible recommendations it may make for legislative amendments to the FRC Act. Key changes being explored include:

- **Empowering Local Commissioners to convene a conference without Commissioner Glasgow present in certain circumstances** – reflecting the capacity and confidence that has developed amongst some Local Commissioners.

- **Removing the requirement for FRC case plans –** case plans were proposed in the original FRC design when it was envisaged that a FRC social worker/case manager would be placed in each community. As discussed previously, this role was not implemented. In many instances, the support services to which FRC clients are referred are also required to develop detailed case management plans, outlining the clinical requirements of a client's treatment. This means a client can have multiple case plans, which is confusing for them and complicates service coordination. In practice, FRC case plans usually repeat the information already contained in Family Responsibilities Agreements and as such removing this requirement should not have a have a negative impact on the FRC's monitoring of client progress or attempts at case coordination.

Evidence from the Implementation Review supports these proposed amendments.

The current legislative requirement that the Commissioner preside over every conference, combined with the travel required and heavy sittings schedule, is a point of vulnerability for the FRC (as discussed in section 2.3.3 below). Conferences would not be able to be held if the Commissioner was to be unavailable without warning. Equipping and empowering the Local Commissioners to convene some conferences without the Commissioner would be one way to manage this risk. This would depend on the readiness of individual Local Commissioners and the capacity of Local Coordinators to provide legal and practical support. The Review found that the confidence and authority of Local Commissioners has grown since the FRC was established (see section 8.1). Many Local Commissioners would like to do more, and identified that ongoing training would be beneficial. If the Local Commissioners were to conduct conferences without Commissioner Glasgow present, it would be important that they had sufficient training, supervision and support to do so well. Issues around Local Commissioners' understanding of legal requirements and managing family obligations and influences would also need to be considered and addressed.

Such a move would be in line with the objective of the FRC, which is to assist in rebuilding positive norms in the community and restore Indigenous authority.

The duplication of FRC and support service case plans is one of a number of issues with FRC case plans discussed in section 5.5.3. Removing the legislative requirement for separate FRC case plans would both improve the efficiency of FRC processes, and clarify that the development of case plans is the responsibility of support services with the relevant skills and expertise.

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In addition, as discussed previously in section 2.3.1, the FRC Act should be amended to enable members of the Family Responsibilities Board to constitute a smaller quorum and to send delegates.

- *Recommendation 2*
- It is recommended that the following changes to the FRC Act be considered in any legislative review:
- streamlining administrative procedures or enabling flexibility to depart from processes where sensible;
- outlining 'Plain English' versions of FRC documents that are to be provided to clients, or allowing the FRC discretion to determine the wording of this paperwork depending on the capacity of the client;
- empowering Local Commissioners to convene a conference without Commissioner Glasgow present in certain circumstances;
- removing the requirement for the FRC to produce case plans for clients; and
- allowing for two members of the Board to constitute a quorum and for members to nominate delegates.

2.3.3 The Commissioner

The FRC Act requires that the Commissioner presides over every conference. There is currently no Deputy Commissioner appointed to the FRC, although another Magistrate did act in the role during Commissioner Glasgow's annual leave in 2009. The current sitting schedule means that the Commissioner is travelling for four days of the week, almost every week. This provides consistency but is a point of vulnerability for the FRC if the Commissioner was to be unavailable without warning, and it may not be sustainable over a longer period of time.

This could be addressed through appointing one or more Deputy Commissioners and sharing conference load (and associated travel) between the Commissioner and Deputy Commissioners, and allow for succession planning. It may also be partially addressed through up skilling and empowering Local Commissioners to convene conferences without the Commissioner or Deputy Commissioner present, as discussed above. To reduce the travel burden, the FRC is also considering conferencing for a period of four weeks followed by one week's grace period to consolidate the outcomes of conferences held, prepare for upcoming conferences and better case manage FRC clients.

Recommendation 3

It is recommended that one or more Deputy Commissioners be appointed to share conference loads and enable FRC succession planning.

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2.3.4 The Registry staff

FRC staff reported working consistently long hours in the first year of operation to address a high volume of work associated with a greater-than-anticipated client and conferencing load, reporting requirements and external stakeholder interest. At the time staff consultations occurred (September and October 2009), this was an ongoing issue. Since then, there have been changes to the staffing numbers and some roles within the FRC, and it is understood some of these issues have gradually been resolved.

The Review did not analyse FRC staff-client ratios. However the FRC staff's reportedly heavy workload echoed the experiences reported by the other parts of the FRC system (both notifying agencies and support services). It is also to be expected during the establishment phase of a new body without any working models to draw upon: processes had to be developed from scratch, the client load was unpredictable, and there was a demand for regular reports due to keen policy and public interest. Some aspects of workload should stabilise or become more predictable as the FRC reaches more community members and processes become embedded. However the demand for regular reports will likely continue due to legislative requirements (discussed in subsection 2.3.2 above) and continuing interest in both the FRC and Cape York Welfare Reform for their full term. Ways to minimise the reporting burden such as through restructuring reports to suit multiple purposes, and coordinating information requests, as recommended previously (subsection 2.3.1) should help to alleviate some demand pressure.

2.3.5 Other administrative aspects

The Review found that the FRC's physical infrastructure (office space and premises) in the communities needs to be examined and upgraded where necessary to provide safe, private and accessible locations to host conferences and support Local Coordinators. Staff reported that accommodation issues, particularly in Hope Vale, have meant that the FRC was initially operating out of sub-standard facilities.

The FRC also experienced significant issues associated with the capacity of the Information Technology (IT) system. This is in the process of being rectified, but was a significant barrier to efficient operations during the first year of implementation, including in relation to: receiving and interrogating information relevant to establishing jurisdiction, client file management, monitoring client progress and generating reports. An optimal IT system would have some capacity to streamline both the FRC's own data capture and reporting, as well as the processes for mandated information sharing between other parts of the FRC system.

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2.4 Facilitators and barriers to implementation

The facilitators and barriers to implementation to date have included factors internal to the FRC system and environmental factors over which it has limited control. The influence of these facilitators and barriers is evident in the comments through this report

2.4.1 Internal factors - facilitators

Factors which facilitated the establishment of the FRC system which were within its control are identified below.

Staff recruitment

As a new body concentrating on community engagement with a relatively small staffing complement, selecting people with appropriate competencies for community-facing roles was critical to the successful implementation of the FRC. Stakeholders broadly considered that individuals with the right skills, experience and personal attributes filled most of these positions (the Commissioner, Local Commissioners and Local Coordinators). For the Commissioner, these included:

- experience in working with Indigenous people and understanding of the challenges and disadvantage faced;
- being respectful, egalitarian, authoritative; and
- legal qualifications and familiar with independent office.

For Local Commissioners, these included:

- being respected by the community for pre-existing leadership, representation or behaviour;
- having a good understanding of their community, the ability to be representative of the broader community and provide advice to outsiders;
- understanding the core policy objectives and role modelling positive behaviour and norms in line with these; and
- being discreet, protecting people's privacy and being seen to protect clients' privacy.

Other roles in the Registry were also seen as facilitators to successful implementation, including the Registrar's ability to navigate through and negotiate with other government agencies.

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The role of CYI and the Community Justice Groups in being able to identify appropriate individuals is important. Going forward, this factor may be maintained through strategies such as reviewing Position Descriptions in light of experience since the FRC's establishment, trialling new people in roles, and including incumbents and the CYI in selecting future candidates. An independent selection process is important and further discussed in relation to Indigenous authority in chapter 8.

Resourcing

While the client load and associated referrals were unpredictable, and staff workloads across the FRC system heavy in the first 18 months, funding for the FRC and associated processes and services was sufficient to enable it to be established and operational in a short period of time. Committed funds for the term of the Commission enable budgeting within set parameters and forward planning.

Governance

As noted above in section 2.3.1, the structure and support of the Family Responsibilities Board enabled issues to be addressed directly through senior levels of government and Tripartite Partners cooperation.

Inter-governmental consultation and planning

Consultation within government at senior or regional management levels prior to establishment facilitated implementation through raising awareness and identifying issues / concerns, building buy in and planning some processes with notifying agencies.

2.4.2 External factors – facilitators

The CYI's understanding of community context and needs helped to galvanise government support for the Cape York Welfare Reform as a whole, and test concepts including the FRC, before implementation. It also generated a broad consultation and engagement with community leaders and members before implementation, aiming to build understanding and support of Welfare Reform and the FRC. The proximity to community which CYI as a local, community-owned non-government organisation has cannot be reproduced by government and is a key factor in facilitating implementation.

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2.4.3 Internal factors - barriers

Factors which acted as barriers to the implementation of the FRC system which were within the control of the system (the FRC, notifying agencies or support services) included:

- inadequate forecasting of volume of work including the potential pool of clients, reporting requirements and associated staff workloads for notifying agencies, support services and the FRC;
- the FRC being set up before key support services were in place in some communities – this meant there was no time to establish and test processes between them before the system was operational, and a significant lag in support services' reports on clients' progress to the FRC emerged;
- a lack of change management processes adopted to explain, train and support staff in notifying agencies and support services to be able to work with the FRC and with compelled clients; and
- variable or *ad hoc* awareness or engagement strategies during the implementation of the FRC (after community consultations held as part of the design of the Welfare Reform and initial establishment of the Commission). The desire for and importance of ongoing education and engagement is discussed further in section 8.2.1.

2.4.4 External factors

The key environmental factors which were outside of the control of the FRC system were:

- difficulties in recruiting and retaining appropriate staff to positions within notifying agencies, the FRC and support services;
- community support for or opposition to the FRC, Cape York Welfare Reform or other government policies (including the Alcohol Management Plans which restrict alcohol consumption);
- the lack of another working example of a similar body in Australia to model on or learn from, meaning the FRC had to start from scratch, and use trial and error in implementation;
- the relatively small size of the FRC compared to other Queensland Government agencies made the standard accountability, reporting and procedural requirements for the Queensland Public Service resource-intensive to meet;
- changing national and state policy contexts including concerning income management, Remote Service Delivery and economic development initiatives; and

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- the size of the vulnerable populations in the communities confronting multiple, complex problems - the communities have fewer resources than urban or regional communities to draw upon to respond to the multiple changes sought by the Cape York Welfare Reform and other catalysts.

2.5 Observations

The FRC is an unusual body both in Indigenous communities and Australia, with no other working model to draw from. It has been designed and implemented to work with small, vulnerable communities involved in a suite of social and economic changes (some of which are part of the Welfare Reform, while others are broader in scope), which presents a complex operating context.

As a time-limited initiative , much was expected to be achieved in a short period:

- establishing the FRC as a new institution including: recruiting staff in Cairns and the four communities, developing policies and procedures, securing premises for staff and conferences, setting up IT systems, databases, reporting mechanisms, financial delegations, commencing conferences and monitoring cases;

- constructing a broader FRC system through agency-to-agency and people-to-people links between the Commission and: the government departments notifying it about welfare condition breaches; Centrelink which implements Conditional Income Management; and the support services receiving referrals from the FRC; and

- engaging with community members, identifying relevant individuals for the FRC system to begin influencing and enabling them to change behaviour, to work towards changing social norms over time.

The Review has found these things had been achieved in the first 18 months of the FRC's operation. While processes are still being embedded and improved, the FRC and supporting system is implemented and functioning. The first step in the program theory for the Cape York Welfare Reform (figure 11, chapter 12) is that appropriate policies and strategies are developed and communicated, setting the essential foundations and enablers of the Welfare Reform. The FRC component of the Reform has reached this step.

The range of facilitators and barriers outlined above illustrate the breadth of factors impacting on the success of implementation. Only some of these were within the control of the FRC or system. The novel nature of the FRC means that many challenges and risks were not able to be anticipated prior to implementation. While the design and conceptual development of the FRC took place over several years, the actual implementation was undertaken in a relatively short timeframe. For these reasons it is particularly important that systematic monitoring and Review is in place and issues responded to promptly and appropriately.

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The FRC has made good progress in implementation considering its uniqueness, small staffing complement, difficult operating environment and the sensitive nature of the issues it is dealing with.

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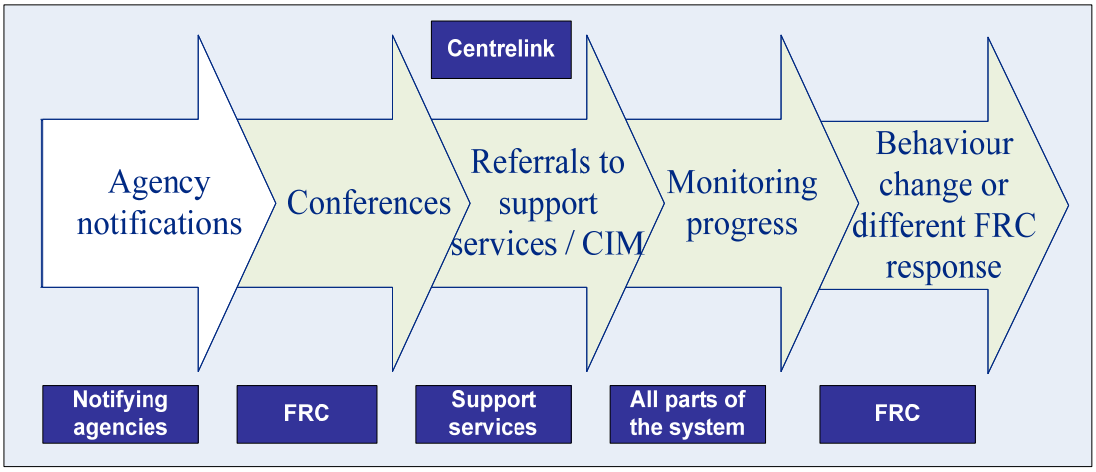
3 Identifying and reaching FRC clients

This chapter looks at how individuals and families in the reform communities are identified to be brought before the FRC. Since this is done through agency notifications, this chapter also looks at the connectivity between the notifying agencies and the Commission. The identification of clients is the first step in the FRC system's process.



Source: KPMG

3.1 Trigger-based system of selecting clients

3.1.1 Rationale for the triggers

The four 'trigger' events which bring an individual before the FRC are breaches of the social obligations described in section 1.2 above. It is important to understand the operational issues associated with running a trigger-based system of selecting clients, as these may influence the success of the FRC, its coverage of clients and its reach across the communities.

The triggers[16] were originally proposed in the design of the Cape York Welfare Reform to target particular dysfunctional behaviours that are not in line with the stated values of the four communities. The triggers for the FRC reflect the priority issues which local people felt were a concern and not consistent with their vision for the type of community they wanted to live in.

The original Design viewed *disadvantage* as being where individuals have inadequate capabilities to exercise meaningful life choices or live the life they value. It argued that disadvantage is one of the causes of *dysfunction*, such as individual behaviours of passivity and addiction, but also that dysfunction has, in turn, begun to limit capabilities and further

[16] With some subsequent minor changes to related processes.

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drive disadvantage. The Cape York Welfare Reform, including the FRC, is intended to attempt to break this vicious cycle.

The social obligations were selected on the basis of three rationales:

- they are consistent with the values expressed by community members (in the community engagement process of the Design);
- they relate to behaviour which, if allowed to continue, would have a negative impact on child wellbeing; and/or
- the pre-existing legislative and service delivery mechanisms aimed at addressing these dysfunctional behaviours in Cape York are unable to realise the desired outcomes. The social obligations deliberately complement or mirror existing laws – breaching these obligations simply provides a different consequence for the dysfunctional behaviour than under pre-existing mechanisms.

The jurisdiction of the FRC set by the Act means that social obligations apply to all adult recipients of welfare payments who live[17] in the communities. The Design did not favour the idea of giving individuals in the communities the option to be subject to the social obligations because it was thought that only community members who were already abiding by the obligations would be likely to opt in, and the most troubled members of the communities would not be reached. Instead, it was considered that, if the FRC was to contribute to building positive social norms, all members of the community would have to be included.[18]

3.1.2 Appropriateness of the triggers

Administration of the trigger based system is complex and highly resource intensive. It is necessary for the FRC to process some data manually because the information management systems of the various agencies are not necessarily compatible with the FRC's (see discussion at section 3.3 below). Decisions are at each stage are informed by a combination of information from various agencies including Centrelink and the local knowledge and understanding of the Commissioners, Local Coordinators and the Principal Case Manager.

The Terms of Reference for the Review asked whether the triggers are sensitive enough to bring the most disadvantaged and dysfunctional families to the FRC.

The Review analysed FRC client data and qualitative information collected through stakeholder consultations. It was not possible to measure the disadvantage or dysfunction of all people resident in the communities, but examination of the characteristics of those

[17] Or have lived for 3 months or more in the communities at any time since the beginning of the FRC Act.
[18] Cape York Institute, 2007, *From Hand Out to Hand Up*, *opcit*, pp.45-46 and pp.54-64; and Volume 2, pp.30-40.

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identified in agency notifications provided some indication of the challenges confronting FRC clients. The data are detailed in Appendix G and key points are highlighted here.

In the first 18 months of the operation of the FRC system, approximately 50-60 percent of the communities' combined adult population had been identified in an agency notification. In Mossman Gorge over 80 percent of the community's adult population had been identified in an agency notification in the same period. Magistrate Court notifications were the most frequently issued type, and most agency notifications concerned men aged between 20-39 years. Statistical modelling identified that:

- clients who were identified in a Magistrates Court offence agency notification were more likely to be younger than clients named in other agency notification types, and were more likely to be men. Agency notifications are also more frequent for residents of Hope Vale after taking into account the different populations of each community. and

- clients who were named in a School Attendance notification were more likely to be older than clients identified in other types of agency notifications. Clients are also more likely to be women and agency notifications are likely to be more frequent for residents of Aurukun and Mossman Gorge after taking into account the different populations of each community.

This indicates that the different trigger events (and associated agency notification types) are identifying different cohorts of individuals to come before the FRC. It is possible that if only one or two triggers were used to select FRC clients, particular subgroups that exhibit characteristics of disadvantage or dysfunction might be missed by the FRC. Further analysis of the data could provide more information about the diversity of individuals and circumstances currently identified by the FRC.

Qualitative evidence from consultations with stakeholders support these findings from analysis of the FRC client data. Interviews with FRC staff, public servants, support services, Local Commissioners, and Tripartite Partner representatives indicated that, at the time of consultations, the four FRC triggers were perceived to be appropriate, and largely effectual in identifying community members who will most benefit from interaction with the FRC.

Both Queensland Police Service and Magistrates Court staff particularly expressed satisfaction with the Magistrates Court trigger to identify people to come before the FRC. Individuals who come into contact with the justice system often need support to address underlying issues, such as substance abuse, which cause or contribute to offending behaviour and recidivism. While Police and Magistrates Court staff might be able to identify these issues, they are not usually able to activate change with or on behalf of their clients. Referral to the FRC provides an opportunity and impetus for these individuals to access appropriate services and community based support.

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3.1.3 Changes to the triggers

While the Review has found the triggers to be successful in identifying community members engaged in the dysfunctional behaviour targeted by the Design, some issues around scope and sensitivity for most of the triggers were identified by a few stakeholders. As discussed below, broadening the social obligations to include these is not recommended by the Review, but these are detailed here as they point to differing views of the scope and role of the FRC:

- often not all carers of children are listed on the **School Attendance notifications** (which record only the people who enrol the child). This means that very often only the mother of a child with multiple, unexplained absences will be called before the FRC. Local Commissioners themselves identified this as often being unjust;

- only residents who are listed on the tenancy agreement will be included on **Housing Tenancy notifications** and will be called to conference. This is inconsistent with the reality of many households in the communities, where several adults often live together. Housing Services reported that often only the primary couple will be listed on the tenancy agreement: thus all other adults living in the home will not be called to conference for breaches of obligations around housing. This places greater importance on the FRC, Housing Services and other Welfare Reform projects to educate those listed on tenancy agreements about their need to take responsibility for the behaviour of other people in the house;

- with regard to the **Magistrates Court offence notification**, some police officers noted that it would be beneficial if individuals who commit offences that are too serious to be heard in the Magistrates Court (indictable offences, for example grievous bodily harm) and individuals from outside the reform communities who commit offences in a reform community, were also subject to the FRC; and

- some community members and stakeholders, to a varying extent across the four communities, raised **gambling** as an issue affecting individuals and families. While many others indicated they believe that gambling is not a major concern, it appears warranted to explore further whether there are problem gamblers who could benefit from referral to money management support services (Family Income Management program) or be placed on Conditional Income Management orders, but who, under current arrangements, are not referred to the FRC because they are not breaching a social obligation.[19]

> "We think that fathers should have to come before the FRC for the school trigger, not just mothers."
>
> *FRC Local Commissioner*

[19] It is the understanding of the reviewers that the gambling practised in the communities is not illegal because there is no 'house', therefore there is no opportunity to call these people to conference through the Magistrates Court notifications.

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These suggestions represent examples of people who may benefit from FRC interaction but do not trigger a notification. Currently the FRC has no discretion to call such people to conference. Some community members pointed this out as an example of why they felt the FRC was unfair, and could undermine community acceptance of the FRC as a legitimate body. Conversely, it also reflects the view of some stakeholders that the FRC is particularly well-placed to work with disadvantaged or dysfunctional clients, and that other community members experiencing disadvantage or dysfunction could benefit from interaction with the Commission. As discussed in section 7.2, some service providers consider that the FRC should target individuals who are more likely to respond, so these clients can then act as change agents in their families and communities, which may not be people with the most dysfunctional behaviour.

However, the need for a clear and defensible scope for the FRC is important. It is possible that broadening its scope to call people to conference in the absence of a clear behavioural trigger event would in fact lead to poorer community acceptance over all, and could lead to a perceived abuse of power.

Furthermore, the current scope of the FRC's jurisdiction is generating a large client base which is already challenging for the notifying agencies, FRC and support services to manage. Extending the trigger-based system would potentially increase the workload of agencies already suffering from heavy workloads and staff shortages, especially Child Safety Services. Any consideration of widening the FRC's jurisdiction would also need to consider the responsibilities of existing systems, the resource implications of extending jurisdiction, and be able to clearly show what additional benefit could be gained.[20]

Suggestions about broadening the triggers were not widespread. A stronger view was that the triggers were well-targeted and appropriate. The FRC Act already enables people other than those named in the agency notification to attend FRC conferences, including a member of their family, where the Commission considers this may help it deal with the issues raised in the relevant agency notification.[21] However, the Act does not empower the FRC to compel such people to attend. Data analysis (discussed above) also indicates that the existing triggers are appropriate, and generating a significant workload for the FRC system. Further data over time, particularly outcomes data, would better inform on whether the clients identified through these triggers are changing the dysfunctional behaviour targeted through the FRC and whether there is benefit in broadening the triggers to align other behaviour with community norms.

The Review does not recommend extending the scope of the FRC triggers at this time. However, existing efforts to encourage relevant people to attend FRC conferences should continue to ensure that all the people responsible for breaching social obligations are accountable to the community through the FRC. This refers to people who in some way

[20] For example, some service providers observed that there are people in the communities with chronic health problems, including mental health problems, who may benefit from FRC intervention, and specifically from referral to Wellbeing Centres for assessment and treatment. However, this is already and properly the focus of the health system and would risk stigmatising individuals if linked to other triggers which are based on dysfunctional behaviour.
[21] *Family Responsibilities Commission Act 2008* (Qld), paragraph 60(1)(a).

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share responsibility for the social obligation which has allegedly been breached, not to 'support' people who may accompany community members when they appear before the FRC.

Recommendation 4

It is recommended that, together with notifying agencies, Local Coordinators and Local Commissioners make every effort to continue identifying people described in s 60(1)(c) of the FRC Act (other people the Commission considers may help deal with the issues raised in the agency notice to which the conference relates, such as family members), and to encourage these people to also attend FRC conferences relevant to them.

3.2 Issues of jurisdiction

The FRC has jurisdiction over both Indigenous and non Indigenous people who have lived in one of the reform communities for at least three months since the FRC Act commenced, and who are in receipt of a relevant income support payment or have been participating in the Community Development Employment Projects (CDEP) Program on or after 1 July 2008. The FRC's jurisdiction will continue to apply for 12 months after a person leaves the reform community, but will stop applying if a person ceases to be a welfare recipient, as defined by the legislation. Income management orders will, however, continue to apply to community members who move between locations.

Interviews with FRC staff, public servants, service providers and community members suggested that people move into, out of and between the relevant communities, travelling to visit with family and for other reasons. Some people also cycle between welfare and paid employment or being neither in work nor on benefits. All of these factors mean that people are able to move in and out of the FRC's jurisdiction. This can impact on the ability of the FRC to improve social responsibility through timely and sustained intervention, as people may intentionally or unintentionally remove themselves from jurisdiction.

Although a person may be harder to locate if they leave a reform community, the FRC's jurisdiction also continues to apply for 12 months afterwards. At the time of the Review, there was not sufficient evidence yet to say whether or not people are moving away from communities since the Cape York Welfare Reform began.

Some community members also considered it unfair that residents who are in paid employment and not in receipt of welfare payments, or share welfare income received by family members and do not declare this, are not subject to the FRC's jurisdiction. Some thought that the FRC should be able to conference with whoever has breached one of the social obligations, regardless of whether they receive welfare payments.

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> "Living here you know who's doing the right thing, and there are people not doing the right thing who are not being identified by the FRC. *Bama* should be able to identify people (to appear before the FRC)."
>
> *Community based stakeholder*

Data relating to individuals identified through agency notifications who fall outside the FRC's jurisdiction were not available to the Review, preventing comparative analysis of the characteristics of this group of people against those of FRC clients.

3.3 Connections between the FRC and notifying agencies

The relationship between the notifying agencies and the FRC is central to identifying individuals and families that would benefit from coming before the Commission. This section reports on forms of connection between the FRC and notifying agencies. It also outlines how the FRC works with Police and health clinics, which is relevant to the issues with triggers discussed in section 3.1 above.

3.3.1 The notifying agencies

The notifying agencies in the FRC system are: schools, the Magistrates Courts, Child Safety Services and the public housing authority (which may be a local council / entity or Housing Services in the Department of Communities). These agencies are part of the existing service delivery and governmental infrastructure which exist independently of the Cape York Welfare Reform. In both mainstream and Indigenous communities, they represent and enforce norms about educating and protecting children, not harming others or property and paying fair rent for tenancy. These organisations are the permanent, 'frontline' of government service delivery, usually based in the communities and engaging with community members frequently and directly.

Although they exist independently of the Cape York Welfare Reform, they provide the services around which Welfare Reform is centred. The Cape York Welfare Reform seeks to change the way in which people interact with, rely on and access these services in a systematic and permanent way. This requires changes in individual's behaviour and communities' social norms, and the way in which individual agencies and the broader service delivery environment operate. The FRC is overlain on these existing services and regulatory agencies to both better connect individuals to the support they need (such as Housing Services tenancy support programs), and reinforce the norms which these agencies enforce (such as paying rent on time). The way that the FRC and notifying agencies connect will determine the coherence and efficacy of the FRC system.

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3.3.2 Interaction between the FRC and notifying agencies

The FRC and notifying agencies interact in five main ways, each of which is discussed below.

3.3.2.1 Agency notifications

The FRC Act sets out the statutory obligations of the relevant agencies in notifying the FRC about breaches of welfare conditions.

The core of the FRC's relationship with notifying agencies is largely process-driven and primarily a one-way information exchange. For all four notifying agencies, requirements around providing notices are in line with their core functions and roles (i.e. to monitor and enforce: school attendance, child safety, criminal offences and tenancy agreements) but comprise an additional procedural step.

FRC Information Officers will check agency notifications against Centrelink and Community Development and Employment Projects (CDEP) Program data to determine whether the person identified in a notification is within the FRC's jurisdiction. If so, it is at the Commissioner's discretion as to how to respond, as outlined in Appendix D.

This discretionary power allows the FRC to be flexible and responsive to individual circumstances and emerging community issues, and provides a mechanism through which local knowledge and insight can be utilised to manage changing conditions appropriately.

The timing of the schooling and child safety notifications – after three unexplained absences in a term, and when Child Safety Services becomes aware of alleged harm or alleged risk of harm to a child, whether investigated or not – provides an opportunity for the FRC to undertake early intervention, before issues escalate.

> "Things are dealt with straight away - before things were getting backed up or not dealt with at all."
>
> Community member, qualitative survey interview response

For example, the FRC has been particularly active in building the relationship between community members and child protection authorities in one community, with Local Commissioners placing a high priority on trying to improve the procedural fairness exercised by child protection staff. However, time lags in notification, establishing jurisdiction and conferencing can work against this opportunity. There is the potential for the broader evaluation of the Cape York Welfare Reform to explore the extent to which the FRC is effective in intervening earlier, to help individuals avoid increasing vulnerability, disadvantage and tertiary intervention services.

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3.3.2.2 Information sharing

Under specific circumstances notifying agencies and the FRC are able to share information about clients for the purposes of assessing notices and holding conferences. This includes things such as the nature of the offence that resulted in a magistrate's court conviction, the type of income support payment a person receives, and similar things required to determine whether a person is in jurisdiction and should be conferenced. Further description is provided in Appendix D.

The FRC reported that some initial difficulties with required information not being provided by notifying agencies had been or were in the process of being addressed through communication by the Commission on the relevant provisions of the Act and related Protocol. The FRC reported that it had also negotiated with agencies to receive information on other issues that may not constitute a notification such as bail conditions and domestic violence notices, as these relate to FRC client cases.

The process from receipt of notifications, to scheduling matters, to convening conferences is prescribed by the FRC Act and administratively intensive. For the first 18 months of the FRC's operation, determining jurisdiction involved extensive manual administrative processes and IT searches which was placing a heavy resource burden on the Commission. In 2010, the FRC adopted the United Government Gateway to enable the Commission to access information from Centrelink about who is in jurisdiction, without having to send separate requests for individual records to Centrelink to inform jurisdiction checks.

While information sharing could be slow due to administrative processes in both the FRC and other organisations (and each agency has its own policies for the release of information), it continued to improve as staff learned about the provisions under the legislation.

Stakeholders further identified that agency notifications did not identify complex situational factors for the client, and this information would help the FRC to better assist clients. The absence of FRC case managers based in the communities who could seek client consent to the sharing of information between agencies may be a factor.

The FRC Act also specifies that the FRC Registrar must give the notifying agency notification of the FRC's decision at the conference as soon as practicable after the conference ends, if requested.[22] Various stakeholders within notifying agencies reported that they had not received feedback from the FRC once they had notified, including: whether individuals were called to conference, why they may not have been called and the outcomes of conferences. Some stakeholders raised this as an issue because they were unaware of ongoing circumstances for individuals and families they continued to have contact with.

[22] *Family Responsibilities Act 2008* (Qld), s.142.

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In turn, the FRC reported that its initial offers to provide regular notice of decisions to agencies were refused, apparently due to a lack of administrative resources in the notifying agencies to action the feedback.

> The school doesn't receive any feedback after the data is sent through to the FRC. The school relies on community information to keep track of which parents are FRC clients. It would be useful to know if parents are FRC clients, as this may change the way the school deals with any attendance issues.
>
> *Department of Education and Training*

> *Recommendation 5*
>
> It is recommended that notifying agencies consult with community based staff about whether feedback from the FRC would be beneficial, and then negotiate arrangements with the FRC to facilitate this in ways which maintain the privacy of FRC clients. For example, in relation to schooling notices, Attendance Case Managers could be empowered to inform schools of upcoming conferences and outcomes; or clients could be asked to inform the school about the outcomes of their conference through a Personal Responsibility Action.

3.3.2.3 Informal or secondary referrals and engagement

The FRC occasionally recommends that clients contact notifying agencies as an outcome of a conference, such as through personal responsibility actions or referrals to support services like the Wellbeing Centre which may assist the client to make contact with relevant mainstream organisation/s. These informal referrals and connections may also involve mainstream organisations outside of the mandated notifying processes in the FRC Act – such as health clinics and police.

In general there are limited or no referrals pathways or regular collaboration between the FRC and community health clinics. Collaboration around an FRC client is more likely to occur between the Wellbeing Centre and the health clinic, although this was not reported to occur in every community. Some health clinic staff expressed some frustrations and concerns about a perceived lack of information provided to them about the FRC and its processes, and about a lack of clear referral pathways between the FRC and primary health care services. One clinic reported that they notified Child Safety as a means to bring dysfunctional families to the attention of the FRC.

Police officers broadly welcomed the FRC as a complementary mechanism to address the same issues they often confront. The Queensland Police Service (QPS) was initially concerned the FRC would lead to an increased workload for police to assist in identifying breaches of social obligations or enforcing FRC orders, but this has not occurred. Police officers in one community observed that the police could play a greater role in promoting and explaining the FRC as 'informed stakeholders' if there was more engagement between

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them at the community level (see recommendation 19). Connection between the FRC and QPS at senior management levels occurs through relevant Queensland Government forums, described below, and QPS senior management reported that this works well, and that information provided at this level is sufficient.

3.3.2.4 Collaboration to enact or lobby for community changes

The FRC and relevant agencies reported that, in the first eighteen months of operation, a number of important issues in the communities were addressed by successfully partnering with a number of other mainstream services. Examples include:

- addressing alcohol-related issues in Mossman Gorge and Coen through the promotion of 'dry houses', where residents can impose a legally-enforced ban on drinking in their home.[23] The FRC assists by promoting and discussing this option with clients, liaising with police and the Magistrates Court for the processing of declarations and provision of relevant signs, and informing the police of alleged breaches raised with the FRC. At the time that Review consultations occurred in Mossman Gorge, almost half of the houses in the community had been declared dry;

- working with the schools, police, Local Program Office, Wellbeing Centre, health clinic and other service providers to consider ways to jointly address local issues such as underage drinking, school bullying and gaps in services; and

- holding joint community meetings to enhance community understanding of related policy and program changes, for example, the FRC and Housing Services convened meetings in Hope Vale to explain changes to tenancy management.

3.3.2.5 Partnership / governance mechanisms

The FRC and notifying agencies connect through partnership or governance mechanisms. These facilitate information exchange and alignment of complementary approaches.

The FRC and two of the four notifying agencies (the Department of Education and Training, and Housing Services) are incorporated into the Welfare Reform governance structure through the Social Responsibility, Education and Housing Stream Committees.

Government Coordination Committee meetings including the FRC and other government agencies were held monthly in Brisbane for the first year of the implementation of the Welfare Reform and chaired by senior public servants from Queensland and Australian

[23] This involves cooperation between the Magistrates Court, Police, the Local Program Office and the FRC. Individuals apply to the clerk of the Magistrates Court for a relevant declaration, when all tenants of the house agree. Once made, signs are put up on the residence and it is an offence for any person to possess or drink any type of alcohol in that home, regardless of whether there is an alcohol carriage limit in the area. The police will enforce the dry place declaration. See: Aboriginal and Torres Strait Islander Services, Queensland Department of Communities (2009) *Dry Places* website http://www.atsip.qld.gov.au/people/health/drugs-alcohol-prevention/dry-places/ accessed April 2010.

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Governments. These meetings had representatives from the key agencies involved, including the four notifying agencies. A similar committee operated regionally from Cairns.

An 'Aboriginal and Torres Strait Islander Committee' was established to bring relevant initiatives across state and federal policies together, including the Welfare Reform, Council of Australian Governments (CoAG) Remote Service Delivery agenda and Queensland Alcohol Management Plans.

The FRC participates in around a dozen inter-governmental and service provider network committees. As a small agency, this has a greater time impost than on other larger organisations on the committees.

3.3.3 Observations

The FRC itself can be seen as a regulatory body which seeks to change people's behaviour and the social norms of the reform communities. The mainstream organisations considered here provide essential government services in communities; but they are also authorities which were already enforcing norms about educating and protecting children, not harming others or property and paying fair rent for tenancy before the commencement of the FRC.

At the time of Review consultations, the focus of the FRC and the changes which it is helping to make were thought of by these mainstream organisations as mainly being concerned with individual clients. While they interact with the FRC in various forms of connection, the FRC is not yet recognised by the notifying agencies as a significant change agent influencing the service system as a whole.

Despite complexity and uncertainty, the FRC has had important successes in working with some notifying agencies as co-regulators. This varies across agencies and communities (for example, with notable cooperation between the FRC and Housing Services in Hope Vale; and between Child Safety Services and the FRC in Aurukun), but offers a base from which to grow strategic connection.

Strategic connection of agencies in support of the functions of the FRC is described by the term 'networked regulation'.[24] The FRC brings together 'disaggregated' authority—child protection, education, Magistrates Courts and housing tenancy managers—and (partially) combines these by connecting agencies and enabling collaboration around client need. Not only does the FRC attempt to bring these authorities together to adopt a more 'whole person focused' regulatory response, it attempts to coordinate a new network of public and private regulation. Importantly, the FRC weaves together a legitimate structure including government (the notifying agencies), 'private regulators' (local Indigenous authority

[24] Refer Braithwaite, J., 2006, "Responsive regulation and developing economies" *World Development* Vol. 34, No. 5 pp. 884-898. See:http://www.anu.edu.au/fellows/jbraithwaite/pubsbysubject/regulatorytheory/index.php; Braithwaite, V (2006) "Ten things you need to know about regulation and never wanted to ask" *Australian Law Librarian* Vol 14, No 3, and Braithwaite, J (2002) *Restorative Justice and Responsive Regulation* Oxford University Press.

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structures) and 'non-government regulators' (locally based services such as Family Income Management, the Wellbeing Centres, school attendance case managers and parenting programs).[25]

The FRC was not envisaged as a networked regulatory body, nor were the implications of the degree of connection that has actually evolved, considered in any detail in the design reports.

It is unlikely that complete integration of data and business systems between these parts of the FRC system is a possible or even desirable outcome, given the time, resources and complexity of integration; the challenges to individual privacy posed by connecting information systems; and the multiple agency and policy objectives[26] that would need to be aligned. Moreover, since both the FRC and the broader Welfare Reform are time-limited initiatives, full integration is not feasible. Instead, the connectivity between these parts of the FRC system needs to focus on partnerships that are purposeful and help the FRC reach its objectives within its short time-frame to justify the time and resources required.

Consideration could be given to how strategic level connection can support the FRC to maximise its impact during its time-limited term. Expanding regulatory capacity by networking with multiple partners, both government and non-government, can give the FRC a broader range of actions to use in response to the behaviour of community members. Responsive regulation theory proposes that the optimal strategy to promote self regulating behaviour is to start from the least intrusive regulatory strategy and escalate through to the most intrusive in response to the actions of the parties being regulated (known as 'the regulatory pyramid'). Networking with multiple partners enables responsive escalation up the regulatory pyramid through enrolling more regulating partners to the network.[27]

[25] Refer to chapter 6 for more discussion of these organisations.
[26] That is, policies relevant to the Cape York Welfare Reform objectives but with broader reach than the reform communities and incorporating other objectives as well as welfare reform. For example, national reform of the Community Development and Employment Projects (CDEP) Program; national and statewide approaches to Indigenous land tenure settlement including leasing and other mechanisms for individual home ownership; the Council of Australian Governments (COAG) Regional Service Delivery agenda with different objectives, measures and incentives for service delivery, and statewide or regional initiatives to address school attendance and remote Indigenous housing issues with different approaches to the FRC.
[27] Further discussion of responsive regulation theory is provided in Appendix H.

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Recommendation 6

That existing mechanisms for connection between the FRC and notifying agencies:

- be maintained;
- enable staff at all levels and geographic locations (including community-based and regional management) to network;
- ensure a focus on collaboration around client need;
- take a systems-focus in relation to the Welfare Reform communities; and
- identify and coordinate with other relevant partners to enable the FRC system to provide a wide range of regulatory responses.

The FRC's legislatively legitimised local authority brings together disaggregated state authority around individual clients in locally responsive ways. Evidence based theory suggests that the FRC has potential to coordinate regulatory strategies in ways that lessen and normalise the level of government involvement in private life. As a result, the FRC model is a way to implement citizen-centred service delivery in remote Indigenous Australia, placing local Indigenous authority at the centre of coordination and accountability, rather than this being done by an external authority – although the timeframe by which this shift occurs may be longer than the term of the current FRC.

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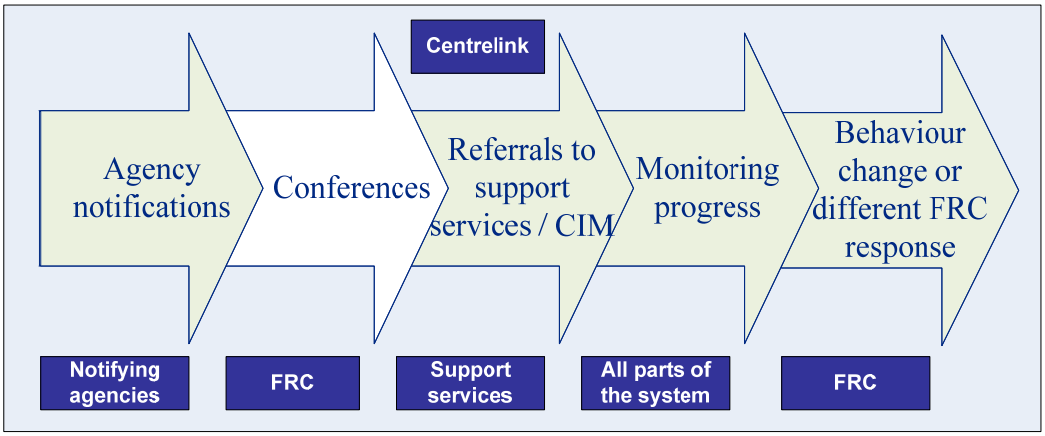
4 Conferencing Processes

This chapter reports on how the FRC conferences with individuals once they have been identified as breaching a social obligation through agency notifications. FRC conferences are a forum through which the Commissioners can start a dialogue with individuals about community norms, their issues, the need to change behaviour and the support available.

Conferencing constitutes the second step in the FRC system process illustrated below.



Source: KPMG

This chapter also outlines both the processes and decisions involved in FRC conferences, and how clients have responded to this new form of engagement.

4.1.1 Deciding to conference

Once the FRC's jurisdiction over a client has been established, a meeting is held between Commissioner Glasgow and the Local Commissioners of the relevant community. During this meeting, the Commissioners determine who will be conferenced and when, based on the issues relating to the notification received and local knowledge of the individual or family that is the subject of the notification.

The FRC may decide not to act on a notice, or to prioritise certain notices above others. In accordance with a direction from the Family Responsibilities Board, school attendance matters are given priority over other types of agency notifications, with a priority list of cases developed between the local School Principal, Attendance Case Manager (ACM) and the FRC Local Coordinator. The Commission also prioritises notices where the matter relates to the wellbeing of children and other vulnerable people.

Deciding whether, and when, to convene a conference with a person is a relatively formal process. However, the Review heard some comments relayed by service providers that suggested that community members are not clear about how people are selected for

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conferences. There was some concern reported about how personal interest or clan / community politics might affect decisions on who to call to conference. This appears to be highlighted in instances when some people breach a social obligation and are not immediately brought to a conference.

- *Recommendation 7*
- Building on the FRC's existing communication with communities, it is recommended that there should be broad, ongoing formal community education about the aims, scope and function of the FRC. This may be done by the FRC in partnership with other community-based organisations. It should include information explaining the process by which individuals are chosen to be called to conference, including the:
- priorities for different agency notifications; and
- potential for time lags between a trigger event and being called to conference.

Clients are asked to attend a conference through being directly approached with a 'Notice to Attend Conference' by the Local Coordinator of that community. The Local Coordinator serves this notice on the individual or a responsible adult at their residence, explains the purpose of the conference and the ramifications if the client fails to attend. This recognises that many clients do not have a good command of written English, and provides the person with time to prepare for a conference.

4.1.2 Uptake of conferences

The uptake of conferences gives an indication of how FRC clients are responding to this new form of engagement and dialogue. The FRC cannot compel attendance at conferences (as courts can through the power of subpoena) but relies on the Local Coordinator role and the potential imposition of Conditional Income Management (CIM) to encourage clients to attend.

The rate of attendance can be classified in different ways which reflect how the FRC operates in practice. When the FRC issues a 'Notice to Attend' (NTA), it records whether or not the client attends the conference that the particular NTA relates to. If the client fails to attend the first conference, the FRC re-schedules a conference and issues a second NTA to the client. At this time, the Local Coordinator will try to identify why the client failed to appear at their first conference, address any misunderstanding or issues, and let the client know that CIM can be ordered if they miss the second conference. If the client fails to attend a second conference, the Commissioners are able to make orders in their absence. Typically, an order for CIM is made in these circumstances.[28] Subsequent NTAs for further related conferences may also be issued.

[28] Family Responsibilities Commission *Annual Report 2008-09*, p.33.

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For this reason, it is useful to look at the different rates of attendance for those who respond to their first call to conference (the client's first NTA) and those who respond to the second call to conference (second NTA), as well as for those who respond to third subsequent calls (NTAs). These are referred to herein as different 'rounds' of NTA. This should indicate whether the FRC's business model is working to get people to conferences and what more might be needed.

The data are presented in Appendix G and highlights are discussed here.

However, this is not the only way that attendance at FRC conferences can be measured. Table 1 below displays the attendance rates associated with *each round* of NTAs issued, the proportion of *all NTAs* issued resulting in attendance and the percentage of *cases* resulting in attendance.[29] As can be seen, 72 percent of all cases end in attendance at a conference, whilst only 57 percent of the total number of NTAs issued in the first 18 months of the FRC's operation result in attendance. The attendance rate is also higher for the first NTA issued than for subsequent rounds of NTA issued.

Table 1: Attendance rates of FRC conferences, July 2008-December 2009

NTA round	**Total NTAs issued by round of NTA**	**Number of NTA resulting in conference attendance by NTA round**	**Rate of attendance by round**
First NTA issued	1,335	815	61%
Second NTA issued	297	149	50%
Third and subsequent NTAs	92	42	46%
All NTAs	**Total number of NTAs issued**	**Total number of NTA resulting in conference attendance**	**Overall rate of attendance by notice+**
Total percentage of notices resulting in conference attendance	1,724	959	57%
All cases	**Total number of cases**	**Total number of cases resulting in conference attendance**	**Overall attendance rate by case***
Percentage of cases resulting in conference attendance	1,335	959	72%

Source: KPMG analysis based on data provided by the FRC

[29] These terms are explained further in Appendix G.

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+ - this percentage shows the proportion of Notices to Attend which result in conference attendance regardless of whether the notice is the first, second, third or subsequent notice issued.

** - This percentage shows the proportion of cases which result in conference attendance, regardless of whether attendance occurs after the first, second, third or subsequent notice.*

The attendance rate of clients after receiving a CIM order is 47 percent which is less than the general attendance rate after the first NTA (61 percent) and after the second NTA (50 percent) (see Table 15 in Appendix G). Where CIM is ordered there is a 3 percent decrease in attendance rate between the second and third or subsequent NTA. This decrease is less than the decrease in general attendance between the first and second NTA of 11 percent. This may indicate that a CIM order does encourage conference attendance. It is not possible to be more certain on the impact of CIM on attendance without further data.

These attendance rates compare favourably with attendance rates achieved for other conditional welfare programs operating in Australia. Although the FRC is new and in many ways unique, it shares elements of its operation and client base with other conditional welfare programs currently operating in Australia. For example, people who receive job search allowances and other 'work-ready' welfare payments from Centrelink are referred to employment service providers, where they are expected to attend interviews with case managers and participate in job search programs. If they don't attend interviews when requested, their welfare payments may be sanctioned.

An evaluation[30] of one program – Job Search Training which helps job seekers to improve their job search skills – compares the number of referrals to the program with the resulting number of commencements[31] in the program. Overall, the commencement rate was 31 percent. Only one in 10 of those who didn't commence had reasons such as illness, injury and caring responsibilities.

