

More effective social services - New Zealand Productivity Commission  
Submission due 2 December 2014

Q1 What are the most important social, economic and demographic trends that will change the social services landscape in New Zealand?

Defining the term 'what is a social service' will provide a broader view or clearer picture of social services in NZ. At present expertise when working with vulnerable families is still being defined by what is provided rather than who it is being provided to and the outcomes for those receiving the service. Our comments made in this submission reflect our perspective of the social landscape with an early childhood focus, as this is where our expertise lies. We have also chosen to not spend all our effort in defining vulnerability but rather the measures that will prevent vulnerability. We have also chosen to implement strategies that have a long-term effect across generations and communities rather than only the single person.

Social investment appears to be an emerging model. There is general international acceptance that if this investment is targeted at early intervention the costs are not high and the effectiveness becomes the greatest. There has been a shift toward early intervention and prevention and policies relating to early childhood education and care in NZ and across the world. Social investment allows for the targeting of big problems in a cost effective way. This model can provide long-term change. The social investment approach can minimise the intergenerational transfer of poverty and dysfunction and promote the intergenerational transmission of knowledge.

A more informed assessment of social investment policies, which analyses successes and failures and looks at factors that facilitate or impede the implementation can be found in *'Towards a Social Investment Welfare State? Ideas, policies and challenges'* - Edited by Nathalie Morel, Bruno Palier, Joakim Palme, The Policy Press, UK, 2012.

There is no debate that early learning is essential to positive life outcomes. Evidence from UK based organisation Action for Children's report titled *Effective Relationships with Vulnerable Parents to Improve Outcomes for Children and Young People, 2011* tells us that the outcomes achieved for children and young people through the support provided by experienced practitioners included;

- Children and young people are safe
- Improved emotional well-being
- Improved attendance at school
- Child and young person development

Outcomes achieved for families included;

- More stable housing and living conditions
- Improved relationships between parents and children
- Improved family stability
- Improved parental confidence and self-esteem

These outcomes show us that many of the adverse risks associated with vulnerable children and families can be minimised or negated by providing support and education for children and parents in their early years. The economic cost to NZ by not providing investment in the early years will continue to grow and not only impact on economics but on children's future potential and society at large.

Decisions around social and economic ideas are coloured by many factors, including resourcing, political ideology, economic and political crises, state structures and institutional capacities to enact social policy innovation.

As an example an early childhood education provider, such as Footsteps that builds learning in the home for vulnerable children and families should to be funded in a manner that meets the needs of the child and family in a measureable way rather than ticking a box which fits into the MSD or MOE model. Disagreement still exists over which department should fund such services, so nobody does. There should be a stronger focus on investment in the early years, as this will always have the greatest long term return.

Social enterprises that have been developed in NZ solely for the purpose of improving social outcomes for families play a major role for NZ society. Meeting a need, based on sound research and evidence and showing a history of positive outcomes should have consideration on merit rather than disagreement over who should fund, as it does not fit into an existing model or the prescribed box.

*The nature of economic costs of child abuse and neglect in New Zealand for Every Child Counts, prepared by Infometrics, August 2008.*

*Looking forward the critical issues that still need to be resolved are:*

- *Is the current level of government spending on preventing child abuse and neglect sufficient?*
- *How can one ensure that the appropriate level of resourcing is attained and maintained?*
- *What institutional arrangements will encourage the delivery of effective preventative services?*

*Grunewals and Rolnick (2006) suggest an elegant approach to ensuring public commitment is maintained and which can foster innovation in the delivery of services aimed at reducing the incidence to child maltreatment; the creation of a public endowment. Grunewald and Rolnick consider the benefits of such an approach are that:*

- *It encourages private, innovative, and targeted provision of early childhood services (small scale, high quality interventions have demonstrated greater social returns than broad-based publicly provided schemes).*
- *It represents a permanent commitment and allows leverage of resources from public and private stakeholders.*
- *A permanent commitment sends a market signal to service providers that they can expect a consistent demand for their product.*
- *By drawing up a business plan that demonstrates it can win service provision contracts, a prospective provider can leverage funds for capital expansions as lenders will be assured by the stability of the early childhood development endowments.*

Quality early childhood education in New Zealand is rightly acknowledged as beneficial for children, their future success and better outcomes at school. But what does early childhood education actually mean? To most people it is about children attending a Daycare Centre, Kindergarten, Play Centre, or other education venue that is in a 'building'. For children who come from chaotic backgrounds, have experienced adversity, suffered child abuse and neglect or have disabilities this environment often does not meet their needs. They need relational stability from those closest to them before this form of ECE will ever be effective. Vulnerable children do not fit into current education policies and therefore they continue to miss out on early learning opportunities that will provide them with a positive and bright future. **'The place where a child receives 'care' is critical to their future'**.