The evaluation of Job Search Training noted that commencement rates (as a percentage of referrals) vary across time and are particularly susceptible to policy and administrative changes to the referral and service systems. There was also considerable variation in Job Search Training commencement rates for different job seeker groups, with older job seekers being more likely to commence Job Search Training than other job seekers. This variation in responses by different groups aligns with the variation observed for the take-up of FRC conferences.

While there are some similarities in the patterns of who attends Job Search Training interviews compared with FRC conferences, the attendance levels are very different. Only one-third of clients attended their initial Job Search Training interview compared with about two-thirds attending an FRC conference. While these programs are not directly

[30] Job Network Evaluation Stage 3, Department of Employment and Workplace Relations (2002)
[31] A 'commencement' is the term used to indicate that a client has attended their first interview with the Job Search Training provider and has been signed up to the program (for the purposes of analysing take-up rates this is similar to attending an FRC conference and entering into a Personal Responsibility Agreement, or other kind of agreement /order).

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comparable, the FRC appears to be encouraging and facilitating a much higher attendance level.

4.1.3 Characteristics of those who attend and those who do not

The analysis of demographic characteristics of those FRC clients who attend conferences and those who do not is provided in Appendix G, and summarised below.

Women, older clients, residents of Aurukun and individuals identified in School Attendance notifications and Child Safety notifications are associated with higher attendance rates. Men, younger clients, residents of Mossman Gorge and individuals named in Magistrate Court notices are associated with lower attendance rates.

The difference in attendance rates between different agency notification types may be a result of other characteristics of clients receiving them, such as age or gender, rather than the agency notification type alone. For example, School Attendance notifications list the person who enrolled the child in school, and the FRC believes this is more often mothers or female carers, so it may be gender, rather than agency notification type, that is driving higher attendance at conferences. However, the community consultations also suggested that some agency notification types are viewed differently. As discussed in chapters 8 and 12, the School Attendance notifications reflect what most people who responded to the qualitative surveys[32] think the FRC's purpose is. It is also in line with strong positive views on education expressed by most community members who gave input to the Review, and with concerns about school attendance expressed by the communities before the FRC commenced. Conversely, the Magistrates Court notification was seen by some community members as a form of 'double jeopardy' – putting the client through two processes of judgement, the court and the FRC.

While each of the communities has a different population size, numbers of clients and conferences held, converting information to a rate allows for fair comparisons to be made between communities. On all measures of attendance, the highest rates were in Aurukun, followed by Hope Vale, Coen and Mossman Gorge (see table 18 in Appendix G).

In Aurukun, the Local Commissioners also take an active approach to increasing attendance by visiting people on conference day and reminding or encouraging them to attend. This was not observed elsewhere for the particular FRC conferences watched by the Review team during site visits, but the Review acknowledges that it observed just one day of conferences per community, in three of the communities.

As previously mentioned, these results share similarities with results obtained for commencements in Job Search Training programs – older clients are more likely to attend interviews, and attendance can be variable for different groups of clients.

[32] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.

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4.2 Reasons for non-attendance and FRC response

The FRC client data do not record reasons for non-attendance. This limits our understanding of non-attendance because it does not allow a comparison of those who are unable to attend due to illness, bereavement and similar reasons, with those who simply 'don't show up'. During interviews for the review, FRC commissioners noted that many people who don't attend FRC conferences have reasons such as illness and difficulties with travel.

Information collected through the qualitative survey interviews and individual interviews with FRC clients suggested that negative emotions, and lack of understanding of why they have been called to conference, are also potential influencing factors. Individual client interviews and interviews with FRC staff indicated that other reasons that people do not attend conferences include that the time was inconvenient, or that they had difficulty travelling back to town from homelands (either because of difficulties with transport or because they were concerned that they may experience further trouble if they returned to town).

However, the Implementation Review did not explicitly target individuals who had not attended the FRC conferences to which they had been called, during the consultation process, making it difficult to estimate the extent to which these factors limit attendance.

Around a quarter of the respondents to the qualitative survey interviews had attended an FRC conference, of which half were aged between 30-49 and most were women. While the qualitative survey does not necessarily provide a representative sample of all community opinion, it can be treated as a large-scale qualitative study and gives some insight into the particular experiences of the respondents. Further detail on the qualitative survey, including caveats on interpretation, are at Appendix E.

Most of the qualitative survey interview respondents who had attended a FRC conference reported feeling nervous, afraid, angry or frustrated before their conference. Negative emotions changed for the majority of qualitative survey interview respondents after they had attended the FRC conference. Almost the same proportion of qualitative survey interview respondents felt relieved, fine or happy after attending the conference.

Personal story[33]

I came to the FRC in relation to a notice. I don't drink except on Friday nights at parties, because I have children – I have to get the kids to school, that's always been my rule.

I found out I had to see the FRC through a letter to my partner. I felt nervous when I found out I had to see the FRC because I heard the FRC was tough and rough on people.

[33] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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At the FRC building, my name was on a waiting list – I went by myself and was a bit shaky while I waited. But it was different from what I had heard about the FRC and Commissioner Glasgow.

When I went in, I could see Commissioner Glasgow and [two Local Commissioners] were sitting. They welcomed me in. At the start of my conference, I looked at Commissioner Glasgow's expression to see if he had any racist problems with blacks or if he was going to judge me. But Commissioner Glasgow was good; quiet, respectful and helpful with my mistakes. He shook my hand and started talking about why I was there.

Commissioner Glasgow then gave me directions on where I should go to get help. The other Local Commissioners just listened to what Commissioner Glasgow had to say, and could come in with advice if they wanted to. I could ask questions and felt that the FRC had heard my side loud and clear. I would have spoken up if the FRC had come down hard on me. I thanked Commissioner Glasgow and let them know that I was looking forward to getting help.

At the end of my conference, the Local Coordinator took me to the Wellbeing Centre and I had a yarn with the person there about the problems in my personal life. I had got caught up with all the things I'd been through, and just felt good to talk about it. I will be able to do what was asked of me, nothing will get in the way, but I will see how things work from here. It will work as long as I express how I feel about what I've been through with my counsellor. I think that it also depends on my counsellor, whether they're going to help me.

I still go to the Wellbeing Centre, where I have a catch up and yarn about what's going on in my life.

This was different from what I was expecting. I had heard negative things about the FRC, but when I went into my conference, everything was calm and smooth – it was quiet, like being on cloud nine. That's what I didn't hear about the FRC from other people.

Commissioner Glasgow is a nice bloke who doesn't judge anyone but is just doing his job, and puts people on track. The Commissioner gives people direction without pointing fingers, blame or anger. People have been through hard times and helping them through sending them to things like counselling, anger management, drug and alcohol courses is good.

I would like to have one-on-one time with Commissioner Glasgow in a private room. I worry that the Local Commissioners and Local Coordinator may go out and tell community members what I have been through, from what was discussed in my conference. I am just waiting to see if anyone mentions it in the street – if they do, I'll know the cat's out of the bag. I can't trust the Local Commissioners, the FRC should have *Bama* from outside the community to sit as Local Commissioners to protect the privacy of community members.

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> Local newspapers and *Bama* from the community complain that the Cape York Welfare Reform and FRC aren't working, but from what I see, things are changing because of these things.
>
> *FRC client*

This suggests that if negative emotions are a factor in clients not attending conferences, there may be value in supporting clients who have attended conferences to share their experiences with others.

This would need to be done carefully, with the prior and informed consent of such clients, who may not wish to disclose their involvement with the FRC. For those who are willing to encourage others by sharing how they felt before and after, and any positive experiences they had through the conference, it may have a powerful effect on other community members called to the FRC.

The individual interviews with FRC clients suggested that another reason for non-attendance may be clients not understanding why they had been called to a conference.

> "I felt really scared about going because I didn't understand why I had to go and I didn't know what to expect".
>
> *Community member*

> *Personal story*[34]
>
> One of them workers [Local Coordinator] came down and said I had to go and see them. I had to go because I had been to Court. I felt alright about going there, but I didn't really know what would happen.
>
> I went there on my own. When I got there I had to sit and wait until that other fellow (Commissioner Glasgow) came. He explained everything to me and asked me why I was getting in trouble and all that.
>
> They asked why I went to Court. I was able to talk to them; they listened to me and understood what I was saying.
>
> They said I should make my house a Dry House. I wasn't sure about that, because I don't even drink that much. If I did this I would be able to keep drunk people out and keep the noise down. They haven't really made any changes to my life, I'm doing it on my own.

[34] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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> If one of my friends was going to the FRC I would tell them that they are trying to help and not to worry about what they are going to say or anything because they are there to help. You've got to talk too.
>
> *FRC client*

As with other documents prescribed by the legislation, the format of the 'Notice to Attend' (NTA) is prescribed by the FRC Act and is not easily understood by community members. A large majority of the 18 FRC clients interviewed individually did not know why they had been called before the FRC, irrespective of whether they felt they had a positive or negative experience in their conference. This suggests that an explanation from the Local Coordinator is either not always given or not well understood.

- *Recommendation 8*
- It is recommended that as part of a broad ongoing community education, and to lift the attendance rates at first conferences, the FRC should consider:
- maintaining a full time Local Coordinator presence in each community;
- ensuring a consistently active and supportive approach is taken to engaging with FRC clients before they come to conferences to counter fear and misperceptions, and encourage attendance;
- seeking feedback from community members on ways to tailor communication and identifying Frequently Asked Questions (which should then be addressed and widely communicated); and
- taking active steps such as visiting people just before or on conference day and reminding, encouraging or assisting them to attend.

4.3 The conduct of conferences and conference outcomes

The conference process is closely aligned with the FRC Act, which forms the central point of reference for FRC staff. Commissioner Glasgow also provides consistency across conferences convened in the four communities.

Commissioner Glasgow, two Local Commissioners, the Local Coordinator, and the client attend a conference. The Local Coordinator and Local Commissioners together determine which Local Commissioners will sit on individual conferences, taking into account family connections and potential conflicts of interest. Where this is not possible, Commissioner Glasgow will take a more prominent role in the conference. There are mixed views about whether this is an adequate approach, as evidenced by one client's story, which appears below.

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Personal story[35]

[The Local Coordinator] came to the house and dropped a form off, and said I had to come in and have a meeting. I felt stupid going to the FRC because they didn't realise that there's different clan groups here and I can't talk in front of those ones [Local Commissioners] about my personal things. I shouldn't even be in the same room as them! I went because I was worried I'd have to move out of my house or something if I didn't go.

I don't want to talk about my personal business with those people. I have been waiting to talk to Housing but they didn't come for a long time.

I just went by myself (to the FRC) because my family was away. That's also why I couldn't ask them for rent money because they needed that money to travel and for food. They help me with food and other bills I have. I was only a little bit down on my rent.

Murri people have a traditional ways, and I can't talk about my personal problems to [Local Commissioner]. I just sat there and acted dumb, I let them talk and didn't say anything. I will see Housing myself.

At the end of the conference the white fellow said 'you can go, and speak to Housing to put them (other residents) on the lease'. I tried to get someone else in the community help me I don't really know how to go about it.

They also said I had been drinking in other people's houses, but I had only been drinking with my family. I had to go to court and I got a fine. But I had already paid that before I went to the FRC.

They (the FRC) can't stop us, it's our culture. They haven't helped me at all. I just heard what they were saying and I didn't talk because there were those other clan people there.

Sometimes there's too many changes for us, we get stressed out with all these changes.

FRC client

The concerns around clan conflicts impacting on FRC conferences raised in the personal story above were not found to be widespread.

The Review's observations of conferences in process in Aurukun, Mossman Gorge and Hope Vale indicated that conferences were generally informal in nature, and tailored to the individual client. Conferences were conducted in English in Mossman Gorge and Coen. Local language was used occasionally in Hope Vale where necessary to put a client at ease, while most conferences were conducted in a mixture of Wik and English in Aurukun.

[35] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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Every effort appeared to be made to create a non-threatening and supportive environment, and to encourage a dialogue with the client. Conferences addressed the client's (or their child's) behaviour which led to the agency notification, and any underlying issues or barriers to changing their behaviour.

More than half of the respondents to the qualitative survey who had attended a FRC conference (39 people) felt the FRC conference was fair to everyone who went. This did not vary according to the participants' gender or age. When asked why they felt this way, the most popular response related to how the conference was run ('they listened to me'), including the ability of the FRC staff to clearly explain the process in a 'nice' manner. Only three respondents felt the process was unfair and two suggested the FRC staff did not listen to them. Conference decisions are intended to primarily be made through a discussion between the client and the Commissioners about the most appropriate form of support for that client and how it is best provided. Through this approach, clients are able to have direct input into the decision making process, and decisions should ideally be agreed upon by both parties.

However, there is evidence of some variation in the level of input that clients have into the decision-making process and inconsistent reports about whether the client-Commissioner discussion regularly occurs. Factors influencing differences include: the approach taken by different Commissioners, the capacity and attitude of the client, and whether a conference is the client's first or subsequent contact with the FRC. The level of client input into decision-making varies depending on clients' willingness to interact with the FRC staff and their willingness to divulge information about their story. Interviews with individual FRC clients from all four communities suggested that some clients who reported feeling they had no, or limited, input into the decision-making process would have preferred more involvement.

According to the FRC staff interviewed, the Commissioner and Local Commissioners regularly discuss with the client what help they feel they will need. This is contrasted with the Review team's observations and stories from FRC clients interviewed individually, which indicated that the Commissioner and Local Commissioners often directed the client towards actions required rather than taking a collaborative approach. However it is acknowledged that the Review team observed just one day of conferences per community, in three of the communities, and that its presence may have influenced the interactions of the Local Commissioners and clients. Further, while the individual interviews with FRC clients offer an in-depth look at the experiences of a very small number of FRC clients, these experiences can not necessarily be generalised to the broader population.

During the first 18 months of operation, the FRC was able to reach consensual agreement (a Family Responsibilities Agreement) with the majority of clients it conferenced with. This varied between agency notification types with consensual agreement reached in 82 percent of cases involving Child Safety notifications, but only 76 percent for cases involving Magistrate Court agency notifications.

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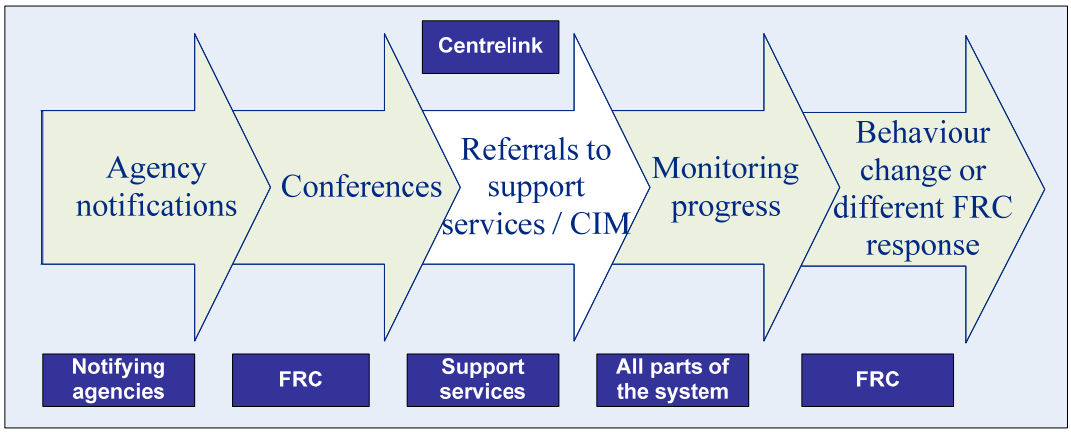
5 Support services

Through the conferencing process the FRC aims to provide referrals to relevant community support services ('support services') for individual clients in an attempt to address the issues they are facing that contribute to their breach of social obligations.

Under the FRC Act, the Commission is empowered to direct clients to attend an appropriate support service under a case plan, for up to one year. This is a common outcome of an FRC conference; and referrals to support services are considered before contemplating CIM orders. Failure to attend or engage with a support service in line with a referral is one ground for the issue of a CIM order. Increasingly, the FRC is also making referrals to support services in tandem with CIM orders. Income management is further considered in chapter 6.



Source: KPMG

The definition of community support services in the FRC Act is broad, covering "*services and activities which will help an individual in relation to the individual's own wellbeing; the wellbeing of a member of the individual's family; and socially responsible standards of behaviour*." Examples given in the legislation include services relating to matters about health, education, employment or training; money management; drug and alcohol rehabilitation; gambling or anger management.[36]

The Review team investigated the linkages between support services and the FRC, as well as the nature and extent of referrals, but did not conduct any in-depth examination of service provision *per se*. Examination of support services may be conducted by the services themselves, or as part of the evaluation of the whole Cape York Welfare Reform.

[36] *Family Responsibilities Commission Act 2008* (Qld), Schedule s.6 and Explanatory Notes, Family Responsibilities Commission Bill 2008 (Qld), p.27.

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5.1 Support services referrals

The majority of referrals made by the FRC in its first 18 months of operation were to the three main support services which have been set up to receive formal referrals from the FRC – Wellbeing Centres, Family Income Management (FIM) and Attendance Case Managers (ACMs). These are described in Appendix D.

The FRC made a total of 952 referrals to support services concerning 519 separate cases[37] in this period. For the majority of cases (over 85 percent), a client was referred to a Wellbeing Centre. Forty-six percent of all cases included a referral to the FIM program and 27 percent included a referral to an ACM.

Personal story[38]

I have been to the FRC. They are here talking about responsibility and family, to help people take responsibility. I think it's a good place to solve problems, talking about families and looking after kids is good for the community.

I was not nervous when I went to the FRC, I knew it would be ok. I thought it was good. I come to FIMs now and they help me budget. The FRC helped me take responsibility.

I went to the school and spoke to the principal. They are doing stuff so my child can go to school.

The Commissioner (Glasgow) helped me with all that. It felt good to have someone listen to me. They were helpful.

I think the FRC needs to keep coming, because they are helping manage money. FIMs help manage money, help kids get food and education. It's a good idea.

FRC client

Cases in Coen, Hope Vale and Mossman Gorge were more likely to involve a referral to a Wellbeing Centre than cases in Aurukun. The highest proportion of referrals to an ACM was in Aurukun compared to other communities. FRC-referred clients make up the majority of the Wellbeing Centre client base in Aurukun and Hope Vale, and the minority in Coen and Mossman Gorge. (These data are described in detail in Appendix G).

The remaining referrals were to other services, including primary health care clinics, parenting programs, mental health services, Corrective Services programs and local groups such as Men's, Women's and Justice Groups. Most of these services are only available in

[37] For further detail on what constitutes a 'case', refer Appendix G.
[38] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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some of the four reform communities, and some are provided on an outreach basis only. The FRC may also occasionally recommend that clients contact the representatives of government agencies such as the Department of Education and Training, Disability Queensland, Child Safety Services or Centrelink in order to address issues around school enrolment, compliance with Child Safety Plans or welfare payments.

5.2 Accessibility and appropriateness

To properly determine the accessibility and appropriateness of service provision, an in-depth study of individual services and the broader service provision environment would be necessary. A detailed assessment of services was outside the scope of this Review; however, interviews with stakeholders identified some areas for further investigation. It should be noted that there was a high level of disagreement amongst the stakeholders consulted about the appropriateness and accessibility of the three main referral services (ACMs, FIM and Wellbeing Centres).

5.2.1 Location

At the time of the Review's site visits, in each of the four reform communities there were dedicated buildings for the Wellbeing Centres and FIM program, and dedicated office space within schools for the ACMs (except in Aurukun). The clinical appearance of the purpose-built Wellbeing Centres and the lack of a private entrance (out of community view) was identified by some stakeholders as inhibiting client access.

5.2.2 Availability

The opening hours of the three main support services, at the time of the Review visits, reflected the business hours of the community location. Travel time for fly in / fly out Wellbeing Centre clinical staff reduces the time available in the community. In Coen, many residents live on homelands several hours drive from the community, and the support services are not staffed to provide intensive outreach to these areas. There were no after-hours provisions for any of the three main referral services.

5.2.3 Workforce issues

It has been challenging to recruit and develop suitable locally-based staff for services in some communities, as well as to recruit and retain fly-in / fly-out staff for Wellbeing Centres, particularly in Aurukun. This has made it difficult for staff to build a rapport with the community and clients. Cape York Partnerships considered that traineeships and development programs which were planned to assist in building the capacity for local people to take on some of the roles would assist in part with this issue.

At the time community consultations were conducted, Indigenous staff members were employed in most of the services. This could either increase or reduce access since some

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community members prefer to see local staff while others are reluctant to share their problems with other members of the community. The small number of staff employed in support services in each community makes it difficult to achieve a gender mix, and (in relation to Indigenous staff) a mix of clan group representatives. Both the gender of staff and their Indigenous clan or family group may have an impact on accessibility for individuals. For example, in Coen anecdotal evidence suggested that some community members were reluctant to access some services because they are staffed by members of different clans. The Review team also heard anecdotal stories that some FRC clients in Aurukun had not complied with referrals to Wellbeing Centres because a counsellor of their own gender was not available. The extent of the impact of these factors on service accessibility could be explored during future evaluation activities.

5.2.4 Community understanding and ownership

The roles of the FIM program and ACMs appeared to be well understood in the community, but understanding of Wellbeing Centres was still developing. This is understandable as FIM has been in communities for a number of years before the Cape York Welfare Reform, and some communities have previously had roles similar to the ACMs in place. Local Advisory Groups (LAGs), set up by the Royal Flying Doctor Service (RFDS) as part of planning for the transition of Wellbeing Centres to community control, were facilitating local input into planning and service delivery models and building greater community ownership. Transition to community control is incorporated into long-term RFDS planning, but there is currently no definitive timeframe in place. It is expected that this will be agreed with the LAGs as they develop.

During the Implementation Review, a few community members in three of the four communities expressed concerns to the Review about a perceived lack of privacy and probity in FIM; and indicated this was the primary reason they would not use the service.[39] This perception appears to be a factor limiting some access and uptake of FIM services in these communities. The true extent and nature of this is unknown: however the perception could be linked to a lack of understanding about the service and the processes underpinning it.[40]

5.2.5 Referral mechanisms

Referrals from the FRC, from other service providers and self-referrals are possible with all three support services that have agreed to take referrals from the FRC. Initially, for some services in some communities, the referral mechanisms to receive clients from the FRC were not clear, for example, whether clients were to come to the support service or

[39] It is understood that some individual claims of this nature have been reported and investigated, however the review is not privy to the findings of these investigations.
[40] Family Responsibilities Commission, 2009, *Report to the Family Responsibilities Board and Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships – Quarterly Report No. 6 – October-December 2009*. Accessed at < http://www.frcq.org.au/sites/default/files/FRC%20Quarterly%20Report%20No%206%20-%20FINAL.pdf> viewed April 2010.

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the support service was to follow up with the clients, and what evidence was to be maintained of referrals being made and received. These issues had been largely resolved through improved communication.

The FRC Local Coordinator or Local Commissioners generally escort clients to the Wellbeing Centre and introduce them to a counsellor at the end of their FRC conference, or encourage clients to attend the Centre straight after their conference. This appears to be a successful means of encouraging attendance at first appointments, reflecting the importance of relationships to Indigenous service access.

Personal story[41]

I went to the FRC, the [Local Coordinator] came around with a letter and said I had to go there. I went and they were good. I went by myself. I was really scared; I thought it was like going to Court. But they listened to me and I told them about some things in my life.

They sent me to FIMs to do a budget. Sometimes I spend my money on the wrong things, like smokes or grog, and FIMs helps me with that. I think it's good because I look after kids, and I need to get them food and money for school things. Also, at Christmas I need some extra money.

I don't get involved in the fighting; I keep to myself and my family. I keep it to myself; I don't tell anybody about how I went there. Not even my partner.

FRC client

5.3 Service gaps

A full service review and needs analysis was not conducted as part of this Review. The Council of Australian Governments' (CoAG) *Remote Service Delivery Agenda* is mapping existing services, gaps and priorities in 29 sites across Australia, including the four welfare reform communities.[42] Some areas which may warrant extra and/or improved service provision that were identified during the FRC Implementation Review (through site visits and stakeholder interviews) include:

- specific services to target poor engagement and attendance amongst secondary school students, including those who are attending boarding school outside of the communities;

[41] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.
[42] Coordinator-General for Remote Indigenous Services, 2009, *Six Monthly Report: July-November 2009*, Commonwealth Government of Australia, Canberra. Accessed at <www.cgris.gov.au> viewed April 2010.

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- programs to support improved parenting. At the time of consultations, a parenting program was operational in Aurukun, and planned for Mossman Gorge, Hope Vale and Coen in 2010 as part of the Cape York Welfare Reform. This is an area of significant and ongoing need across the communities;

- greater access to community based or local substance abuse programs, particularly for alcohol addiction; and

- greater access to support services for children, including dedicated mental health services and integrated services to support re-engagement in education for children with truanting histories and complex needs.

Without community based FRC case managers, there is room for improvement of service coordination to achieve the objectives of FRC and to adequately support clients to achieve improved outcomes.

There was no formal case management framework in place for complex FRC clients who are working with multiple services, to help identify the most appropriate services for them and help them move between services to meet their changing needs. The Wellbeing Centres reported they are playing a *de facto* 'one-stop-shop' role in each community because of a lack of service availability and coordination more broadly. Clients with multiple, complex needs require some level of case management but with no FRC case manager stationed in each community, the coordination of cases often falls to the primary referral agency. Wellbeing Centres reported that they are providing further referrals to other services for clients, case coordination, case conferencing, and regular liaison with many other services.[43]

Discussions have been held between the FRC and service providers to explore the potential for establishing regular case conferencing, and the FRC is trialling monthly visits to each community by the Principal Case Manager in 2010 to assist in case coordination. Frameworks for collaboration of work with less-intensive clients are also necessary.

Recommendation 9

It is recommended that mechanisms for improving case management and coordination for FRC clients be adopted. The FRC should continue to monitor the effectiveness of sending the Principal Case Manager to communities on a monthly basis in helping clients to connect to community support services, and monitoring their progress against case plans. If this approach is not effective, consideration should be given to resourcing and engaging community based case managers. The nature of case management will be subject to client consent to information being shared between services, and information sharing powers in State and Federal legislation, such as: the Family Responsibilities Act 2008 (Qld), Information Privacy Act 2009 (Qld), Social Security Act 1991 (Cth) and Privacy Act 1988 (Cth).

[43] Royal Flying Doctor Service, 2009, *Monthly Report Wellbeing Centres to December 2009.*

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5.4 Client attendance at support services

The FRC made 952 referrals to a service between 1 July 2008 and 31 December 2009. The attendance rate at services, counted as at least one attendance, was 61 percent.[44] The remaining clients were not recorded as attending, engaging or progressing according to the service providers' monthly reports to the FRC in this period.

Personal story[45]

I had to go to FRC for my son because he never went to school for about two years. The Local Coordinator came and seen me to say I had to go to FRC. I had to go because my boy refused to go to school, and I had no way of getting him there.

I felt ok about going – a little bit nervous. My son came with me so he could listen to what they had to say. The white man was there and two Local Commissioners. They explained what was going to happen. I talked to the Commissioners and they listened to my side of the story. And my boy was feeling good about what they were saying to us.

After, they told us about going to the new Wellbeing Centre. I didn't go to the Wellbeing Centre, but the people in the FRC were only trying to help us. I had things to do at the time I was supposed to go. I could do the things they said, as they only wanted to help me. I was very busy at that time, but everything is good now and my son wants to go to school now.

They have not really made changes for me, but they only wanted to help me. I don't want to go to FRC again in case I lose my money. They [the FRC] are doing things ok at the moment.

FRC client

The table below presents the attendance rate in relation to the services or agencies to which the FRC most frequently refers clients. The highest rate (93 percent) was for Attendance Case Managers who work largely on an 'outreach' basis, visiting children and parents at home where there is an unexplained absence at school. The other support services, which generally rely on clients to act independently to attend the service following their FRC referral, had attendance rates of between 60 and 70 percent.

[44] The months of November – December 2009 were excluded due to unusually high non-attendance rates. These data have not been included in the analysis because they would significantly skew the results to the extent that they did not reflect the trends for standard operations in other months. The Review has not investigated possible causes for this difference, but seasonality (Christmas holidays and the Wet Season) could be a factor.

[45] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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Table 2: Attendance rate at services referred to by FRC, July 2008-January 2010

Support service	Frequency of referral	Attendance at services rate*
Wellbeing Centres	444	62%
Family Income Management	234	61%
Attendance Case Manager	139	93%
Parenting Program	27	70%
Other	108	10%

Source: KPMG analysis based on data provided by the FRC

** Clients may be referred to multiple services so totals do not sum to 100%*

A comparison between those who had and had not attended a referral service reveals that attendance was slightly higher for women (65 percent of 356 referrals) than men (62 percent of 592 referrals) and that attendance generally increased with age.

The lowest attendance at referral services was seen in Hope Vale, where 59 percent of clients (121 out of 208 referrals) attended a service at least once. The highest rate was in Mossman Gorge, with an attendance rate of 74 percent (40 out of 55 referrals).

Where clients' referral to a support service was through consensual agreement with the FRC, the attendance rate was 67 percent (457 referrals) while for referrals made without client agreement (and possibly in their absence), the attendance rate was 57 percent (70 referrals).

There are insufficient data to report on engagement in more detail at this time due to issues with monthly reporting outlined in section 5.5 below. During 2009, just 21 'show cause' hearings were held in Aurukun, Coen and Hope Vale. At these conferences, the FRC discusses non-compliance with clients. The FRC has reported that it has not been able to issue Show Cause notices for some clients where it may have been appropriate to do so, due to the timeliness and quality of monthly reporting.

The Commission believes that the majority of clients it refers to support services turn up to the first appointment, but it is currently hard to determine what proportion remain engaged. The FRC identified the lack of FRC community-based case managers, discussed during the design phase, as a relevant factor. The FRC recognises that it needs staff in the community who can provide advice on why a client is not engaging, highlight other positive steps they are taking, and estimate when they will be able to engage in the future.

Service providers reported that FRC-referred clients are often more difficult to engage with than clients who self-refer or are referred through other means. They reported that clients who self-refer are more likely to be ready to actively engage in treatment programs than those who are referred and/or compelled by the FRC. This is not unexpected, as individuals who are attending support services primary to comply with the FRC are likely to require more prompting and self-reflection before they actively engage in a lifestyle or personal change process. It should be noted that while the FRC Act differentiates between

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compulsory referrals and consensual referrals through Family Responsibly Agreements, clients themselves may not.

The extent of support that FRC clients were reported to need to comply with their case plan varied between individuals. One Local Coordinator reported that the majority of people are able to comply with their case plans with little external support, as the FRC will only refer them to services that they know the person is capable of attending. Others reported that many people need assistance to make initial contact with the support service and ongoing support and encouragement to attend the service. All of the FRC clients interviewed individually who discussed their capacity to undertake the directions of the FRC said they were able to comply with what the FRC asked them to do. This was regardless of whether or not they felt it was a useful direction in the first place, or actually did what they had agreed or been told to do.

The FRC noted that clients may say why they are unable to meet their case plan requirements in conferences and this sometimes reflects issues with service accessibility or appropriateness. However, data are not recorded by the FRC which would give an indication of how many clients experience this problem.

Recommendation 10

It is recommended that the FRC continue to work with support services to facilitate monthly reporting which is meaningful, current and efficient. This should be driven by input from client interface staff including Local Coordinators and the Principal Case Manager and community based support service staff. Further to this, the FRC should collect data on clients who are unable to meet their case plans due to inability to access services, or where the FRC has been unable to make an appropriate referral due to a service gap in the community.

5.5 Connections between the FRC and support services

As detailed in Appendix B, the FRC was established and operational in a very short period, required by the time-limited nature of both the Commission and the Welfare Reform. While this enabled the Commission to commence working with community members quickly, it limited collaborative pre-planning and piloting of processes between the FRC, Wellbeing Centre and ACMs before the FRC was operational. Processes and protocols were still being developed iteratively through trial and error in the first 12-18 months. This hampered the smooth operation of a cohesive FRC system.

The support service provider network was not fully established when the FRC began operations. Consultations with the FRC suggested that this was a significant issue at that time, as people were unable to access services in line with their Family Responsibilities Agreements, and the Commission was not able to meaningfully decide whether or not someone had been compliant with their case plan. This issue appears to have been particularly relevant to the Wellbeing Centres.

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A few community-based services and agency staff consulted felt that the FRC model was not developed in collaboration with their organisation, and failed to take into account existing initiatives or local knowledge. Since many of the support services experience high turnover of staff, this may have impacted on the maintenance of corporate knowledge and memory of previous engagement with the Welfare Reform. While there was intergovernmental coordination and engagement with service providers during the community engagement phase of the Welfare Reform design, new staff recruited since this time may not have been sufficiently inducted to facilitate their understanding and support.

It takes time to embed the level of change expected by the FRC Act and Cape York Welfare Reform in organisational cultures and practices. The perception of inadequate consultation is also a common reaction to any change processes. Furthermore, Welfare Reform represents a significant change in the service delivery and engagement environment within which many providers operate, and a level of resistance reflects a normal and reasonable response to this level of change.

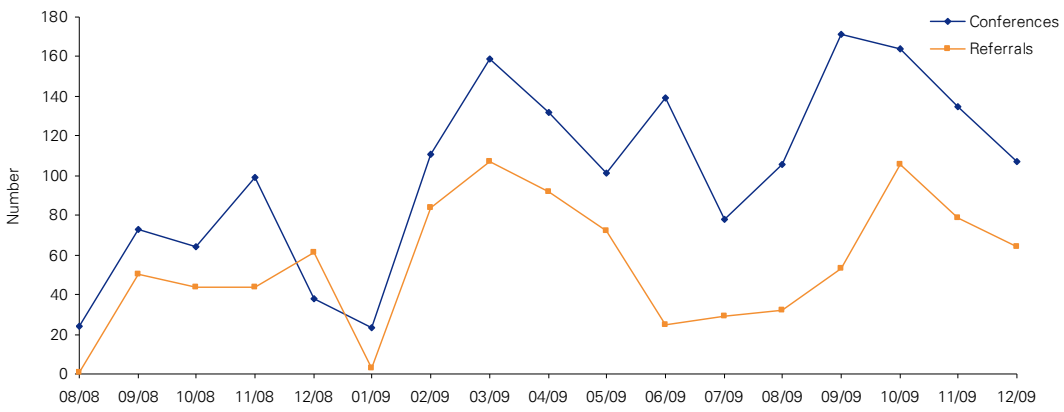
The specific issues that the Review identified in the working relationship between the FRC and service providers are outlined below.

5.5.1 Volume of referrals

Before the FRC began operations, it was difficult to predict how many clients and resulting referrals there would be. The volume of referrals from the FRC (952 between July 2008 and 31 December 2009) exceeded ideas of what the level might be and continues to be a challenge both for support services to manage and for the FRC to monitor.

Both referrals and conferences have grown rapidly, as illustrated in Figure 4 below.

Figure 4: FRC conferences and referrals to support services, August 2008-December 2009



Source: KPMG analysis based on data provided by the FRC

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The Royal Flying Doctor Service reported that the Wellbeing Centres have two to three times the number of FRC referrals initially projected, and that Centres have almost reached capacity in client load and must prioritise clients. Wellbeing Centres base their prioritisation on a clinical assessment of need rather than order of referral. At the time of Review consultations in late 2009, the FRC, Wellbeing Centre and ACMs were in discussions about how best to prioritise FRC client referrals.

Staffing and client ratios were not analysed by the FRC Implementation Review: however, the volume of referrals suggests that, without appropriate demand management strategies including prioritisation protocols, burnout of staff is a risk.

Some community group based services, such as the Men's and Women's Groups, were reportedly not functioning at an optimal level, with challenges including clan, class or family group politics, concerns over perceived privacy breaches, and disputes about paid Coordinator positions. This limited the number of referrals that could be made to such groups. The Wellbeing Centres were working with Men's and Women's Groups in Mossman Gorge, Aurukun and Hope Vale to increase capacity to meet community needs and to facilitate reporting to the FRC.

5.5.2 Monthly reporting

The FRC Act mandates that support services provide monthly reports to the Commission on client attendance, engagement and progress. This system still faces considerable teething problems and there is disagreement as to how information should be reported. It is understood that ongoing communication and flexibility are being employed to resolve this issue.

As at 31 December 2009, 517 clients were being case managed and required monthly progress reports to be submitted by service providers.[46] At times, backlogs in outstanding monthly service provider reports have hindered the ability of the FRC to monitor client compliance with their case plans. Monthly reporting is time-consuming for support services to provide and for the FRC to review. A new FRC data system is being finalised in 2010 which will streamline the process and capture more outcomes information.

5.5.3 Case plans

The FRC Act requires the FRC to prepare case plans for clients who have been referred to support services. There is usually a considerable amount of duplication between the case plans prepared by the service provider and those prepared by the FRC.

[46] Family Responsibilities Commission, 2009, *Report to the Family Responsibilities Board and the Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships*, Quarterly Report No.6, October - December 2009, p.6. Available at: http://www.atsip.qld.gov.au/government/families-responsibilities-commission/documents/frc-quarterly-report-5.pdf viewed May 2010.

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Support services considered that specific referrals should be made by qualified staff following a clinical assessment of individual needs, and not by FRC Commissioners during brief FRC conferences. The FRC is considering recommending legislative change to remove the requirement for a FRC case plan, as discussed in subsection 2.3.2.

5.5.4 Information sharing

Provisions in the FRC Act allow support services and the FRC to share information, within limits. These are detailed in Appendix D.

As for information sharing with notifying agencies, discussed in subsection 3.3.2, the FRC reported that some initial difficulties had been addressed by communicating the relevant provisions of the Act and related FRC Information Sharing Protocol to the support services. Discussions between the FRC and support services held in late 2009 on the potential for a case conferencing approach to shared clients also identified information sharing as a matter to be carefully considered. The prior and informed consent of clients is the key factor. The Review notes that FRC co-training sessions with service providers could be held to cover the broader legal framework within which the FRC is operating. While the FRC Act may override State legislation which would restrict information sharing, the federal Social Security Act and Privacy Act overlay the information sharing provisions of the FRC Act, so understanding the interplay of requirements would ensure staff confidence in sharing client information. Having a FRC case manager based in the communities would also assist in securing client consent to the sharing of information.

The Review heard that one information gap which impacts on FIM processes is learning when FIM clients are placed on CIM orders by the FRC. Some FIM staff considered that income management established under CIM orders on occasion do not seem to take account of budgets developed with the client by the FIM program. This has reportedly led, in some instances, to CIM income management arrangements cutting across automatic payment commitments set up through a budget prepared earlier by FIM, with clients missing payments and being charged bank fees. Some clients were distressed and felt that someone should fix this. In practice, however:

- FIM has strict procedures and Centrelink has strict legislative limitations around the provision of private information about clients, to protect client confidentiality.

- Under policy guidance on the implementation of social security law, Centrelink staff have been trained to refer all income managed clients to FIM and to ask if they have a FIM budget they would like to inform their income management allocations. Policy guidance requires Centrelink staff to repeatedly encourage clients to seek assistance from FIM as part of pathway arrangements out of income management.

- Procedures and paperwork are in place which enable clients to give consent for FIM and Centrelink to share information about them. FIM and Centrelink can only share this information with client consent. If a client does not disclose to Centrelink that they have a FIM budget, Centrelink cannot take this into account.

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- FIM is a voluntary service. Centrelink can only encourage, not require, clients to seek assistance from the service.

5.5.5 Practice change

The respective roles of the FRC and support services within the broader Welfare Reform agenda are not necessarily well-understood by community based support service staff. This hinders collaboration to achieve shared objectives. Consultations revealed that some individual service provider staff are uncomfortable with the compulsory elements of the FRC, and question the appropriateness of the model as a means to achieve sustainable behaviour and attitude change. The proposed evaluation of the Cape York Welfare Reform could examine whether service provision is supporting changing behaviour and norms.

Service providers are also working with more 'compulsory', or compelled clients than before. This has impacts on the way service providers work on a day-to-day basis and also on what types of work practices are most effectual. Some resistance to this level of change is to be expected. A transition period is necessary for services to adjust to the changing needs of a non-voluntary client group. Ongoing communication about the Welfare Reform agenda, visible executive sponsorship within service organisations and a review of staff training needs may also be beneficial.

5.5.6 Communication and coordination mechanisms

Since the FRC has been established, the Australian Government and Queensland Government have attempted to hold various meetings with service providers about the Reform and the operation of the FRC. The FRC has also initiated meetings with community based service provider staff (Service Provider Network), and interagency service provider and issue-based meetings are increasingly being convened by the Local Program Offices (LPOs) on a monthly and as-needs basis respectively, to facilitate service coordination. These meetings offer a forum for discussion between service providers focused on cooperation and common issues.

After the first year of operation, Memoranda of Understanding (MOUs) started to formalise processes between the FRC and most service providers, to guide coordination, clarify responsibilities and embed cooperation in organisational processes rather than relying on individual relationships.

As mechanisms like these begin to be set up to frame coordination between support services and the FRC, and services become established with more stable staffing complements, working relationships are improving.

5.5.7 Observations

The FRC is dependent on the provision, accessibility, cultural appropriateness and quality of support services in order to be able to assist clients to the fullest. Support services are an

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important factor in the ability of the FRC system to change behaviour and, ultimately, social norms. For individual behaviour change to shift from compliance to internalised personal responsibility, support services are needed to work with the personal circumstances, motivations and challenges to change for each individual.

Establishing a functioning FRC system with streamlined and effective handover from FRC conferences to support services which clinically assess and respond to individual needs, is essential. It is important that time and resources are dedicated to establishing collaborative processes; and that all participants are able to shape how the system will work in practice.

Recommendation 11

Development of partnerships, communication protocols and cross-system collaboration is crucial to the success of the FRC and to achievement of lasting social change. In recognition that time and resources are necessary to facilitate this development, it is recommended that resources be allocated to facilitate coordination between the FRC and support services where this has been recommended in this Report.

While stakeholders identified many issues, it was also widely reported that resolutions had been achieved, or were in the process of being negotiated, through communication between the FRC, various agencies and service providers.

Opportunities remain to strengthen the capacity of, and mechanisms for, services and the FRC to work collaboratively. Opportunities exist around staff training and education for both the FRC and support services, joint training to understand shared goals and common purposes, and developing systems for collaboration and ongoing communication.

At the time of the Review, there was limited data available to inform an analysis of the quality and effectiveness of services for clients. Continued efforts are needed to monitor the engagement of clients with services, and understand how this helps them to make changes in their lives.

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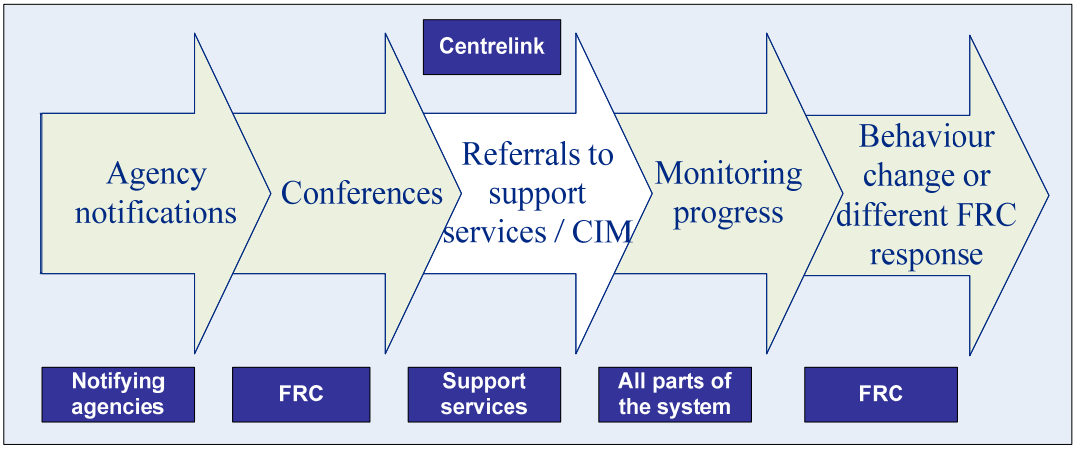
6 Income management

One of the recommendations that the FRC can make as a result of a conference is that Centrelink provides income management of welfare payments.



Source: KPMG

Income management falls into two categories – Conditional Income Management (CIM) and Voluntary Income Management (VIM). CIM can be part of a Family Responsibilities Agreement entered into by a client, or part of a decision made by the FRC where agreement cannot be reached. VIM can be put in place when a community member asks the FRC to have their welfare payments subject to income management, and after consultation with them, the Commissioner is satisfied this would be in their or their family members' best interests. The FRC then enters into a voluntary agreement with the community member about income management.

Both CIM and VIM involve the FRC sending a written notice to Centrelink ordering income management, which Centrelink must implement if the person receives a relevant income support payment. The FRC notice advises how much of a person's payments must be income managed and for how long. FRC Income Management orders are likely to be 60 or 75 percent of regular fortnightly payments and all of any advances and lump sum payments. The FRC can order income management for a period of three to twelve months although orders are usually for twelve months. Orders can also be extended by the FRC, for example, if the person comes to their attention again because of a new agency notice. Income management does not reduce the total amount of a person's payments from Centrelink and the rest of a person's fortnightly entitlement is paid in the usual way. A person can apply to the FRC to have their income management notice ended or amended and the FRC will hold a conference to discuss this request. The FRC also attempts to hold conferences with income managed people at various points over the year, as they like to check how things are going.

An income management notice changes the way welfare recipients receive their payments. Centrelink talks to the person to work out an income management budget, to ensure that welfare payments are used to pay for basic essentials, such as food, clothes, rent,

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electricity, medicine and basic household goods. Income managed money cannot be spent on alcohol, tobacco, pornography or gambling. After discussions with the person, income managed money is allocated to the BasicsCard or by organising direct payments to organisations such as stores, landlords, or utility providers. The BasicsCard is a PIN protected card, which allows customers to access their income managed money through existing EFTPOS facilities at approved stores and businesses. Income management budgets can be changed by the customer by contacting Centrelink.

This chapter examines how the FRC uses income management, how this differs depending on the situation and the effect this appears to have on both individual and broader FRC outcomes. The following discussion centres on CIM; discussion of VIM is at section 6.3 below.

Analysis of FRC client data indicates that, in the first 18 months of the Commission's operation, 21 percent (191 out of 897) of all FRC clients were on or had been on a CIM order. The Review team has supplemented our analysis of FRC client data with information from a file review of FRC and Centrelink records for CIM clients conducted by FaHCSIA (hereafter referred to as 'the file review').

These datasets cover different time periods and number of cases, as follows:

- the FRC client data span 1 July 2008 – 31 January 2010. These data report there were 203 orders for CIM made in this time for 191 clients, of which 18 orders were either completed or exited, 18 had been revoked and 41 were in relation to individuals who were not receiving Centrelink payments, leaving 126 active CIM orders as at January 2010 (for 125 clients);

- the FRC records examined in the file review span 1 July 2008 – 31 October 2009, capturing all FRC clients that had CIM orders made (including those no longer on CIM orders). These data report on 114 cases; and

- the Centrelink records examined in the file review cover 1 July 2008 – 31 December 2009, capturing FRC clients on CIM orders in this time. These data report on 110 cases.

Further detail is at Appendix G.

6.1 How the FRC uses Conditional Income Management

The design for the Cape York Welfare Reform and FRC, *From Hand Out to Hand Up*, envisaged that income management would be used to align incentives to support the values of the community. Conditional Income Management (CIM) was intended as 'the ultimate tool available to the FRC to counter breaches of obligations and encourage individuals to take responsibility for themselves and others in their family and community.' The sanction of CIM was to be used to direct the flow of welfare income to essential expenses,

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providing families with a break from dysfunctional behaviour, and support the uptake and engagement with support services.[47]

The design considered that, ultimately, support services needed to be underpinned by the prospect of compliance and compulsion, and income management was designed to provide this compliance measure. It does this in two main ways. First, the existence of income management creates a deterrent against dysfunctional behaviour. The design reports propose that people would be more likely to try to meet their obligations if they knew there were consequences if they did not. Second, when people do breach their obligations, income management would create a way to prevent the person using welfare money to fund dysfunctional activities, particularly those impacting on children and dependents. Furthermore, by providing a break from dysfunction, it was hoped the person would be motivated to reconsider their situation, seek help and try to change. The FRC could then remove income management when the person started meeting their obligations. Finally, the design recommended that CIM be ordered for a maximum of 12 months, so it is effective as a catalyst for individuals to assume personal responsibility.

Data from the first 18 months of operation show that the FRC is using CIM in line with these objectives, in a responsive and flexible way to support broader behavioural change.

Income management only occurs after the FRC has attempted to conference with a welfare recipient and is typically implemented for clients who are the subject of multiple agency notifications and with whom the FRC has attempted to repeatedly conference, and/or who have children.

Personal story[48]

I went by myself to the FRC conference, which had [two Local Commissioners] and Commissioner Glasgow sitting. The FRC Local Coordinator was also present. I was sober when I went in to see the FRC.

In the conference, the Commissioners told me I should keep off the grog and look after myself more. At the end of the conference, they said I was getting a BasicsCard. I was ok to 'cop' this decision.

I don't know why I was put on a BasicsCard, maybe because I missed a couple of FRC interviews. Being on the BasicsCard is the best thing for me, because now I can save money. When the CIM order finishes I don't want to come off the BasicsCard.

I am doing okay. Being on the BasicsCard has changed me, because now I can buy food, clothes and other things I need. I have no complaint against the FRC. They are doing a

[47] Cape York Institute, 2007, *From Hand Out to Hand Up*, Design Recommendations Vol. 2, *opcit*, p.67
[48] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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good job, the community is more 'in control' than it was before. The FRC might help me get a job soon.

FRC client

CIM is generally used as a compliance measure, where it occurs as an escalation of intervention in the life of the person. The file review and consultations with the FRC indicated that the FRC will also de-escalate income management (for example, by revoking a notice or decreasing the amount of welfare monies being income managed) if clients demonstrate that they are engaging in more socially responsible ways.

The data show the following pathways into income management:

- over half of people who were income managed, were income managed because they failed to attend two or more scheduled conferences: in almost 80 percent of all conferences where a CIM order was placed, the client was not in attendance;
- forty percent of income managed clients had a previous engagement with the FRC via conferences and case plans prior to being income managed; and
- the FRC is using income management with concurrent service referrals as a bargaining strategy — with the incentive that CIM orders will be amended or ended if the client takes steps to change their behaviour.

The FRC initiates both six and 10-monthly reviews of clients who are on CIM orders. The FRC may end notices early, extend the duration of the order or vary the percentage of payments income managed. The FRC also receives applications to amend or end Family Responsibility Agreements or orders, of which revisions to CIM orders are a significant part. In the first 18 months of operation, the FRC had received appeals from almost half of the clients on income management. In about 20 percent of these cases, after considering these concerns leading to appeal and attempting to conference with the person, the FRC decided to revoke or amend the income management order.

As such, income management is used by the FRC responsively, in an individualised fashion, as:

- compliance, when a person has failed to attend two or more scheduled conferences;
- escalation, when the person has been the subject of repeated agency notifications;
- an incentive, when a person has agreements or directions to seek help and/or change behaviour but has not followed through—the issuing of a CIM order acts as escalation of intervention that the FRC will wind back should the person later 'bargain' off income management by meeting their other agreements;
- de-escalation, in acknowledgement of changed client behaviour; and

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- stabilisation, to increase structure and predictability in family budgets where inappropriate use of welfare payments is driving dysfunctional behaviour.

While income management orders were frequently ordered because the person failed to attend any conference, most income managed clients had attended at least one face-to-face conference with the FRC. These included people who initially met with the FRC and agreed case plans but were subsequently income managed, as well as a number of people who later fronted the FRC after they were income managed because they failed to attend any scheduled conferences. This suggests using income management as an escalation of intervention succeeds in bringing some 'hard to engage' clients into contact before the FRC.

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Personal story[49]

My youngest child was not attending school and I had letters from the school. I was struggling with this and felt no support from my partner. I was under a lot of pressure.

I found out I had to see the FRC through suddenly having no money in my account. I was outside the community when this happened, and called my relative and the bank to find out where my money was. The bank told me that my Family Payment was sent to Centrelink. I was very angry. I made an appointment with Centrelink when I got back to the community and was issued with a BasicsCard. I didn't know why. Centrelink sent me to the FRC to discuss it.

I went to the FRC by myself. The FRC told me I had been put on a Basics Card and I asked "what for? I'm not an alcoholic!" The FRC told me that if I could get my child to attend school, I could come off the Basics Card. This was the first time I had contact with the FRC.

I had a review of the CIM and they reduced it from 75 to 60 percent. I think it is working well.

Every time I see the FRC, I discuss the problems I face in getting my child to school. I think that the Commissioners listen to me. The FRC referred me to the Attendance Case Managers (ACMs) and they have been able to help get my child to school.

I was struggling to get my child to school, but when the FRC referred me to [the ACMs], I felt like I had some help – it took the pressure off me. I just want to see my child go to school and continue on the way.

The FRC also referred me to the Wellbeing Centre for help with parenting stress. This has helped a lot.

FRC client

[49] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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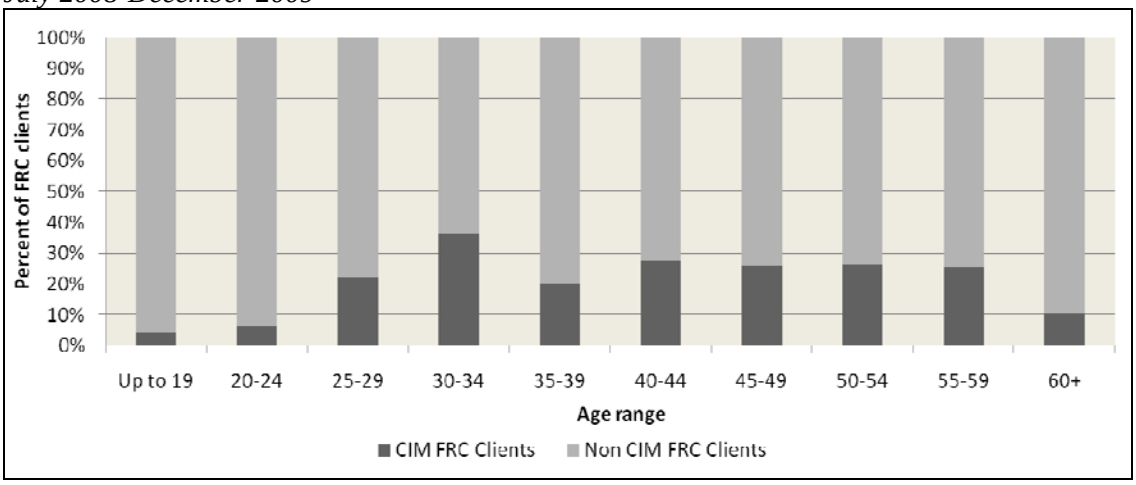
6.2 Characteristics of clients who have been ordered or agreed to Conditional Income Management

There are a number of shared or common characteristics of clients who had been ordered or agreed to CIM.

Statistical modelling of FRC client data from the first 18 months of the FRC's operation indicated that the significant determinants of whether a client was on a CIM order were their age and, to a lesser extent their gender. CIM clients were generally more likely to be younger and men.

Over a third of all 30-34 years old FRC clients had a CIM order which exceeds the average for all age groups.

Figure 5: Age characteristics of FRC clients placed on CIM relative to all FRC clients, July 2008-December 2009*



Source: KPMG analysis based on data provided by the FRC

** All FRC Clients is the total number of FRC clients (n = 897)*

The FRC client data showed that the distribution of CIM clients across communities was relatively consistent, with the exception for Mossman Gorge which had a disproportionately high number of CIM clients (although only 35 percent of 29 clients in total).

Other common characteristics identified through the file review included:

- The primary welfare payment of FRC CIM clients was Newstart, which provides financial support for people looking for work.
- Around 60 percent (70 out of 114 clients) had children in their care.

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FRC clients who were income managed most frequently had a conviction in the Magistrates Court (approximately three-quarters of clients).

*Table 3: Proportion of FRC clients receiving at least one agency notice, by notice type and whether CIM managed, July 2008-December 2009**

	Child Safety	School Attendance	Housing Tenancy	Magistrates Court offence
CIM clients	38%	31%	3%	81%
Other FRC clients	34%	32%	2%	65%

Source: KPMG analysis based on data provided by the FRC

** Totals do not sum to 100% as clients may receive more than one agency notification*

FRC client data showed that clients who were income managed were more likely to be the subject of multiple agency notifications than other FRC clients. CIM clients were also more likely to be the subject of more than three *types* of agency notifications than other FRC clients.

CIM clients were repeatedly coming to the attention of the FRC, with three-quarters of all income management clients being the subject of agency notifications issued over two or more different dates.

Qualitative analysis of FRC CIM client files during the file review found evidence that income managed clients were often experiencing multiple and often severe and difficult life circumstances. Alcohol and violence were frequently factors in the lives of people who were subsequently income managed. For some people, issues were also identified about the wellbeing of children in their care, drug use, imprisonment, frequent mobility, chronic health problems, mental health problems and accessing Centrelink services.

These findings suggest that clients who are income managed are confronting complex, multiple problems, and that income management is being applied to those people who are likely to benefit from it.

6.3 Voluntary Income Management

Income management can also be used to protect vulnerable individuals from 'humbugging' (or pressure from family members to share resources including money), such as through Voluntary Income Management (VIM)[50] for those on the Aged Pension and Carers Allowance.

[50] VIM is described in the introduction to this chapter.

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The FRC reported that individuals in the four communities were increasingly seeking VIM through the FRC, however FRC client data show that only six individuals had had VIM arrangements in place as of January 2010. This difference could be due to greater numbers of individuals considering this option, and talking with the FRC before committing to an agreement with the Commission to put VIM in place; and/or to procedural barriers to implementing VIM. The FRC could not request voluntary or compulsory income management for those people receiving the Aged Pension of Carer's payments at the time of the review. The consultants have been advised that the *Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2009 Measures) Bill 2010* was passed in March 2010 and received Royal Assent in April, 2010. Initiated at the request of the FRC, this legislative change enables the Commission to order income management in Cape York on someone whose income support is the Age Pension or Carer Payment.

Other options available to people for assistance in managing income are the support service FIM and Centrepay. FIM is a voluntary service which provides financial management education designed to provide people with information and ongoing support to manage their budget effectively. Centrepay is a free and voluntary, direct bill-paying service offered by Centrelink.

It is not clear why individuals prefer VIM over these existing options, although issues with the perception of FIM in some communities (discussed in subsection 5.2.4) could be a factor. Some stakeholders also suggested that these latter options may not offer as effective a defence to humbugging as income management through the FRC, which allows people to lay the blame on an external third party for imposing the income management. The Review does not have direct evidence from individuals on their reasons for choosing VIM, FIM or Centrepay. The implications of income management warrant further consideration and study during future evaluation activities.

6.4 Outcomes of Income Management

The file review of Centrelink data show that from the commencement of the FRC in July 2008 until 31 December 2009, a total of $871,368 of welfare payments had been allocated to priority needs.

FRC staff reported that many individuals on income management, including where CIM was directed by the Commission rather than agreed with the client, appreciate the structure and stability that it brings, and feel proud when they see they can pay rent, meet bills, afford groceries and have savings. The FRC also reported that some clients have sought to have their CIM order increased (in terms of the proportion of welfare payment that is income managed, from 60 to 75 percent) or extended (in terms of the period of time the order applies for) although quantitative data on this were not available.

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Personal story[51]

I'm not sure why I had to go to FRC. A [Local Coordinator] and [two Local Commissioners] came and said I had to go and see them. The FRC told me to go to the FIMs to help with my budget. When I went back again they said I had to get the BasicsCard. [The Local Coordinator] told me to go to Centrelink to get the BasicsCard.

When I first went there I was very frightened, but after the conference I felt better and not so scared. I think the FRC listened to me and helped me.

BasicsCard is good in some ways; I know there is always money there to buy my medicine. In other ways it is not good. When I first went into town to do some shopping I didn't know which shops I could go to. When I tried to buy things people in the shop said 'no, we don't take that card' and I felt ashamed.

The Local Coordinator gave me a piece of paper with a list of all the shops that take BasicsCard which is very good. But, with Christmas coming up I am worried that I won't be able to buy the kids presents, and I am also worried because I don't have my own house and have to stay with my friend.

Two weeks later:

I am real happy with that BasicsCard. I'm happy with it. I went shopping today, and got things to make my granddaughter sandwiches, and juice poppers for her lunch. I get bread and ham and cheese, and then WeetBix for breakfast. Now I have some (money) left on the BasicsCard, I will keep that over for next week.

I know which shops I can go to with my BasicsCard, I know when I see the sticker [displayed on shop windows] that they accept BasicsCard.

FRC client

However, individual interviews with FRC clients and discussions with community members also revealed that a reduction in discretionary income under the BasicsCard can be a source of shame, impede people's ability to travel outside of the community for medical reasons, or to visit family.

[51] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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Personal story[52]

The FRC asked me yesterday whether I had gone to the Wellbeing Centre. I don't know why they want me to go there. People have got sense, we've got minds to think for ourselves. The FRC is treating us like children.

I want to come off the BasicsCard. They said it would be reviewed, but I never got a letter.

There is shame involved too – when you go to town and shop, people see and think 'they don't know how to manage their money, they have to have someone manage it for them.'

FRC client

An independent research project would be necessary to get a stronger understanding of the implementation and outcomes of income management, and to collect comprehensive information about issues and pathways of change. Longitudinal interviews would need to be undertaken with income managed clients to more fully understand the impact on their lives, as well as other follow-up with families of those on income management and service providers to provide balanced and informed comment. This could be considered for future evaluation activities.

Recommendation 12

It is recommended that the design of the Welfare Reform evaluation incorporate information gathering and analysis to understand the individual and community implications of income management.

[52] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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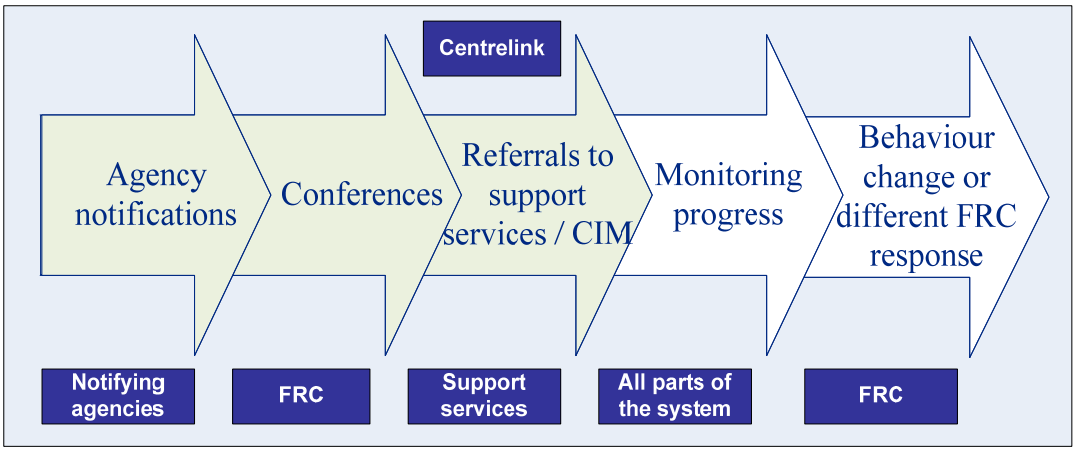
7 Monitoring client progress and tailoring responses

Monitoring the progress of FRC clients after a conference is critical to maintaining engagement, knowing whether the FRC system is having an impact on individual behaviour, and adjusting the regulatory response to increase or decrease intervention accordingly.

The key objective of the FRC system is to influence and change behaviour which is not consistent with social obligations and harmful to vulnerable members of the community. This chapter looks at signs that this is happening. Supporting data are in Appendix G.



Source: KPMG

All parts of the FRC system play a role in monitoring client compliance and progress. The FRC has a primary role, through conferencing with clients and receiving monthly reports from support services on client progress against case plans. Support services are integral to this monitoring in providing professional advice on how clients are engaging and addressing negative behaviour. Notifying agencies also play a role through issuing notifications to the FRC when individuals breach a social obligation. This will identify any community members who are not complying with these obligations, including FRC clients who have previously come before the Commission. Further detail on monitoring processes is provided in section 5.5 and Appendix D.

7.1 Typical responses

The FRC works actively through a set of mechanisms, both by offering people resources and reasons to change their behaviour and by compelling, motivating or enabling people to make change. The success of this approach is dependent on how people respond to the choices made available or the elements of compulsion. The mechanisms used by the FRC system to change behaviour are: monitoring compliance with social obligations and triggering FRC jurisdiction where there are breaches, inviting clients to conference, conferencing, Family Responsibility Agreements, orders, referrals to support services and

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Conditional Income Management. These have each been discussed in turn in the preceding chapters.

FRC client data on attendance, conference outcomes, referrals to services and income management (discussed in previous chapters) suggest that the key sub-groups within each community who are most responsive to the FRC are women, older people and those with cases concerning School Attendance notifications. Residents of Aurukun also appear to have the highest conference attendance rates, but were also most likely to breach another social obligation after attending a FRC conference (see below).

These data also suggest that the sub-groups most resistant or non-responsive to the FRC are men, younger people, people with complex life issues and those with cases concerning Magistrate Court agency notifications.

Recommendation 13

It is recommended that the FRC work within the existing structures and build on the successes described in subsections 3.3.2.4 and 3.3.2.5 to establish closer links with Community Justice Groups, local police, Magistrates Court staff, and Probation and Parole staff to develop local collaborative strategies to address the high proportion of FRC clients who have Magistrates Court breaches, many of whom are also younger men. This is considered to be important because this group appears to be less responsive to the FRC than other groups.

7.2 Clients who return to the FRC

The most reliable indicator of whether individuals were changing their behaviour after seeing the FRC, at the time the Review was conducted, is from agency notifications (although using these data as an indicator of this change is limited by the absence of a counter-factual, or what would have happened without the FRC in place). Data on monthly reporting from the support services (see subsection 5.5.2) is limited and does not clearly inform on changes to behaviour. The agency notifications data show that the majority of FRC clients breached another social obligation after engaging with the FRC.

In the first 18 months of the FRC's operation (July 2008-December 2009), 61 percent of all clients (342 clients) who attended an FRC conference received another agency notification after their conference. Clients between the age of 30 and 44, and clients resident in Aurukun were most likely to have been the subject of a subsequent agency notification following attendance at a FRC conference. To accommodate any lag in impact of the conference on client behaviours, the analysis did not include clients who were identified in an agency notification within 60 days of their conference. Full details of the data analysis are given in Appendix G.

It is important to note that interpreting these data is limited by the absence of a counter-factual, or what would have happened in the reform communities if the FRC was not in

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place. It is possible that the FRC has affected the rate at which behaviour that triggers agency notifications occurred, but this is very difficult to measure.

These findings are consistent with support services' observations. Support services considered that the FRC system is working with individuals who sit on a spectrum from people with no issues to people with complex, multi-faceted issues.

They reported that their clients include a cohort of people who are likely to continue to breach social obligations, and do not appear to be motivated to change through either engagement with support services or CIM orders. The theory of responsive regulation (discussed in Chapter 11 and Appendix H) suggests that such resistance could undermine the FRC's efforts to try to restore positive social norms across the communities if not addressed responsively. However, the theory also indicates that defiance is not the same as disengagement – and that individuals who resist authority may still consider that they have moral, social or other related obligations.[53]

Some stakeholders thought that this group of clients with a history of breaching social obligations should be carefully considered when the FRC is prioritising clients for conferences. It was suggested that the Commission should focus first on individuals who are more likely to respond, so these clients can then act as change agents in their community. However, it would need to be clear that other appropriate services (such as Mental Health or Probation and Parole) were working with these individuals instead of the FRC, as not immediately addressing this cohort carries implications for individual and community safety and the credibility of the FRC. Better understanding the reasons for resistance or defiance by individuals and subgroups in the reform communities, drawing on evidence-based regulatory theory, and tailoring responses accordingly may enable the FRC to engage and overcome resistance.

Many service staff reported that their FRC-referred clients include a cohort of people who require ongoing support and are likely to do so well into the future. This raises the question of how long it will take for individuals' behaviour change to be sustainable, and the risk of perpetuating dependency of some clients on the support service to do for them what the principles of Welfare Reform recommend they should be doing themselves (e.g. ensuring children attend school, managing household budgets). Much depends on how the services handle expectations and exit processes.

[53] This theory talks uses the term 'motivational postures' to describe where people locate themselves in relation to a system of authority: "People have a range of postures to choose from (commitment, capitulation, resistance, disengagement and game playing) that communicate to an authority how open they are to cooperation with the authority…" The acceptance and effectiveness of a regulatory system is expected to improve when the authority reads and engages with the motivational postures through responsive regulation. See Braithwaite, V., 2009, *Defiance in taxation and governance: resisting and dismissing authority in a democracy*, Edward Elgar Publishing. See also Braithwaite, V., Murphy, K. and Reinhart, M., 2007, 'Threat, motivational postures and responsive regulation', *Law and Policy*, vol. 29, no. 1 (Special issue), pp.137–58. The Braithwaite theory of responsive regulation has been developed and tested through social research across a range of contexts including taxation in the Centre for Tax System Integrity in the Regulatory Institutions Network (RegNet) at the Australian National University.

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The difficulties and complexities associated with making personal change are discussed in chapter 12.

Personal story[54]

I got a paper from the girl in the office. I had to go to the court (FRC). Two Local Commissioners were there. I didn't feel nervous because I knew what I was talking about. I don't know why I had to go there. I went on my own.

They asked me this and that. They asked if I would do community service. I don't know why I went, what I was there for. The other big white fella was there, Glasgow. I was talking to him after.

I could do what they asked me. Alcohol might be a problem for me to do it though. FRC didn't make any changes to my life, everything is still normal.

I've been twice. It's the same thing over and over. I don't think they are fair. They sent me to the Wellbeing Centre to do the alcohol treatment course. I went, but they can't stop me drinking. If I want to I will. If my family or friends come around to have a beer I'm not going to say no.

FRC client

Understanding the motivations and factors leading individuals to change or not to change as a result of these mechanisms will be key to understanding the effectiveness of the FRC.[55]

The FRC has identified that getting a better understanding of client outcomes will be a key priority over 2010. In February 2010, the FRC created a Business Support Officer position, responsible for collaboration with services providers to develop holistic outcomes-focused assessments of clients, so that the FRC has a better understanding of where clients are at before re-conferencing.

Recommendation 14

It is recommended that the Commission collect and record data on reasons for clients returning to the FRC after previous conferences and service referrals to better understand the impact which the FRC is having on individuals, and how to target efforts to improve behaviour change.

[54] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.
[55] Pawson, R (2002) "Does Megan's Law Work? A Theory-Driven Systematic Review" ESCR UK Centre for Evidence Based Policy and Practice: Working Paper 8 http://www.leeds.ac.uk/sociology/realistsynthesis/

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Where clients comply with their Family Responsibilities Agreement or FRC order, and do not breach another social obligation after seeing the FRC, there is no formal process to recognise and reward this.

Consideration should be given to marking the end of a client's involvement with the FRC system, to inform them as a matter of due process; to reflect on progress and acknowledge efforts made.

Learnings may be drawn from the Victorian Drug Court, which holds a hearing to announce the defendant's completion of their required course of action (e.g. a rehabilitation program) and the Court stands and applauds their progress. This reportedly is a source of pride and encouragement for defendants to continue making life changes beyond the Court's oversight.

Recommendation 15

It is recommended that consideration should be given to marking the end of a client's involvement with the FRC, both in order to inform them formally as a matter of due process; and to acknowledge progress made. Learnings may be drawn from the Victorian Drug Courts.

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Part C – Post-implementation impacts

Summary

The FRC primarily seeks to contribute to the re-establishment of Indigenous authority through the Local Commissioners, but Local Coordinators also played a crucial role in enhancing community understanding and acceptance.

Although Commissioner Glasgow leads the conferences, Local Commissioners have equal authority which they generally employ through more subtle means. As their confidence and skills grow some Local Commissioners are taking a more active role in conferences. The Local Commissioners face challenges associated with their role because some people resent decisions made during conferences. Despite this, Local Commissioners do play a leadership role in their communities outside of FRC conferences to varying degrees, and many of them would like to do more. People reported that it is very important that Local Commissioners are known to be good citizens and role models, and represent all the clan groups in the community equally.

The level of acceptance in the communities gradually seems to be increasing: however, some people continue to resent the presence of the FRC or have concerns about what its role is in their community. Most community people who gave input to the Review believe the FRC's role is to deal with schooling issues and the care of children. At the time the fieldwork was conducted, acceptance of the FRC seemed to be higher in communities where there were tangible signs of change, mainly in Aurukun and Mossman Gorge. Acceptance seemed to be lowest in Hope Vale. The findings suggest that people who have been to conferences themselves seem to be slightly more accepting of the FRC overall, as do women across the communities.

It is too early to know if the FRC is contributing to long term changes in the communities, however there are some possible emerging trends around improved school attendance in Aurukun and Mossman Gorge, and decreased violence. Many people associate these positive changes with the FRC, and they also identify that community leaders and managers, new job opportunities and alcohol restrictions are having an impact. The Review has also found that Alcohol Management Plans, change to CDEP and economic opportunities have, or are likely to, contribute significantly to changing conditions in each of the communities.

There were initially some unintended consequences associated with the FRC, including: the extent of the workload generated by the FRC system for the FRC and support services; the associated need for support services to act as points of coordination for community members with complex needs; initial implications for relationships between schools and families in the first year of the FRC's implementation; and some unintended consequences for individuals on income management. The FRC and service providers have already successfully addressed some of these consequences, and work is continuing to manage others to make sure the needs of the communities are being met.

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8 Re-establishing Indigenous authority and community acceptance of the FRC

This chapter examines how the FRC seeks to contribute to re-establishing Indigenous authority, the role of the Local Commissioners, and the influence this may be having on community perceptions of the FRC. Community understanding and acceptance of the FRC is also discussed.

8.1 Re-establishing Indigenous authority

A key objective of the Cape York Welfare Reform is to re-establish Indigenous authority. The FRC primarily seeks to contribute to this through the employment and legislative empowerment of Local Commissioners, drawn from Indigenous residents of the reform communities, to convene conferences with Commissioner Glasgow. It is expected that these Local Commissioners will strengthen community cohesion and become promoters of positive social norms, leading to community driven, sustainable change over time.

While discussion below focuses on the Local Commissioners' role, the Review also noted the potential for Indigenous Local Coordinators to contribute to re-establishing Indigenous authority. In two of the four communities, an Indigenous person occupies the Local Coordinator role. While their defined role is primarily administrative, the Local Coordinators in these two communities played a crucial role in enhancing community understanding and acceptance, and were identified by many community members as the key FRC representative.[56] Engaging Indigenous Local Coordinators where possible, and providing them with suitable training and support, presents an additional opportunity to enhance the process of re-establishing Indigenous authority.

Recommendation 16

It is recommended that suitably skilled Indigenous people are recruited to any future Local Coordinator roles and provided with training and support in recognition of their important potential role in contributing to re-establishing Indigenous authority and promoting positive social norms.

8.1.1 The authority of Local Commissioners

In many cases an individual's pre-existing authority within the community or their family group has been legitimised by their engagement as a Local Commissioner: for others, their role in the FRC has represented a significant change in their social position and required some personal adjustment.

The authority of Local Commissioners is formalised and promoted through various means including through legislative mandate and decision-making role, Commissioner Glasgow

[56] The Review acknowledges that non-Indigenous Local Coordinators also enhance community understanding and acceptance and are seen as key representatives.

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engaging with Local Commissioners as professional peers at all times and the formalities observed during conferences, such as requiring that all Commissioners be addressed by their title.

> "People come to us for advice and help more now that we are Local Commissioners; they come and talk and ask us for advice. We have more influence in the community, and we can particularly influence people in our families."
>
> *Local Commissioner*

Community based stakeholders generally reported that the Local Commissioners were well selected, are good role models and, importantly, represent the different family or clan groups well. The FRC and Local Commissioners themselves reported some negative consequences of their increased authority. Some FRC clients resent decisions made during conferences, and Local Commissioners have been subjected to aggression and threats, as well as more subtle censure from some community members.

The size and nature of the communities means that neither clients nor Local Commissioners have anonymity. However, the issue of privacy was only highlighted through one individual interview with an FRC client, where the client raised concerns that Local Commissioners and the Local Coordinator may tell other people in the community about the private matters discussed during the course of their conference. A small proportion of the community members interviewed through the qualitative survey[57] indicated that they thought the FRC was a good place to solve problems in the community because it is a private place.

> "The FRC provides an opportunity for a black man to be selected and elevated to a position of power and to offer something back to the community."
>
> *Local Commissioner*

8.1.2 Local Commissioners in conference

The Local Commissioners interact with people and use their authority in conferences to:

- help people feel at ease;
- provide translation (in Aurukun and occasionally in Hope Vale);
- ensure that the process and communication is culturally appropriate;
- provide relevant contextual information about the client and their circumstances;

[57] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.

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- validate or challenge what clients tell the FRC based on community knowledge; and
- encourage people to interact with the FRC in a positive way.

In Aurukun, Local Commissioners explained that being able to speak "in language" was important in helping people to understand the FRC conferences. Aurukun's Local Commissioners were noted by the reviewers to participate and play an active role in conferences, and perhaps the importance of the translator role empowers them to take a leading role in conferences.

The reviewers observed that, generally, Commissioner Glasgow led the conferences, with input from Local Commissioners mainly occurring if people were not engaged, to provide translation or at the end of the conference to reiterate key messages. [58]

Local Commissioners have equal authority in terms of decision-making, but often choose to employ this authority through more subtle means such as prior discussion with Commissioner Glasgow or through body language during conferences. This may be the case for a variety of reasons including confidence, cultural reasons or the influence of traditional communication styles.

> "Sometimes I don't understand everything that goes on in conference. I listen and if I have something to say then I speak up."
>
> *Local Commissioner*
>
> "The other Local Commissioners just listened to what Commissioner Glasgow had to say, and could come in with advice if they wanted to. They were very quiet - sometimes too quiet - but I thought they said what they had to say."
>
> *FRC client*

The FRC reported that, as the confidence and skill of the Local Commissioners grows, some are taking a more prominent role in conducting conferences. In turn, the FRC is contemplating seeking legislative amendments to enable Local Commissioners to convene a conference without Commissioner Glasgow present in some circumstances (discussed in subsection 2.3.2). If the Local Commissioners were to conduct conferences without Commissioner Glasgow present, it would be important that they had sufficient training and support to do so well.

8.1.3 Employing authority outside of conferences

Local Commissioners in all four communities play a leadership role in their community outside of FRC conferences by seeking to influencing individual people through modelling behaviour in line with desirable social norms, helping people by talking to them about issues in their lives,

[58] The Review team acknowledges that their observations of FRC conferences in process were limited to one or two days in each community only as outlined in Appendix E.

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and promoting the FRC itself. The extent to which Local Commissioners employ authority varies across communities and individuals.

> "I go over and talk to her (Local Commissioner) sometimes. I go over and we talk about things, everybody goes to her for help because she is a good person. She has told me a lot of things which have stayed in my mind."
>
> *FRC client*

In Aurukun Local Commissioners reported that their authority had extended beyond their role in conferences to include promoting and explaining the FRC to the community in their day-to-day interactions, for example through explaining to people why they should attend their FRC conference. It was also reported that the same Local Commissioners had spoken out in public meetings about broader community issues, such as continuing alcohol management measurements.

In Mossman Gorge, Local Commissioners reported that the community would not expect or appreciate them speaking out on broader community issues and in both Hope Vale and Coen, Local Commissioners explained that, while they may employ some authority in the broader community, they are also respectful of other elected leaders and their position in the community.

A few Coen Commissioners reported they did have more influence in the community since becoming a Commissioner. However, stakeholders in Coen believed that the Local Commissioners could take a more active role in the community if there were more functioning, structured community groups to support that. One Local Commissioner clearly identified the need for Commissioners to 'to set a good example', which implies a degree of influence over the community.

> In Coen, a group of concerned community Elders, including Local Commissioners and Community Justice Group members (the groups have several common members), came together to work with police to institute the 'time limit'. The time limit identifies expectations around late night parties and playing loud music during the week and on weekends. This initiative is an example of community leaders taking responsibility for instigating change in line with the traditional role of Elders as authority figures: It may indicate that individuals feel empowered by their role within the FRC to reclaim or exercise their traditional authority.

In Hope Vale, Local Commissioners felt that they had been selected as a result of their existing community influence in various spheres, and that their authority in the community had not increased as such. The Commissioners in Hope Vale did report that their role gave them some authority to speak out about issues to government with greater recognition and influence.

> "We were seen as movers and shakers in the community who stand up for the right things to do in the community."
>
> *Local Commissioner*

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Several Local Commissioners identified that they would like to do more, and that ongoing training would be beneficial.

8.1.4 Selection of the Local Commissioners

Only one-quarter of community members interviewed through the qualitative survey forms reported that they knew how the Local Commissioners had been selected. While this is not unexpected (as it is not common in mainstream communities for members to know the processes behind the institutions and services they deal with), it is essential for the FRC's credibility that people consider the outcome of the selection process to be fair and not arbitrary. Two fifths agreed that the choice of Local Commissioners was fair (another two-fifths responded 'don't know'). Views varied across the communities, and were most positive in Aurukun. Of the respondents who agreed that the choice of Local Commissioners was fair, the most common reasons given were a positive view of the person's ethics or moral standing, the fact they represent the clan or family groups and that they are leaders in the community. Interestingly, people who disagreed that the choice of Local Commissioners was fair cited that they are *not* good role models and do *not* represent clan/family groups.

The Review understands that the importance of both reputation and avoiding conflicts of interest due to family and clan associations were considered during the selection of the current Commissioners. Other selection criteria included having a mix of both men and women; involvement in the Community Justice Group; recognised residence in the community; no convictions for offences in the last five years; basic literacy and numeracy; and a demonstrated commitment to undertaking FRC Panel member training. In recruiting and selecting future additional Local Commissioners, consideration should again be given to the obvious importance placed upon the perceptions that people are good role models and these selection criteria. The selection process may also need to be well publicised and made transparent to enhance community understanding.

Recommendation 17

It is recommended that in recruiting and selecting future additional Local Commissioners, consideration again be given to the importance of both the perceptions that people are good role models and allow for an avoidance of conflicts of interest due to family and clan associations. The selection process should be publicised and made transparent.

8.1.5 Training and support needs of Local Commissioners

The FRC Local Commissioner role is a complex one, requiring individuals to operate on a number of levels to:

- implement legislation;
- be change agents and role models;

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- influence individuals, including people with challenging behaviours; and
- be an effective team member.

The FRC, and Commissioner Glasgow in particular, began training Local Commissioners following their selection. Commissioner Glasgow models appropriate behaviours during conferences, demonstrates how to deal with difficult situations, coaches and mentors Local Commissioners on an ongoing basis. While some formal training has been conducted, ongoing training has been identified by a number of people, including the Local Commissioners themselves, as being necessary and important. The FRC has identified formal training, including mediation, advocacy and computer literacy, for Local Commissioners as an area of focus for 2010.[59]

> "We deal with people who are angry or upset by speaking quietly to them. A few of us have done mediation training and that is a big help."
>
> *Local Commissioner*

> *Recommendation 18*
>
> It is recommended that the FRC continue to assess and address the individual and collective training and development needs of Local Commissioners.

8.2 Community acceptance of the FRC

Eighteen months after the establishment of the FRC, the level of acceptance in the communities gradually seemed to be increasing, as reported by the FRC, various Local Commissioners and community leaders. Many stakeholders, including community based service providers and Tripartite Partner representatives, reported that there is widespread support for the FRC and people can see many benefits as a result of its implementation. By far the most commonly reported benefit is an increase in school attendance and improvements in the way children are cared for.

However, at the time of the community visits, there were some people who expressed some resentment at the presence of the FRC in their community or had concerns about the role it plays and its legitimacy, particularly in Hope Vale. Concerns raised by residents across the communities included it being an external body passing judgement on personal or community based issues, taking away people's free will, and the sensitivity of the issues being dealt with, such as financial matters and caring for children.

[59] Family Responsibilities Commission, 2009, Quarterly Report No. 6, *opcit.*

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> "It's like going back to the 'old days' – Stolen Generation, it's like the old mission days."
>
> *Qualitative survey interview respondent*

8.2.1 Understanding the role of the FRC

Despite reports by the FRC of community meetings held to raise awareness and maintaining an 'open door' policy for community members to seek information, there was limited understanding of the role of the FRC in the communities at the time of the visits. Individual interviews, focus groups and responses to the qualitative survey interviews across the communities indicated that community members most commonly believed the role of the FRC is to deal with schooling issues and the care of children. About one-third of respondents to the qualitative surveys reported that the reason why the FRC visits their community is in relation to schooling issues. Other common responses were to address community wellbeing and issues with children. Consultations highlighted that this view is shared by many stakeholders and service provider stakeholders. This may be because increased school attendance in some communities is a highly visible behaviour change. This is further discussed in chapter 12.

The implication of the belief that the FRC's role is to address schooling issues, is that some community members were confused or upset when people who do not have dependent children were called before the FRC. As many community based stakeholders and service providers shared this confusion, they could not provide community members with accurate clarification or insights.

Recommendation 19

It is recommended that the role of local service providers as key informants be recognised and that systematic provision of timely and current information to local service providers about the FRC be made a priority in each community.

Belief that the role of the FRC is primarily to address school attendance and issues about the care of children is not consistent with the actual activity of the FRC. In Aurukun, the number of School Attendance notices is similar to the number of Magistrates Court notices: however in the other three communities Magistrates Court notices are most common. Further detail on the data is in Appendix G.

Clear understanding of the FRC's role is important to support its efficacy.

Recommendation 20

Building on the FRC's existing communication with communities, it is recommended that Local Coordinators and Local Commissioners consider the education needs of their community and plan appropriate education strategies.

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8.2.2 The perceived legitimacy of the FRC

> "When you look at your own family and they're struggling because of alcohol or gambling problems, they're not going to listen to family members or parents, but they have to listen to FRC on law and get help."
>
> *Qualitative survey interview respondent*

As part of the qualitative survey interviews, community members were asked whether they thought '*people should do what the FRC tells them, even if they do not agree*'. Just over 40 percent of all respondents agreed with this statement, but responses varied across communities.

The following was noted:

- the vast majority of people surveyed in Aurukun agreed that '*people should do what the FRC tells them, even if they do not agree*';
- in Hope Vale, Mossman Gorge and Coen responses were mixed and overall less positive;
- people who had attended an FRC conference were more were likely to agree than people who had not; and
- women surveyed were more likely to agree than the men surveyed, although over the four communities only about half of the women surveyed agreed. Almost all women surveyed in Aurukun agreed with this statement.

Just fewer than half the people interviewed through the qualitative survey agreed the FRC treated people fairly, while around one-fifth did not agree and around one-third did not know or did not respond to the question. Across the communities, the greatest confidence in fairness of the FRC was in Aurukun, while only one-third of all Hope Vale community members who responded agreed with the statement.

Of the people surveyed who had attended an FRC conference, over half agreed the FRC treated people fairly and one-quarter disagreed. When asked why the FRC treats people fairly, the most common responses included that the FRC treated everyone equally and was willing to listen. Half of the FRC clients interviewed individually specifically reported that they felt the FRC had listened to them.

In Aurukun, when discussing the FRC, people consistently identified a positive link between the FRC and increased school attendance.[60] This is a highly visible and tangible change which people perceive as positive, and is in line with community desires for change expressed in the

[60] Figures support the view that there has been an increase in school attendance; please see subsection 11.1.1 for more information.

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Design of the Cape York Welfare Reform and FRC. This tangible change, in addition to a strong perception that the FRC is fair, may contribute to the apparently higher acceptance of the FRC in Aurukun.

Individual interviews, focus groups and qualitative survey interview responses in Hope Vale suggested that opposition to the Alcohol Management Plan (AMP), which limits the volume and strength of alcohol brought into the community, is a significant factor contributing to resentment of the FRC. Community members expressed the view that the FRC should not be conferencing individuals who had Magistrates Court notices because of breaches of the AMP. Further discussion of community views about AMPs is included at subsection 9.1.6.

In both Aurukun and Hope Vale concerns about people losing their Community Development Employment Projects (CDEP) program position as a result of not appearing before the FRC was also identified as having a negative impact on community acceptance, as some people felt this was unfair and inconsistent with the aims of Welfare Reform.[61]

The Review noted that in both Mossman Gorge and Coen there was a level of ambivalence about the FRC, and people were less likely to have strong views. One explanation for this is that Coen and Mossman Gorge are less isolated communities than Aurukun and Hope Vale. People may be less likely to have strong opinions about new initiatives, because the impact is somewhat diffused.

Personal story[62]

"I found out I had to see the FRC by being given a notice that said this. I was told the FRC wanted to talk to me about Child Safety. They were only going to have a chat with me. I felt okay about going to see the FRC, because I didn't have anything to feel guilty about and I knew what the circumstances were about.

I went to the FRC hearing by myself. Commissioner Glasgow and two Local Commissioners were sitting. I spoke mainly with Commissioner Glasgow, but also to the Local Commissioners as well. The Commissioners listened to my side of the story and were interested in asking me about how they could help me. At the end, all they wanted to do was help me."

FRC client

[61] In communities where CDEP positions are still available, it is a requirement that individuals sign an agreement that they will adhere to the authority of the FRC. People who fail to appear at a conference may have their CDEP position revoked and be subject to Conditional Income Management (CIM).
[62] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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8.2.3 Perceived benefits of the FRC

Perceptions of benefits offered by the FRC will naturally vary between individuals and reflect factors including personal experience, other people's interpretation of their experiences, the extent of changes to behaviour encouraged by the Commission, views on the appropriate role of the FRC, and the association of the FRC with other Cape York Welfare Reform projects effecting change in the communities.

Community members had mixed opinions about the effectiveness of the FRC as a way to help people and improve the communities. As part of the qualitative survey interviews, people were asked if they believe that the FRC is a good place to solve problems. Just over half of all respondents agreed, around one-fifth disagreed, while the remainder were uncertain or did not answer the question. The most positive responses were given by people in Aurukun and Mossman Gorge, and less positive responses in Coen and Hope Vale. For those who considered it to be a good place to solve problems, reasons included that it provides a forum to talk about issues, that the Commissioners are local people (particularly in Hope Vale and Mossman Gorge) and that the FRC can help people resolve troubles (particularly in Aurukun and Coen). For those who did not think the FRC was a good place to solve problems, the majority of respondents indicated this was because they though it takes away people's responsibility or treats adults like children.

Individual interviews with FRC clients revealed a range of views in that while some people felt the FRC had been very useful in helping them solve problems and address issues, others did not think they had helped at all. The severity of problems that individuals confront through the FRC may affect their perception of the Commission.

Personal story[63]

I had to go to the FRC because I was drinking and getting in trouble because I was very sad.

At first I was a bit frightened, I thought it was like Magistrates Court. But then they put peace in my mind. I went home and thought about what they said – they were right. Now I keep their words in my head. I went to counselling and this helped, (but) my matter is still bothering me.

This is the worst community for problems, that's why they (community members) need to go to FRC, it's good for helping. Some people it doesn't help, because they don't want help. Some people don't understand it; it doesn't stay in their heads. They should keep coming, keep straightening people. Some people are keeping it in their heads.

FRC client

[63] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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When asked whether their community needs the FRC to keep visiting, just over half of the qualitative survey interview respondents agreed and one-quarter disagreed. This did not vary between gender, age category or whether the respondent had been to an FRC conference. The responses did vary across community however, with more positive responses from Aurukun and Mossman Gorge than in Coen and Hope Vale.

Responses may be linked to the extent to which people feel there have been positive changes in their community and attribution of these changes to the FRC. Specifically, improvements in school attendance in Aurukun and Mossman Gorge, and to a lesser extent on alcohol related issues and the Dry House initiative.

In both Hope Vale and Coen school attendance was already recorded at close to or above State averages and was not identified by community members as a concern as often as it was in Aurukun and Mossman Gorge. Thus there is perhaps less tangible evidence of positive change within those communities. The Review noted that in Coen and Hope Vale community members were generally less likely to identify positive changes in the community, which may indicate that they are not as yet associating positive change with the FRC and therefore less likely to see much reason for its continuation. In Hope Vale the Review team noted that people are also concerned about changes which are perceived as negative, such as loss of jobs through changes to the CDEP program and the enforcement of the Alcohol Management Plan, which are seen to be associated with the FRC.

The FRC could look at ways to work with the subgroups which show signs of accepting the FRC, specifically women. Accessing existing structures such as Women's Groups may provide a way to continue to grow support. Empowering women to act as influencers within their own family groups may be a way to successfully reach others in the community, as family units are a key social structure within Indigenous communities.

Recommendation 21

It is recommended that the FRC consider how to utilise existing community groups to empower individuals and groups to influence and enhance community acceptance of the FRC. This may include working with other community-based organisations such as support services and regional organisations such as Cape York Partnerships. The approach should be tailored and relevant to each community.

8.2.4 The FRC's impact on language and culture

It is difficult to draw a direct link between the FRC and an enhancement or hindrance of language and culture. However, the FRC does facilitate expression of language in a formal setting by conducting conferences bilingually in Aurukun, and to a lesser extent, Hope Vale. Acknowledgement and use of the community's traditional languages provides a platform for formalised continuation of those languages, and the cultural concepts linked to language.

As noted above, community members and stakeholders identified that consideration of the representation of traditional clan groups in the selection of Local Commissioners was very

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important. It is culturally important that each clan group has representation amongst the Local Commissioners, as traditionally people would see the leader of their own family group as a legitimate authority, but not necessarily leaders from other family groups.

Beyond the enhancement of Indigenous leadership through the Local Commissioner role, there are some other examples of Welfare Reform programs and the FRC enhancing leadership in line with traditional roles.

The Binga Binga Men's Group in Mossman Gorge consists of older men, a group who would have traditionally provided protection and leadership. Through the support of the Wellbeing Centre and key individuals, this group has come together to discuss community issues, brainstorm solutions such as improving participation in sports, and share knowledge and experiences. Although not directly related to the FRC, this provides insight into how aspects of the FRC system, and Welfare Reform more broadly, (through the Wellbeing Centre) can empower people to create positive changes in line with cultural norms.

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9 What is happening in the communities

9.1 The current situation in the communities

This chapter describes what is happening in the communities in relation to factors relevant to the FRC's jurisdiction and other indicators of social function. The findings are limited both by the nature of the data available and by the timing of the Implementation Review early in the reform process.

It should be noted that the Queensland Government data referred to in this chapter should be read in conjunction with the *Notes to accompany data* which outlines the limitations and caveats relevant to interpretation. This can be found at:

http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/report-oct-dec-2009.asp.

Readers should keep the population of each community in mind when viewing the data, and in particular, be aware that the small size of both Mossman Gorge and Coen may mean that presentation of data exaggerates the actual changes illustrated.