If we don't address these issues early it becomes harder or even impossible to treat the symptoms later in life – early intervention is the only effective strategy that works as a preventative. If we don't confront the issues early on the effect will dramatically shape the social services of NZ in the future.

As an example:

- Child poverty costs NZ \$6-8bn per annum in additional health costs, remedial education and reduced productivity
- Child maltreatment costs \$2bn per annum in immediate health and rehabilitation costs, long-term health costs, and a higher likelihood that abused children will be involved in youth justice/courts
- Nobel Peace prize winner, Prof James Heckman says for every \$1 spent on quality early childhood education there is a \$16 return
- 2009 OECD data shows that NZ sits at the bottom of the OECD for child wellbeing
- NZ currently spends more on older children than on young children, where the return on investment would be far lower
- NZ currently spends five times as much on people in their final two years of life as we spend on children in their first 5 years of life. Expenditure at the correct end will naturally give a greater return as we are enabling a person to become a productive part of our society.
- The UN Committee on the Rights of the Child has said that NZ needs to do a budgetary exercise that would provide transparency about the amount of government spending on children across all of the Budget Votes and track any increases and decreases in spending
- It costs \$11,500 to keep a child in high school a year
- It costs \$14,500 to keep a young person in University a year
- A young person not in Education Training or Employment (NEET) costs \$29,000 a year  
45,000 young people are NEETs
- It costs \$100,000 to keep someone in prison for a year
- A single case of rheumatic fever costs about \$50,000 to treat
- If you insulate a house you just have to prevent one hospitalisation to recover the cost
- 1300 hospital admissions due to overcrowding each year
- 60 babies die before the age of 1 year from conditions linked to poverty
- 7-10 babies die each year from abuse
- 22,000 substantiated cases of child abuse and neglect each year

*Data sources: Every Child Counts reports, Government data, [www.childpoverty.co.nz](http://www.childpoverty.co.nz)*

It costs only about \$10,000 to provide a child with early childhood home based education for a year. This is when the greatest brain development takes place and most difference can be made.

Evidence, both empirical and scientific, strongly suggests that early childhood safety, stability, development and the attachment relationship between an infant and carer are critical elements for establishing foundation for positive learning, behaviour and health. (*Philips and Schonkoff, 2001*)