9.1.1 School attendance

The most tangible suggestion of shifting behaviours since the inception of the FRC has been an increase in school attendance in Aurukun and Mossman Gorge. There are varying views amongst community members and stakeholders about the extent to which various factors have influence these improvements. The most commonly identified factors are the combined efforts of the FRC and the Attendance Case Managers, and concurrent strategies being implemented by the schools and the Queensland Government. For a description of how the FRC and Attendance Case Managers take an active approach to addressing non-attendance see Appendix D.1.3 and chapter 5.

As can be seen in Figure 6 below, the school attendance rate has increased over time in both Aurukun and Mossman Gorge. Coen and Hope Vale have historically had attendance rates consistent with the State average, and no long-term change is evident in the available data.[64]

[64] Department of Communities, 2009, *Quarterly Report on key indicators in Queensland's discrete Indigenous communities, period October to December 2009*. Accessed at http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/report-oct-dec-2009.asp viewed May 2010.

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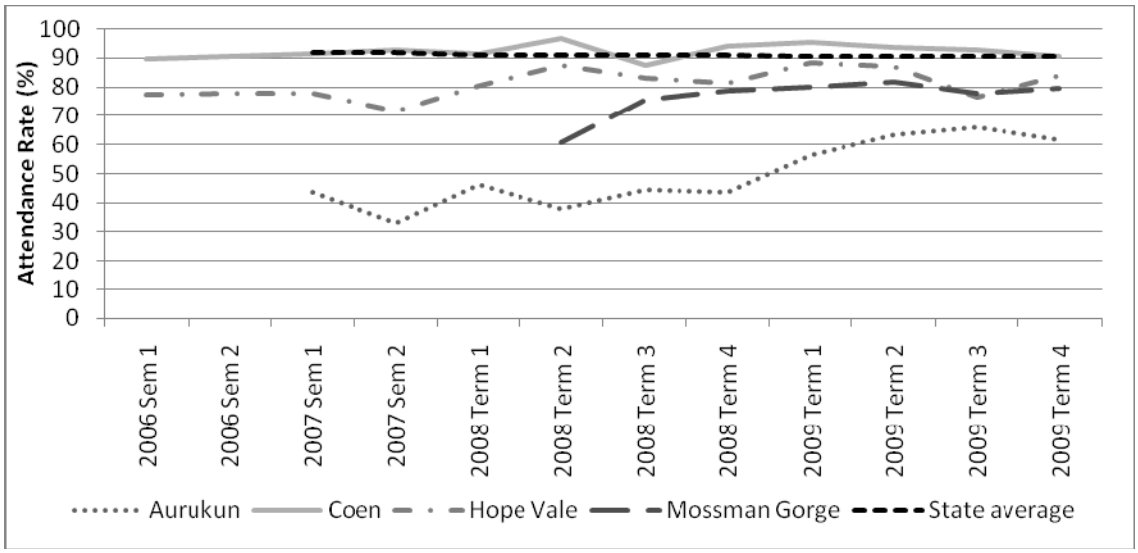
Figure 6: Primary school attendance rates Term 1, 2006 – Term 3, 2009



Source: Chart developed by KPMG using data sourced from through the Queensland Department of Communities Quarterly Report on Key Indicators in Queensland's discrete Indigenous communities[65]

Responses to the qualitative survey[66] interviews indicate that many people across the communities believe that school related issues, including attendance, have improved. The highest numbers of positive responses were in Aurukun and Mossman Gorge, consistent with actual improvements seen in the data.

Prior to the implementation of the FRC, the Aurukun school had an attendance rate of 36 percent (term 2 2008).[67] This increased notably during the second part of 2008 and remained relatively high throughout 2009. The Aurukun school reported that attendance was being addressed through a number of initiatives within the school. These included:

- improved pathways to boarding school, training and employment;
- Bound for Success, a strategy designed specifically for Cape York; and
- a focus on attracting and retaining resilient and dedicated teachers.

This was supported by the Queensland Department of Education and Training, which reported that schools across the region have put a number of initiatives in place to improve attendance

[65] Available at: < http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/>, viewed May 2010.
[66] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.
[67] Department of Education and Training data accessed through Department of Communities quarterly community profiles *opcit*

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including a focus on school programs such as providing meals to engage kids, employment of Indigenous people in schools and changing curriculum to include Indigenous perspectives.

> Prior to the implementation of the FRC "Not many kids went, only some. Now more go, they go all the time."
>
> *Aurukun community member*

In Mossman Gorge, stakeholders and community members reported that the Attendance Case Manager riding on the school bus had a made a big difference to students' willingness to attend school as, previously, bullying on the school bus had been a significant problem.

While there had been no notable improvement in school attendance in Coen by the time of the Review, community members and stakeholders interviewed made positive comments about how things were going at the school. They reported that they had seen an improvement in children wearing uniforms, being clean and ready for school and having nutritious lunches packed. The school principal reported that tardiness had reduced since the implementation of the FRC, while reporting of legitimate reasons for absence, such as illness, had increased. It should be noted that the Attendance Case Management Framework had been in place in Coen prior to the commencement of the FRC.

> "People are getting their kids to school on time they are making sure that kids have breakfast and have their lunches with them".
>
> *Local Commissioner*

In Hope Vale, there were mixed feelings about whether or not school issues, such as attendance and bullying were improving. The school itself reported that attendance was always good and that the FRC had had little impact. A number of community members from Hope Vale raised issues around bullying and a number of community leaders raised concerns about the quality of meaningful engagement and academic outcomes.

It should be noted that overall school attendance does not necessarily show whether there are individual students, or small groups of students, with very poor attendance.

Across the communities, there was some suggestion that there has also been an increase in enrolments as a flow on effect of the focus on attendance, emphasis on responsibilities and the value of education. There were, however, still concerns about meaningful participation, academic outcomes and bullying in all communities. These issues may be more fully explored in the next phase of the evaluation, as part of evaluating the Education Stream of Welfare Reform.

In Aurukun and Mossman Gorge, as discussed above, there is a perception of, and some evidence (as displayed in Figure 6) to support, an improvement in school attendance which may be due to the FRC, other Department of Education and Training initiatives, a combination of these and / or other factors. Further data on longer term trends in school attendance and what

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community norms on education existed before the FRC started would be needed to draw stronger conclusions.

9.1.2 Housing

The FRC reports that Tenancy Breach notifications are low across the four communities. This is attributed to the work done by Housing Services to remedy housing related issues before sending agency notices to the FRC, and the fact that a number of Welfare Reform projects in the Housing Stream, including tenancy agreements and Pride of Place, had only recently been implemented in some communities by the time of the Review. Not surprisingly, the most common view expressed through the qualitative survey interviews was that there had been no change to the housing situation since the introduction of the FRC.

It should be noted that some changes to tenancy agreements and moves to normalise rent may lead to negative community views about this issue in the short to medium term. In the future, as more data becomes available, analysis of trends in relation to actual Tenancy Breaches may be possible.

9.1.3 Child Safety

There is little to report on child safety as there are few data (and therefore analysis of trends is not meaningful) and consultations with stakeholders did not reveal a consistent view about any emerging trends. The Review team found that people were unlikely to raise the issue during group or individual consultations, and the subject was not pursued.[68] People were much more likely to discuss issues around caring for children as they related to school attendance, as reflected in subsection 9.1.1 above. In order to understand emerging trends in relation to child safety, further study of this sensitive matter could be undertaken within future evaluation activities.

9.1.4 Alcohol and violence

Alcohol is a major issue in all four communities and was much discussed by community members and stakeholders alike.

Both Aurukun and Hope Vale have Alcohol Management Plans in place which either completely prohibit the carriage or consumption of alcohol within the community (Aurukun) or strictly limit the amount and type of alcohol which can be brought into the community (Hope Vale). Coen has some limitations around the sale of take-away alcohol after 8pm and Mossman Gorge does not have any alcohol restriction policies in place, but allows individuals to implement a legally enforced ban against drinking in their home under the ‘dry house’ initiative.

[68] This was considered to be appropriate because of the private and sensitive nature of the topic, and the strained relationship between Child Safety and some communities, most notably Aurukun. For this reason it is difficult to provide commentary on community views about child safety issues.

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Personal story[69]

I had a Court order to stay out of trouble because I was in trouble.

I had a letter from the FRC saying I had to go to see them otherwise they would stop my payments. I was upset because a lot of other people get into a lot of trouble with the Courts, and they don't get caught up by the FRC.

I was worried, I was thinking about moving out, but then I just stayed and went to the FRC.

That David he said I had to go to [Alcohol, Tobacco and Other Drugs Service] ATODS or rehab or they will send me to rehab or stop my payments.

They sent me to the Wellbeing Centre and they have to report that I showed up. But I had been to ATODS before I went to the FRC. I just did what they said to get them off my back.

They forced me onto BasicsCard because they thought I wasn't doing the right thing. I don't think they cared. They pushed me into things and I didn't understand what was happening. I just did what they said to get them off my back.

I got my job now, and I keep my nose out of trouble. It was like they were controlling my life, and I can think for myself. ATODS were helping me, and I was already making changes in my life without the FRC in the picture.

The FRC has not made any changes in my life, I have made them myself. When I was on the BasicsCard it was good because I could pay rent and electricity. But I had no money for myself to buy things for the house.

FRC client

Breaches of Alcohol Management Plans in Hope Vale and Aurukun represent the most common offences in those communities. As seen in Figure 7 below there is a notable positive trend in the rate of conviction for alcohol carriage related offences in Aurukun and Hope Vale from 2004/05 to 2008/09.

[69] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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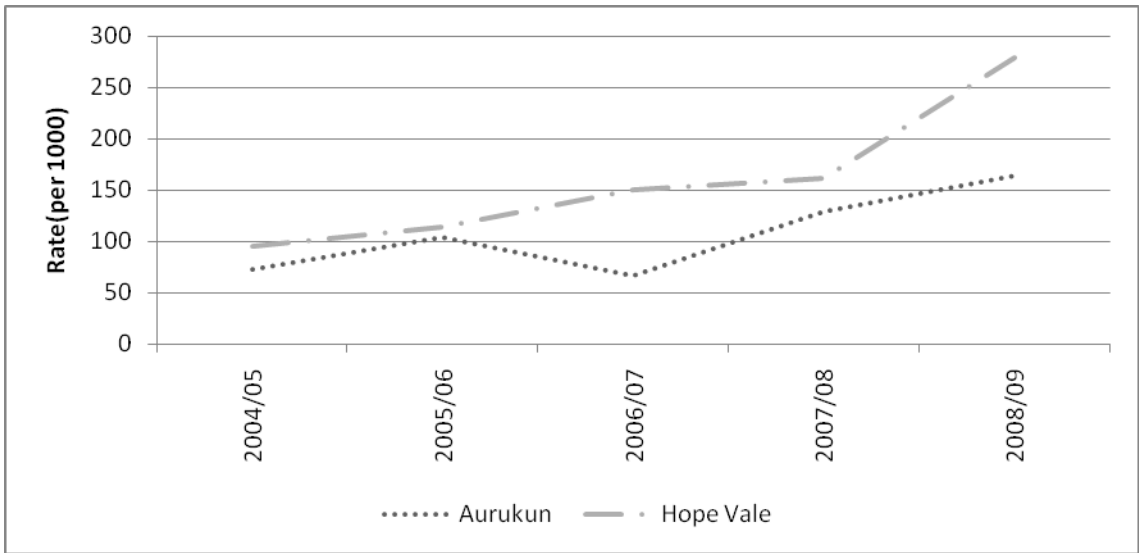
Figure 7: Charges relating to beaches of Alcohol Management Plans in Aurukun and Hope Vale resulting in convictions per 1,000 people, 2004/05-2008/09



Source: Chart developed by KPMG using data sourced from through the Queensland Department of Communities Quarterly Report on Key Indicators in Queensland's discrete Indigenous communities[70]

Personal story[71]

I was told by the FRC person that I had to go to the FRC. I felt okay because I knew there was a misunderstanding about me being caught with some grog. I was told to go to FRC because I was driving a vehicle and I was stopped by the police, they found a bottle. It wasn't mine, but I was the driver of that car.

I went to FRC by myself. The white man, David Glasgow, was there and also [two Local Commissioners] and [Local Coordinator] from the office. They told me why I was there and asked me for my side of the story as well. I spoke with the Commissioners and they listened to my side of the story.

At the end the Commissioners told me to be more careful and to be aware of what people are carrying with them if they were travelling in the car I was driving. I can do what the Commissioners told me, they knew that I had made an honest mistake, although the grog was not mine.

[70] Available at http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/, viewed May 2010.
[71] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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> FRC has not made any changes to my life, but I think they are making some good changes for other people and also for the community. I hope I don't see FRC again. I would like to see FRC have more control or power in the community and not just their court. I think the FRC can help us.
>
> *FRC client*

In Aurukun, qualitative survey interview respondents were more likely to report that alcohol issues have improved than in the other communities. This is consistent with reports from a range of stakeholders who indicated strong support for the closure of the Tavern and felt that the community had become safer and more functional. However, there were also major concerns in the community about 'sly grog' being smuggled in from Weipa, and the increasing use of home-brewing kits.

> "The closure of the Tavern has had a very positive effect on the community. If it opened again it would probably undermine all the work that has been done and the changes that have been made."
>
> *Community based service provider*

In all communities, people were also concerned about the prevalence of drugs, particularly marijuana. In Mossman Gorge and Hope Vale, people also expressed concerns about young people using other drugs including amphetamines.

> "There is certainly a strong and direct link between the availability of alcohol in the community and violence."
>
> *Community based stakeholder*

Freedom from violence is recognised as an important part of a healthy and strong community.[72] The pattern of responses in the qualitative survey interviews regarding changes in violence was similar to that for changes in school attendance, with residents of Aurukun and Mossman Gorge being much more positive than residents of Coen and Hope Vale. Indeed, the overall picture with respect to violence in Coen was fairly negative and in Hope Vale, the dominant view was that there had been no change.

None of the residents who responded to the qualitative survey interviews in Aurukun or Mossman Gorge reported that violence had become worse in their communities since the inception of the FRC. The improvement noted in Aurukun and Mossman Gorge was supported by consultations with key stakeholders including local police. In Aurukun, many stakeholders and community members identified the closure of the Three Rivers Tavern as having a positive impact on violence, and local police identified a significant and clearly linked decrease in violence and other crimes as a result of the closure.

[72] John Scougall, 2007, *A Roadmap through* the *Spinifex*: Constructing an Outcome Hierarchy of Indigenous Sustainability. http://www.aes.asn.au/conferences/2007/Papers/Scougall.pdf

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In Coen, there was a perception at the time of the community visits either that there had been no change in violence or that it had become worse.[73] However, the police there also reported that, overall, there had not been a decrease in violence, and that people travelling to Coen from communities with Alcohol Management Plans (AMPs) to drink alcohol had increased the level of fighting and violence in the community.

A representative of the Congress Group in Hope Vale, which represents the different clan groups, described violence there as being cyclic and flaring up at different times, then settling down again. Other interviews with community members indicate that violence in Hope Vale had either not changed or there had been a decrease, and local police reported that violence had decreased, but was never a major concern in Hope Vale (relative to other remote communities in the region). Stakeholders who identified improvements in Hope Vale did so across a longer time scale, comparing current violence levels to those 10-15 years ago.

The Queensland Department of Communities Quarterly Community Profiles of Discrete Indigenous Communities offer some insight into violence, as characterised by offences against the person. These data, displayed below in Figure 8, illustrate the different trends in the rate of offences against the person. For Aurukun a long-term decrease in the level of offences is evident, while for Coen prior to 2007/08, an increase in offences can be seen. Hope Vale appears to exhibit no particular trend with consistent rates over time. Notably, for the three communities for which data were available, a decrease in the rate of offences against the person is evident between 2007/08 and 2008/09. This seems to show a recent decrease in the level of violence as measured by this type of offence, however a longitudinal study is needed to draw any real conclusions. Offences against the person in Mossman Gorge represent very small numbers, and are highly variable; therefore identifying trends is difficult.

[73] In the month prior to the implementation Review team visiting Coen, there had been two incidents of public violence involving multiple community members and resulting in charges being laid against a number of people. Findings should be considered in light of this.

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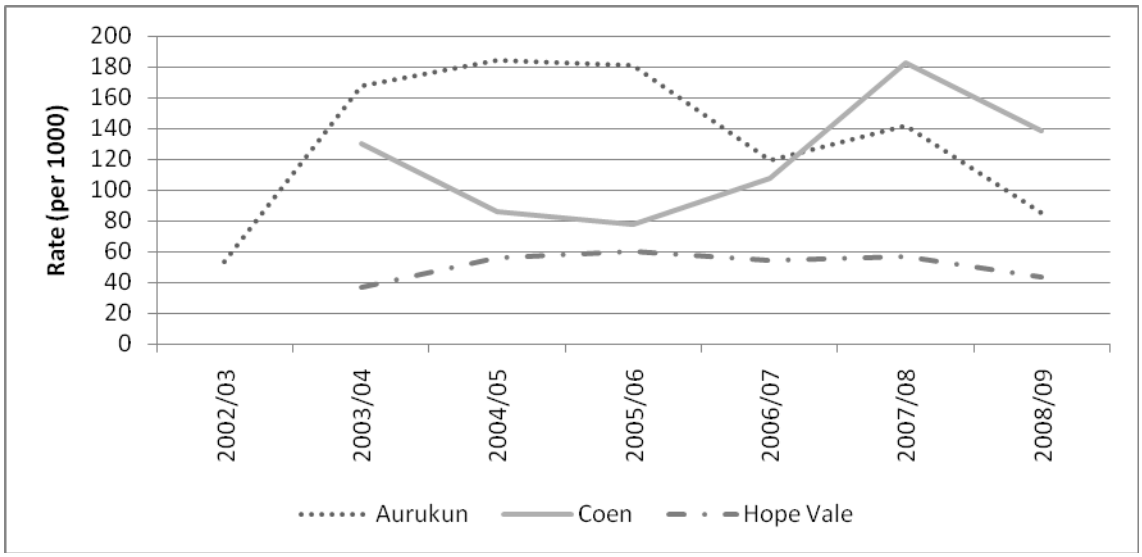
Figure 8: Offences against the person in Aurukun, Hope Vale and Coen per 1,000 in 2007/2008 and 2008/2009



Source: Chart developed by KPMG using data sourced from through the Queensland Department of Communities Quarterly Report on Key Indicators in Queensland's discrete Indigenous communities[74]

The rate of assault-related hospitalisations may also provide an important insight into trends and patterns in the incidence of violence. Data sourced from the Queensland Department of Communities Quarterly Community Profiles of Discrete Indigenous Communities suggest a decline in the rate of assault-related hospital admissions in Aurukun, Coen and Hope Vale (see Figure 9 below). Data from Mossman Gorge exhibit no notable long-term trend and are inconsistent with the other communities. They represent very small numbers and vary widely year to year[75], with a sharp increase in assault-related hospital admissions evident from 2006/07 onwards.

[74] Available from: < http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/>, viewed May 2010.

[75] Between 2002-03 and 2003-04 the rate fell from 156.6 per 1000 to 60; before rising to a peak in 2004-05 of 191.1. The rate then declined over the following two years to reach a low of 71 per 1000 in 2006-07. Since this time, the rate has increased. In 2008-09, the rate was 174.8 per 1000.

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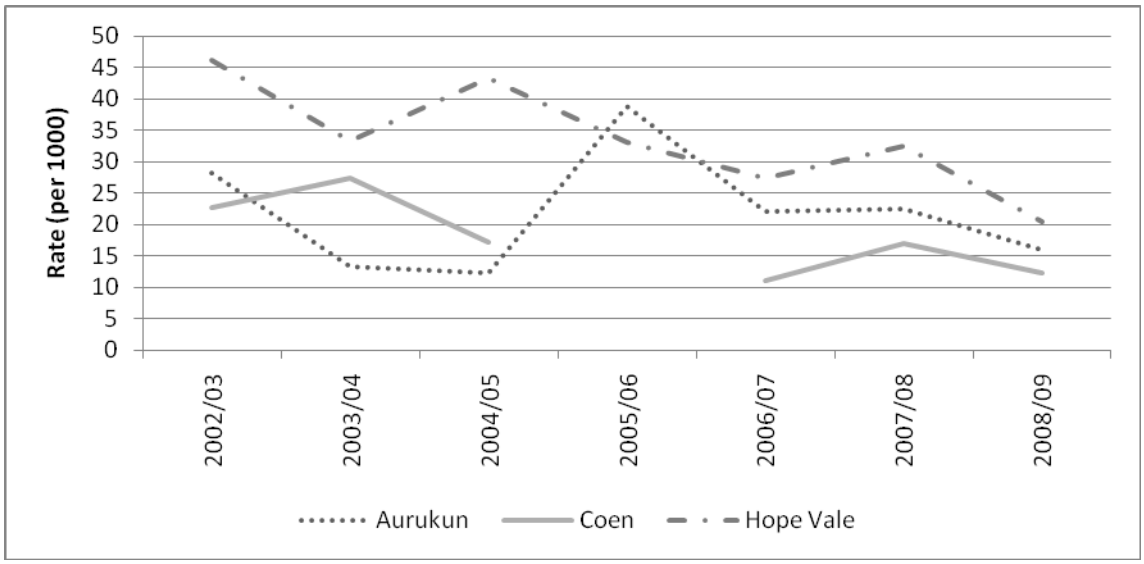
Figure 9: Assault-related hospital admissions in Aurukun, Coen and Hope Vale per 1,000, 2002/03-2008/09[76]



Source: Chart developed by KPMG using data sourced from through the Queensland Department of Communities Quarterly Report on Key Indicators in Queensland's discrete Indigenous communities[77]

9.1.5 Attribution to the FRC or other initiatives

The complexity and interconnectedness of social issues mean that change in communities now or in the future will not be brought about by any single intervention, but rather through sustained and coordinated efforts across sectors and agencies.[78] Many new initiatives and projects have been introduced as part of the Cape York Welfare Reform, and others have been occurring separately, but in conjunction with the Welfare Reform projects. There is a whole-of-reform process in train, with different components, including the FRC, interacting together to effect change.

The Review sought to understand the extent to which community members attribute any changes to the FRC or other factors. People interviewed through the qualitative survey in the communities were asked to identify the reason or reasons why they believed that changes were happening in their community. Responses often included more than one reason.

[76] The Queensland Department of Communities, *opcit*.
[77] Available from http://www.atsip.qld.gov.au/government/programs-initiatives/partnerships/quarterly-reports/, viewed May 2010.
[78] Courage Partners, 2009, *Evaluation Framework and Program Theory for the Cape York Welfare Reform Trial*, Report for the Department of Families, Housing, Community Services and Indigenous Affairs. Available at http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/cape_york_welfare_reform_trial/Documents/cape_york_welfare_reform.pdf viewed October 2009.

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A number of people identified the FRC, while other common responses were Welfare Reform and improved community cohesion.[79] A number of people also identified the closure of the Aurukun Tavern. Community members themselves do not necessarily distinguish between the FRC and Welfare Reform more broadly, or between Welfare Reform and other policy reforms, such as alcohol management or changes to CDEP.

Responses to *why do you think things are changing?*

"I can see a lot of changes, plenty of changes, and this is because of the FRC."

"Because some people are trying to make the community better like the old days."

"Because of strong leadership."

"Because people want a better community."

Community members

In a subsequent question the structured interview qualitative survey form asked people to identify any other factors (other than the FRC) that had led to change since the inception of the FRC. Two thirds of respondents nominated additional factors including:

- community leaders and Elders;
- council/management board;
- community organisations and new employment opportunities; and
- a reduction in alcohol consumption.

The qualitative survey interviews provide a sample of community perspectives, and should be regarded as indicative of views rather than conclusive. These types of data do not represent robust evidence about the actual causes of change. People may not know why some things have changed, they may forget things that have happened or they might remember things differently because of time elapsed, something that has happened since, or the emotional impact of events.

9.1.6 Other initiatives and environmental changes

As discussed above, the effect of AMPs seems to be particularly relevant in Aurukun, where there was a strong message from community members and service providers, such as police and health workers, that the closure of the Tavern was associated with decreased violence and improvements in parenting and family interactions. The closure of the Tavern was seen to have

[79] Improved community cohesion refers to responses which described community members, including leaders, sharing and working towards a broad goal of improving the community.

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created an environment where other programs and initiatives can begin to make headway in addressing social problems. Dry houses in Mossman Gorge were also reported to be a key factor in creating change.

Although there are indications that alcohol management was having a positive social effect on the communities and individuals, there was a negative impact on the revenue of local councils, and their capacity to provide community based services. Local councils have traditionally derived considerable income from the sale of alcohol in communities through council operated taverns or canteens. For this reason, alcohol management was a contested issue within the communities and there was not broad consensus on whether it is positive or not, or should be retained or not. The debate around alcohol management and Welfare Reform is highly political, and people's views may be influenced by their political views and affiliations.

Changes to the CDEP were also controversial in communities, with some community members and stakeholders seeing the change as positive and others reporting that there were fewer jobs as a result. As with AMPs, people's views on CDEP changes could have an impact on their overall acceptance of the FRC because they associate it with the introduction of reforms to CDEP.

The Gateway Project in Mossman Gorge and CHALCO mine proposal close to Aurukun were seen to be providing opportunities for training and employment and creating optimism. Certainly, the Gateway Project was already providing training opportunities and pathways to employment at the time of the Review site visits.

At the time of consultations, the CoAG Remote Service Delivery (RSD) agenda had not made its impact felt amongst community members, although community visits by the Coordinator-General for Remote Indigenous Services were imminent.

The Review team found that the number and complexity of changes occurring in the communities was contributing to change fatigue and confusion for both community members and service providers. This can lead to a sense of disempowerment, as people feel helpless to negotiate and master new systems and initiatives.

> "We don't need any more changes right now – we just need to go steady, steady".
>
> *Local Commissioner*

9.1.7 The impact of the FRC on increased mobility

At the time of the Review, there was not sufficient evidence yet to say whether or not people are moving away from communities since the Cape York Welfare Reform began. This issue warrants further investigation during the evaluation of the broader Welfare Reform.

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10 Unintended consequences

Like many initiatives, the FRC has had unexpected or unintended consequences and impacts on the service delivery environment and individual people. This chapter reports on four unintended consequences identified during the Review. Some of the consequences discussed here have been or are being resolved, however they are reported because they provide important insights for future planning and ongoing improvement.

10.1 Workload impacts on the FRC and support services

Various agencies and services, and the FRC itself, reported that the impact of the volume of notifications, conferences and subsequent referrals on workload was originally under-estimated.

Many pre-existing service providers, including school principals, Wellbeing Centre staff and Child Safety Officers, reported that their workload has increased significantly since the implementation of the FRC. Some reported that the high number of clients and the volume of additional work has had a negative impact on planning, budgets and resourcing. Child Safety Services had two additional Full Time Equivalent (FTE) positions funded to work with the FRC, however the agency had difficulties filling these initially and this contributed to workload pressures. The Department of Education and Training responded to the workload by funding two additional FTE positions from within existing resources.

Support services including the Wellbeing Centres and Attendance Case Managers across the communities, reported that they are operating at capacity and are unable to meet demand without instituting prioritisation. The FRC reported that in some communities the demand meant that conferences had to be scheduled at least a month after a notice was issued. Such delays can contribute to confusion about the FRC, when community members known to have breached a social obligation are not immediately conferenced or referred to support services in a responsive manner.

Recommendation 22

It is recommended that the FRC, notifying agencies and support service conduct internal reviews to identify where there are gaps in their resources and that staffing levels be re-assessed in light of current understanding of the actual workload generated by the FRC.

10.2 The coordination of services for community members with multiple needs

Referral bodies such as the Wellbeing Centres, community-based FRC staff (Local Commissioners and Local Coordinators) and other support services such as the FIM program, reported that they had become a point of reference or coordination for some clients, for services which were technically outside of their scope of services. In particular, community members 'drop in' and ask for support or information from a staff member or organisation with which they have an established relationship, regardless of the formal role or functions of that person or organisation. For example, the Wellbeing Centres reported that, across all four reform

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communities, individuals would visit for assistance in matters such as completing a Centrelink form or needing to meet with the school principal.

It is unlikely that this is a specific consequence of the FRC; rather it is likely to be consistent with how community members access services generally, by seeking to navigate available services with the assistance of a trusted person. However, the increased complexity of the service delivery environment, and the increased volume of clients compelled to access services by the FRC, appears to be impacting on individual service providers' capacity to maintain coordination in addition to their core functions.

The ways in which Indigenous people access services and the implications for service delivery models warrants further investigation during the Welfare Reform evaluation, particularly considering the emphasis of *From Hand Out to Hand Up* and the Welfare Reform on the need to reorient service delivery to provide active, or empowering, service delivery.[80]

Refer to recommendation 9 in section 5.3

10.3 Initial implications for schools

Schools have a new role to play in working with the FRC through sharing responsibility for following up unexplained absences and promoting the importance of school attendance. The FRC was designed to enforce social obligations which reflected existing community values, and existing rules that were not being observed. Schools are required to provide School Attendance Notices to the FRC. In section 3.3, it was observed that the notifying agencies are both service providers (of education, child protection, housing and justice services) and authorities which regulate behaviour (to protect children from harm and send children to school, maintain tenancy standards and observe laws). The FRC is a regulating agency enforcing two sets of regulations: these pre-existing regulations of the notifying agencies, and its own rules imposed through conferences. In so doing, the Commission highlights and enforces the regulatory authority of the notifying agencies. This may represent a shift in emphasis in the balance between service delivery and regulation for some schools and the parents / carers of their students.

Relevant stakeholders reported that they had perceived an initial deterioration in the relationship with parents and families in the first year of the FRC's operation as a result of Schooling Attendance notices resulting in people being called before the FRC.

This initial impact on the schools' relationship with parents may be seen as both an expected and unexpected consequence of the FRC. The FRC system attaches different consequences to children missing school from those which previously existed – including referrals to case managers and Conditional Income Management. As part of the FRC system, it is understandable that parents / carers would associate schools with both these consequences and any discomfort they feel from making the behaviour change required. From this perspective, an initial

[80] How services support changed behaviour and social norms is one of the four strategic evaluation questions posed by the Welfare Reform Evaluation Framework to be explored through the Welfare Reforms evaluation.

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deterioration in the relationship between schools and parents may be seen as an expected outcome. On the other hand, the FRC is a further 'tool' available to schools to assist in existing efforts to encourage school attendance, and is aligned with pre-existing rules about truancy. If these other efforts did not lead to a deterioration in the school-parent/carer relationship, it is not clear that the FRC would too. Other notifying agencies did not report experiencing a similar impact on their relationships with community members.

Some schools reported that providing regular information about the FRC, the school's relationship with the FRC and the school's legislative requirements around reporting, helped to ease community concerns. This is an example of how the issue may be overcome through the communication of accurate and consistent information. In order to successfully address this, schools need a sound understanding of the FRC and the Attendance Case Management framework in order to explain it to parents and community members. Schools also need to see the benefits of the FRC and be confident in promoting these to parents.

In mainstream communities, school attendance until the age of 15 is also compulsory and schools are legislatively required to report truancy to police. This does not undermine the positive relationships that schools generally build with their community and parents / carers, but such relationships take time to develop and ongoing, reinforced community engagement.

10.4 Individual consequences associated with income management

Consultations, including individual interviews with FRC clients, community interviews and service provider interviews, highlighted instances where a reduction in discretionary income under income management, and the BasicsCard allowing purchases only from participating retailers and service providers, reportedly impedes people's ability to travel outside of the community. Stakeholders gave examples of necessary travel being limited, including travel associated with medical reasons, to support family members with medical conditions, to shop for cheaper groceries and general household items, and to attend family functions such as graduations or funerals.

There are well established arrangements concerning medical needs and travel under income management. Where a person believes they have good grounds for ending their income management arrangement, they can appeal the order with the FRC. If clients need to make exceptional but appropriate purchases (for example to purchase medicine in a location where BasicsCard merchants do not operate), Centrelink can make special arrangements to pay for this, via a variety of well established processes to establish one-off arrangements with retailers. While these options are available to FRC clients, consultations indicate that not all community members understand that these options exist or how to access them. This could be addressed through community education as per Recommendation 20.

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Personal story[81]

I was told that the FRC wanted to see me. I didn't feel too good about going to see them, because I wasn't given a reason why I had to go. I guessed it might have been because I was carrying grog.

I went by myself to see the FRC. When I got there, people were sitting around and they asked me to sit down. It felt like I was going before a Court. [Two Local Commissioners] were there. They might have explained what was going to happen…I don't know.

I talked to them and aired my problems out in the open. I think they listened to my side of the story. At the end, I was put on a BasicsCard. I'm not sure why they put me on it, that wasn't explained to me; maybe it was because of me carrying grog?

I think I can probably do what the FRC asked me to do – I don't have much choice, do I? I don't need any help – I don't even want the FRC in my community.

Sometimes I need to leave the community to see the doctor. Because I'm on a BasicsCard, I won't have enough money to pay my way.

Seeing the FRC has not really made any changes to my life. We don't need the FRC to make changes for us; we can make our own changes without the FRC.

I don't want to see the FRC again and I don't want the FRC to see me. The FRC shouldn't be here. We can deal with our own problems.

FRC client

From Hand Out to Hand Up acknowledged that the broad and ambitious nature of the Cape York Welfare Reform agenda creates significant potential for unintended consequences. It is important for the FRC and Welfare Reform governance structure to acknowledge and respond to unintended consequences in a timely and flexible manner.

[81] This story is based on a semi-structured interview conducted with a community member who had attended a FRC conference before the time of the Review site visits. Further details, including the limitations of this method, are given in Appendix E.

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Part D – Contextualising the findings

Summary

The FRC can be conceptualised as a regulatory body which seeks to change people's behaviour and strengthen the positive social norms of the reform communities. The Australian National Audit Office (ANAO) *Administering Regulation Better Practice Guide* provides some criteria against which to consider the FRC as a regulatory body.

Responsive regulation theory, which proposes that the best way to promote self-regulation is to start with the least intrusive strategies and escalate responsively through to the most intrusive, is also helpful in thinking about how successful the FRC is. In many ways the FRC is different to other permanent regulatory bodies in that it:

- is both time limited and limited in scope;
- regulates aspects of people's lives which are already regulated by law or other means;
- works within a broader system and is reliant on other agencies and service providers; and
- works with people to address the reasons why they have difficulty complying.

Regardless of these special characteristics it is useful to discuss the FRC in light of recognised criteria for both regulation broadly, and responsive regulation more specifically.

The Review has found that the FRC structure and processes are largely consistent with the principles of good practice and responsive regulation. Areas for continued focus include:

- streamlining administrative processes to ensure maximum efficiency is achieved;
- continuing to build and enhance open and trusting relationships with stakeholders;
- monitoring the workload of the FRC and associated service providers to ensure that high demand does not jeopardise the chances of meeting the long term objectives of the FRC;
- conducting ongoing consultation with community members as the parties being regulated; and
- continuing to enhance community acceptance through open dialogue and communication.

The long-term aims of the Cape York Welfare Reform are complex and ambitious. These involve changes to behaviours, beliefs and attitudes, and social norms. Changes in behaviour can be measured but changes to associated norms, beliefs and attitudes can be much more difficult to measure and understand. It is therefore difficult to attribute change to any one

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activity due to the interconnectedness and complexity of the reforms and the social functions they are seeking to influence.

The Welfare Reform program theory describes a hierarchy of changes or outcomes that are expected for individuals and families over time through the combination of Welfare Reform projects, including the FRC. The Review's findings, when analysed against this program theory, indicate that the FRC has laid its own foundations and enablers for both individual and community-level change.

Examples of individual behaviour change through the FRC show that change is gradual and unpredictable, affected by person readiness and understanding, motivation, skills and capability. People may take some time to change and support must be maintained, as lasting change is not likely to occur as a result of one episode of interaction. The FRC conference environment and service referral approach reflects good practice for supporting personal change.

As the FRC begins to reach a critical mass of individuals in each community, and helps to address environmental or common barriers to change, it is expected to contribute to community-level change. The emerging trends of increasing school attendance and decreasing violence in two communities may be the result of a combination of efforts by the FRC and other government and community initiatives. Progress is not even across communities and individual behaviour changes are fragile. Such a situation is to be expected considering the complexity of the changes being implemented and the very great support needed for individuals as they move to align behaviour with community values.

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11 The FRC as a regulatory body

This section discusses the FRC as a regulatory body, and provides some critical analysis of the FRC compared with recognised standards for responsive regulation.

11.1 Criteria for analysing the FRC

One way to establish theory-based criteria by which to analyse the FRC is to compare it with the ANAO *Administering Regulation Better Practice Guide* (the ANAO Guide) as recognised standards of good practice for regulatory bodies.[82]

The concept of responsive regulation, as discussed within the ANAO Guide with respect to addressing and monitoring non-compliance, is useful when considering how to foster personal responsibility and how the FRC can best enforce positive social norms. Responsive regulation theory proposes that the optimal strategy to promote self-regulating behaviour is to start from the least intrusive regulatory strategy and escalate through to the most intrusive in response to the actions of the parties being regulated. Further discussion of both the ANAO Guide and responsive regulation is provided in Appendix H.

11.2 Analysing the FRC as a regulatory body

Analysing the appropriateness of the regulatory arrangement is important to improve administrative practice, achieve policy objectives and strengthen the confidence of those regulated in the regulatory agency.[83] The following diagram illustrates how the ANAO Guide and some key propositions within responsive regulation theory have been organised to form a set of criteria which can be used to consider the FRC as a regulatory body.

[82] Australian National Audit Office, 2007, *Administering Regulation. Better Practice Guide*, Available from:< http://www.anao.gov.au/uploads/documents/Administering_Regulation_.pdf >, accessed May 2010.

[83] *Ibid*, p.2.

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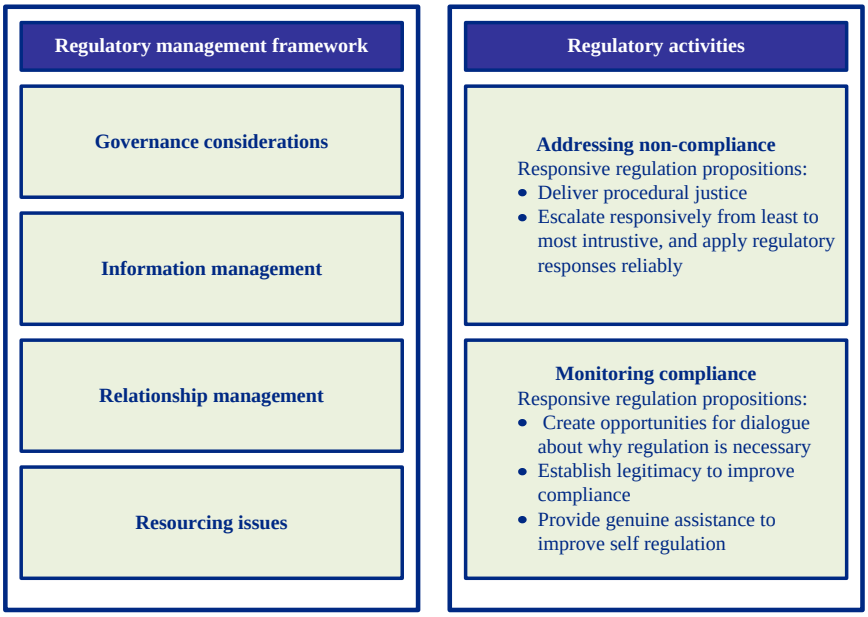
Figure 10: ANAO Guide and some key propositions within responsive regulation theory



Source: KPMG, based on ANAO Guide and responsive regulation theory

11.3 Regulatory management framework

11.3.1 Governance

Discussion of the strengths and challenges associated with the governance structure of the FRC is included in chapter 2. Managing regulatory risk is another important part of governance. The Review did not seek to investigate the internal risk management mechanisms within the FRC as an organisation. However, the FRC Quarterly Reports, and the FRC's Risk Management Policy, are indicative of regular internal reflection on FRC and third party regulator processes to identify risks and manage them going forward.

11.3.2 Information management

It is important that legislative requirements are met with regard to information management because of the sensitive and personal nature of the information held by the FRC and the small and close nature of communities. The FRC's information management obligations relate specifically to:

- keeping a record of each conference;

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- keeping a record of each case plan in the approved form; and
- not recording confidential information for purposes other than administering the FRC Act.

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The FRC needs information to be available to support decision making in conferences; the Commissioners need to be able to quickly access and understand information to make decisions. Some factors related to information management which impact on the ability of FRC staff and Commissioners to make evidence based decisions include:

- the necessity to carry paper based files due to poor IT functionality and a lack of opportunities in communities to secure files; and
- difficulty in accessing the monthly reports and monitoring information from other agencies in a timely way.

It is important that decision making is documented to provide evidence that correct procedures have been followed, decisions are defensible and to ensure that the FRC as an agency is not unduly vulnerable to key staff turnover. The review found that decisions made in the course of conferences are well documented through Family Responsibility Agreements and Notices of Decision.

11.3.3 Relationship management

Managing relationships with stakeholders in an open, responsive manner to engender trust and understanding is important because the FRC operates within a broader system which includes multiple agencies and service providers. While the agency-level system is broad, at the community level the network which supports clients is relatively limited, making collaboration an important part of effective service delivery.

The review has found examples of strained relationships with stakeholders at the service delivery and agency levels, often resulting from pressures associated with the tight implementation timeframe and a lack of shared understanding of aims and purposes of different services (see sections 3.3 and 5.5).

In the same way that individuals need support to change, so do organisations. Staff need to have a good understanding about what outcomes they need to achieve and what actions they are expected to take to work in collaboration with other organisations. They also need to have processes in place to support them. Relationships between organisations and collaborative working needs to be explicitly articulated, structured and resourced. For example, in other sectors (such as family services and mental health), agencies and service providers have dedicated time aside from case work to set up networks, referral pathways and joint training.

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During the early implementation of the FRC, many services were still being set up and others were unsure of changing roles and responsibilities. As a consequence there was limited co-ordination between the FRC and service providers, and a lack of agreement around expected outcomes. This is being addressed through inter-agency meetings, developing MOUs and refining protocols and policies.

One of the key principles of good regulatory processes is consultation with and guidance to the regulated parties, including dialogue about why regulation is necessary. In the case of the FRC, this means community members. Consultation should occur in the design phase, during implementation and at regular review intervals for a regulatory agency. This is important for the FRC because ongoing consultation and communication is necessary for community members to understand the FRC, which the program theory identifies as a key enabler to lasting change.

As discussed in Appendix B, there was initially broad consultation with community members, in all communities to varying degrees, undertaken by the Cape York Institute. During the initial stages of FRC establishment, there was information and guidance provided to regulated parties (community members) and the third party regulators (the other parts of the FRC system involved in monitoring compliance – the notifying agencies and support services)[84]. The FRC also provides regular public reports on its objectives and progress through quarterly and annual reports to the Family Responsibilities Board and Minister. However, these reports are not in a 'community-friendly' format and in all communities it has been necessary for the FRC to continue to provide information due to a low understanding of, and in some cases opposition to, the FRC.

Despite reports by the FRC of community meetings held, Local Commissioners meetings with community members and an 'open door' policy, the Review found evidence of limited and/or inaccurate understanding of the aims, purpose and scope of the FRC amongst both community members and third party regulators (notifying agencies and support services). While dialogue continues within conferences, there is little evidence of planned, regular, formal dialogue with community members who are not FRC clients. Good regulatory practice indicates that ongoing communication with regulated parties should occur and be adequately resourced.

11.3.4 Resourcing issues

The review has found that overall, the FRC and key support services are appropriately targeting individuals in most need of assistance. For the FRC, this occurs through systemic prioritisation of different notices, such as Child Safety, and is supported by local intelligence. The Wellbeing Centres report that they prioritise clients based on assessment of clinic need. Other examples include Attendance Case Managers prioritising FRC clients for active case management where demand exceeds capacity, such as in Aurukun.

Prioritisation is necessary to ensure that the aims and objectives of the FRC are able to be met within the limitations imposed through the timeframe of the FRC's and the conferencing schedule. This may become more relevant if the demand continues to exceed the FRC's

[84] Refer Appendix H for more information on these concepts.

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capacity to schedule conferences in some communities. While the review did not find that the FRC's workload is such that the broader aims cannot be met, it is important that this issue continues to be monitored and demand management processes are adopted across the FRC system (in agreement with notifying agencies and support services).

The FRC continues to monitor resource productivity to identify activities that are not working well and that need to be either modified or abandoned. Evidence of this includes seeking legislative amendment to improve administrative processes and enhancing the case management capabilities of the organisation by recruiting a Business Support Officer to support the Principal Case Manager.

11.4 Regulatory activities

11.4.1 Addressing non-compliance

Encouraging voluntary compliance is consistent with the ultimate aims of the FRC. This occurs through discussion with clients in conferences, identification of barriers to compliance (for example, alcohol addiction), implementing strategies to overcome barriers and through Local Commissioners encouraging and modelling positive behaviours.

The FRC seeks to engage and enter into constructive dialogue with individuals who demonstrate dissent through providing multiple opportunities to attend conferences, by negotiating outcomes and through the appeals process. For example, clients who are the subject of a CIM order can seek to have the proportion of their income which is managed reduced from 75 percent to 60 percent. This compromise can be used as an incentive to engage with dissenting clients and to link them in with services.

Delivery of procedural justice is an important characteristic of responsive regulation and includes treating individuals with respect, ensuring procedures are clear and transparent and providing a reasonable and fair hearing.

FRC clients interviewed individually and qualitative survey[85] interviews indicate that the majority of people do feel that the FRC has listened to, respected and valued them. The Review team observed that clients were treated with respect and given opportunities to express themselves and share their views with the Commissioners during conferences.

The FRC Act sets clear and consistent processes[86] and the Commission takes reasonable steps to explain proceedings to community members and make processes as clear and transparent as possible, however some community members still have some degree of confusion about why they were called to conference, the rationale behind the decisions which were made and

[85] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.
[86] Although, as discussed in section 3.3, it is not necessary to continue to have processes entrenched in legislation to maintain consistency and clarity; and fixing the processes in the Act makes it difficult to amend on the basis of experience or for greater efficiency.

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processes around appeals or changes to CIM orders. This is indicative of the complexity of the FRC and Welfare Reforms and points to a need for ongoing consistent communication with communities broadly and with specific individuals as they interact with the FRC.

Individual interviews with FRC clients and the qualitative survey interviews indicate that people have different perceptions about whether or not the FRC treats people fairly, and that this varies between communities. People who have been to an FRC conference are more likely to report that it treats people fairly than those who have not, which indicates that over time as more people attend conferences and are exposed to the FRC, the perception of fairness may increase. The reviewers observed that the FRC treated clients in a fair and just way.

11.4.2 Monitoring compliance

The FRC uses a risk-based approach in deciding who is called to conference based on local intelligence and prioritisation of agency notices. This risk-based approach continues to be used as clients progress through the FRC process and further escalation and de-escalation decisions are made in line with the information gained through the monitoring processes.

The monthly monitoring requirements for support services and notifying agencies are highly specified through the Act. Further to this additional information can be sought, for example progress against a Child Safety Case Plan, to support decision making in conferences. The significant lag in monthly reports and lack of a FRC community based case manager inhibits the FRC's ability to monitor and tailor responses.

The FRC has a limited but sufficient repertoire of regulatory responses, ranging from no further action to income management, to escalate responsively from persuasion to sanctions. The limitations of the service provision in each community means that the FRC relies on referring clients to the Wellbeing Centres to assess and manage the treatment of clients with social and emotional wellbeing needs. The Wellbeing Centres are in turn limited by the range and capacity of their staff profile to provide the type and level of services clients with complex needs require.

The FRC seeks to expand its repertoire of responses through personal responsibility actions, by supporting people to implement Dry House notices in Coen and Mossman Gorge, working with Child Safety and other agencies to facilitate early intervention and by encouraging people to manage State Penalties Enforcement Registry (SPER) fines.

The review has found that reasonable efforts are made within conferences to explain escalation and de-escalation criteria to clients, however community members who are not FRC clients, and in some cases service providers, are not necessarily aware of the criteria for escalation or de-escalation.

Procedures are clearly defined to facilitate the taking of timely, targeted and lawful regulatory action where clients are found to be non-compliant; however the capacity constraints of both the FRC to schedule conferences, and the support services to provide reporting, at times impacts on the timeliness of responses.

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People are more likely to cooperate voluntarily with an authority if they believe it is legitimate and understand why it was created and the scope of its role. The review has found that some community members believe that the FRC is a legitimate authority, while others do not. This appears to differ between communities and to some extent by gender.

People are more likely to voluntarily self-regulate if they believe the FRC is a good place to solve problems and will help them to realise their hopes and improve their lives. The qualitative survey interviews and case studies indicate that people who have attended a conference are more likely than those who have not, to think that the FRC is a good place to solve problems. People reported that the FRC is a good place to solve problems because it provided them with a forum to talk about their issues, and helped them access support services they needed to address those problems.

The perception that things have improved since the FRC was established varies significantly by community. Some potential positive changes, most notably increased school attendance, have been identified by some community members. Other indicators of change are more subtle, and it is too early to fully understand their nature and extent at this stage.

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12 The FRC and the Welfare Reform Theory of Change

The long-term aims of the Cape York Welfare Reform are complex and ambitious. These involve changes to behaviours, beliefs and attitudes, and social norms. Changes in behaviour are measurable but changes to associated norms, beliefs and attitudes provide less tangible indicators. It is therefore difficult to attribute change to any one activity due to the interconnectedness and complexity of the reforms and the social functions they are seeking to influence.

The program theory, described in the Cape York Welfare Reform *Evaluation Framework*[87], describes a hierarchy of changes or outcomes that are expected for individuals and families over time through the combination of the Welfare Reform's projects, including the FRC (see the diagram below). This chapter considers the findings of the FRC Review in light of this program theory. Further detail on the program theory is at Appendix I.

[87] Courage Partners, 2009, *Evaluation Framework and Program Theory for the Cape York Welfare Reform Trial*, Department of Families, housing, Community Services and Indigenous Affairs, Canberra. Available at: http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/cape_york_welfare_reform_trial/Documents/cape_york_welfare_reform.pdf

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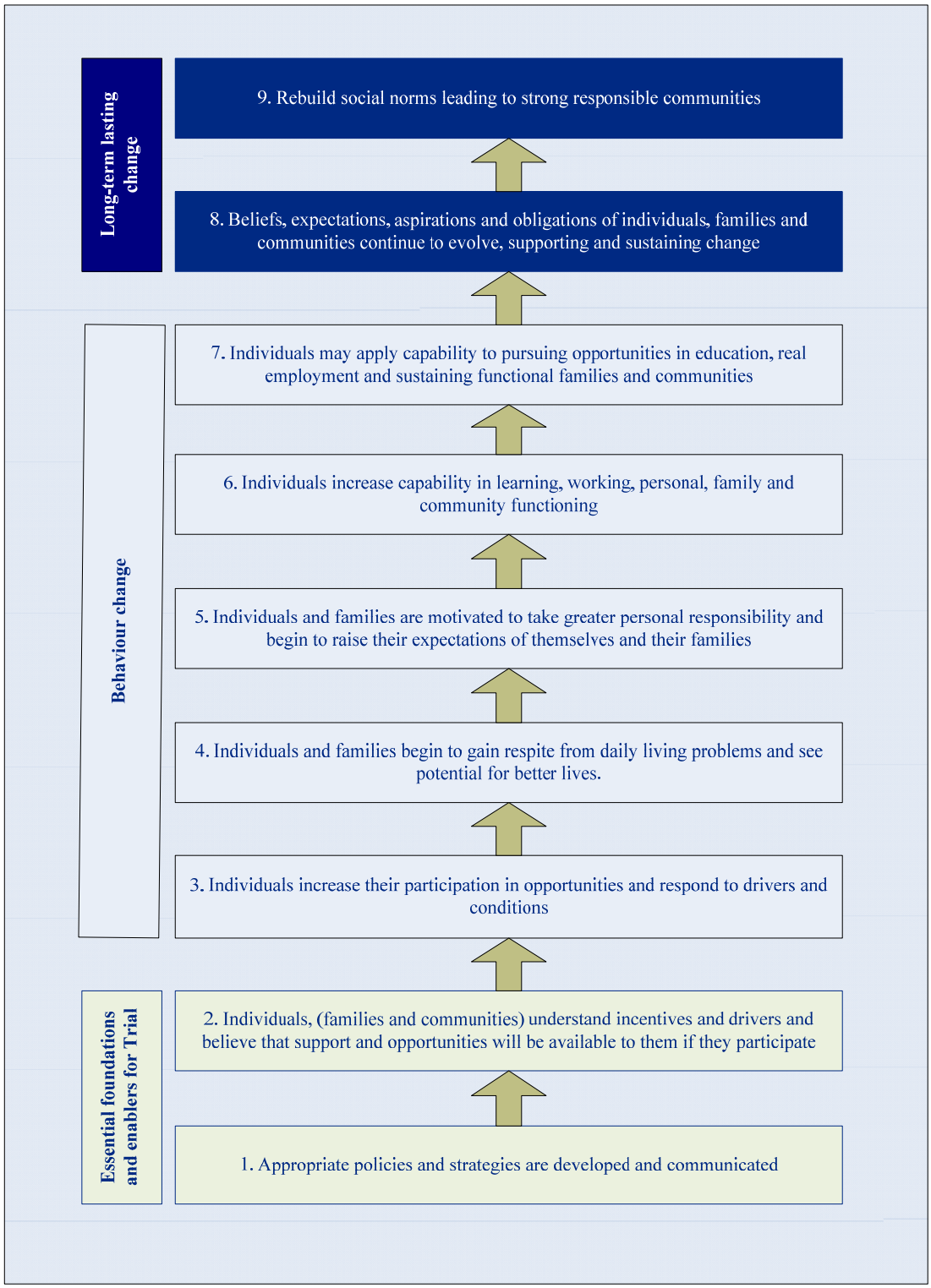
Figure 11: Program Theory for the Cape York Welfare Reform Initiative



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Source: Courage Partners, Evaluation Framework and Program Theory for the Cape York Welfare Reform Trial

12.1 The complexities of individual and collective change

The Cape York Welfare Reform seeks to support community members to make changes to better align individual behaviour with what the communities value. During the community engagement phase of the Cape York Welfare Reform design, local people were asked to articulate a common set of community values, to develop a shared vision for the future, and identify major issues. In this way, the communities defined their core values, and identified behaviours that were not in accordance with these values.

The Cape York Welfare Reform projects, including the FRC, seek to address gaps between the stated values of the communities, and prevailing negative behaviour. This driver for the Welfare Reform may help catalyse change, but does not diminish the scale of change sought, particularly for individuals. This includes:

- people making significant changes in their personal behaviour, such as addressing drug and alcohol misuse;
- people learning new skills to support increased positive social behaviours and attitudes, such as ensuring their children attend school and that the family environment supports their success;
- people changing the way they relate to and interact with others, for example, taking advantage of support services, being able to support their children in a school environment, increasing both participation in the community and the taking of responsibility for others; and
- significant change on the part of service providers and government policymakers which in turn involves behaviour change at a personal level for staff at both service delivery and executive levels.

It was anticipated from the outset of the Welfare Reform that catalysing long-term change in the personal, community and service delivery spheres would be challenging. It was expected that it would take time to put into place the systems and policies, achieve community understanding, grow acceptance of the need for both individual and collective changes, and adopt new patterns and behaviours which are more consistent with their values.

The program theory recognised that, while long-term lasting change may not be immediately measurable, there are short and medium term behavioural and attitudinal changes that are likely to indicate progress towards the longer term objectives. These are considered below in terms of individual change and collective or community-level change.

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12.2 Foundations and enablers for change

The program theory suggests that essential foundations and enablers of change are the development of sound policies and strategies, and ensuring that a receptive environment is created by successful communication with the potential target groups and a responsive support system. Effective implementation of FRC objectives also requires good collaboration between relevant agencies and the FRC. A brief synopsis of progress against these criteria is outlined below.

- The relevance and value of the policies and legislation underpinning the FRC has been demonstrated by the ability of the FRC to initiate and put into place an innovative approach in a short timeframe. The FRC's jurisdiction is targeted appropriately.

- The FRC is well established and operational as evidenced by its extensive reach into the community. Fifty to sixty percent of adults in the communities have been identified through an agency notification, and the FRC handled 1,335 cases and made 952 referrals to support services in the first 18 months of operation. However, the attendance rate of clients in response to their first 'Notice to Attend' was 61 percent. This suggests that while the FRC's existence is likely to be well known, understanding of its role across the four communities is still developing. Ongoing communication and education of the community is warranted.

- Policies and procedures are in place, and operational challenges such as the setting up of electronic data collection and communication processes are largely being addressed.

- The role of the Local Commissioners has proven well conceived and the perception by both the Commissioners and many community members is that they are making an important contribution to individual capacity, awareness of problems and personal motivation to implement change. Their role in the conferencing process has been supported, as well as their influence through role modelling and leadership in the community. Their effectiveness is increasing as their skills evolve, but continued training is essential for acceleration of their skills and confidence. This is a sound foundation on which to build further change.

12.2.1 Welfare Reform synergies and collective influence

An underpinning principle of the Welfare Reform was that a comprehensive approach to reform should be adopted, integrating a range of concurrent strategies. As previously discussed, the FRC has an important role in supporting change across a range of streams of activity.

The success of the FRC regulatory approach is reliant on collaboration between services and agencies to provide pathways to appropriate support both formally and informally. Although links are established between the FRC and designated agencies (i.e. the criminal justice system, education, police, FIM and welfare payments) the efficacy of the regulatory

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approach has been reduced by a lack of common understanding of roles and the slowness of formal systems for case management and referral to develop. This process is resource intensive.

The FRC role has had resource and role impacts on collaborating mainstream agencies which were not foreseen or resourced. This has resulted in some resistance to collaboration which is being gradually resolved with continued discussion and problem solving with agencies such as Education. As mentioned in the report, working cooperatively across organisations requires dedicated attention and resourcing.

Furthermore, as agencies and the FRC continue towards improved shared understanding there are signs that more effective collaborative practices are evolving outside the mandated processes and the FRC is extending its influence in a dynamic and opportunistic way across the community. Through seeking to conference with all relevant parties (not just those named on agency notifications), working with service providers and supporting community-led initiatives such as the 'dry houses' in Mossman Gorge, the FRC is further helping to address drivers of changes such as contextual barriers to change – for example, peer pressure to engage in negative behaviour; or a lack of services. This approach is well supported by research which points to the importance of social identity, group dynamics and social interaction in changing norms.[88]

While the FRC has experienced many challenges in the period of establishment and implementation, and progress has been slower than some expected, its achievements are considerable. The reported challenges are also consistent with those experienced by services in remote areas generally. Similar to the experience of Indigenous and mainstream programs elsewhere in remote areas, the FRC faced workforce difficulties in recruitment and retention of suitable staff, a short time to establish and develop systems, a lack of adequate support services and complexity of community problems. The policy and legislative framework has proven to be sound.

12.3 Behavioural change

The *Evaluation Framework* noted that changes to behaviours, beliefs and attitudes are often subtle, sensitive and personal and are therefore difficult to measure and understand. The Review has confirmed that these assumptions about behavioural change in this context are appropriate. Behavioural change is demonstrated to be gradual and unpredictable, affected by a person's readiness and understanding, motivation, skills and capability. Setbacks are common. People may take some time to change and support must be maintained.[89]

[88] Reynolds, K & Thomas, E (2008) *Understanding social norm change and social norm measurement: a social psychological perspective*, Department of Psychology, The Australian National University.
[89] Prochaska, J.O. and Di Clemente, C C (1992) 'Stages of change and the modification of problem behaviours' in M Hersen, M; Eisler RM and Miller PM (Eds) *Progress in behaviour modification.* Sycamore: Sycamore Press.

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Some of the factors affecting individual behaviour change include the:

- drivers for change including a balancing of perceived gain compared with disadvantage;
- difficulty and complexity of the change[90]; and
- need for skill development and involvement to be able to undertake change.

If the FRC is able to reach a critical mass of individuals in each community, who consistently adhere to positive social norms, it is hoped that the sense of 'how things happen around here' will start to be redefined. Changed behaviours and perceptions can also be stimulated by other projects and strategies which are embedded in the whole of the Welfare Reform[91].

Behavioural change relies on sound leadership, motivation, persuasion, capacity, strong relationships and support for change as much as on insistence and compulsion. The support of, and commitment to Indigenous authority is thus an essential element of achieving lasting change through the FRC and the Welfare Reform more broadly. The FRC is contributing to the restoration of Indigenous authority primarily by legitimising and promoting the authority of the Local Commissioners, and by providing an opportunity for these individuals to access training and support to extend their influence outside the FRC. The Local Commissioners are also considered to be contributing to the gradual restoration of positive social norms through role modelling and leadership in the community. There is scope for the FRC to also work with sub-groups in the community where acceptance of the FRC is strongest, including with former clients, to support them to be influencers within their family group or community.

Indigenous authority is also reinforced by the mode of operation of the FRC which is respectful of local communities and individuals, while not compromising on positive social change.

12.3.1 Individual progress

In the first 18 months of the FRC's operation, evidence of some individual progress in the following features of the program theory have been found:

- increased participation in opportunities and response to drivers and conditions;
- respite from dysfunction leading to a belief in potential to improve circumstances; and
- motivation to take greater personal responsibility and raised expectations.

[90] Rogers, E.M. (1983) *Diffusion of Innovations*. New York: Free Press.
[91] Detailed in Appendix I.

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An indication that some individuals are willing to participate in opportunities provided by the FRC system includes attendance at conferences and attendance at support service in response to referrals. Without powers to compel attendance apart from the incentive of income management, the uptake of participation in the FRC conferencing processes and attendance at services represents a significant achievement.

The majority (approximately 60 percent) of clients attend FRC conferences and support services with higher attendance associated with women, older clients, residents of Aurukun and cases concerning schooling notifications. Young men and cases concerning Magistrate Court notices appear to be the least responsive to the FRC. They represent the hardest group in which to encourage positive change.

Approximately three-quarters of clients were able to reach a consensual agreement with the FRC about what they would do to address the issues that brought them to the Commission. Cases where there is an agreement to go to a support service have a higher attendance rate at services than those where referrals are by direction.

The proportion of FRC clients who breached another social obligation[92] after having attended a FRC conference was 61 percent, with the highest proportion amongst people aged 30-34 years old. This is a sign of the scale of complexity and difficulty of changes which need to be made, especially to set patterns of behaviour or where there is addiction; since individual change is rarely linear, this pattern is to be expected. Improvements should occur over time. This is an indication of the complex problems that people face, and the extensive nature of change which is being pursued. The FRC will need to follow up with clients who breach another social obligation after having previously been in the FRC system, acknowledge any progress made, seek to identify reasons for the setback, and tailor a future response accordingly.

Unsurprisingly, the individual interviews with FRC clients undertaken during the Review revealed a range of views about whether or not the FRC was helping people to make changes. These views ranged from denial that the FRC had helped at all, to reports that the FRC had assisted clients to address pressing issues in the lives which had resulted in immediate relief from dysfunction. Several FRC clients also discussed how support services, particularly FIM and the Wellbeing Centres, were now helping them to make more measured incremental changes.

12.3.2 Tangible progress towards change

The most tangible evidence of community-level change in light of the third, fourth and fifth stages in the program theory has been in increasing school attendance and reductions in problems associated with alcohol and violence in two communities. The Review found patterns of change varied between the four communities. The following findings may be seen as precursors to sustainable change to social norms over a long timeframe.

[92] People who have come before the FRC again breach a social obligation at least two months after the initial breach which brought them to the attention of the FRC.

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School attendance

The historical data discussed in section 9.1 identify a trend of increasing school attendance in Aurukun and Mossman Gorge. These changes are readily identifiable in the communities. School Attendance notifications are prioritised by the FRC in line with a direction by the Family Responsibilities Board, and reflect what most community members interviewed through the qualitative survey[93] think the FRC's purpose is (section 8.2). The data on attendance at FRC conferences (section 4.1) and support services (section 5.4) suggest that cases concerning School Attendance notifications are more responsive to the FRC than other types of agency notifications, and more likely to involve women.

The review team found that most community members who gave input to the Review in all four communities generally held strong positive views about the importance of education, but that many families experience barriers to school attendance. This is in line with views expressed by many during the community engagement phase of the Cape York Welfare Reform prior to the implementation of the FRC, which found that many people were concerned about school attendance, and believed it was an important matter which needed to be addressed. Issues including bullying, illness, being tired and having family commitments were raised during interviews for the Review and the FRC conferences observed by the Review team. Underlying issues including emotional and behavioural problems, family stress and lack of sleep are likely to be relevant also.[94]

This suggests that, for some individuals and families, the FRC may in fact be helping people to overcome barriers to improving school attendance, and changing behaviour to align with existing attitudes and values, rather than changing beliefs as such. Another important consideration is the multifaceted response to school attendance which is occurring independently of, as well as part of, the Cape York Welfare Reforms. Different people will respond to different drivers and incentives; the combination of the Department of Education and Training's school initiatives to lift attendance and the efforts of the FRC may represent the necessary breadth and intensity of intervention needed to make significant change in the communities.

The diagram below presents this analysis of evidence of increased school attendance in Aurukun and Mossman Gorge and perceptions of further improvements in school readiness in Coen, through the prism of the program theory (Figure 11 above).

[93] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.
[94] Western Australian Aboriginal Child Health Survey, 2007.
http://www.ichr.uwa.edu.au/waachs/themes/education/attendance

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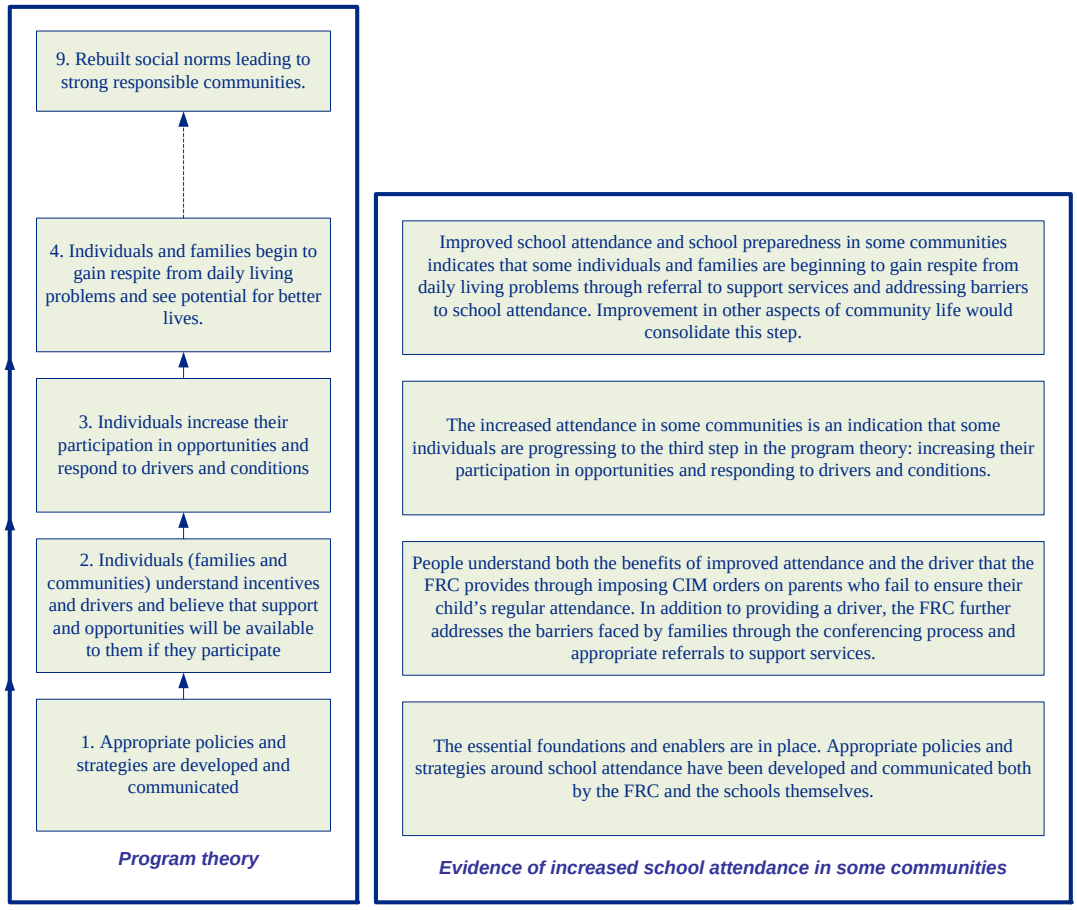
Figure 12: Consideration of improvements in school attendance in some communities against the program logic



Source: KPMG and Courage Partners

Alcohol and Violence

The findings for alcohol and violence can also be considered against the program theory in the same way that school attendance was above. The perceived reduction in violence in Aurukun and Mossman Gorge, and possible signs of improved care of children, reported by stakeholders to be closely associated with the availability of alcohol, could point to a respite from daily living problems, the fourth step in the program theory. A respite from excessive alcohol consumption and violence may lead some people to be motivated to take greater responsibility and raise their expectations, leading to further and more sustainable changes, as per the fifth step in the program logic. It is too early in the process to comment on progress towards this.

The fact that some people do not support or adhere to alcohol restrictions indicates that behavioural change is difficult and complex. Avoidance is a common resistance strategy, for example, the ongoing presence of 'sly grog' in some communities indicates that many

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people continue to consume alcohol and are not accessing treatment for addiction and relapse. Alcohol dependence is a particularly difficult condition to address and the first stage of change is people recognising the need for change and having a strong motivation to do so. Strategies to address this issue will therefore need to be ongoing.

12.3.3 Summary

The FRC is a major project within the Welfare Reform, and has a unique and innovative charter. Despite numerous challenges and the complexity of operating within a remote environment, the FRC has been implemented as intended in all four communities. Its structures and processes conform to good practice principles, and during its first 18 months of operations, the FRC has established its own foundations and enablers which contribute to supporting individuals in behaving in ways consistent with community values and expectations of acceptable behaviour. Although many challenges remain, the FRC is already addressing a number of these as it continues to strengthen its role within the participating communities.

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13 Recommendations

This chapter draws together the recommendations identified throughout this report, for consideration by the FRC, Tripartite Partners, policy makers in other jurisdictions, community leaders and others interested in continuous improvement.

13.1 Legislative changes

It is recommended that the following changes to the FRC Act should be considered in any legislative review:

- streamlining administrative procedures or enabling flexibility to depart from processes where sensible;
- outlining 'Plain English' versions of FRC documents that are to be provided to clients, or allowing the FRC discretion to determine the wording of this paperwork depending on the capacity of the client;
- empowering Local Commissioners to convene a conference without Commissioner Glasgow present in certain circumstances;
- removing the requirement for the FRC to produce case plans for clients; and
- allowing for two members of the Family Responsibilities Board to constitute a quorum and for members to send delegates.

(Recommendation 2, subsection 2.3.2)

13.2 Administration and process

It is recommended that one or more Deputy Commissioners be appointed to share conference loads and enable FRC succession planning. **(Recommendation 3, subsection 2.3.3)**

It is recommended that, together with notifying agencies, Local Coordinators and Local Commissioners make every effort to continue identifying people described in s 60(1)(c) of the FRC Act (other people the Commission considers may help deal with the issues raised in the agency notice to which the conference relates, such as family members), and to encourage these people to also attend FRC conferences relevant to them. **(Recommendation 4, section 3.1.3)**

It is recommended that the Board explore ways to minimise the reporting burden on the FRC such as through restructuring reports to suit multiple purposes, and coordinating information requests between members. **(Recommendation 1, subsection 2.3.1)**

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13.3 Collaboration and the FRC system

It is recommended that notifying agencies consult with community based staff about whether feedback from the FRC would be beneficial, and then negotiate arrangements with the FRC to facilitate this in ways which maintain the privacy of FRC clients. For example, in relation to schooling notices, Attendance Case Managers could be empowered to inform schools of upcoming conferences and outcomes; or clients could be asked to inform the school about the outcomes of their conference through a Personal Responsibility Action. **(Recommendation 5, subsection 3.3.2.2)**

It is recommended that existing mechanisms for connection between the FRC and notifying agencies:

- be maintained;
- enable staff at all levels and geographic locations (including community-based and regional management) to network;
- ensure a focus on collaboration around client need;
- take a systems-focus in relation to the Welfare Reform communities; and
- identify and coordinate with other relevant partners to enable the FRC system to provide a wide range of regulatory responses. **(Recommendation 6, subsection 3.3.3)**

It is recommended that mechanisms for improving case management and coordination for FRC clients be adopted. The FRC should continue to monitor the effectiveness of sending the Principal Case Manager to communities on a monthly basis in helping clients to connect to community support services, and monitoring their progress against case plans. If this approach is not effective, consideration should be given to resourcing and engaging community based case managers. The nature of case management will be subject to client consent to information being shared between services, and information sharing powers in State and Federal legislation, such as: the Family Responsibilities Act 2008 (Qld), Information Privacy Act 2009 (Qld), Social Security Act 1991 (Cth) and Privacy Act 1988 (Cth). **(Recommendation 9, section 5.3)**

It is recommended that the FRC continue to work with support services to facilitate monthly reporting which is meaningful, current and efficient. This should be driven by input from client interface staff including Local Coordinators and the Principal Case Manager and community based support service staff. Further to this, the FRC should collect data on clients who are unable to meet their case plans due to inability to access services, or where the FRC has been unable to make an appropriate referral due to a service gap in the community. **(Recommendation 10, section 5.4)**

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It is recommended that the FRC, notifying agencies and support service conduct internal reviews to identify where there are gaps in their resources and that staffing levels be re-assessed in light of current understanding of the actual workload generated by the FRC. **(Recommendation 22, section 10.1)**

It is recommended that resources be allocated to facilitate coordination between the FRC and support services where this has been recommended in this Report. **(Recommendation 11, subsection 5.5.7)**

It is recommended that the design of the Welfare Reform evaluation incorporate information gathering and analysis to understand the individual and community implications of income management. **(Recommendation 12, section 6.4)**

13.4 Improving understanding and acceptance

Building on the FRC's existing communication with communities, it is recommended that Local Coordinators and Local Commissioners consider the education needs of their community and plan appropriate education strategies. **(Recommendation 20, subsection 8.2.1)**

Building on the FRC's existing communication with communities, it is recommended that there should be broad, ongoing community education about the aims, scope and function of the FRC, and this should include information explaining the process by which individuals are chosen to be called to conference, including:

- the priorities for different agency notifications, and
- the potential for time lags between a trigger event and being called to conference. **(Recommendation 7, subsection 4.1.1)**

It is recommended that as part of a broad ongoing community education, and to lift the attendance rates at first conferences, the FRC should consider:

- maintaining a full time Local Coordinator presence in each community;
- ensuring a consistently active and supportive approach is taken to engaging with FRC clients before they come to conferences to counter fear and misperceptions, and encourage attendance;
- seeking feedback from community members on ways to tailor communication and identifying Frequently Asked Questions (which should then be addressed and widely communicated); and
- taking active steps such as visiting people just before or on conference day and reminding, encouraging or assisting them to attend.

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(Recommendation 8, section 4.2)

It is recommended that the role of local service providers as key informants be recognised and that systematic provision of timely and current information to local service providers about the FRC be made a priority in each community. **(Recommendation 19, subsection 8.2.1)**

It is recommended that suitably skilled Indigenous people are recruited to any future Local Coordinator roles and provided with training and support in recognition of their important potential role in contributing to re-establishing Indigenous authority and promoting positive social norms. **(Recommendation 16, section 8.1)**

It is recommended that in recruiting and selecting future additional Local Commissioners, consideration again be given to the importance of both the perceptions that people are good role models and allow for an avoidance of conflicts of interest due to family and clan associations. The selection process should be publicised and made transparent. **(Recommendation 17, subsection 8.1.4)**

It is recommended that the FRC continue to assess and addresses the individual and collective training and development needs of Local Commissioners. **(Recommendation 18, subsection 8.1.5)**

It is recommended that the FRC consider how to work with existing community groups to empower individuals and groups to become influencers / leaders and to enhance community acceptance of the FRC. This may include working with other community based organisations such as support services and regional organisations such as Cape York Partnerships. The approach should be tailored and relevant to each community. **(Recommendation 21, subsection 8.2.3)**

13.5 Improving impact on behaviour

It is recommended that the FRC seeks to establish closer links with Community Justice Groups, local police, Magistrates Court staff and Probation and Parole staff to facilitate development of local collaborative strategies for addressing the high proportion of FRC clients who have Magistrates Court breaches, many of whom are also younger men. This is considered to be important as this group does not appear to respond well to the FRC. **(Recommendation 13, section 7.1)**

It is recommended that the Commission collect and record data on reasons for clients returning to the FRC after previous conferences and service referrals to better understand the impact which the FRC is having on individuals, and how to target efforts to improve behaviour change. **(Recommendation 14, section 7.2)**

It is recommended that consideration should be given to marking the end of a client's involvement with the FRC, both in order to inform them formally as a matter of due process; and to acknowledge progress made. Learnings may be drawn from the Victorian Drug Court. **(Recommendation 15, section 7.2)**

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A Terms of Reference

This Appendix presents the Terms of Reference for the Implementation Review of the FRC, the sources of information used to answer the questions, and where each question is addressed in the report.

The broad Terms of Reference questions were:

- How effective has implementation been in each of the four communities?
- What are the operational issues in running a trigger-based system of selecting clients?
- Are administrative arrangements working effectively?
- What happens as part of a conferencing process?
- How are the outcomes of conferences monitored?
- How is Income Management used by the FRC?
- How do support services work with the FRC?
- How does the FRC support the re-establishment of Indigenous Authority?
- What is the level of acceptance of the FRC in the four communities?
- How are the activities of the FRC integrated with other bodies in the communities working to promote welfare reform?
- What is currently happening in the four communities?
- What, if any, unintended consequences have emerged?
- What other initiatives are operating in the communities which may have an effect on change in the communities, or on the operation of the FRC?

The table below outlines how and where each of these questions and related sub-questions are answered.

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Table 4: Terms of Reference for the FRC Implementation Review, how answered and where addressed in the report

Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
1	• *Implementation* • *How effective has implementation been in each of the four communities?* • What has been implemented and what hasn't? • Were things implemented as intended? • What have been the barriers and facilitators to implementation?	Document review Consultation with Registry staff Consultation with the Tripartite partners Process mapping Consultation with local commissioners	Part B, chapter 2
2	• *What are the operational issues in running a trigger-based system of selecting clients?* • What are the critical success factors, what are the challenges? • Are there any issues of jurisdiction which affect the ability of the FRC to achieve its objectives? • Is the nature of the FRC's jurisdiction sufficient to bring the most disadvantaged and dysfunctional families and individuals before the FRC? • Are the triggers sensitive enough to bring the most disadvantaged and dysfunctional families and individuals before the FRC?	Consultation with Registry staff Process mapping Consultation with stakeholders Consultation with local commissioners Consultation with community members	Part B, chapter 3

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
3	• *Are administrative arrangements working effectively?* • How has the Commonwealth and State legislation supporting the operations of the FRC worked in practice? Are there any areas where legislative review might be recommended? Why? • Are there any administrative arrangements that could be improved or restructured so as to enable the FRC to achieve its objectives better? • The FRC Board • The Commissioner • The local commissioners • The registry staff (Cairns and local registry) • Other features of administration (e.g. IT, internal systems). • Does the timeliness of administrative processes (such as the serving of notices) affect the ability of the FRC to address issues while people remain within their jurisdiction?	Document review Consultation with Registry staff Consultation with the Tripartite partners Process mapping Data analysis Consultation with local commissioners Consultation with community members	Part B, chapter 2
4	• *Conferencing processes* • *What happens as part of a conferencing process?* • What has been the uptake of conferences? • What are the characteristics of those who	Consultation with Registry staff Consultation with the Tripartite partners Process	Part B, chapter 4; and Appendices D and G.

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
	attend and those who don't? • What are the reasons for non-attendance? What follow-up is undertaken? • How are decisions made to convene a conference with a person? • How is a person asked to attend a conference? • How are conferences conducted, who attends, how are issues raised and discussed, what level of involvement does the client have? • How are decisions made in a conference, does the client have any input into the decision making process? • How are agreements reached with conference participants, or obligations or notices communicated?	mapping Data analysis Consultation with stakeholders Consultation with local commissioners Site visits	
5	• *How are the outcomes of conferences monitored?* • How are personal responsibility actions monitored? • How are agreements and compulsory referrals monitored? • What happens if a person does not fulfil their agreements/orders?	Consultation with Registry staff Data analysis Consultation with stakeholders Consultation with local commissioners Consultations with participants	Appendix D

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
6	• *How is Income Management used by the FRC?* • What is the extent and nature of usage of Income Management by the FRC, ie, compulsory and voluntary? • What are the characteristics of clients who have been ordered or agree to Conditional Income Management? • How does the FRC make a decision to order a client be subjected to Conditional Income Management? • Are any clients encouraged to take up voluntary Income Management? • Which clients and under what circumstances?	Consultation with Registry staff Consultation with stakeholders Consultation with local commissioners Consultations with participants Site visits	Part B, chapter 6
7	• *Support services* • *How do support services work with the FRC?* • What support services are in place? Are they accessible and appropriate? Are there service gaps? • What is the experience of the FRC and support services working with each other? • What is the extent of usage or attendance by clients at support services, in particular Wellbeing Centres? • What is the experience of support services	Consultation with Registry staff Process mapping Data analysis Consultation with stakeholders Consultations with participants	Part B, chapter 5

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
	in working with FRC clients? Is there a difference between working with a self-referred client, a client who has agreed to go to the service, and a compulsory referral? • How many clients return to the FRC (repeat notification/breach) because of unmet service need? • What are the characteristics of clients who return to the FRC (repeat notification/breach) regardless of having attended services?		
8	• *The re-establishment of indigenous authority* • *How does the FRC support the re-establishment of Indigenous Authority?* • Have Local Commissioners felt a change in their level of authority since the inception of the FRC? • How do they use their authority in conferences? • How do they employ this authority outside conferences as part of daily life? • Can this new form of local authority influence the action of other communities, to also become norm promoters? • What is the balance between the authority of the Commissioner and the local	Consultation with local commissioners Consultation with community members Consultations with participants Site visits	Part C, chapter 8

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
	commissioners?		
9	• *What is the level of acceptance of the FRC in the four communities?* • What are community members' views on the role of the FRC? • Do they believe it is a legitimate body for the role it is meant to fulfil? What about the commissioners who have been appointed and the way they were selected? • Do they think it will benefit their community? • Do they think it will be/is effective or ineffective in persuading people to change their behaviours? • How has each community felt the FRC has enhanced/hindered expression of language and other aspects of their ongoing, dynamic, cultures?	Consultation with community members Consultations with participants Site visits	Part C, chapter 8
10	• *Integrating with other bodies to promote welfare reform* • *How are the activities of the FRC integrated with other bodies in the communities working to promote welfare reform?* • Projects specifically funded to support welfare reform • Other mainstream organisations (child	Consultation with Registry staff Consultation with the Tripartite partners Process mapping Consultation with stakeholders	Part B, chapter 3 and Appendix I

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
	protection, schools, courts, Centrelink, housing authority)	Consultation with community members Consultations with participants Site visits	
11	• *Current trends in community outcomes* • *What is currently happening in the 4 communities?* • Is there any evidence of emerging trends in areas such as school attendance, child protection orders, Magistrate court offences and tenancy breaches? • To what extent could any changes in trends be attributed to the FRC, to alcohol restrictions, or other interventions taking place in the four communities? • Is there any evidence that the activities of the FRC are contributing to increased mobility of people out of the communities or any other movement of people?	Data analysis Consultation with stakeholders Consultation with local commissioners Consultation with community members Consultations with participants Site visits	Part C, chapter 9
12	• *Unintended consequences* • *What, if any, unintended consequences have emerged?* • Have these had a positive, negative or neutral effect on other institutions involved in fostering welfare reform, individuals,	Document review Consultation with Registry staff Consultation with the Tripartite	Part C, chapter 10

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
	families and/or communities? • Should other initiatives be developed or ways of working applied to better support the operation of the FRC? • Of any unintended consequences, is there anything that can be done to counter the negative effect of a particular consequence? (e.g. jurisdictional, use of basics cards for other means that priority needs (bartering for gambling, grog or drugs)	partners Process mapping Data analysis Consultation with stakeholders Consultation with local commissioners Consultation with community members Consultations with participants Site visits	
13	• *Other factors affecting the communities* • *What other initiatives are operating in the communities which may have an effect on change in the communities, or on the operation of the FRC?* • These may include alcohol restrictions, the implementation of the COAG Remote Servicing Strategy, and new business and employment opportunities or other government initiatives, as well as local events.	Document review Consultation with Registry staff Consultation with the Tripartite partners Process mapping Data analysis Consultation with stakeholders Consultation with local commissioners	Part C, chapter 9

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Number	Implementation Review questions (Terms of Reference)	Method of inquiry	Where addressed in the report
		Consultation with community members Consultations with participants Site visits	

Source: KPMG,

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B Origin of the FRC

Many of the concepts core to the Family Responsibilities Commission (FRC) initiative were first documented in the *Cape York Peninsula Substance Abuse Strategy* developed by Apunipima Cape York Health Council and Cape York Partnerships (CYP) under the direction of Noel Pearson in 2002. These include: recommendations for compulsory income management, and empowering community representatives or the Magistrates Court to order addicts who have broken behavioural standards established by the community to attend compulsory rehabilitation. Following the inception of the Cape York Institute (CYI) in July 2004, it conducted analysis of the issues raised by Cape York leaders, including the long term economic viability of remote communities and capability deprivation as an explanation for disadvantage.

On the basis of this work, a holistic framework for social and economic reform was formulated: the *Cape York Agenda*, which aims to ensure that "Cape York people have the capabilities to choose a life they have reason to value". In mid 2005 community leaders from Aurukun, Coen, Hope Vale and Mossman Gorge signed statements of agreement to work with the CYI on welfare reform. The director of CYI, Noel Pearson, articulated the Cape York Agenda in a speech at the National Press Club in December 2005. This address outlined the FRC as a central component of the Welfare Reform that would be explored during the design and engagement phase.

The Cape York Welfare Reform Project started in earnest in June 2006 when the Australian Government committed $3 million to the project and the Queensland Government agreed to provide in-kind support. As part of the design phase, the CYI undertook a 12 month community engagement process. A Community Engagement team, made up of two staff based in each of the four communities, engaged leaders and community members in a dialogue around social norms and welfare payment reform. This aimed to ensure community involvement in the project's design. In parallel with the community engagement process, CYI Cairns based staff continued research and policy design work.

The design phase was governed by a Cape York Welfare Reform Steering Committee which reviewed the key proposals being developed by the CYI concurrently with feedback from the community engagement. This Committee included senior representatives from the Australian and Queensland Governments, CYI and each of the mayors and community leaders of the four communities. In late 2007, the four communities each gave their final agreement to participate in the Welfare Reform trial.

The results of the community consultation efforts and the policy development were reported to the Australian Government in May and November 2007 through two volumes of a design report, titled *From Hand Out To Hand Up*. This proposed a 'welfare reform trial' to restore positive social norms and local Indigenous authority, and change behaviours in response to chronic levels of welfare dependency, social dysfunction and economic exclusion. The design reports contained recommendations for comprehensive reforms to incentives and services in the Cape York welfare reform communities. Among these recommendations were that four obligations be attached to welfare payments

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(relating to school attendance, child safety, criminal offences and public housing tenancy) and a new State statutory authority, the FRC, be established by the Queensland Government and empowered to determine whether a breach of the obligations has occurred and take appropriate action.

Following release of the welfare reform trial proposal, and the Australian Government response to the *Little Children are Sacred* (Ampe Akelyernemane Meke Mekarle) report on child abuse in the Northern Territory in June 2007 , the Federal Parliament passed legislation for welfare reform implementation. The *Social Security and other Legislation Amendment (Welfare Payment Reform) Act 2007* (Cth) provides for:

- Australian Government income management interventions in the Northern Territory; and

- a national income management regime that will apply to any person in receipt of welfare payments whose child is at risk of neglect; is not enrolled at school; or fails to attend school adequately.

The social security amendments supported the Cape York Welfare Reform by anticipating the establishment of a Queensland Commission with powers to direct Centrelink to place a person under income management, and providing exemption from the operation of anti discrimination legislation. This enabled the implementation of the CYI recommendations made in relation to the FRC and conditional income management.

Queensland Premier Ms Anna Bligh met with the Federal Minister for Indigenous Affairs Ms Jenny Macklin and Mr Noel Pearson on 21 December 2007. The State and Commonwealth Governments committed to a partnership with Cape York communities to implement the Cape York Welfare Reform trial, commencing as soon as possible. At a joint press conference, both Ministers promised that the Australian and Queensland Governments would work together to implement the key reform recommended in the CYI reports, the FRC. The Premier undertook to introduce legislation to the Queensland Legislative Assembly in February 2008 for the FRC to commence on 1 July 2008.

The Cape York Welfare Reform Steering Committee met on 20 February 2008 and expressed strong support for the legislation and the Welfare Reform more generally.

Legislation was quickly drafted on the basis of the *From Hand Out to Hand Up Design Reports*. While there was no public consultation on the draft Bill, there was significant engagement with the CYI and the legislation was informed by the community engagement which the CYI had undertaken in developing the Design Reports. There was also ongoing consultation with specific stakeholders including community leaders through the Steering Committee, and dialogue between Queensland Government Champions, Government Coordinators and community members at Negotiation Tables and other State Government forums. Discussions were also held with:

- the peak bodies of the non state school sector;

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- the unions whose members could be affected by the trial;
- relevant social housing cooperatives;
- Australian Government officers, particularly in relation to the interaction of the Bill and federal social security legislation; and
- the key Queensland Government agencies which would be affected by the legislation: the (then) Departments of Housing; Education, Training and the Arts; Child Safety; Justice and Attorney General; Queensland Corrective Services; the Queensland Police Service; the Magistrates Court and the Queensland Ombudsman's Office.

The Australian Government initially committed $48 million to implement the Cape York Welfare Reform initiative over four years. The Queensland Government has also committed $40 million to the Cape York Welfare Reform, including a $20 million Service Procurement Fund.

In addition to this original $48 million commitment, the Australian Government has also provided funding for:

- support for the Family Responsibilities Commission ($3.5 million); and
- normalisation of tenancy arrangements in Aurukun ($730,000)

Other initiatives, such as the establishment and operation of Wellbeing Centres, complement initiatives funded under the Cape York Welfare Reform.

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C Structure of the FRC

The FRC is governed by the Family Responsibilities Board, which comprises the same Board members as the Cape York Welfare Reform Project Board which oversees the whole Welfare Reform. The FRC Act sets out the Board's membership, which is endorsed by the Governor in Council.[95] Its members are the:[96]

- Secretary of FaHCSIA, representing the Australian Government;
- Director General of the Queensland Department of Premier and Cabinet representing the Queensland Government; and
- Director of the Cape York Institute for Policy and Leadership.

The Board provides a forum to address issues that cannot be resolved by the FRC and Tripartite Partner representatives at a local level.

The members of the FRC are the:

- Commissioner;
- Deputy commissioners, if deputy commissioners are appointed[97]; and
- Local Commissioners who are Indigenous Elders or respected Indigenous community members appointed from each community.[98]

Local Commissioners were selected on the basis of nominations by individuals and local community groups, such as the Community Justice Group for the area. Six Local Commissioners were appointed to each community except Mossman Gorge (which had five), coming from diverse backgrounds including police officers, health care workers, and childcare workers or teachers.[99] Since the FRC's establishment, some Local Commissioners have not been sitting in conferences due to illness or conflicting commitments.

Commissioner Glasgow and the Local Commissioners are supported by Local Coordinators appointed for each of the reform communities, based in the community. Their role is to support, at the local level, the operation of the FRC in the community area for which they are appointed. This is a full-time equivalent (FTE) role for the Mossman

[95] *Family Responsibilities Commission 2008* (Qld), s.118.
[96] TMS Consulting, 2008. *Cape York Welfare Reform Trial Project Board Agreement*. Prepared for the Australian and Queensland Governments and the Cape York Institute for Policy and Leadership. Page 20.

[97] A deputy commissioner has not yet been appointed, but in 2009 Magistrate Wendy Cull acted in this role while Commissioner David Glasgow was on leave.

[98] *Family Responsibilities Commission Act 2008* (Qld), s 12.
[99] Document detailing Local Commissioners, provided by Commissioner Glasgow, September 2009.

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Gorge and Aurukun Local Coordinator positions, with the latter also covering Coen sittings from late 2009. The Hope Vale Local Coordinator role is 0.6 FTE.

The Commissioners and Local Coordinators are also supported by the Cairns Registry which conducts the administrative and logistical functions of the FRC. The Registry is made up of the following roles:

- the Registrar, which oversees the human resource, administrative, financial and logistic support of the FRC;
- Executive Officer, responsible for the corporate services functions of the FRC, including information technology (IT), financial services, property and so on;
- Principal Case Manager and, more recently, the Business Support Officer which liaise with support services and monitor FRC clients' progress against their case plan;
- Office Manager which manages the running of the Registry office;
- two Information Officer roles which check agency notifications (notifications of welfare condition breaches) against CDEP and Centrelink data to determine whether the person named is within the FRC's jurisdiction;
- Executive Support Officer, responsible for administrative support to Commissioner Glasgow;
- Administration Officer – Case Management Support, which provides administrative support to the Principal Case Manager; and
- Administration Officer – Corporate Support, which provides administrative support to the Executive Officer.[100]

[100] Family Responsibilities Commission, 2009, Annual Report 2008-09. Accessed at <http://www.atsip.qld.gov.au/government/families-responsibilities-commission/documents/annual-report-2008-09/frc-annual-report-2008-09.pdf> viewed February 2010.

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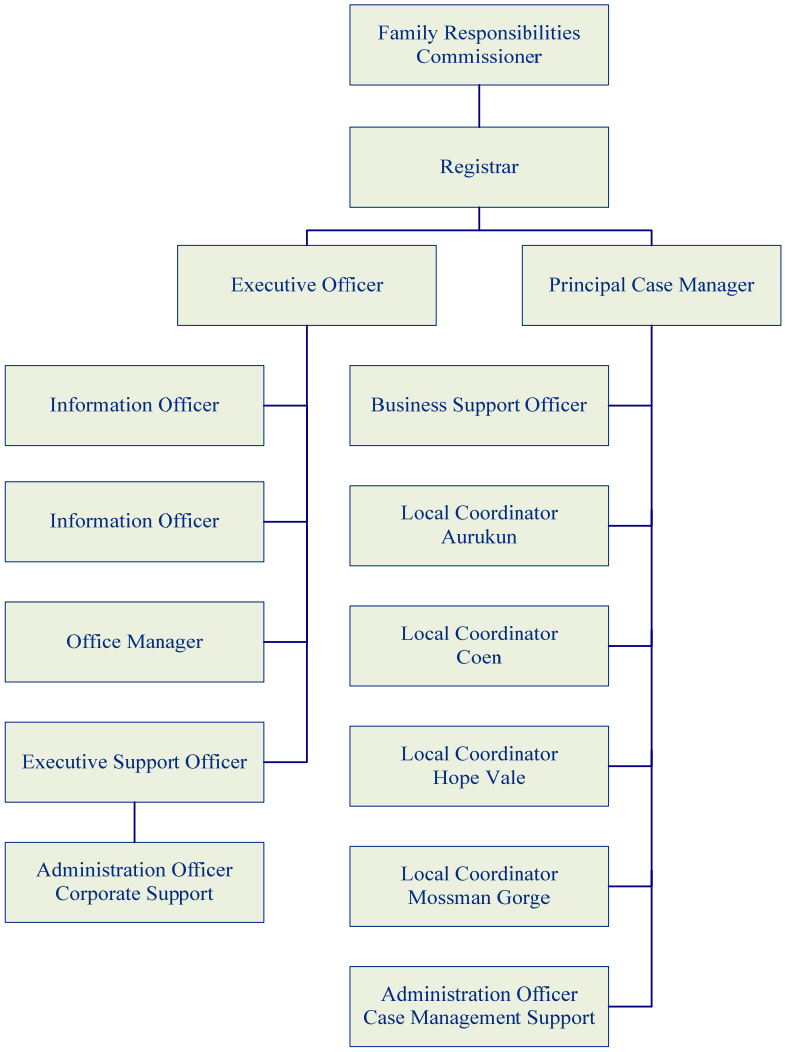
Figure 13: FRC organisational chart



Source: KPMG, based on information from the FRC

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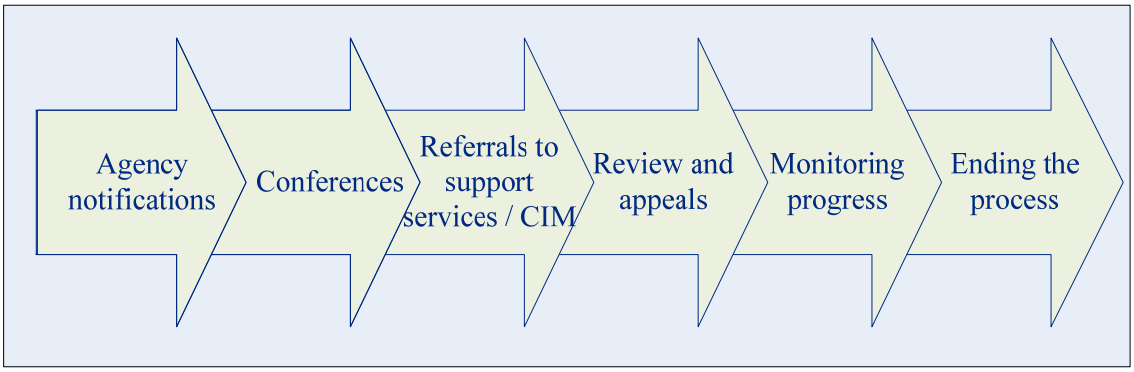
D The FRC process

This Appendix describes the steps in the FRC process, established by the *Family Responsibilities Commission Act 2008* (Qld) – the FRC Act. It includes a diagram of the process, and how the response of the individual can lead to various outcomes in the process.

D.1 Process steps

In examining how the FRC contributes to the positive behaviours and norms sought through the Welfare Reform, it is necessary to first unpack the processes or steps through which the FRC seeks to identify, intervene, assist and motivate individuals to change. This is illustrated in the diagram below and described in the sections which follow it.



Source: KPMG

D.1.1 Agency notifications

If a community member fails to comply with one of the four social obligations, they can be called to appear before the FRC for a conference (hereafter referred to as clients). The FRC Act sets out the statutory obligations of the relevant Queensland Government agencies in notifying the FRC where a community member is not meeting the social obligations (agency notifications).

The FRC Act sets out the timeframes for notifying agencies to submit notifications to the FRC – generally within five to ten business or school days after the relevant social obligation breach occurs or the agency becomes aware of the breach. In practice, agency notifications are received at the FRC on an *ad hoc* basis via a generic FRC email address. FRC Information Officers manually sort these and assess notices against CDEP and Centrelink data to check whether the person identified in an agency notification is within the FRC's jurisdiction.

As noted, the FRC has jurisdiction over both Indigenous and non-Indigenous people who have lived in one of the reform communities for at least three months since the FRC Act commenced, and who are in receipt of a relevant income support payment or have been

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participating in the CDEP scheme on or after 1 July 2008. The FRC's jurisdiction will continue to apply if the person leaves the Welfare Reform community, but will cease to apply if a person ceases to be a welfare recipient, as defined by the legislation. Income management orders will, however, continue to apply to community members who move between locations.

Once it is determined that the person/s named in the agency notification is within the FRC's jurisdiction, it is at the Commissioner's discretion as to how to respond. In so deciding, the Commissioner will generally take into consideration a range of contextual matters and may liaise with Local Commissioners and Local Coordinators. The Family Responsibilities Board has directed that the FRC prioritise education and child safety agency notifications.

D.1.2 Conferences

Once the decision to proceed to a conference has been made, a date and time is scheduled and a 'notice to attend' a conference is served on the client by the Local Coordinator, sometimes with the assistance of Local Commissioners. A monitoring list or waitlist is maintained by the FRC where clients cannot be immediately conferenced, and this is regularly reviewed.

Two Local Commissioners and the Commissioner hear each case. Local Commissioners decide who should hear specific cases based on family and other relationships. The Local Commissioners can introduce relevant background and a context within which to meaningfully discuss the matter at hand and can conduct the conferences in both English and the local language. Clients who choose not to appear before the FRC are given a second 'notice to attend' with a new date and time to appear. If they fail to do so a second time, the FRC may make a decision in their absence, including a Conditional Income Management (CIM) order.

D.1.3 Outcomes of a conference – including referral to support services and CIM

There are a range of possible outcomes of a conference that the FRC can take:

- no action or a warning to the client about the behaviour expected of them;
- referral to a support service such as the Attendance Case Manager, Wellbeing Centre or Family Income Management (FIM) for assistance in addressing issues contributing to breaches;
- a Family Responsibility Agreement, which both the FRC and the client agree to, and which may include referrals, CIM orders and personal responsibility actions;

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- CIM orders, where the FRC requests that Centrelink manage a portion of the individual's welfare payments; and

- a case plan relating to a person's attendance at a community support service and including the goal to be achieved by implementing the plan, details of the support service and information about consequences of not complying where the attendance is compulsory.

Two broad categories of decisions are made as a result of the conferencing process. These are a Family Responsibilities Agreement (FRA), where an agreement is reached with the consensus of the client and often involves client input in the decision making process, and a compulsory direction or Order / 'Notice of Decision' (NOD) which is made under section 69 of the Act.

Family Responsibilities Agreement

An FRA is a consensual agreement reached between the FRC and the client about how the client can work to adopt more socially responsible standards of behaviour and address the issues in their lives which have led to the notification. The agreement usually entails attending a relevant support service or a commitment to changing behaviours but may also include Conditional Income Management (CIM) orders. Personal responsibility actions, such as ensuring one's child is in bed early on school nights, may be included in the agreement but are not enforceable.

Personal responsibility actions

Personal responsibility actions are practical actions that a client agrees to, to address issues. They are usually proposed when the FRC does not consider it necessary to refer the person to support services, or in addition to attending a support service. They include actions such as ensuring a child is in bed early, attending a cooking class and limiting gambling. As noted above, these are not enforceable.

Compulsory direction

If the FRC cannot enter into a consensual FRA with a client, it may make a compulsory direction without the client's consent or in the client's absence. In making a compulsory direction, the FRC must consider the nature of the matter and whether the decision is likely to facilitate early intervention and help the client engage in socially responsible standards of behaviour.

The FRC has broad powers in terms of what it can take into account in making a decision and, once a decision has been made, the FRC is required to give the client notice of its decision as soon as practicable, usually at the end of the conference. Where the FRC makes a decision because an agreement cannot be reached with the client, the FRC Act empowers the FRC to adopt a combination of these options.

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The FRC Act also enables the FRC to receive voluntary self-referrals, where a community member asks the Local Coordinator to be referred to a support service or asks the FRC to give Centrelink a notice requesting that the person to be subject to income management.[101] The latter is referred to as Voluntary Income Management.

Regardless of the type of decision, clients are to be informed of their rights, including the right to appeal, at the beginning of every conference. The Local Coordinator will immediately type up the details of the decision reached in the conference, and will explain this to the client. Where an FRA is reached, the client will sign this document. For a non-consensual agreement, the client does not sign the document but is provided with a copy. The Local Coordinator is responsible for passing referral documents on to the relevant support service.

Support services

The support services which have formal referral agreements with the FRC, and therefore form part of the FRC system, are:

- Wellbeing Centres – funded by the federal Department of Health and Ageing and managed by the Royal Flying Doctor Service (RFDS). The centres provide a range of social support services such as counselling and community activities to address drug and alcohol addiction, mental health issues and other social problems such as family violence or problem gambling. Each Wellbeing Centre is staffed with clinical counsellors and one or more community support workers. Staff are also supported by part-time medical practitioners, mental health nurses and psychiatrists, team leaders and a service development manager.

- Family Income Management (FIM) program – funded by FaHCSIA, staffed and managed by Cape York Partnerships (CYP) in partnership with Westpac Bank, FIM was operational in each of the communities prior to[102] the Cape York Welfare Reform. It is a voluntary, confidential and free service that is specifically designed to meet the particular needs of Indigenous individuals and families, and provide them with the education, information and ongoing support needed to manage their own money effectively. Family Income Management is different to Conditional Income Management (CIM) and operates independently of income support, however, there are some clients who are both on CIM and on FIM.

- Attendance Case Managers (ACMs) – also staffed and managed by CYP, ACMs were in place six months prior to the FRC commencing. ACMs work to improve the school attendance rate in communities by liaising with parents, students, schools and the broader community to encourage school readiness and attendance. Under the Attendance Case Management Framework, ACMs aim to follow up every absence, on the day, to work with families to resolve the reason behind a child's unexplained absence or lateness and to develop strategies to avoid reoccurrences. ACMs may also

[101] *Family Responsibilities Commission Act 2008* (Qld), sections 106-108.
[102] For Mossman Gorge, Coen and Aurukun – since 2002; for Hope Vale – since 2004-05.

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encourage parents to attend support services like FIM or alcohol addiction support as required.[103]

Income management

Income management falls into two categories – Conditional Income Management (CIM) and Voluntary Income Management (VIM).

CIM can be part of a Family Responsibilities Agreement entered into by a client, or part of a decision made by the FRC where agreement cannot be reached. VIM can be put in place when a community member asks the FRC to have their welfare payments subject to income management, and after consultation with them, the Commissioner is satisfied this would be in their or their family members' best interests. The FRC then enters into a voluntary agreement with the community member about income management.

Both CIM and VIM involve the FRC sending a notice to the Centrelink Secretary to request that a person's individual discretion be removed over the spending of a portion of their welfare payments (or direct some of it to a responsible adult in the case of family payments), so that the essential needs of children and families are met. Centrelink then provides people with cards or vouchers for essentials such as food, rent, electricity, and education expenses (the BasicsCard).

By agreement between the FRC and Centrelink, the portion of income managed is either 60 percent or 75 percent of a client's welfare payments. CIM or VIM orders are imposed for a period of at least three months, but not more than a year.

D.1.4 Monitoring progress

If a client has been directed to attend services under an FRC case plan under section 69 of the Act, service providers are required to disclose information about that client to the FRC, to facilitate monitoring. The support services are required to provide monthly reports to the FRC's Principal Case Manager in Cairns. In addition to this formal monitoring, the Local Commissioners and Local Coordinators are able to draw on their local intelligence and relationships within the community in determining how people are progressing under case plans, and can provide them with alternate referrals should it be necessary. The Principal Case Manager will consult with the Local Coordinators in determining the client's compliance with their case plan.

[103] Department of Families, Housing and Community Service and Indigenous Affairs, 2009. Found at http://www.fahcsia.gov.au/sa/indigenous/progserv/money/Pages/cape_york_fim.aspx. Accessed Oct 2009. See also Family Responsibilities Commission, 2009, *Report to the Family Responsibilities Board and the Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships*, Quarterly Report No.5, July-September 2009. Available at: http://www.atsip.qld.gov.au/government/families-responsibilities-commission/documents/frc-quarterly-report-5.pdf viewed February 2010.

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Based on these reports, the Principal Case Manager ultimately decides the person's success in achieving their stated goals. It is the responsibility of the Principle Case Manager, not the service providers, to make a direct assessment of whether the FRC goals set out in the FRC case plan are achieved. The Principal Case Manager will then advise the Commissioner.

Show cause conferences

If the Commissioner reasonably believes that a welfare recipient has not complied with a requirement under their compulsory case plan, they must give the person a "show cause" notice and call them to conference.[104] The Commissioner and two Local Commissioners conduct a "show cause" conference, during which the client's progress will be discussed and there will be an opportunity for them to respond. The FRC may choose to take no further action or amend the FRC case plan, including issuing CIM orders or increasing the proportion of payments under management or the period of income management.

Reviewing CIM orders

The FRC initiates both six and 10-monthly reviews of clients with CIM orders, during which clients come before the FRC again and are given the opportunity to request to have their income management agreement or decision altered or ended.

Personal responsibility actions

Personal responsibility actions are not formally monitored unless the client also has an FRA in place, in which case service providers are required to disclose progress under section 69 of the Act. While the FRC cannot enforce the personal responsibility actions, the client's progress on these is discussed in subsequent conferences. Local knowledge may be sought from Local Commissioners and Local Coordinators to understand the client's compliance with the personal responsibility actions. For instance, if a person agrees to reduce their visits to the gambling house, advice may be sought from Local Commissioners to confirm if the client has done so.

Information sharing

The FRC Act enables information to be shared between the FRC, notifying agencies and support services in relation to matters such as: sending a notice, determining jurisdiction, coordinating support services, monitoring compliance with a case plan and so on. The legislation protects people giving information to the FRC under the FRC Act and provides that information sharing powers apply despite any other law that would otherwise prohibit or restrict them. Notifying agencies are also governed by the *Information Privacy Act 2009* (Qld). This contains 11 Information Privacy principles that set out the way that all Queensland Government agencies are to handle information. The Information Privacy Act does not prevent or discourage the giving of access to information if giving access is permitted or required under law, such as under the FRC Act.

[104] *Family Responsibilities Commission Act 2008* (Qld), s 82.

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The FRC Information Sharing Protocol sets out the relevant FRC Act provisions and the practical obligations of the FRC, notifying agencies and service providers under these provisions, including: confidentiality protection, delegation of authority and formats for sharing information. The FRC is entering into Memoranda of Understanding (MOUs) with some agencies and support services to specifically set out mutual obligations including information sharing.

D.1.5 Ending the process

The FRC Act limits FRAs and any orders to support services or income management to 12 months' duration[105]. However, a person may remain under the FRC's supervision if their case plan developed by the relevant support service requires that they engage for a longer period of time and the FRC issues a new agreement in line with that requirement.

A person who is the subject of an FRA or order can apply to the FRC to have it amended or ended. The matter will then be listed for conference, and information will be gathered on the client's progress. The FRC may amend or end the agreement or order only if satisfied that this is not likely to be detrimental to the interests, rights and wellbeing of children and other vulnerable persons living in a welfare reform community area.[106] Appeals against decisions can also be made to a Magistrates Court, although only in relation to points of law (at the time of consultations, there had not been any such appeals made).

Unless a client seeks to have their agreement or order amended or ended, there is no formal end to the FRC process from the perspective of the client. No notification is issued to advise them that their FRA, compulsory direction or CIM order has come to an end through automatic lapsing under the Act's limits.

If the client breaches another social obligation, the process can begin again.

[105] *Family Responsibilities Commission Act 2008* (Qld), s 68(5)(a), s 65(6)(a) and s 69(b)(iii) and (iv).
[106] *Family Responsibilities Act 2008* (QLD), ss97-102.

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D.1.6 Process map of the FRC

The process map below outlines the steps and process which occur as individuals move through the FRC from the time of agency notification to process end. The map shows how individuals move between the notifying agencies, the FRC and support services as they progress, and how the response of the individual can lead to various outcomes in the process.

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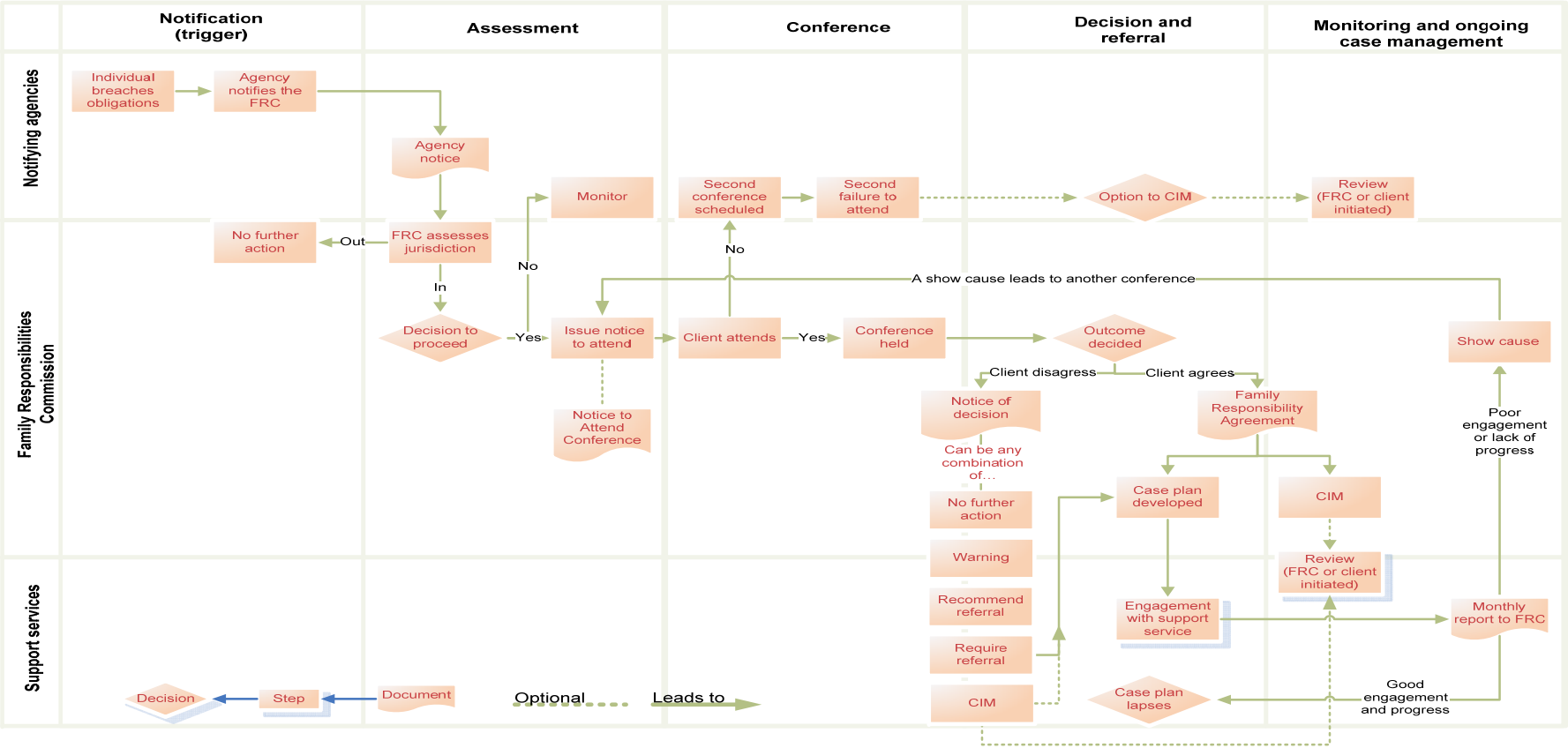

Source: KPMG based on information from the FRC

The following process map is a simplified version of the process map above and shows the number of clients at each point in the process over the first eighteen months of the FRC's operation.

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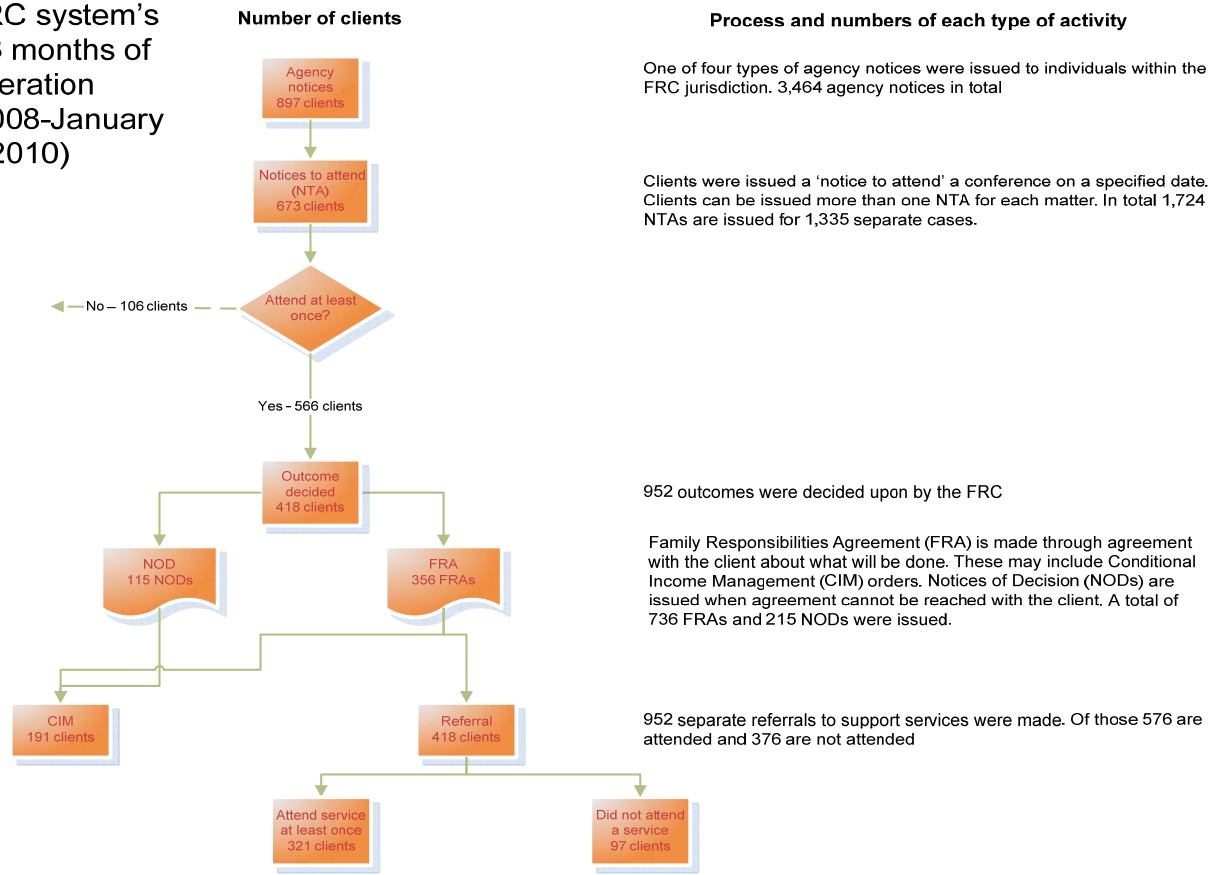
The FRC system's first 18 months of operation (July 2008-January 2010)



Source: KPMG based on data provided by the FRC

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D.2 A demographic profile of clients at each point in the process

The following tables should be read in conjunction with the numbers included in the process map above. The tables show the breakdown of the demographic characteristics of the clients at each point in the process map above, based on the FRC's operation in the first eighteen months.

Table 5: Proportion of FRC clients at different steps in the FRC process by age group, July 2008-January 2010

Age range (% of total)	16 - 18	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60+	Unspecified	**Total**
Agency notifications	5%	14%	16%	13%	14%	12%	9%	6%	4%	4%	3%	**100%**
Notices to attend	4%	12%	17%	13%	16%	13%	9%	6%	3%	3%	3%	**100%**
Attending FRC conference at least once	3%	11%	17%	13%	15%	14%	10%	6%	3%	4%	3%	**100%**
Not attending FRC conference at least once	8%	15%	18%	12%	21%	11%	5%	4%	3%	0%	4%	**100%**
Attended a service	3%	11%	18%	15%	16%	15%	10%	5%	1%	3%	2%	**100%**
Did not attend a service	3%	9%	8%	5%	10%	5%	5%	3%	1%	1%	2%	**100%**
CIM client	1%	4%	17%	21%	14%	16%	11%	7%	5%	2%	2%	**100%**

Source: KPMG analysis based on data provided by the FRC.

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Table 6: Proportion of FRC clients at different steps in the FRC process by gender, July 2008-January 2010

Gender (% of total)	Men	Women	Unspecified	**Total**
Agency notifications	59%	41%	0%	**100%**
Notices to attend	58%	41%	0%	**100%**
Attending FRC conference at least once	58%	42%	0%	**100%**
Not attending FRC conference at least once	62%	37%	1%	**100%**
Attended a service	56%	43%		**100%**
Did not attend a service	68%	32%		**100%**
CIM client	64%	36%		**100%**

Source: KPMG analysis based on data provided by the FRC.

Table 7: Proportion of FRC clients at different steps in the FRC process by community, July 2008-January 2010

Community (% of total)	Aurukun	Coen	Hope Vale	Mossman Gorge	**Total**
Agency notifications	48%	11%	32%	9%	**100%**
Notices to attend	51%	8%	31%	10%	**100%**
Attending FRC conference at least once	56%	6%	30%	8%	**100%**
Not attending FRC conference at least once	27%	18%	35%	21%	**100%**
Attended a service	63%	7%	23%	8%	**100%**
Did not attend a service	60%	7%	27%	6%	**100%**
CIM client	44%	8%	32%	15%	**100%**

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Source: KPMG analysis based on data provided by the FRC.*Table 8: Proportion of FRC clients at different steps in the FRC process by agency notification type, July 2008-January 2010**

Agency notification type	Child Safety	Education Queensland	Housing Tenancy	Magistrates Court Offence
Agency notifications	35%	32%	2%	69%
Notices to attend	37%	38%	2%	69%
Attending FRC conference at least once	39%	41%	2%	66%
Not attending FRC conference at least once	25%	20%	3%	84%
Attended a service	41%	44%	2%	66%
Did not attend a service	35%	26%	3%	82%
CIM client	38%	31%	3%	81%

Source: KPMG analysis based on data provided by the FRC.

* Clients may receive more than one agency notification, therefore totals may exceed 100 percent.

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E Methodology

This Appendix provides an overview of the methodology of the Review, with a particular focus on the community consultations and the challenges encountered.

E.1 Outline of methodology

This report presents final findings based on the following research activities:

- a document review of: *From Hand Out to Hand Up* (the design report for the Cape York Welfare Reform), the *Family Responsibilities Commission Act 2008* (Qld) and Explanatory Notes for the legislation, FRC Quarterly and Annual Reports, FRC policy and procedure documents, research on theories of regulation and social norm change and other relevant material;
- development of a process map which represents the end-to-end process of the FRC (see Appendix D);
- observation of a two day FRC Training and Cultural Awareness Session held by the Commission with its Cairns and community-based staff in September 2009;
- development of consultation guides for qualitative survey[107] interviews, focus groups and individual interviews with FRC clients;
- site visits to each community[108]
- consultation with the FRC representatives of the Tripartite Partners, service providers, notifying agencies, and other relevant community based stakeholders (see Appendix F);
- analysis of program data from the FRC; and
- synthesis, analysis and triangulation (comparison of data from a range of sources to check validity).

Below we describe the analysis of program data and then the various forms of community consultations and interviews which were undertaken.

E.2 Accessing and analysing program data to inform the Review

The Family Responsibilities Commission is a new body, with substantial record-keeping responsibilities and large amounts of tracking, case management and administration data. It has taken some time for the FRC to develop information technology systems which enable adequate tracking and organisation of program data, while keeping up with business and administrative requirements for record keeping.

[107] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.
[108] Except Coen where community cultural commitments required one of the two visits planned to be cancelled.

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This means that there have been some difficulties and delays with obtaining program data in a practical and timely way for this Review, however, IT and business system development is continually being addressed and updated by the FRC.

Work was carried out by the Review to put together a comprehensive and broad range of administrative and case management data using the FRC's database. Although this was not obtained until relatively late in the Implementation Review, the work provides a good base for further analysis of FRC data over time, as the evaluation of the broader Welfare Reform progresses.

Analysis of three activity-based datasets as well as a database of client demographics was undertaken. The activity based datasets recorded agency notifications data, notice to attend (NTA) and conferencing data and finally service referral data. For each dataset, a client code was recorded which was subsequently mapped to the client dataset to overlay useful demographic information.

In addition to the descriptive analysis of the activity data throughout this report, logistic regression models were fitted to the data. The modelling enabled KPMG to identify key determinants of client outcomes, for example the drivers of clients who attend and clients who do not attend an FRC conference. In most cases, four key explanatory variables were used in the modelling. These were the client's gender, age, location and agency notification type.

The results of this data analysis are presented in Appendix G.

E.3 Community consultation

E.3.1 Planning and processes

The four community sites of the Cape York Welfare Reform and FRC sittings – Aurukun, Coen, Hope Vale and Mossman Gorge – were each visited for between five and seven days in total for local consultations and to observe the FRC in session in the communities. Two rounds of site visits were held for each community except Coen, where 'sorry business' (a funeral and associated cultural commitments) required the first scheduled visit to be cancelled.

The first site visits were timed to coincide with FRC conference sittings held in the communities, and the second visits were held at least two weeks after the first. This was to provide community members with time to consider the Review, ask questions and discuss whether and how they might want to participate in the Review; and enable the Review to hear from community members when the FRC was not in session in their community. The following table sets out the dates of the site visits to each community and number of days in the community. More time was spent in the larger communities of Aurukun and Hope Vale than the smaller communities of Coen and Mossman Gorge.

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Table 9: Dates and number of days of site visits to the reform communities for the Review

Community	Proposed dates of first visit 2009 (same time as FRC sittings)	Proposed dates of second visit 2009 (different times from FRC sittings)	Total number of days
Coen	Mon 12 October– CANCELLED due to funeral	Mon 23 - Fri 27 November	5
Aurukun	Tues 13 - Thur 15 October	Tues 17 - Fri 20 November	7
Hope Vale	Mon 19 - Wed 21 October	Tues 10 - Fri 13 November	7
Mossman Gorge	Thur 22 - Fri 23 October	Mon 9 November Mon 16 November Mon 30 November	5

Source: KPMG

The Review team established contact with the Cape York Welfare Reform Local Program Office (LPO) in each community prior to the initial visit to assist with some preparations in advance of the site visits such as:

- identifying community members considered willing and suitable for training to work with the Review team as Local Evaluators and translators during each of the community visits, including assistance with interviews, focus groups and conducting qualitative survey interviews;
- arranging meetings with community individuals and groups as appropriate including Mayors and Community Leaders, Community Justice Groups, Men's Groups and Women's Groups; and
- promoting the Review and site visits, including distributing posters and leaflets, spreading the word and encouraging attendance at meetings and interviews.

E.3.2 Consultation activities

A range of consultation activities were undertaken during the community visits, including:

- meetings with relevant community leaders including Mayors and Councillors, Traditional Owners and respected Elders, as appropriate and practical, to introduce the Review team, discuss the FRC Implementation Review, seek their views and answer any questions;
- identification and engagement of community members as Local Evaluators;
- a public meeting, BBQ or informal gathering. The timing and approach taken was tailored for each community on the advice of LPO staff and FRC Local Coordinators;
- interviews with FRC Local Commissioners, individually and in groups according to their preferences;

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- consultations with local Community Justice Groups, Men's Groups, Women's Groups and community based Indigenous organisations in focus group settings (split by gender as appropriate or requested);

- application of the structured interview survey forms;

- consultation with community-based service providers including school principals, Officers-in-Charge of the local police station, Housing Services and Child Safety Services officers, and support service staff including Wellbeing Centre coordinators and counsellors; Attendance Case Managers and Family Income Management workers;

- case study interviews with community members who have been clients of the FRC; and

- observation of FRC conferences in progress, where consent was given by the Commissioner, Local Commissioners and the relevant client. Altogether the Review team observed approximately 15 FRC conferences across the three communities.

Further detail on these activities is given in the following sections.

Field work was undertaken by a team of two: either KPMG team member Sarah Low or Naomi Bromley and Courage Partners team member William 'Benny' Hodges (the Review team). Benny is a middle-aged Indigenous man, and Sarah and Naomi are non-Indigenous women in their early 30s. It was felt that this mix of gender and age was beneficial in engaging with a range of community members. Certainly, some community members showed a clear preference for either speaking with Benny or Naomi or Sarah.

Benny Hodges identifies as both an Aboriginal man (Waanyi- Garawa and Kaureg) and Torres Strait Islander man (Erub Bam Le), and has many years experience in working with a variety of Aboriginal and Torres Strait Islander peoples within the Commonwealth, State and Local Government public service. Benny has worked at a senior level of management, and in the past has acted as a subject matter specialist, undertaking and co-ordinating project work, policy development and the preparation of reports and submissions to both government and communities. He has also coordinated staff development and on-the-job training activities, and has delivered cultural awareness training to a number of government departments and organisations.

Additionally, Benny has much experience in advocacy and conflict resolution, having been a Director of the Office of Torres Strait Islander Affairs (OTSIA) in the Aboriginal and Torres Strait Islander Commission. He also has specific experience in the Cape York area, and has worked at the Njiku Jowan Legal Services in Cairns. He is aware of the cultural sensitivities in the area, having been one of the workshop facilitators at the inaugural FaHCSIA 2005 National Men's Leadership Conference, which led to the implementation of the National Indigenous Men's/Youth Leadership Program. He has worked with all of the reform communities in different capacities before.

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Sarah Low is a former legal practitioner admitted to the Supreme Court of NSW with more than six years experience in public policy-making and program management with the Australian Government. Before joining KPMG, Sarah was one of two Advisors on native title and Indigenous human rights to the Aboriginal and Torres Strait Islander Social Justice Commissioner and co-authored the 2005 Native Title Report. Prior to this she worked on native title legal policy with the federal Attorney-General's Department for three years; and completed a secondment as a lawyer to a Native Title Representative Body in Western Australia. She has a Masters degree in Anthropology and Participatory Development, and also studied Indigenous Affairs in Canada. Sarah worked in Papua New Guinea with the Australian Agency for International Development (AusAID) and was a team member on an international evaluation of interventions to address gender-based violence.

Since working with KPMG, Sarah has led the Indigenous Stream and managed projects for federal, state and territory governments and Aboriginal community-controlled organisations. These include: Supporting Indigenous Enterprise Development in Victoria; a Scoping Study for Link-Up Services for Stolen Generations in Tasmania and the ACT; Measuring the Benefits of Investment in Aboriginal Education, Training and Housing in the East Kimberley; and Evaluating the Aboriginal Land and Economic Development Program in Victoria.

Naomi Bromley has worked at a national level in Indigenous health policy, where she was a Senior Policy Officer with the Office for Aboriginal and Torres Strait Islander Health (OATSIH) and played an integral role in the implementation and review of the OATSIH Risk Assessment Framework. Naomi also worked to improve the performance and capacity of organisations within the Aboriginal Community Controlled health sector as part of the Government's wider Indigenous health agenda. Previously Naomi was a paramedic, and has qualifications in education and psychology.

Since joining KPMG Naomi has worked on various projects with a focus on both Indigenous affairs and health including: an Evaluation of the Community Justice Group Program in Queensland; Feasibility Study on Boarding School Facilities in Remote Northern Territory Communities; and a Scoping Study for Link-Up Services for Stolen Generations in Tasmania and the ACT.

E.3.3 Local Evaluators

In each community, the Review team also engaged a small number of community members in each community who had been identified by the LPO as willing, available and capable to act as Local Evaluators. Their role was to assist in Review activities, act as interpreters and provide a local point of contact during the site visits. The Local Evaluators received training tailored to their needs and capacity, and resources to assist them. They were paid for their time spent training and working.

- Four Local Evaluators were engaged in Hope Vale: two younger women in their twenties, and a middle-aged woman and man;

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- One Local Evaluator was engaged in Mossman Gorge: a man in his twenties;
- Three Local Evaluators were engaged in Coen: all women ranging in age from early twenties to middle-aged.

In Aurukun, the six individuals identified as potential Local Evaluators by the LPO and FRC Local Coordinator participated in training on the first site visit, but unfortunately were no longer available when the Review team returned on the second site visit. This was due to a range of factors including cultural commitments, community events and personal issues of the proposed Local Evaluators. The Review team attempted to engage other Local Evaluators through the Aurukun CDEP office and through remotely training some people originally identified: however this was not possible.

Local Evaluators were engaged for a number of reasons, including to build local capacity, to improve engagement with community members, to provide cultural and community specific insight, to enhance community ownership of the Review and to act as cultural brokers. The Review team investigated the Local Evaluators' preparedness to conduct case studies: however, people explained that they would not feel comfortable conducting case study interviews because of the personal nature of material to be covered. Thus, it was decided that Local Evaluators would focus on administering the survey style interview guide and supporting respondents as necessary.

In Coen, Mossman Gorge and Hope Vale, the Local Evaluators successfully completed a number of survey interview forms, and the information gathered was of good quality. The Local Evaluators in these communities were not required to act as translators due to the high prevalence of spoken English in these communities. However, they offered helpful observations and advice to the Review team in understanding local issues and culturally appropriate approaches. In Aurukun, as noted, Local Evaluators were not able to be retained but importantly, 33 survey interview forms of good quality were completed by the Review team and linkages with key community members established which would enable a better targeted and more effectual approach in the future.

It is intended that this pool of trained and experienced evaluators could play a further role as the Cape York Welfare Reform evaluation progresses.

E.3.4 Community meetings

The Review team held public meetings in each of the communities. This enabled the Review team to:

- provide the community with information about the Review and answer any questions;
- invite voluntary participation in the survey interviews, focus groups or the individual interviews with FRC clients; and

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- offer opportunities for individuals and family groups to have further discussion with reviewers at a time and place suitable to individuals them.

The public meetings were originally planned for the first site visit, to introduce the Review and encourage input from community members. However, on the advice of the LPOs, these were held during the second site visit for Mossman Gorge and Hope Vale to enable more advance notice and fit in with existing community commitments. For these communities, this timing allowed the Review team to provide an overview of the themes that were emerging from the local consultations at the meeting.

Community posters and assistance from the Local Evaluators and LPOs were used to publicise both the site visits and community meetings. The Review team also set up a stall in Aurukun and went on the local radio in Hope Vale to encourage attendance at the meeting and participation in the Review.

At the Hope Vale community meeting, the Mayor opened the meeting and talked about the Cape York Welfare Reform and noted some views on local disagreement with elements of the Reform. Benny spoke and thanked the Council and community for welcoming the Review team into Hope Vale. The Review team outlined the Review and explained how community members could provide input. Local Evaluators in the audience noted that, to help approach people for interviews, the Review team had names of people who had been before the FRC and the Review team clarified that this was in relation to voluntary participation in case studies and consent would be sought to interviews individually. The Review team then outlined the key themes that appeared to be coming from Hope Vale through the focus groups, individual interviews and other discussion with community members, including that:

- it was felt there was not enough consultation with community members before the FRC started;

- people think that the FRC is doing a good job in getting children to attend school; and

- there are a many changes happening in Hope Vale and people are finding it hard or getting tired of it.

Comments and questions from community members which followed this covered views on the reforms, such as whether Hope Vale could rescind from its agreement to participate in the Welfare Reform, and concerns about privacy relating to the process of identifying FRC clients for case study interviews. While steps were taken to reassure the community that privacy protections were in place, the Review continued to encounter anxiety and anger around this issue following the community meeting and separate meetings with some individuals and families were requested. There was limited discussion of the FRC itself during the community meeting, but individuals also approached the Review team after the public meeting to offer private comment or seek individual interviews.

The Aurukun community meeting was conducted in the evening and included a BBQ. Benny addressed the community members, describing the Implementation Review,

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introducing the Review team members and thanking people for welcoming them to the community. Community members did not discuss Welfare Reform or the FRC as a group, however after dinner several people approached either the Review team wishing to talk. The information these people offered was captured through a qualitative survey interview or in some cases as an individual interview as a FRC client.

At the Coen community meeting, the Review team worked with the Bindal Sharks United Sports & Recreation Aboriginal Corporation, a local Indigenous football team with an employment and community development arm, who were undertaking a series of community engagement activities designed to enhance community cohesion. The Review team and Bindal Sharks organised a joint lunchtime BBQ. Benny again addressed the group, describing the Implementation Review, introducing the Review team members and thanking them for welcoming them to the community. As with Aurukun there was no group discussion, instead people spoke individually with members of the Review team after lunch. Local Evaluators were also available to conduct qualitative survey interviews at the BBQ.

The Mossman Gorge community meeting was an early evening dinner catered for by a local group. Before dinner Benny addressed the group, describing the Implementation Review, introducing the Review team members and thanking them for welcoming them to the community. The community asked questions about the process of the site visit and after dinner some community members also approached members of the Review team wanting to share some more stories and ideas. These community members were either taken through a qualitative survey interview or individual interview.

The project plan for the FRC Implementation Review proposed that an interim report, prepared between the first and second site visit, would enable structured feedback on preliminary themes from the consultations to be provided to each community. This was ultimately deferred until firm findings could be developed on the basis of triangulated data and validation with the Tripartite Partners.

E.3.5 Observation of FRC conferences

The Review team sought consent from clients and Commissioners to observe conferences in Aurukun, Hope Vale and Mossman Gorge. Where this consent was provided by clients and Commissioners, the review team was able to observe how these operate in practice.

The reviewers sat unobtrusively in the corner of the room and watched the Commissioner and Local Commissioners run individual conferences, with the support of the FRC Local Coordinator. Questions were asked of the FRC staff in between conferences to deepen the team's understanding of the processes being followed and the local intelligence informing their decisions. In some communities, the individuals present in the conferences observed were also interviewed at a later time, as part of the case study interviews. The conferences observed in each community concerned Education Queensland and Magistrates Court agency notifications.

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E.3.6 Consultation guides and prior informed consent

Consultations in communities were only conducted where interview respondents provided informed consent. This meant the Review team, including the Local Evaluators:

- informed the community about a consultation for the Review before it was conducted, verbally, in simple terms and with translations if needed;
- made it clear that community members were not required to participate and that choosing not to be interviewed or not to complete the qualitative survey interview would not impact on individuals' welfare payments, FRC notices or on organisations' funding agreements; and
- only conducted individual or qualitative survey interviews with community members who had received this information and voluntarily consented.

Interview respondents were not required to sign forms to evidence their consent. Instead, informed consent was determined by the Review team or Local Evaluators through checking understanding, careful discussion, observing body language for comfort / discomfort and answering any questions raised.

The consultation guides and qualitative survey interview form were developed in accordance with ethical research standards including the *AIATSIS Guidelines for Ethical Research in Indigenous Studies*. They were reviewed by representatives from the Tripartite Partners and independent experts including Aboriginal people with experience in sensitive community consultations and academics.

E.3.7 Qualitative survey interviews

A structured survey-style interview guide was prepared that included a mix of qualitative (free answer) questions and quantitative (yes/no answer) questions. In most cases, these questions were answered during a face-to-face structured interview with a Local Evaluator, or review team member. In some cases, community members took the questions with them and brought the forms back completed.

Many findings in this report are based on this qualitative survey, based on a convenience, non-representative sample. The reported results reflect the perceptions of community members and other stakeholders interviewed. FaHCSIA approved this methodology as it offered a way of gathering a range of peoples' views via both interview and, where people wished to, via self-completion of the questionnaire. The findings of these interviews cannot be used to make generalizations about the total population, because this sample is not representative

146 structured interview survey forms were completed in total. There were 33 in Aurukun, 43 in Coen, 50 in Hope Vale and 20 in Mossman Gorge. People of differing ages and

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genders completed the questionnaires - 50 men, 92 women[109]; 50 under the age of 35, 60 between the ages of 35 and 55; and 16 over the age of 55. The small number of completed questionnaires for each individual community, means that quantitative analysis of the answers wasn't possible in many instances, but there are some cases where enough people provided answers (especially for the yes/no questions) and response numbers could be obtained.

146 respondents represents about 10 percent of the total adult population in the four communities. Respondent rates for each community constituted 4 percent of the adult population for Aurukun; 25 percent for Coen; 9 percent for Hope Vale and 20 percent for Mossman Gorge and are not intended to provide a representative sample of all community opinion. It was agreed that a 'convenience sample' would be used rather than using a structured sampling frame in pursuit of a representative sample. This was done so that *any* member of the community could volunteer to participate in the qualitative survey, rather than having people selected to participate based on a statistical sampling process. This more open approach was used to help build trust in the research process in the community. It was considered that there was more value in undertaking this approach rather than seeking to achieve a representative sample in this instance. The value of a more rigorous sampling approach could be considered further in the next stage of the evaluation.

This convenience sample is therefore drawn from that part of the community which was interested, close to hand and readily available when the Review team were in the communities – for example, following the public meeting, at the CDEP office, outside supermarkets. The tool was a useful way to find out about the feasibility of conducting a survey on fairly sensitive topics in these four remote communities. Attempts were made to reach a cross-section of people in each community, with the advice of the Local Evaluators. The response to the qualitative survey was also considered periodically, and follow-up interviews targeting subgroups that appeared to be under-represented, for example young people, were then conducted by the Review team or Local Evaluators wherever possible.

Many of the questions were open ended to allow people to provide their own response in their own words. This means that the qualitative survey interviews can be treated as a large-scale qualitative study. Almost 150 interviews is a substantial number for this kind of study and have the potential to provide valuable information. This is particularly the case, because every interview participant was asked the same questions to guide the sharing of their views. Some people interviewed were invited to participate in case studies if they had come before the FRC and wanted to share their story. The two methods of interviews together provide robust information about people's experiences and perceptions of the FRC.

The qualitative survey tool was intended to be used as either an interview guide or survey to be completed independently by respondents. The tool was filled in by some community members independently and returned to the Review team or the Local Evaluators in some cases, in other cases the tool was used as an interview guide by reviewers or Local

[109] The remainder did not specify their gender.

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Evaluators. Most people preferred to respond to the qualitative survey used as an interview guide. People were able to choose whether they would prefer to speak with a Local Evaluator (except in Aurukun) or a member of the Review team. This proved to be effectual in giving people a choice as to how they could respond to the questions and voice their views or stories about their experiences. When the qualitative survey tool was applied as an interview tool it took between 30 and 60 minutes to complete.

Respondents were recruited in different ways depending on contextual factors. Qualitative survey interviews were conducted in a variety of settings including after community meetings or BBQs, on people's front porches, benches under trees, on meal breaks from work and in front of community stores. While the qualitative survey tool was used to capture consistent information for the purposes of quantitative analysis, many people took the opportunity to have a more general yarn to the Review team about broader issues including historical changes in governance, education and community services, the physical environment and country, people's homelands and local politics. These discussions helped the Review team members gain a deeper understanding of the historical context and current community issues. In some cases, discussion led to individuals expressing their views as a story, which was then transformed into a case study with their consent.

The qualitative survey interviews yielded rich information on the communities' perspectives of the FRC. Nevertheless, the following matters should be borne in mind.

Women were more willing to participate in the qualitative survey interviews than men, with about two thirds of interviewees being women. This is despite the fact that the Review team was comprised of both men and women across a variety of age groups, including both local people and people from outside the communities.

English literacy skills vary between individuals and communities. The capacity of community members to speak and understand English, and to read and write, varies from excellent to minimal. In Coen, Mossman Gorge and Hope Vale English is most people's first language, while in Aurukun most people speak English as a second or other language. A face-to-face interview is one way to overcome poor literacy; however, some individuals may still have had difficulty understanding and expressing complex concepts without translation.

As noted above, the Review team found it difficult to engage Local Evaluators in Aurukun (intended to provide translation support), and the majority of qualitative surveys in Aurukun were conducted as interviews in English. This may also have resulted in respondents in this community 'self-selecting', with only those confident speaking English engaging with the Review team. Further understanding of the extent of literacy in the local language in Aurukun (*Wik Mungkan*) is required to decide how future consultations can be designed to overcome this issue. It is not clear whether many *Wik* speakers are able to read and write in their language, and 'on-the-spot' translation may be preferable.

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E.3.8 Focus groups

Nine focus groups were held during community consultations with a variety of different groups, including formal groups (such as Community Justice Groups, Men's Groups, Women's Groups) and informal groups (for example, family groups and job seekers). These are detailed in the table below.

Focus groups were held with formal groups with the prior arrangement of the relevant Local Program Office; and with informal groups where they approached the Review team for collective consultation or the Review team approached groups gathered in the community.

Focus groups were held in each community except Aurukun, where the Review team was advised that formal groups weren't running and cultural commitments around 'sorry business' impeded the team approaching informal groups. The Community Justice Group in Aurukun were consulted individually through the qualitative survey interviews, and the Men's Group was approached but were concerned with other matters at the meeting they held during the Review's site visits.

For the remaining communities, Benny Hodges usually facilitated the focus group sessions with the exception of gender-specific focus groups (such as the Women's Group). These were conducted by female members of the Review team.

Focus groups enabled the Review to gather spontaneous and shared perspectives and stories within group dynamics. However, one of the disadvantages of this method is that group dynamics can lead individual participants to hide their real opinions in favour of a different group view. The results of the qualitative survey interviews indicate a broader spread of views than suggested by the focus groups, which intimates that such dynamics may have been at play. Nevertheless, data from the focus groups enable comparison with data from other sources, including the individual and qualitative survey interviews, to check validity.

Table 10: Focus groups held in communities to inform the FRC Implementation Review

Community	Group	Number of participants	Date held
Coen	Community Justice Group	6	27 November 2009
Hope Vale	Women's Group, convened by the Deputy Mayor	8	11 November 2009
	Male CDEP participants	4	12 November 2009
	Community Justice Group	5	12 November 2009
	Women artists at the Hope Vale Cultural Centre	6	12 November 2009
	Family group members	Approximately 12	12 November 2009
	Staff of the Primary Health Care	Approximately	11 November 2009

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Community	Group	Number of participants	Date held
	Clinic	24	
	Local Program Office staff	3	3 December 2009
Mossman Gorge	Binga Binga Men's Group	15	16 November 2009

Source: KPMG

E.3.9 Individual interviews with FRC clients

The Cape York Welfare Reform Evaluation Framework (see Appendix I) recommended that case studies form part of the evaluation methodology to explore issues in depth and over time arising from the effect of multiple interventions on individuals, families and communities. The Framework notes that case studies can be used to explore the experience of change for individuals, such as community participants who are brought before the FRC, to analyse whether the Commission is fulfilling its role.

For privacy reasons, it was not considered appropriate to do full case studies (which would involve collecting and analysing multiple perspectives on the one case, for example service provider interviews and reviews of case files of the person interviewed). Instead, individual interviews with FRC clients were undertaken to gather personal stories about their experiences with the Commission. These are further described below. The Review recommends that follow-up interviews with respondents are sought in future years of the Cape York Welfare Reform evaluation develop case studies as recommended by the Evaluation Framework.

The Review worked with the FRC, and LPOs in each community to identify and approach individuals who had come before the Commission and might be willing to be interviewed to tell their story. Local Evaluators assisted the Review team to approach and establish a rapport with these community members, to explain the opportunity to inform the Review by telling their story, the Review's approach to protecting their privacy, and how their stories would be used – but as noted above, Local Evaluators did not participate in conducting the interviews. Those participants willing to take part were given the option of having the interview held outside or in a location they found non-threatening; as well as to have others participate in the interview with them, such as family members or other community members.

Eighteen interviews were conducted across all four communities with individuals who had come before the FRC. The interviews were primarily unstructured story telling with a list of prompts to help maintain the flow and ensure the necessary information was gathered. Interviews took an average of 45 minutes to complete. In most cases the reviewers took some time to have an informal yarn with participants before talking about the FRC. This was important to build trust, gain some understanding of the participant's life and became familiar with their communication style. A set of five probe questions were designed to assist in this process focusing on what happened when the participant was in their

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conference, whether they thought they could do what the FRC asked them to, and what changes going to the FRC had made (if any).

The personal stories developed from these individual interviews are included throughout the report, and sections and quotes have also been included throughout the report to illustrate points or explain concepts using the most appropriate language. Any information which could identify the participant has been removed, such as detail about where the participant lives. Although consideration of the personal stories in their community context would be useful, it could lead to identification, particularly in smaller communities.

Only one individual interview participant was followed up during the second site visit, but the richness of the information this yielded, including reported attitudinal change in a short time indicates that follow up studies may be very useful in the evaluation of the broader Welfare Reform, as suggested by the Evaluation Framework.

E.3.10 Learnings for future consultation with the communities

The fieldwork component of the Review also gave rise to a number of learnings relevant to community consultation for the broader evaluation.

Consultation fatigue

The communities are subject to much consultation. During the Review team's community visits, a number of other groups were also seeking to engage the community on a range of matters including Cape York Partnership initiatives, community cohesion activities and tenancy agreements. Consultation fatigue is very real and should be considered in planning the broader Welfare Reform evaluation.

Engaging with community members

Some people in communities, particularly Hope Vale, felt that they would rather speak to the Review team than to the Local Evaluators. Some people were particularly concerned about having their privacy protected. It will be important that external evaluators are available, whether Indigenous (from another community without family or political connections) or non-Indigenous. Other community members preferred to speak with Local Evaluators, so it is important that both approaches be considered.

The Implementation Review team included Benny Hodges, who is well known and respected by a number of people in the four communities, particularly older people who remember Benny from his previous government and community roles. This pre-existing relationship provided an invaluable link to the community, which would otherwise be impossible to establish in a short timeframe. It is advisable that field work for the evaluation be supported by an independent Indigenous person with a similar level of community understanding.

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Gender and age balance

As outlined above, the community engagement teams were made up of Benny Hodges, a middle-aged Indigenous man, and either Sarah Low and Naomi Bromley, two non-Indigenous women in their early thirties. It was felt that this mix of gender and age was beneficial in engaging with a range of community members. Certainly, some community members showed a clear preference for either speaking with Benny or Naomi or Sarah. Any future engagement with the communities should take this into consideration and ensure a similar balance.

Protection of privacy

As outlined above, community meetings were held in each community to publicise the Implementation Review, encourage community feedback, answer questions and provide an overview of emerging themes. At the community meeting in Hope Vale, concerns about privacy were raised relating to the process of identifying FRC clients for case study interviews. While steps were taken to reassure the community that privacy protections were in place, the Implementation Review encountered some anxiety and anger around this issue during the field visits. Any future community consultations should make the mechanisms for privacy protection very clear, including through targeted communication.

Literacy and implications for qualitative survey interviews

English literacy skills vary between individuals and communities. The capacity of community members to speak and understand English, and to read and write it, varies from excellent to minimal and is particularly relevant in Aurukun, where most people speak English as a second language. Administering a survey as an interview is one way to overcome poor literacy: however, some individuals may still have difficulty understanding and expressing complex thoughts without translation. It was intended that Local Evaluators would provide translation in Aurukun.

If similar survey interviews are considered for the broader Welfare Reform evaluation, it may be necessary to modify the approach in Aurukun. It is recommended that a combination of techniques be used to meet the needs of individuals in this community. Techniques for consideration include:

- allocating sufficient resources to permit intensive one-on-one interviews;
- using techniques such as focus groups or family group interviews to understand community views;
- developing written communication and surveys in the *Wik* language. This may be useful for some people, but would not necessarily meet the needs of people with poor literacy in both English and *Wik*;

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- working with suitably skilled translators to develop written communication, survey questions and interview guides in English which is suitable for the community, with some *Wik* translation also provided; and

- working in a structured way with translators who have been trained to understand the consultation material, this will be the most effectual way to communicate with some community members.

Suitability of survey questions

Where complex issues are addressed through a structured survey interview, care needs to be taken that the questions make sense to the target audience. Ideally community members should have input into development of consultation material. At a minimum, questions should be tested through a 'pilot' before use, to ensure they reflect the context and meaning that community members in different locations ascribe to issues. Ideally, a participatory action research approach, where local people are involved in the definition of the research questions and how to collect information, would be used (although there may be a significant time-cost to this approach).

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F Interviews conducted and stakeholders consulted

This Appendix details the primary data collected through consultations with stakeholders. Detail on the methods used is given in Appendix E above.

Research interviews were conducted in the four communities of Hope Vale, Mossman Gorge, Aurukun and Coen. These included:

Interviews with community members

- 18 individual interviews with community members who had been to the FRC: four in Aurukun, three in Coen, six in Hope Vale, and five in Mossman Gorge.
- 146 qualitative survey interviews (either face-to-face or by self-completion) with community members: 33 in Aurukun, 43 in Coen, 50 in Hope Vale and 20 in Mossman Gorge.
- Nine focus groups, including with Men's and Women's groups, Community Justice Groups and other community groups: one in Coen, seven in Hope Vale, and one in Mossman Gorge.

Interviews with service providers

- 19 structured interviews with service providers who receive referrals from the FRC; five ACMs, five FIM consultants, six Wellbeing Centre staff; and Regional Managers for each service.
- 14 structured interviews with other service providers in the communities, including police, health clinic staff, school principals; three in Aurukun, three in Coen, four in Hope Vale, and four in Mossman Gorge.

Consultations with other interested parties

13 unstructured, informal consultations were conducted with mayors and council members, prominent Elders, Local Program Office (LPO) staff, and Community Justice Groups.

Consultations were also held outside of the communities. These included informal and formal interviews with:

- 23 interviews with Commissioners and staff of the FRC.
- Six representatives of the members of the Tripartite Partnership.
- 15 Queensland Government agency interviews, such as Housing Services, Child Safety Services, Department of Education and Training, and Magistrate Court Registrars.

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G Supporting program data analysis

This Appendix presents the results of analysis of de-identified FRC program data drawn upon for chapters 3, 4, 5, 6, and 7. The datasets relate to: client characteristics, agency notifications, notices to attend conferences, attendance at conferences, referrals to support services and Conditional Income Management (CIM) cases. These cover the first 18 months of the Commission's operation: predominantly from 1 July 2008 to 31 December 2009, and with some datasets, such as the agency notification data, stretching to 31 January 2010.

In reading this Appendix readers should be aware that, due to small denominators in some cases (for example, the adult population of Mossman Gorge), some of the proportions may be sensitive to change.

Descriptions of the FRC processes and activities which underpin these data, such as agency notifications, are given in Appendix D.

G.1 Identifying FRC clients (trigger-based system)

This section presents the data on agency notifications, which identify individuals and events in breach of one of the four social obligations. The demographic characteristics captured through FRC client data such as age, gender and location; and agency notification number and type provide a picture from which some inferences may be drawn. The population figures on which the calculations in this appendix are based are presented below in Table 11.

Table 11: Adult population (persons aged older than 17 years) for the four reform communities – 2008 estimates

Community	Adult Population
Aurukun	762
Coen	171
Hope Vale	585
Mossman Gorge	98

Source: ABS preliminary 2008 ERP Figures as cited by FRC Quarterly Report 5

Between the periods of July 2008 and January 2010, a total of 3,464 agency notifications had been forwarded to the FRC in relation to 897 clients. For a demographic profile of FRC clients at each point in the FRC process, please see Tables 5-8 under the process map in Appendix D.

Figure 14 (below) shows that men were subject to more Magistrates Court agency notifications and Child Safety agency notifications than women, while women were named in marginally more Education Queensland agency notifications than men.

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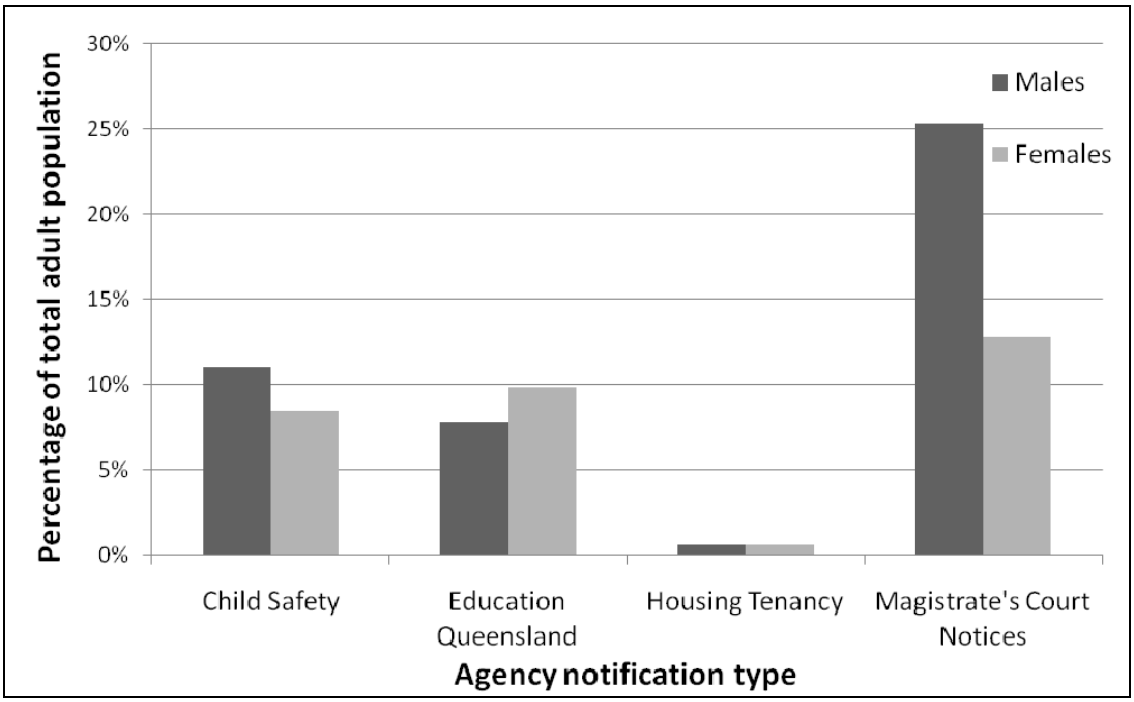
Figure 14: Proportion of agency notifications by gender, July 2008 - January 2010



Source: KPMG analysis based on data provided by the FRC.

For a break down of agency notifications by notification type and community and the resulting total number of notices to attend a FRC conference (NTAs) for each community please see Table 12 below. The most frequently issued agency notification related to a Magistrates Court conviction, with 1,669 Magistrates Court notices over this one and a half year period. This was followed by Education Queensland notices (1,266), Child Safety notices (505) and finally Housing Tenancy notices (24). The majority of agency notifications were issued to clients aged between 20 and 39 (see Figure 15 below).

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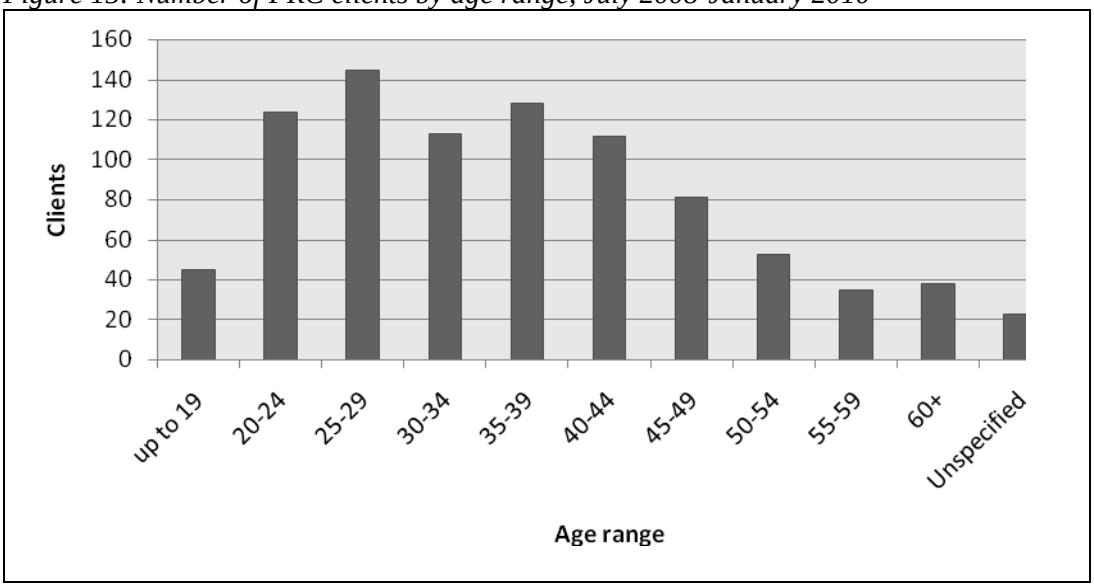
Table 12: Total agency notifications broken down by agency notification type and community (for July 2008-January 2010) and the total NTA for each community (for July 2008-December 2009)

Community	Agency notification type				Total Agency Notification by Community	Total NTA by community
	Child Safety	Education Queensland	Housing Tenancy	Magistrate's Court Offence		
Aurukun	247	820	-*	858	1,925	854
Coen	65	50	9	132	256	109
Hope Vale	151	338	6	533	1,028	569
Mossman Gorge	42	58	9	146	255	192
Total	**505**	**1266**	**24**	**1669**	**3,464**	**1,724**

Source: KPMG analysis based on data provided by the FRC.

** Due to the housing tenancy program in Aurukun not commencing until late 2009 there were no housing tenancy notifications received for this community.*

Figure 15: Number of FRC clients by age range, July 2008-January 2010



Source: KPMG analysis based on data provided by the FRC.

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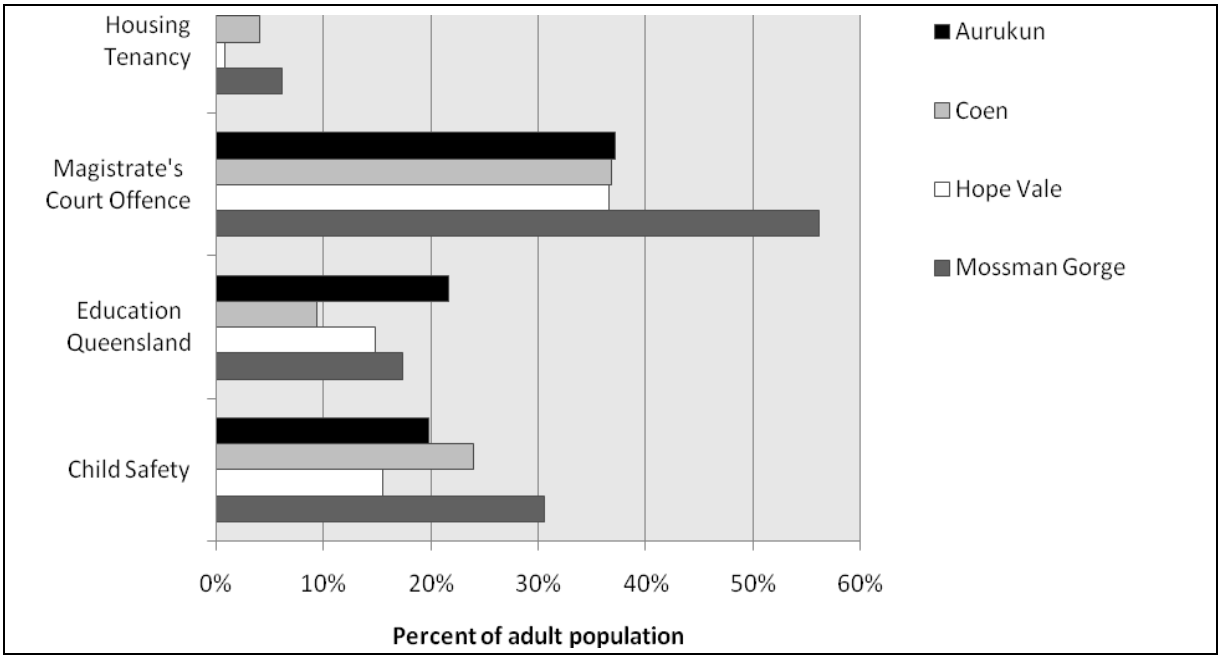
Figure 16 (below) presents the distribution of each type of agency notification across the reform communities as a proportion of the total adult population in each community.

Figure 16: Proportion of adult population who received at least one agency notification, by agency notification type and community, July 2008-January 2010



Source: KPMG analysis based on data provided by the FRC.

Figure 17 (below) presents the proportion of adult population who were the subject of at least one agency notification.

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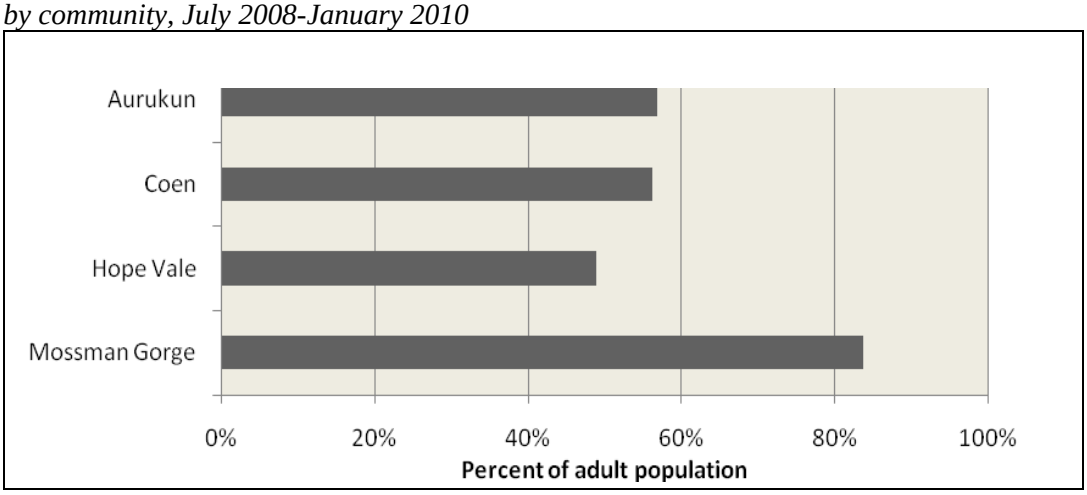
Figure 17: Proportion of adult population to have received at least one agency notification by community, July 2008-January 2010



Source: KPMG analysis based on data provided by the FRC.

As can be seen above in Figure 17, for Aurukun, Coen and Hope Vale approximately 50–60 percent of the community's adult population were identified in an agency notification in the first 18 months of the FRC's operation. The data shows that the proportion of the adult population in Mossman Gorge named in an agency notification is considerably higher than for the other communities (in excess of 80 percent of the adult population). While each of the communities has a different population size (see Table 11), converting information to a rate allows for fair comparisons to be made between communities.

Statistical modelling[110] was applied to examine the key determinants of agency notification type. We considered age, community and gender as key explanatory variables. Holding all else constant, and in concordance with the discussion above:

- clients who were identified in a Magistrates Court offence notice were more likely to be younger than clients named in other agency notification types, and were more likely to be men. Agency notifications were also more frequent for residents of Hope Vale after taking into account the different populations of each community. Whilst this may contrast with the information presented in Figure 16 above, this is because Figure 16 is based on the number of individuals in the community receiving agency notifications, not the total number of agency notifications in the community;

- clients who were subject to an Education Queensland agency notification were more likely to be older than clients who were identified in other types of agency notifications. Clients were also more likely to be women and agency notifications were likely to be more frequent for residents of Aurukun and Mossman Gorge after taking into account the different populations of each community; and

[110] GLM logistical regression – more details are given in Appendix G.

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- there were no statistically significant determinants of clients who were the subject of a Child Safety agency notification.

Given the number of clients identified in a Housing Tenancy agency notification was relatively small, reflecting that revised tenancy arrangements were not in place in some communities until the end of 2009, it was not possible to apply the above model to this agency notification type.

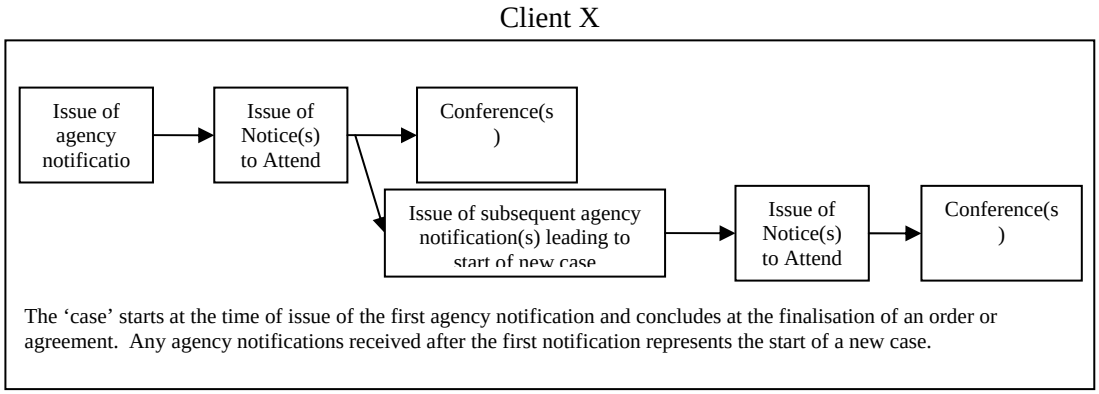
G.2 Conference attendance

This section presents the results of analysis of FRC client data relating to attendance at FRC conferences, covering the first 18 months of the FRC, from the period 1 July 2008-31 December 2009. This evidence is discussed in chapter 4 of the report.

Not every conference is attended by every client and multiple Notices to Attend conferences (NTAs) may be issued to try to encourage a client to attend. A client can also be subject to more than one agency notification (relating to multiple breaches of social obligations) which will be considered together at the first conference held after the notifications are issued. For these reasons, in this discussion we use the term 'case'. Figure 18 below provides a graphical description of what constitutes a case for the purposes of analysis; notably, one client can be the subject of multiple cases.

The nature of the data required the following counting rule to be adopted: where a client is identified in a subsequent agency notification after receiving a NTA, it is classified as a different case. This means it is possible that clients who do not attend a conference in response to a NTA may not be followed up with the same NTA if additional agency notifications are included. Without knowing the context of each NTA, it is not possible to identify if it is separate from or linked to an earlier case.

Figure 18: Graphical representation of how a single case has been defined for the purpose of analysis



Source: KPMG

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Section 4.1.2 of the report describes how Conditional Income Management (CIM) orders are imposed to encourage attendance at FRC conferences. To help understand attendance patterns and the possible impact of CIM orders on attendance, attendance rates of conferences after the issue of the first, second and third and subsequent NTAs are examined. This is in line with FRC policy that CIM is usually ordered at the second conference that a client fails to attend, that is, by the time the third or subsequent NTAs are issued (while recognising that the policy can be applied flexibly). These are referred to from herein as 'rounds' of NTAs – for example 'first round' refers to the first NTA issued for a case; 'second round' to the second NTA for a case and so on. As noted in chapter 6, clients may seek a review of their CIM order to have it amended or revoked. A conference to consider a review is recorded as a separate matter and was not able to be linked to the attendance data.

There are a number of ways in which FRC conference attendance can be understood. Table 13 below displays the attendance rates associated with *each round* of NTAs issued, the proportion of *all NTAs* issued resulting in attendance and the percentage of *cases* resulting in attendance. As can be seen, in the first 18/19 months of the FRC's operation, 72 percent of all cases ended in attendance at a conference, whilst only 57 percent of the total number of NTAs issued in this period resulted in attendance. The attendance rate was also higher for the first NTA issued than for subsequent rounds of NTA issued.

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Table 13: Attendance rates for FRC conferences, July 2008-December 2009

NTA round	Total NTAs issued by round of NTA	Number of NTA resulting in conference attendance by NTA round	Rate of attendance by round
First NTA issued	1,335	815	61%
Second NTA issued	297	149	50%
Third and subsequent NTAs	92	42	46%
All NTAs	**Total number of NTAs issued**	**Total number of NTA resulting in conference attendance**	**Overall rate of attendance by notice+**
Total percentage of notices resulting in conference attendance	1,724	959	57%
All cases	**Total number of cases**	**Total number of cases resulting in conference attendance**	**Overall attendance rate by case***
Percentage of cases resulting in conference attendance	1,335	959	72%

Source: KPMG analysis based on data provided by the FRC.

+ - this percentage shows the proportion of Notices to Attend which result in conference attendance regardless of whether the notice is the first, second, third or subsequent notice issued.

** - This percentage shows the proportion of cases which result in conference attendance, regardless of whether attendance occurs after the first, second, third or subsequent notice.*

Table 14 below looks at the impact that placing a client on a CIM order may have on conference attendance rates. In the first half of the FRC's term, the attendance rate of clients after receiving a CIM order was 47 percent which is less than the general attendance rate after the first NTA (61 percent) and after the second NTA (50 percent) (see Table 14 above). Where CIM was ordered there was a 3 percent decrease in attendance rate between the second and third or subsequent NTA. This decrease is less than the decrease in general attendance between the first and second NTA of 11 percent. This may indicate that a CIM order does encourage conference attendance. It is not possible to be more certain on the impact of CIM on attendance without further data.

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Table 14: Non attending FRC clients placed on a CIM order by whether or not they subsequently attended a FRC conference, by the month CIM commenced**, July 2008-January 2010*

Month CIM commenced**	Subsequently attended		Did not subsequently attend		Total number of FRC CIM clients by month	
	N	% of total	N	% of total	N^	%
Sep-08	-	-	1	100%	**1**	**100%**
Oct-08	-	-	-	-	**-**	**-**
Nov-08	2	29%	5	71%	**7**	**100%**
Dec-08	1	100%	-	-	**1**	**100%**
Jan-09	-	-	3	100%	**3**	**100%**
Feb-09	-	-	2	100%	**2**	**100%**
Mar-09	9	64%	5	36%	**14**	**100%**
Apr-09	3	38%	5	63%	**8**	**100%**
May-09	3	17%	15	83%	**18**	**100%**
Jun-09	3	60%	2	40%	**5**	**100%**
Jul-09	2	40%	3	60%	**5**	**100%**
Aug-09	3	33%	6	67%	**9**	**100%**
Sep-09	8	47%	9	53%	**17**	**100%**
Oct-09	8	42%	11	58%	**19**	**100%**
Nov-09	5	63%	3	38%	**8**	**100%**
Dec-09	-	-	1	100%	**1**	**100%**
Jan-10	3	50%	3	50%	**6**	**100%**
Total	*24*	*47%*	*27*	*53%*	**51**	**100%**

Source: KPMG analysis based on data provided by the FRC.

** FRC clients who had a CIM commencement date that followed one or more FRC conferences that they did not attend. It is not known if CIM was applied due to non attendance or for another reason(s).*

*** Based on the "Original CIM Commencement Date" recorded.*

^ Readers should be aware that, due to small denominators, some of the proportions may be sensitive to change.

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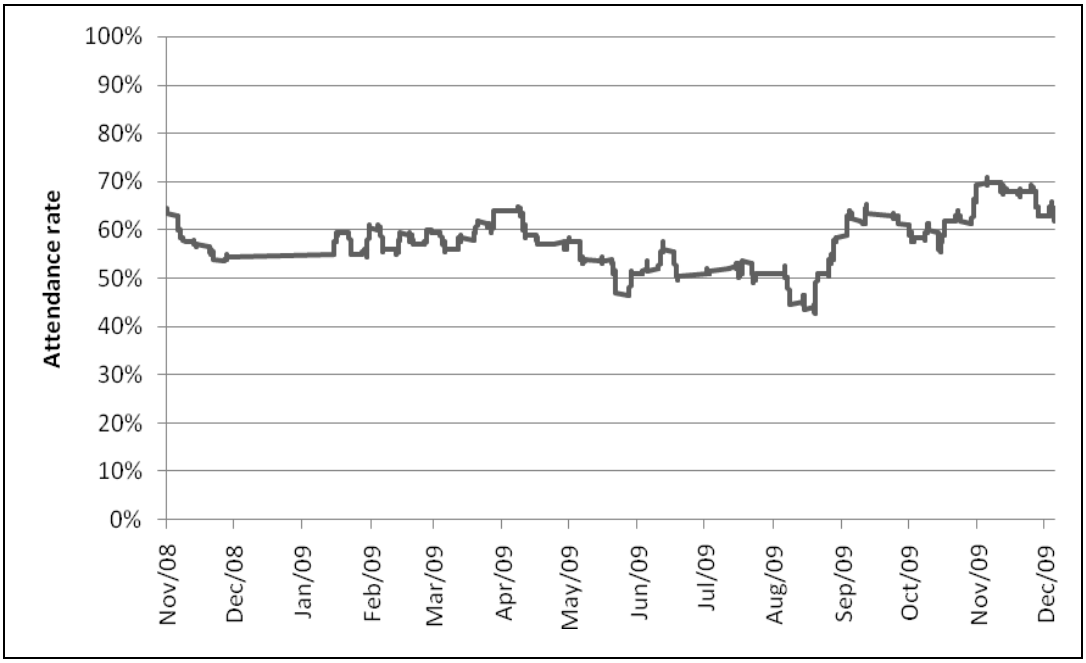
The attendance rate over time for the first eighteen months of the FRC is presented in Figure 19 below. The figure presents the average attendance rate of the previous 200 conferences at any point in time, which draws out longer term trends.

Figure 19: Running average FRC conference attendance rates, July 2008-December 2009



Source: KPMG analysis based on data provided by the FRC.

Figure 19 above indicates that attendance is potentially subject to either seasonality or particular events. Attendance rates of the previous 200 conferences dropped after April 2009 through to August 2009 where the average rate was less than 50 percent. Attendance climbed after this to a peak of 70 percent in the last quarter of 2009.

In the absence of a longer time period it is not possible to identify whether this is a seasonal event, although seasonality also affects the issue of some agency notifications. For example, education agency notifications will reflect school terms; Magistrate Court notices will be impacted by court recesses when the court is not sitting. As these two types of agency notifications were the most frequently issued agency notifications in the first eighteen months of the FRC, the number of conferences held in response to agency notifications may reflect these seasonal impacts. As discussed below, individuals the subject of some types of agency notifications tended to attend conferences more than those named in other types. Clients were more likely to attend conferences that concern Education Queensland notices and Child Safety notices. However it was not possible to determine whether seasonality in agency notifications would flow through to attendance at conferences.

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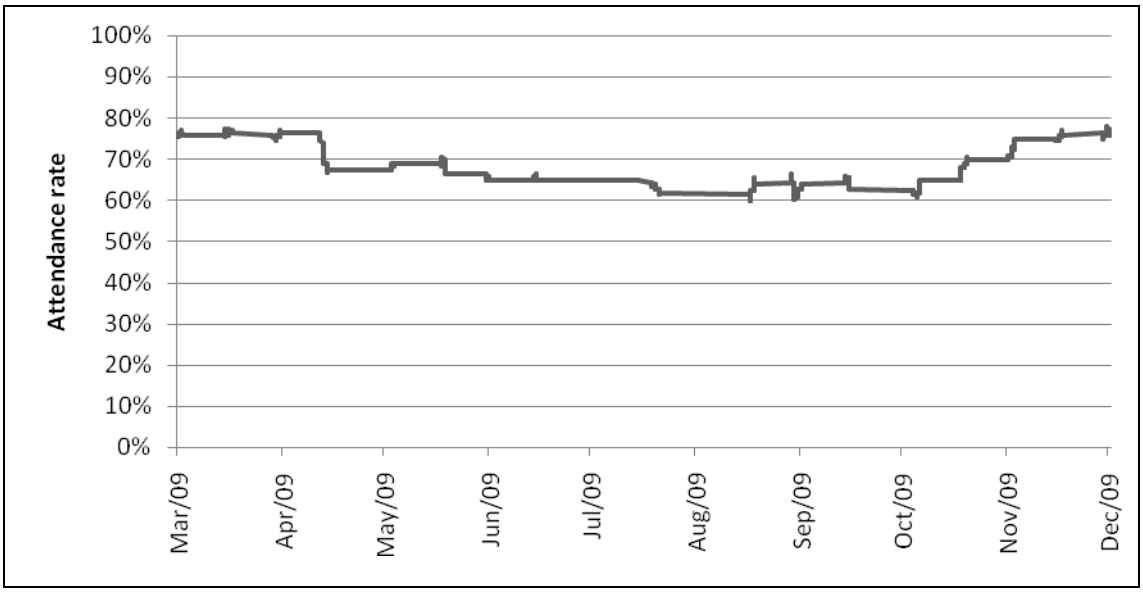
Exploring this drop in attendance between April and August 2009 further by community suggests the trend is reflected in attendance rates for Aurukun. The figures below compare the attendance rates of the two communities which had the largest numbers of conferences held over this period, Aurukun and Hope Vale, to explore whether the trend is consistent across them. The attendance rates for Coen and Mossman Gorge are presented after these figures, below. While each of the communities has different numbers of conferences held (see Table 15 below), converting information to a rate allows for fair comparisons to be made between communities.

*Figure 20: Running average FRC conference attendance rates in Aurukun, July 2008-December 2009**



Source: KPMG analysis based on data provided by the FRC.

** - Because the figure uses a running average method based on attendance rate for the previous 200 conferences, the time period for which data is displayed starts at the first point where 200 conferences have been held (in this case April 2009).*

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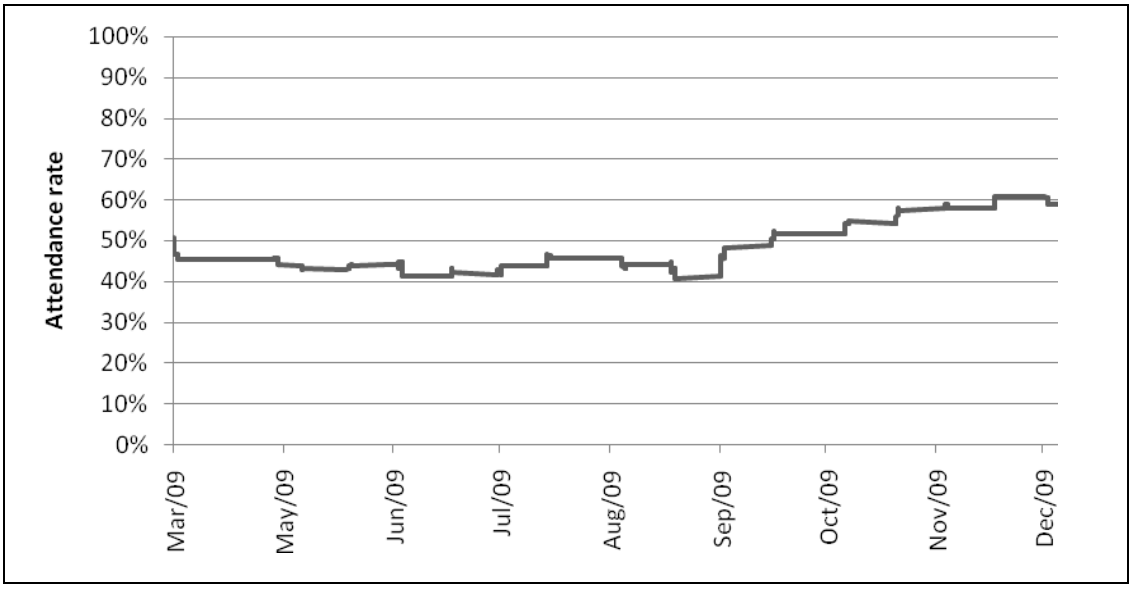
*Figure 21: Running average FRC conference attendance rates in Hope Vale, July 2008-December 2009**



Source: KPMG analysis based on data provided by the FRC.

** - Because the figure uses a running average method based on attendance rate for the previous 200 conferences, the time period for which data is displayed starts at the first point where 200 conferences have been held (in this case April 2009).*

Aurukun experienced a drop in conference attendance rates in the middle months of 2009. In contrast, attendance rates for Hope Vale were initially low but climbed rapidly in the second half of 2009. This suggests the trends in attendance may be driven by factors other than seasons (or reflect very localised seasonal patterns).

As described in Appendix D, the FRC Local Coordinators are responsible for delivering and explaining NTAs to clients, and can also play a role in encouraging attendance. Figure 22 below considers the impact of the Local Coordinators' workload on conference attendance rates. It is difficult to see a clear pattern however it appears that for certain time periods where the number of NTA issued was low, attendance rates were higher (for example January 2009).

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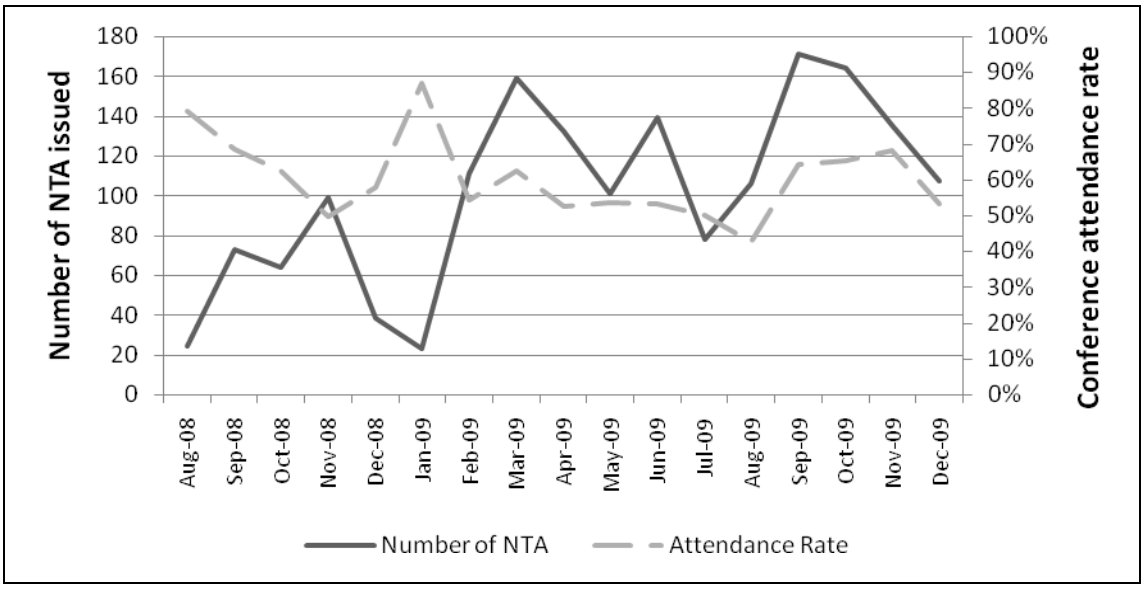
Figure 22: A comparison of the number of agency notifications issued with the FRC conference attendance rate over time



Source: KPMG analysis based on data provided by the FRC.

Due to the number of conferences held in Coen and Mossman Gorge being too small to allow for this method to be used, attendance rates over three time periods in each community are presented below in Table 15. This table shows no trend for the attendance rate in each of the communities with the exception of Coen, where the attendance rate fell over time.

Table 15: FRC conference attendance rates over six month periods for each community, August 2008-December 2009

Time period*	Total number of conferences	Number of conferences attended	Number of conferences not attended	Attendance rate
Aurukun				
Aug-2008 - Jan-2009	132	104	28	79%
Feb-2009 - Jul-2009	356	238	118	67%
Aug-2009 - Dec-2009	366	257	109	70%

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Time period*	Total number of conferences	Number of conferences attended	Number of conferences not attended	Attendance rate
Coen				
Aug-2008 - Jan-2009	23	14	9	61%
Feb-2009 - Jul-2009	44	20	24	45%
Aug-2009 - Dec-2009	42	11	31	26%
Hope Vale				
Aug-2008 - Jan-2009	115	66	49	57%
Feb-2009 - Jul-2009	245	105	140	43%
Aug-2009 - Dec-2009	209	125	84	60%
Mossman Gorge				
Aug-2008 - Jan-2009	51	16	35	31%
Feb-2009 - Jul-2009	75	32	43	43%
Aug-2009 - Dec-2009	66	18	48	27%

Source: KPMG

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G.2.1 Variation across demographic characteristics

In the first 18 months of the FRC's operation, the attendance rate of women was marginally higher than males by any round of NTAs (see Table 16 below).

Table 16: FRC conference attendance rates by gender, July 2008-December 2009

NTA round	Men	Women
Number of first NTA issued	*784*	*547*
First NTA issued resulting in attendance	60%	62%
Number of second NTA issued	*179*	*116*
Second NTA issued resulting in attendance	47%	54%
Number of third or subsequent NTA issued	*50*	*42*
Third and subsequent NTAs issued resulting in attendance	42%	50%
*Total number of NTA issued**	*1,013*	*705*
Attendance rate resulting from any NTA+	57%	60%
Percentage of cases resulting in attendance^	71%	74%

Source: KPMG analysis based on data provided by the FRC.

** - The total number of NTA issued in this table may vary from the total number of NTA issued presented elsewhere in this appendix due to a number of NTA not having a gender associated with them resulting in them not being included in this table.*

+ - This calculation is based on the total number of notices issued for each gender divided by the number of notices resulting in attendance for each gender

^ - This is the proportion of cases (men = 784, women = 547) resulting in attendance at a conference.

There appears to be a correlation between the attendance rate and age of the client. Older clients tended to attend conferences, by any measure of attendance, more often than younger clients (see Table 17 below).

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Table 17: FRC conference attendance rates by age, July 2008-December 2009

	Age range									
NTA round	**Up to 19**	**20-24**	**25-29**	**30-34**	**35-39**	**40-44**	**45-49**	**50-54**	**55-59**	**60+**
Number of first NTA issued	*39*	*137*	*232*	*190*	*238*	*187*	*137*	*67*	*33*	*45*
First NTA issued resulting in attendance	51%	54%	56%	61%	63%	67%	67%	55%	73%	76%
Number of second NTA issued	*15*	*44*	*58*	*41*	*57*	*27*	*30*	*6*	*4*	*8*
Second NTA resulting in attendance	33%	45%	40%	56%	49%	52%	67%	50%	50%	75%
Number of third and subsequent NTA issued	*2*	*14*	*20*	*14*	*12*	*13*	*4*	*9*	*3*	*1*
Third and subsequent NTA resulting in conference attendance	100 %	21%	60%	50%	25%	38%	100 %	67%	0%	0%
*Total number of NTA issued**	*56*	*195*	*310*	*245*	*307*	*227*	*171*	*82*	*40*	*54*
Attendance rate resulting from any NTA +	48%	50%	53%	59%	59%	63%	68%	56%	65%	74%
Number of cases	*39*	*137*	*232*	*190*	*238*	*187*	*137*	*67*	*33*	*45*
Percentage of cases resulting in attendance^	62%	69%	68%	71%	71%	75%	78%	69%	89%	87%

Source: KPMG analysis based on data provided by the FRC.

** - The total number of NTA issued presented in this table may vary from the total number of NTA issued presented elsewhere in this appendix due to a number of the NTA not having a client age associated with them resulting in them not being included in this table.*

+ - This calculation is based on the total number of notices issued for each age group divided by the number of notices resulting in attendance for each age group.

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^ - This is the number of cases for each age group divided by the total number of cases resulting in attendance for each age group.

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The overall attendance rate by age groups is represented in Table 17 above. At first glance, the attendance rate for 25-29 year olds appears to diverge from the average. The attendance rate for these cases (n=232) in response to the first NTA (56 percent) and second NTA (40 percent) is lower than the average attendance rate for each of these rounds of NTAs (61 percent and 50 percent respectively – see Table 18 below). For the third and subsequent NTA, attendance of this group (60 percent) is higher than the average (46 percent). This appears to suggest that this age group was more encouraged to attend conferences after CIM is usually imposed than other age groups. However, while this increase appears considerable, chi squared testing shows that there is no statistically significant difference, given the small numbers of NTAs concerned.

The attendance rate was subject to change depending on the community in which the FRC client resides (see Table 18 below). Residents of Aurukun for example were more likely to attend a conference than residents of Mossman Gorge. The highest attendance rates were found in Aurukun, followed by Hope Vale, Coen and Mossman Gorge.

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Table 18: Conference attendance rate by community for the period July 2008-December 2009

NTA round	Community				
	Aurukun	Coen	Hope Vale	Mossman Gorge	Average attendance rate
Number of first NTA issued	*712*	*80*	*419*	*124*	
Percentage of first NTA resulting in attendance	73%	45%	52%	32%	61%
Number of second NTA issued	*116*	*19*	*111*	*51*	
Percentage of second NTA resulting in attendance	59%	21%	54%	33%	50%
Number of third and subsequent NTA issued	*26*	*10*	*39*	*17*	
Percentage of third and subsequent NTAs issued	42%	50%	44%	53%	46%
Total number of NTA issued	*854*	*109*	*569*	*192*	
Attendance rate resulting from any NTA*	70%	41%	52%	34%	49%
Number of cases	*712*	*80*	*419*	*124*	
Percentage of cases resulting in attendance^	81%	55%	67%	48%	63%

Source: KPMG analysis based on data provided by the FRC.

** - This calculation is based on the total number of notices issued for each community divided by the number of notices resulting in attendance for each community*

^ - This is the number of cases for each community divided by the total number of cases resulting in attendance for each community.

Again, while each of the communities has different numbers of NTAs issued, converting information to a rate allows for fair comparisons to be made between communities. The overall average attendance rate for first time NTAs was 61 percent (see Table 18 above). The only community which reached this rate was Aurukun; all other communities had attendance rates well below. These data show that the attendance rate in Aurukun was significantly higher than the other communities which may be a sign of increased effectiveness of the FRC in encouraging attendance in this community. Aurukun had very high attendance rates relative to both the average for first time attendance (73 percent compared to 61 percent) and for overall attendance rates (81 percent compared to 72 percent). Attendance rates in Aurukun were pulling up the average across the communities.

The attendance rates in Hope Vale were consistent and close to the average rates. Mossman Gorge and Coen had attendance rates consistently below the average when the

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first and second NTAs were issued, but exceeded the average for the third and subsequent NTAs.

G.2.2 Variation across type of agency notification

The table below (Table 19) presents the results of attendance rates by type of agency notification.

Clients were more likely to attend conferences that concern Education Queensland notices and Child Safety notices. For each of these agency notification types, over three-quarters of all cases resulted in attendance at a conference. The results were lower for notifications associated with Magistrates Court offences, where two-thirds of cases resulted in attendance. The even lower rate for notifications associated with Housing Tenancy should be viewed with caution, as the total number of cases concerning this agency notification type was too low for reliable comparisons.

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Table 19: Attendance rate by agency notification type, July 2008-December 2009

NTA round	Child Safety	Education Queensland	Housing Tenancy	Magistrates Court Offence	Average attendance rate
Number of first NTA issued	*258*	*451*	*11*	*615*	
Percentage of first NTA resulting in attendance	65%	69%	45%	54%	61%
Number of second NTA issued	*68*	*71*	*4*	*154*	
Percentage of second NTA resulting in attendance	54%	62%	25%	44%	50%
Number of third or subsequent NTA	*22*	*22*	*2*	*46*	
Percentage of third and subsequent NTAs resulting in attendance	41%	50%	0%	48%	46%
Total number of NTA issued	*348*	*544*	*17*	*815*	
Attendance rate resulting from any NTA*	58%	63%	35%	50%	49%
Number of cases	*258*	*451*	*11*	*615*	
Percentage of cases resulting in attendance^	79%	76%	55%	66%	

Source: KPMG analysis based on data provided by the FRC.

** - This calculation is based on the total number of NTAs issued for each agency notification type divided by the number of NTAs resulting in attendance for each agency notification type.*
^ - This calculation is based on the total number of cases for each agency notification type divided by the total number of cases resulting in attendance for each agency notification type.

The difference in attendance rates between different agency notification types may be a result of other characteristics of clients receiving them, such as age or gender, rather than the agency notification type alone. For example, as discussed above, clients identified in Magistrates Court agency notifications were more likely to be younger and men; while clients named in Education Queensland notifications were more likely to be older and women. Older clients tended to attend conferences more often than younger clients, and women were marginally more likely to attend conferences than men. However, the community consultations also suggested that some agency notification types were viewed differently. As discussed in chapter 12, the Education Queensland notifications reflect

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what most community members surveyed think the FRC's purpose is. It is also in line with strong positive views on education expressed by most community members who gave input to the Review, and with concerns about school attendance expressed by the communities before the FRC commenced. Conversely, the Magistrates Court notification was seen by some community members as a form of 'double jeopardy' – putting the client through two processes of judgement: the court and the FRC.

As discussed in chapter 3, the timing of the schooling and child safety agency notification trigger points – after three unexplained absences in a term, and when Child Safety Services becomes aware of alleged harm or alleged risk of harm to a child, whether investigated or not – provides an opportunity for the FRC to undertake intervention early in relation to these issues, before they escalate or reach crisis point. The good attendance rates at *first* conferences for both Child Safety and schooling notifications shown in Table 19 support the FRC's ability to intervene earlier. They may also be an indication of the FRC's ability to positively impact on school attendance. If attendance is high for schooling-related notification types then the FRC is in a good position to be able to take action at these conferences which should positively impact school attendance.

Figure 23, below, presents the overall attendance rate of conferences for the first 18 months by notification type and community. The figures below should be read in conjunction with Table 12 (above) which displays the number of agency notifications by type and by community and also the total number of NTAs for each community.

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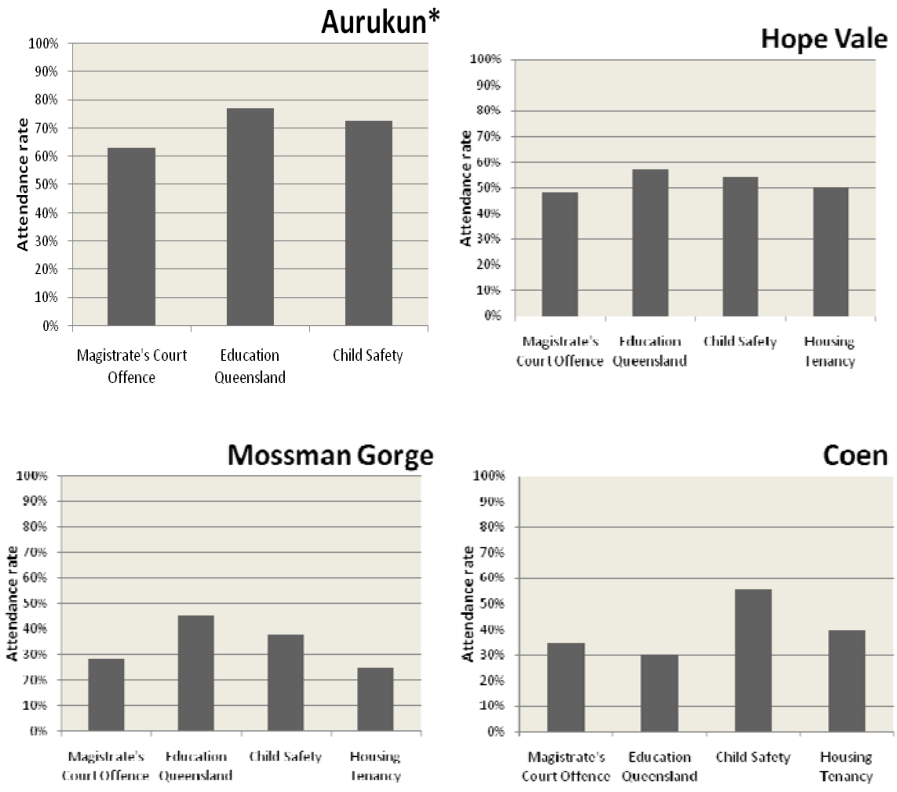
Figure 23: Attendance rate by notification and community, July 2008-December 2009



Source: KPMG analysis based on data provided by the FRC.

** Due to the housing tenancy program in Aurukun not commencing until late 2009 there were no housing tenancy notifications received for this community.*

As previously noted, while each of the communities has different population sizes, numbers of agency notifications and conferences, converting information to a rate allows for fair comparisons to be made between communities. With the exception of Coen, the overall attendance rate for people the subject of an Education Queensland agency notification was consistently higher than other agency notification types, followed by Child Safety and then Magistrate Court notification types, in every community.

The data also show that the low attendance rates in Mossman Gorge were associated with Magistrate Court notification types. Conversely, although cases involving Education Queensland notifications had a high attendance rate overall, the picture was different in Coen, where attendance in relation to this type of agency notification (n=50) was only around 30 percent. It is not clear why the attendance rate for Education Queensland notifications was lower in Coen. Data from the Queensland Government Quarterly Reports on Discrete Indigenous Communities presented in chapter 9 shows that the school attendance rate in Coen exceeds the state average and has done so since prior to the commencement of the FRC. This may limit the potential impact of the FRC to further lift school attendance rates in Coen. Coen community members who do not ensure children in

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their care attend school are in a small minority, and apparently at odds with this community norm. It may be, then, that those who are named in an Education Queensland notification in Coen are more resistant to initiatives to lift school attendance, including the FRC.

Statistical modelling[111] was applied to examine whether the differences between key characteristics discussed above were statistically significant. We considered age, community, gender and agency notification type as key explanatory variables. Holding all else constant, higher attendance was positively correlated with clients who were women and lived in Aurukun. The statistical relationship between women and higher attendance was positive yet weak. Qualitative information gathered through the qualitative survey[112] supports this finding. As discussed in Appendix E, while the qualitative survey interviews did not have a representative sample, the vast majority of women interviewed in Aurukun agreed with the statement that 'people should do what the FRC tells them, even if they don't agree'. Stakeholder consultations also supported the suggestion that acceptance of the FRC is higher amongst women than men.

G.3 Referrals to support services

This section presents the analysis of FRC data on the referral of clients to support services, discussed in chapter 5 of the report.

In the first eighteen months of operation, the FRC made a total of 952 referrals to support services concerning 519 separate cases. Table 20 (below) shows the frequency of referrals made as a percentage of total cases. For over 85 percent of the cases, a client was referred to a Wellbeing Centre. Forty-six percent of all cases included a referral to a Family Income Management service and 27 percent included a referral to an Attendance Case Manager.

[111] GLM logistical regression
[112] This survey used a convenience sample and the findings cannot be generalized to the population overall but contain useful descriptive information. Details of the method are at Appendix E.

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Table 20: Frequency of FRC referrals to support services as a proportion of all cases, July 2008-December 2009

Service	Number	Percentage of all cases^
Wellbeing Centres	444	86%
Family Income Management	234	46%
Attendance Case Manager	139	27%
Parenting Program*	27	5%
Other[113]	108	21%
Total cases	**519**	**100%**

Source: KPMG analysis based on data provided by the FRC.

** - In the time period covered by the datasets, the parenting program was only in operation in Aurukun and accordingly no data was available for the other communities*

^ The percentages in this table are calculated using the total number of cases (for all communities) as the base and cases may involve referrals to more than one service, so do not sum to 100%

Table 21 (below) presents a community breakdown of the services people are referred to, as a percentage of all cases dealt with by the FRC in each community. Cases in Coen, Hope Vale and Mossman Gorge were more likely to involve a referral to a Wellbeing Centre than cases in Aurukun. The highest proportion of referrals to an ACM was in Aurukun compared to other communities which may reflect the lower school attendance rates for Aurukun compared with the other communities (see chapter 9).

[113] Includes Education Queensland, Corrective Services, Justice Group, Health Centres, Centrelink and Child Safety.

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*Table 21: Services referred to by the FRC by community, July 2008-December 2009^*

	Aurukun	Coen	Hope Vale	Mossman Gorge
Wellbeing Centres	64%	82%	81%	86%
Family Income Management	53%	61%	25%	25%
Attendance Case Manager	35%	11%	12%	11%
Parenting Program*	8%	-	-	-
Other[114]	5%	36%	23%	11%
Total cases referred to a service	**331**	**28**	**124**	**36**

Source: KPMG analysis based on data provided by the FRC.

- In the time period covered by the datasets, the parenting program operated only in Aurukun and accordingly no data was available for the other communities.

^ The percentages in this table are calculated using the total number of cases referred to a service for each community as the base. Cases may involve referrals to more than one service, so columns will not sum to 100%

Table 22 below shows the number of Wellbeing Centre clients referred by the FRC compared with other referrals in each of the reform communities, as at December 2009. It can be seen that FRC-referred clients made up the majority of the Wellbeing Centre client base in Aurukun and Hope Vale, and the minority in Coen and Mossman Gorge. The higher number of cases in Aurukun may suggest a higher caseload for case workers in this community however it is not possible to draw the conclusion without further information. Staff to client ratios were not subjected to analysis by the Review.

[114] Includes Education Queensland, Corrective Services, Justice Group, Health Centres, Centrelink and Child Safety.

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Table 22: Wellbeing Centre clients in the reform communities, as at December 2009

Community	Aurukun		Coen		Hope Vale		Mossman Gorge	
Clients	**N**	**% total clients**	**N**	**% total clients**	**N**	**% total clients**	**N**	**% total clients**
FRC clients	162	73%	16	29%	77	60%	21	35%
Self-referred / other referrals	61	27%	40	71%	51	40%	29	48%
Unspecified (Mossman Town referrals)							10	17%
Total active clients	**223**	**100%**	**56**	**100%**	**128**	**100%**	**60**	**100%**

Source: KPMG based on Royal Flying Doctor Service, Wellbeing Centres Monthly Report, December 2009

G.4 Income management

This section presents the analysis of data relating to Conditional Income Management (CIM), discussed in chapter 6.

The Review team supplemented our analysis of FRC client data with de-identified, summary level information provided to the Review from a file review of FRC and Centrelink records for CIM clients conducted by FaHCSIA (hereafter referred to as 'the file review'). These datasets cover different time periods and number of cases, as follows:

- The FRC client data span 1 July 2008 – 31 January 2010. These data report there were 203 orders for CIM made in this time for 191 clients, of which 18 orders were either completed or exited, 18 had been revoked and 41 were in relation to individuals who were not receiving Centrelink payments, leaving 126 active CIM orders as at January 2010 (125 clients).

- The FRC records examined in the file review span 1 July 2008 – 31 October 2009, capturing all FRC clients that had CIM orders made (including those no longer on CIM orders). These data report on 114 cases.

- The Centrelink records examined in the file review cover 1 July 2008 – 31 December 2009, capturing FRC clients on CIM orders in this time. These data report on 110 cases.

These cases all involve recipients of welfare payments.

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In the original design of the Cape York Welfare Reform, it was also proposed that the FRC be able to income manage Community Development and Employment Projects (CDEP) Program wages. This was not possible for a variety of legal reasons. Instead, a specific measure was implemented by the Commonwealth Government, with the agreement of the parties to the Cape York Welfare Reform, so the FRC's jurisdiction could extended to CDEP participants. From 1 November 2008, all CDEP participants have signed forms acknowledging that they must cooperate with the FRC as an eligibility condition for continuing with CDEP. Cooperation involves attending FRC conferences and acting on agreements reached with the FRC. If a CDEP participant doesn't cooperate, s/he may become ineligible to participate in CDEP for 12 months. The decision to determine eligibility is made by the Australian Government, after receiving advice from the FRC. The FRC does not have the power to determine eligibility for CDEP.

The file review of FRC records showed that, by 31 December 2009, the FRC had advised that 44 CDEP participants had been non-compliant. However, after a review of their circumstances, only 24 clients were exited from CDEP due to non-compliance with the FRC. Of the remaining 20 persons: their non-compliance order was later revoked by the FRC because they subsequently engaged; they exited from CDEP due to failure to meet participation requirements (for example, not attending work); or they had already left CDEP to take up paid employment elsewhere or other welfare payments.

G.4.1 Income management and service referrals

Many income management orders in the period of the data analysis included concurrent referrals to support services. The file review of FRC records found that:

- the FRC had made formal service referrals for 52 percent (59 people) of income management clients;
- multiple service referrals were typically made (on average 1.7 referrals), with FIM and Wellbeing Centres being the most common referral points;
- 41 percent (24 out of 59) income managed clients referred to services went on to have ongoing engagement with *at least one* service to which they had been referred:
  - 18 out of these 24 clients had two or three different service referrals;
  - of these, only four out of the 18 clients went on to have ongoing engagement with both services to which they had been referred; and
  - the other 14 went on to have ongoing engagement with at least one service—that is, engagement with one service does not necessarily lead to engagement with other services.

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G.4.2 Appeals and variations to CIM orders

The file review showed that, as at 31 December 2009, the FRC had varied income management notices in the following ways:

- the FRC had received 48 appeals from income management clients (out of a total of 110 clients) and the FRC had revoked or amended notices of 19 clients. In the remaining cases, the FRC reported it attempted to resolve the concerns that led clients to lodging appeals.

- 15 out of 110 clients were being income managed at 60 percent of fortnightly payments (frequently with consent to continue income management but with the proportion income managed amended down from 75 percent); and

- 11 out of 110 clients had income management notices that had been extended beyond the original 12-month duration because they had been subject to future agency notifications or had not fulfilled actions set out in FRC case plans.

The table below shows the number of FRC clients who have ceased income management due to the FRC revoking the order, compared with other reasons.

Table 23: Numbers of clients who had ceased FRC income management as at 31 December 2009 and reason for cessation

	Number of Compulsory Clients	Total
Ended by FRC	15	19
End of Income Management period	8	9
Welfare Payment Cancelled	13	13
Death	0	1
Total	**36**	**42**

Source: Date sourced from Centrelink and analysed by FaHCSIA

The following analysis compares the demographic characteristics of FRC CIM clients relative to other FRC clients.

G.4.3 Gender of CIM clients

As displayed below in Figure 24, in the first 18 months of the FRC's operation, the gender distribution of FRC clients on CIM was similar to the gender distribution of FRC non-CIM clients. FRC CIM clients were marginally more likely to be men than women.

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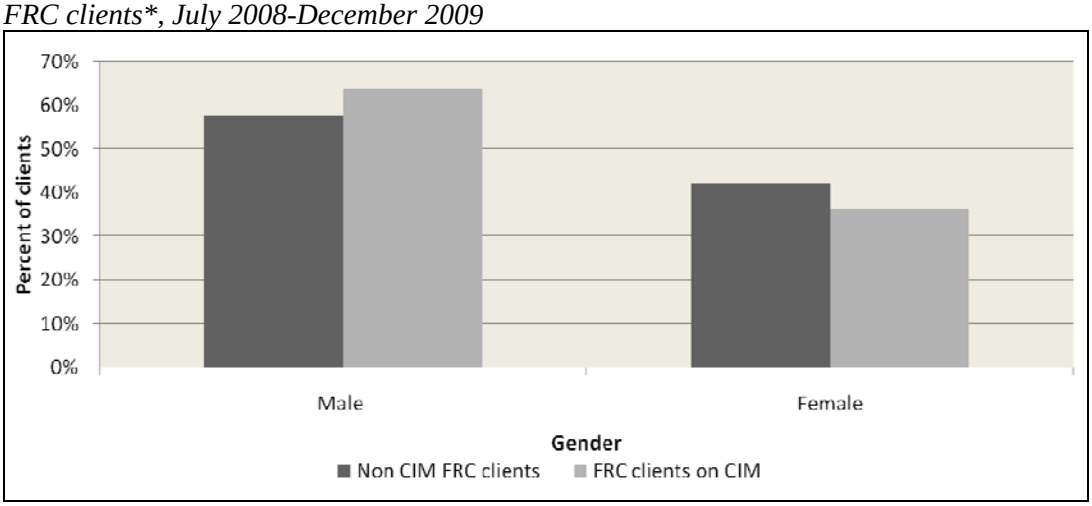
Figure 24: Comparison of gender characteristics of FRC clients on CIM and non CIM FRC clients, July 2008-December 2009*



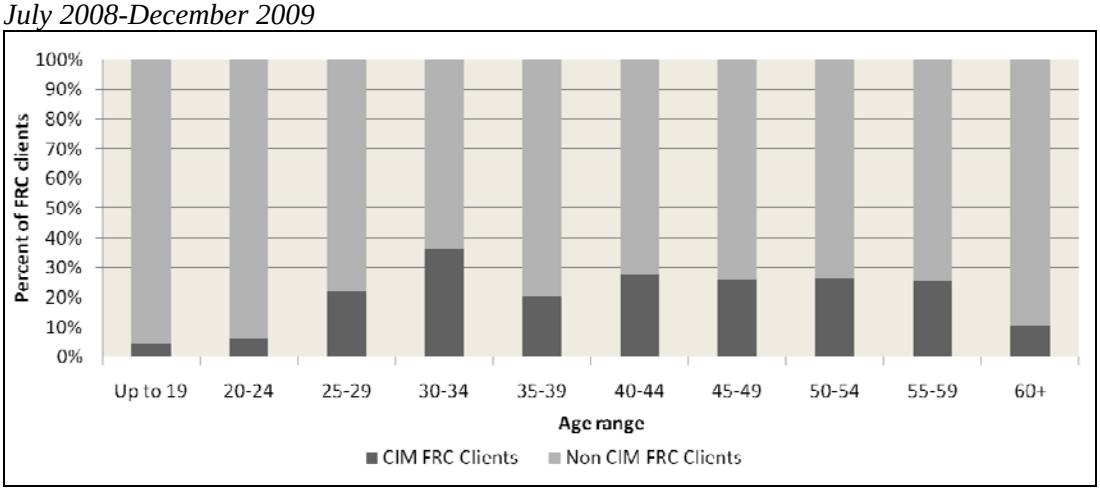
Source: KPMG analysis based on data provided by the FRC.

** FRC clients on CIM represents the number of clients who have been placed on a CIM order (n = 191), while non CIM FRC clients represents the remainder of FRC clients (n = 706)*

G.4.4 Age of CIM clients

Figure 25 below presents the proportion of all FRC clients who had been ordered to or agreed to CIM in the first 18 months of the FRC's operation. Over a third of all 30-34 years old FRC clients had a CIM order which exceeds the average for all age groups.

Figure 25: Age characteristics of FRC clients placed on CIM relative to all FRC clients, July 2008-December 2009*



Source: KPMG analysis based on data provided by the FRC.

** All FRC Clients is the total number of FRC clients (n = 897)*

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G.4.5 Resident community of CIM clients

Table 24 below shows that the distribution of FRC CIM clients across communities was relatively consistent, with the exception of Mossman Gorge which had a disproportionately high number of CIM clients (although only 35 percent of 29 clients in total).

Table 24: Distribution of CIM clients by community as a proportion of all FRC clients, July 2008-December 2009*

	Non CIM FRC clients		FRC clients on CIM		Total clients by community	
Community	**%**	**n**	**%**	**n**	**%**	**n**
Aurukun	81%	349	19%	84	100%	433
Coen	83%	80	17%	16	100%	96
Hope Vale	78%	224	22%	62	100%	286
Mossman Gorge	65%	53	35%	29	100%	82
Total		**706**		**191**		**897**

Source: KPMG analysis based on data provided by the FRC.

** All FRC Clients is the total number of FRC clients (n = 897)*

G.4.6 Agency notification type of CIM clients

Analysis was conducted on the FRC client data in terms of the types of agency notifications that CIM clients have been subject to in the first nineteen months of its operation (Table 26 below). There is little variation in the proportion of CIM clients who had been identified in Child Safety, Education Queensland, Housing Tenancy[115] and Magistrates Court offence agency notifications.

[115] It should be noted that this rate reflects low actual numbers of Housing Tenancy agency notifications (5 out of 18 notifications).

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*Table 25: CIM clients relative to all FRC clients by type of agency notification, July 2008-January 2010**

	Non CIM clients		CIM clients		Total notice type	
Notice type	**%**	**n**	**%**	**n**	**%**	**n**
Child Safety	77%	240	23%	73	100%	313
Education Queensland	79%	224	21%	60	100%	284
Housing Tenancy	72%	13	28%	5	100%	18
Magistrate's Court Offence	75%	459	25%	156	100%	615
Total clients	**79%**	**706**	**21%**	**193**	**100%**	**899**

Source: KPMG analysis based on data provided by the FRC.

** CIM clients represents the number of clients who have been placed on a CIM order (n = 191), all FRC clients represents the total number of clients (n = 897)*

G.4.7 Welfare payment type of CIM clients

The file review of Centrelink records for FRC clients on income management in the first 18 months of the FRC's operation (results of which are summarised below in Table 26 below) shows that the primary welfare payment managed was Newstart, which provides financial support for people looking for work.

Table 26: Welfare payment type, FaHCSIA review of Centrelink records, July 2008 – December 2009

Primary payment type	Income managed on 31 Dec 2009 N=	Income managed on 31 Dec 2009 %
Aged pension, Carers Payment, Disability Support Pension or Youth Allowance	19	17%
Newstart	62	56%
Parenting payment – partnered or single	29	27%
Total	**110**	**100%**

Source: Data sourced from Centrelink records, analysed by FaHCSIA

G.4.8 Carers of children

The file review of records on CIM clients collected information on whether or not the person had children in their care. FRC records indicated that 61 percent of CIM clients had a child in their care (70 out of 114 clients at end October 2009). Records also indicated that over 70 percent of income managed people who were the subject of four or more agency notifications had a child in their care.

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G.4.9 Confronting complex issues

Together, FRC client data and qualitative information from the file review suggest that clients on Conditional Income Management orders are confronting complex life issues.

FRC client data shows that clients who were income managed in the first 18 months of the FRC were more likely to be the subject of multiple agency notifications than other FRC clients (see Table 27 below). Specifically, 40 percent of people who were income managed (n=191) were the subject of five or more agency notifications, compared to 16 percent across all FRC clients. On (mean) average, CIM clients had been identified in six agency notifications since the beginning of the FRC. This is in comparison to an average of three agency notifications for other FRC clients.

Table 27 below compares the complexity of clients who were on CIM and not on CIM. Complexity is measured by the number of *different types* of each agency notifications a client has been the subject of.

Table 27: Proportion of FRC clients on CIM or not on CIM by number of agency notification types received, July 2008-December 2009

Number of different types of agency notification which the client was named in	CIM clients - number	CIM clients - Rate*	Other FRC (non-CIM) clients - number	Other FRC (non-CIM) clients - rate*
1	116	61%	508	72%
2	49	26%	167	24%
3	24	12%	30	4%
4	2	1%	1	0.1%

Source: KPMG analysis based on data provided by the FRC.

**Percentage columns may not total to 100% due to rounding.*

Table 27 above shows that the majority of both clients who were on CIM and not on CIM were the subject of only one type of agency notification. Chi squared testing also shows that the proportion of clients who received three or more notices in the CIM FRC client group is significantly higher than the proportion in the non CIM FRC client group. On average, CIM clients had been named in 1.5 different notification types in comparison to the remaining clients who had, on average, been named in 1.3 different notification types.

With respect to the type of agency notification a client was identified in, clients who were income managed most frequently had a conviction in the Magistrates Court (approximately three-quarters of clients) (see Table 28 below).

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Table 28: Proportion of FRC clients receiving at least one agency notification, by notification type and whether on CIM, July 2008-December 2009

FRC clients	Child Safety		Education Queensland		Housing Tenancy		Magistrates Court Offence		Total Clients	
CIM clients*	73	38%	60	31%	6	3%	156	81%	193	100 %
Non CIM FRC clients+	240	34%	224	32%	13	2%	459	65%	706	100 %

Source: KPMG analysis based on data provided by the FRC.

- These percentages represent the number of CIM clients for each notification type divided by the total number of CIM clients.

+ - These percentages represent the number of non CIM FRC clients for each notification type divided by the total number of non CIM clients.

Clients may receive more than one agency notification, therefore totals may exceed 100%t

CIM clients were also repeatedly coming to the attention of the FRC, with three-quarters of all income management clients being identified in agency notifications issued over two or more different dates.

These findings suggest that clients who are income managed are confronting complex, multiple problems.

Qualitative analysis of FRC CIM client files during the file review found evidence that income managed clients were often experiencing multiple and often severe life circumstances. Alcohol and violence were frequently factors in the lives of people who were subsequently income managed. For some people, issues were also identified about the wellbeing of children in their care, drug use, imprisonment, frequent mobility, chronic health problems, mental health problems and accessing Centrelink services.

G.5 Breaching another social obligation after engagement with the FRC

This section presents the findings of the analysis of agency notification and FRC Notice to Attend (NTA) data covering the first eighteen months of the FRC's operation. Of interest are those who were identified in another agency notification following attendance at a FRC conference. To accommodate any lag in impact of the conference on client behaviours, the analysis does not include clients who were named in an agency notification within 60 days of their FRC conference.

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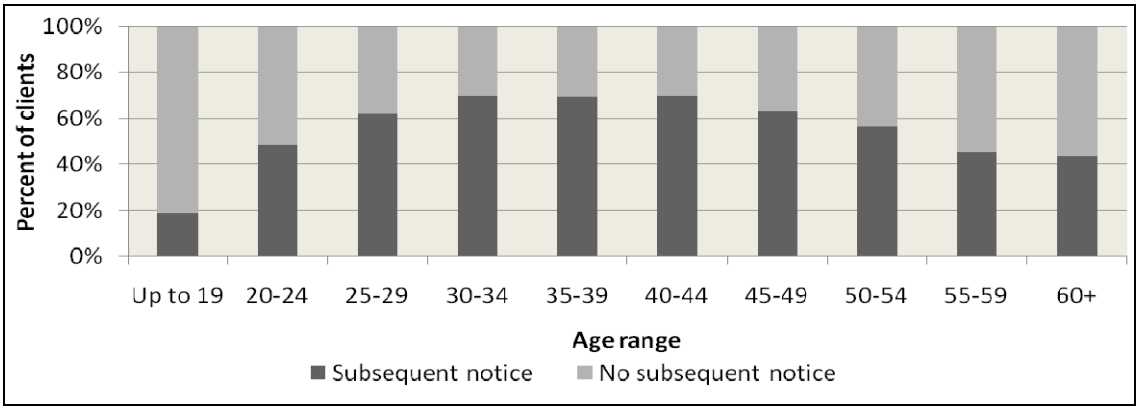
In the first eighteen months of the FRC's operation (July 2008-December 2009), a total of 342 clients who attended a conference were identified in another agency notification after their conference, representing 61 percent of all clients who attended a conference in this time period.

The figures below present a comparison of clients named in a subsequent agency notification with those who were not named in another agency notification following attendance at a conference.

There is little difference in the characteristics (such as age and gender) between the two client groups. The gender distribution between those who were identified in a subsequent agency notification and those that were not is almost identical. The age distribution is highlighted below in Figure 26. The figure presents the number of clients who were the subject of a subsequent agency notification following their conference as a proportion of all clients that attended a conference.

Figure 26: Break down of attending clients by age and whether or not they received a subsequent agency notification, July 2008-December 2009



Source: KPMG analysis based on data provided by the FRC.

Clients between the age of 30 and 44 were most likely to be the subject of a subsequent agency notification following attendance at a conference.

Table 29 below highlights the geographical patterns for those who are identified in another agency notification after having attended a FRC conference. Residents of Aurukun were more likely to be the subject of an agency notification following their attendance at a conference than residents of any other community.

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Table 29: Location of attending clients who do not/do receive a subsequent agency notification - July 2008-December 2009

	No subsequent notice		Subsequent notice		Total by community	
Community	**%**	**n**	**%**	**n**	**%**	**N**
Aurukun	33%	106	67%	211	100%	317
Coen	46%	16	54%	19	100%	35
Hope Vale	44%	75	56%	94	100%	169
Mossman Gorge	59%	26	41%	18	100%	44
Total	**39%**	**223**	**61%**	**342**	**100%**	**565**

Source: KPMG analysis based on data provided by the FRC.

Statistical modelling was applied to examine the relevant demographic differences between clients named in a subsequent agency notification and clients who were not. We considered age, community and gender as key explanatory variables. Holding all else constant, the significant (but weak) determinants of clients identified in a subsequent agency notification following attendance at a conference include age, gender and location. Younger people were marginally more likely to be named in a subsequent agency notification, as were men. Additionally clients who lived in Mossman Gorge were less likely to be the subject of a subsequent agency notification whereas clients in Aurukun were more likely to be.

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H Regulation theory and best practice

This Appendix outlines the independent criteria for good practice amongst regulatory agencies which is used to contextualise the findings of the FRC Review in chapter 11, and the theory of responsive regulation which underpins these criteria.

H.1 Criteria for analysing the FRC

Regulation is undertaken to achieve policy objectives such as maintaining industry standards or protecting the rights of individuals and groups by influencing or controlling how individuals, groups or industries behave.[116] Regulation might refer to laws, rules or quasi-regulation (such as codes of conduct).

The FRC can be conceptualised as a regulatory body because it seeks to modify the behaviour of individuals and families, and through this, the social norms of the reform communities, in order to protect the rights of children and other vulnerable members of the Welfare Reform communities.

One way to establish theory-based criteria by which to analyse the FRC is to examine it against the Australian National Audit Office (ANAO) *Administering Regulation Better Practice Guide* as recognised standards of good practice for regulatory bodies.[117]

H.2 ANAO Administering Regulation Better Practice Guide

The ANAO *Administering Regulation Better Practice Guide* (the Better Practice Guide), which is informed by the experience of other government regulatory bodies, includes eight high level standards. These are:

- governance considerations;
- information management;
- relationship management;
- resourcing issues;
- controlling entry;
- monitoring compliance;

[116] Australian National Audit Office, 2007, *Administering Regulation – Better Practice Guide*, Commonwealth Government, Canberra. Accessed from: http://www.anao.gov.au/uploads/documents/Administering_Regulation_.pdf viewed March 2010.
[117] ibid

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- addressing non-compliance; and
- responding to adverse events.

The concept of responsive regulation, which is discussed within the Better Practice Guide with respect to addressing and monitoring non-compliance, is useful when considering how to foster personal responsibility and how authority can most efficiently and effectively enforce positive social norms.

H.3 Responsive regulation

Responsive regulation theory proposes that the optimal strategy to promote self-regulating behaviour is to start from the least intrusive regulatory strategy and escalate through to the most intrusive in response to the actions of the parties being regulated.[118]

A regulating authority can harness a continuum of formal and informal regulatory actions to modify behaviour. These actions might include: punishment and compliance, persuasion, influence, voluntary compliance and self-regulation. Over time, effectively functioning responsive structures should lead to most regulation happening in the lowest, and least intrusive, levels and least regulation in the most intrusive levels – like a pyramid.[119]

People who are within the jurisdiction of the regulatory authority are likely to express a range of attitudes in relation to the authority, which the authority responds to with a particular regulatory response.[120]

The following table presents the regulatory steps in the responsive regulation theory pyramid and suggests how FRC processes and mechanisms correspond, and how both respond to different individual attitudes.

[118] Braithwaite, J (2002) Restorative Justice and Responsive Regulation Oxford University Press
[119] Braithwaite, V (2006) "Ten things you need to know about regulation and never wanted to ask" Australian Law Librarian Vol 14, No 3
[120] Braithwaite, Valerie, Murphy, Kristina and Reinhart, Monika (2007) Taxation Threat, Motivational Postures and Responsive Regulation, Special issue Law and Policy 29 (1) 137-158

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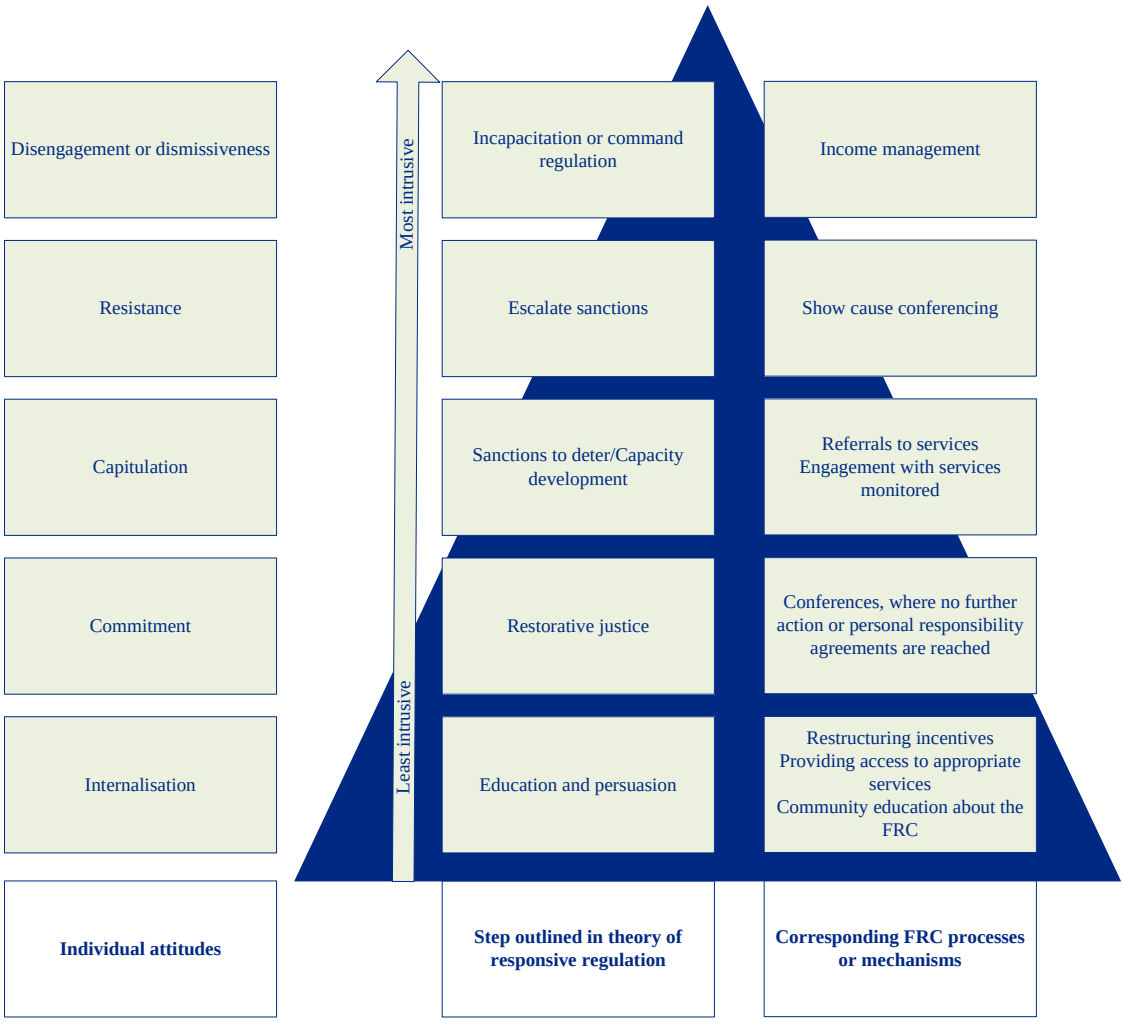
Figure 27: Attitudes, responsive regulation pyramid and the FRC responses.



Source: KPMG based on information from FaHCSIA

The design features of a responsive regulation authority such as the FRC are:

- the presumption is that all regulatory activity should start at the base of the pyramid, involving dialogue with the individual concerned (often informal or community-led) about why regulation is necessary, to elicit commitment through voluntary compliance;
- only if this does not succeed should regulation move up to more demanding and punitive interventions, stopping where the individual demonstrates changed behaviour;
- if middle range interventions do not succeed, the authority must continue to firmly escalate its regulatory actions, using necessary measures to deter and prevent people from acting contrary to the regulation, as the final step; and

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- the pyramid is firm but forgiving, so intervention is de-escalated if the changed behaviour is forthcoming.

H.4 Analysing the FRC as a regulatory body

The design of the Cape York Welfare Reform, including the FRC, envisaged that the combination of Welfare Reform projects, government services, and FRC referral and compulsion powers would form an escalation model responding to need, also like a pyramid.[121]

The FRC is different to other regulatory bodies in that it is a time-limited institution overlain on existing and permanent regulatory systems built into the legal, education and welfare systems. The FRC's jurisdiction is informed by agency notifications, which identify individuals who have breached pre-existing regulations (school attendance, criminal laws and housing tenancy agreements). The Commission is a further instrument through which compliance with these regulations can be encouraged based on new mechanisms which leverage off local authority. Yet, the FRC also has its own repertoire of regulatory actions independent of these existing regulatory systems, available to enforce compliance with the behaviour it expects and sets through Family Responsibilities Agreements or other decisions.

The regulatory obligations which the FRC enforces are both prescriptive (with processes for compliance and breaches defined in legislation for the existing regulatory systems and the FRC Act) and flexible (with the FRC having discretion to interpret compliance according to outcomes).

The FRC relies to a large extent on agencies and support services for a key function of regulatory bodies – to monitor compliance. The FRC is also unusual in that its authority is based both in legislation and in the leadership role played by Indigenous people as Local Commissioners.

In many cases, the FRC is addressing behaviour which represents people's reduced capacity to comply with obligations rather than their unwillingness to do so. In these cases the FRC provides structured access to support services which assist people to overcome barriers to compliance.

Regardless of these unique qualities, learnings from other regulatory agencies and theories of regulation provide a useful and objective basis on which to analyse the findings of the FRC Implementation Review. This analysis is presented in chapter 11.

[121] Cape York Institute (2007), *From Hand Out to Hand Up*, Vol.2, *opcit*, pp.56-63 – see particularly Figure 3 on p.57.

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I Cape York Welfare Reform projects and program theory

This Appendix provides information about other projects which, together with the FRC, make up the Cape York Welfare Reform initiative. It also gives more information on the program theory for the Welfare Reforms, which describes a hierarchy of changes or outcomes that are expected for individuals and families over time through the combination of the Welfare Reform's projects including the FRC. The findings of the FRC Review are considered in light of the program theory in chapter 12 of this report.

I.1 The interaction between the FRC and other Cape York Welfare Reform projects

The FRC is one of 15 projects which together make up the Cape York Welfare Reform. Not all projects are funded through the Welfare Reform: some already existed, some would have been implemented regardless, and others are being applied nationally but have been integrated with the broader Welfare Reform agenda in these communities. The FRC is considered to be a central change agent, designed to reinforce the positive behaviour and social norms promoted by the other projects.

The Cape York Welfare Reform is a complex, multi-component set of reform processes seeking to:

- restore positive social norms;
- re-establish local Indigenous authority;
- support community and individual engagement in the 'real economy'; and
- move individuals and families from public housing to home ownership.

The Reform involves four project streams that reflect these four objectives; social responsibility, economic opportunity, education and housing. The 15 individual projects or initiatives exist within the four streams.

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Social Responsibility	Economic Opportunity
FRC Support services and supported self help Conditional Income Management (CIM) orders Family Income Management (FIM) Program	Business precincts (Aurukun and Hope Vale) Mentoring and business support services Real full time jobs (CDEP reforms and enhanced employment services) Mobility initiatives to support people seeking employment outside of the community
Education	**Housing**
Making Up for Lost Time in Literacy (MULTILT) and Meeting Initial Needs in Literacy (MINILIT) programs ACMs Student Education Trusts (SETs) ABSTUDY away from home entitlements	Mainstream tenancy Pride of Place initiative home improvement funds Home ownership initiatives

Source: Courage Partners Cape York Welfare Reform Evaluation Framework

Currently connection between the different Welfare Reform projects is intended to occur through the high level strategic governance of the Welfare Reform Project Board and through the four Stream Committees. Agencies associated with each of the Streams meet regularly to further specific agendas within the Stream. Stream Managers were not consulted as part of the FRC Implementation Review, but interviews with the Tripartite Partners in the Program Office and Local Program Offices suggest that the Streams are administered separately, driven by their individual projects. For example, at the community level, staff representing the Tripartite Partners in the Welfare Reform Local Program Office also focus on separate projects allocated to different portfolios.

While the FRC generally supports all four streams of Welfare Reform projects to varying extents, through promoting positive social norms, it is most closely linked and procedurally connected with the other Social Responsibility Stream projects or initiatives – support services, CIM and the FIM program, as well as the ACMs in the Education Stream. This connection is through referrals made to these support services, discussed in chapter 5 and the CIM orders which the FRC recommends Centrelink make discussed in chapter 6.

The FRC was one of the first projects to be operational, and projects are at different stages of implementation in the reform communities. A number of other projects, such as enhanced employment services and changes to CDEP have been or are being developed by Commonwealth departments as part of broader changes associated with other initiatives. Projects around housing, including changes to tenancy arrangements and home ownership, are complex and required a longer implementation period. Furthermore, some projects are dependent on factors largely outside the direct control of the Tripartite Partnership, most notably those associated with economic opportunity.

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I.2 Program theory

In March 2009, FaHCSIA commissioned Courage Partners to develop an Evaluation Framework and program theory for the Cape York Welfare Reform. The report is available on the FaHCSIA website.[122]

The 'program theory' or 'theory of change' provides the theoretical and conceptual framework for understanding how the Cape York Welfare Reform is intended to bring about change. It focuses on how the Projects and measures that are being implemented will give individuals and families the capabilities needed to adopt new values, identities and behaviours.

The Cape York Welfare Reform is a particularly complex initiative and a number of theories of change apply to the varied features. Courage Partners have used the evidence base for the initiative to reflect back on theory of change research, and validated the theory of change with stakeholders. While there is no authoritative theoretical sources to inform how change will occur in a remote Indigenous context, the work has been informed by a number of sources which have examined change in the mainstream.

The theory of change underpinning the evaluation framework draws on the policy and conceptual framework articulated in *From Hand Out to Hand Up* Volumes 1 and 2, the July 2008 Project Board Agreement, the implementation plan, and other administrative documentation and related evidence developed to support the Welfare Reform, and tested through workshops with key stakeholders.

The theory of change provides a tool which can guide and inform the design of the evaluation and also provides a common language and visual representation to describe complex and often intangible concepts. It also provides a 'parent logic' within which 'offspring' logics for the contributing strategies or projects can exist, a source of evaluation questions and a framework for reporting on the collective results across the strategies.

The scale of the change contemplated in the Welfare Reform is great and for some people represents significant changes in their behaviours, attitudes and interactions with other people. Significant change is also required of service providers, organisations and leaders.

The reality is that the presumed benefits are medium and long-term benefits, while the short-term reality is upheaval and confronting change at the personal, family and community level. It is well established in change theory that loss tends to be more keenly felt than gain, and that people tend to discount future costs or benefits compared to more immediate costs or benefits. The implication is that individuals will be reluctant to change unless the pain of staying where they are is perceived to be greater than the pain of making changes.

[122] Courage Partners, 2009, *Evaluation Framework and Program Theory for the Cape York Welfare Reform Trial*, Department of Families, housing, Community Services and Indigenous Affairs, Canberra. Available at: http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/cape_york_welfare_reform_trial/Documents/cape_york_welfare_reform.pdf

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The diagram depicting the theory of change at a strategic level across the four elements of the Welfare Reform is given at chapter 12. It is necessarily broad to encompass the range of outcomes sought. Each of the outcomes in the program theory is described in detail in the Evaluation Framework and Program Theory report.

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