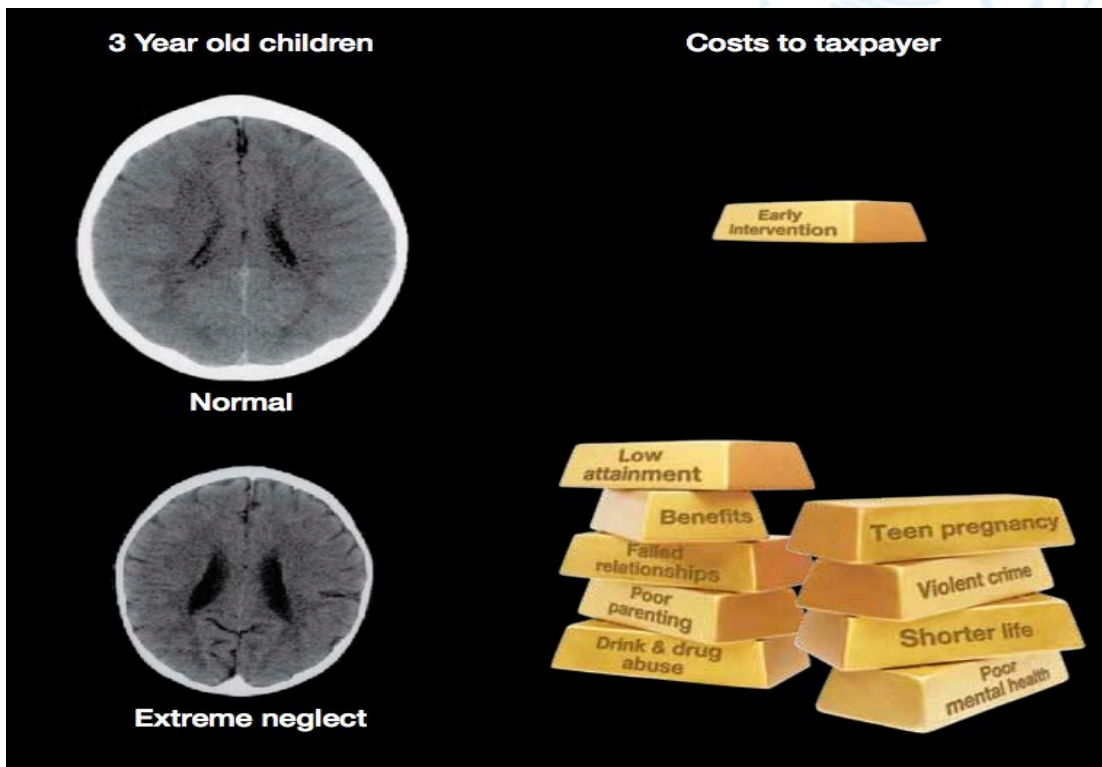
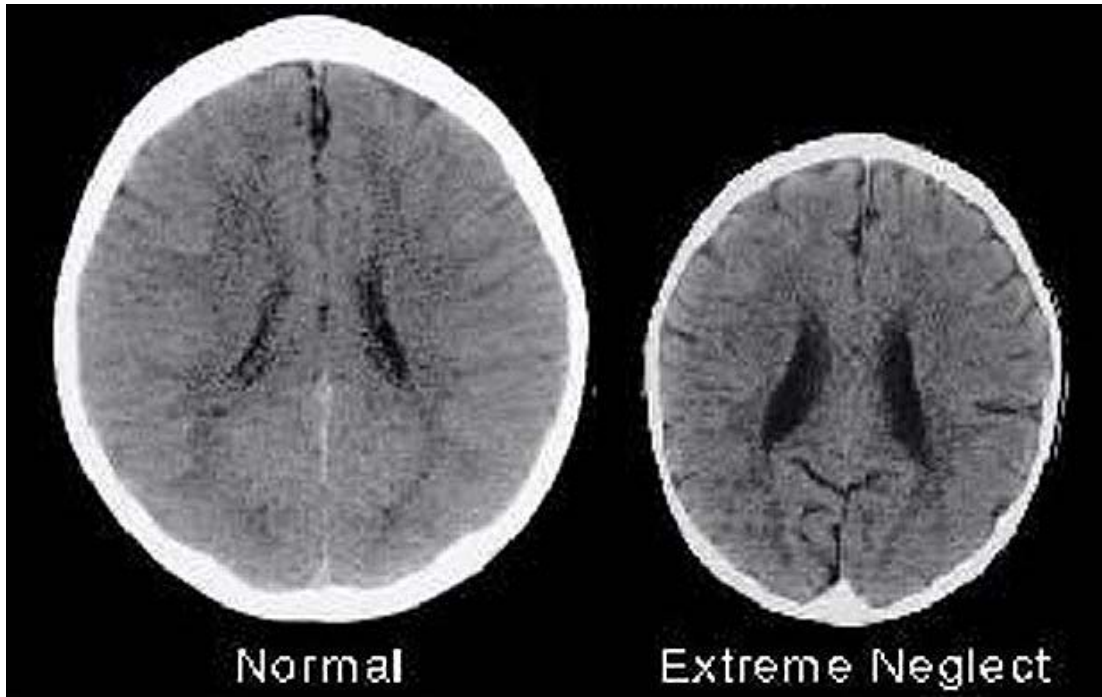
*“Decades of research have made clear to policy makers that one cannot make blanket statements about the superiority of exclusive maternal care, paternal care, or non-parental care. In each case the quality of care appears crucial; the development of most children is affected by the quality of care received both at home and in out-of-home care facilities and by the extent to which the care is sensitively adjusted to be appropriate given the children’s developmental and individual needs. (Lamb, 1998, p.81)*

Research highlighting the significance of early childhood and the early years has fuelled policy decisions for the last century. International research, models developed overseas and colonial methods of doing have created the social service landscape, including early education in New Zealand. Theory and research traditions inform early childhood policy development and practices. The question being - is early childhood education being looked at in isolation or in the right way? When you take into account the early life stresses experienced by some children (vulnerable children) - is it good practice to assume that these children are equipped to enter into early childhood education in a Centre based environment? Research shows that ensuring their home environment and those in the home have the tools and knowledge should form the platform to early learning in the first instance.

In June 2010 a working paper by the Ministry of Justice titled *‘Who is Vulnerable and Hard to Reach in the Provision of Maternity, Well Child and Early Parenting Support*, identified risk factors of early childhood associated with adverse outcomes. Some of these adverse outcomes in relation to the children are; delayed development, low intelligence, difficult temperament, poor attachment, poor social skills and disruptive behaviour. This is not solely about care but also involves learning in the home.

In relation to parents and parenting styles, risk factors identified included; single parents, young maternal age, depression or other mental illness, drug or alcohol abuse, harsh or inconsistent discipline, lack of stimulation of child, lack of warmth and affection, rejection of child, abuse or neglect. How can sending these children to a Centre-based ECE service rectify the problems that these children go home to day after day?

The development of neuroscience highlights the impact early life stresses have on young children’s brain development and relational capacity. Early childhood education research highlights the importance of good quality ECE for children. Research and theory, guiding policy and practice for children who have experienced adversity in their lives needs consideration. There appears to be a conflict, as the research supporting ECE for children, does not take into account research in regard to the affects of early life stresses for children on their developing brains. Building learning in the home is an effective means of ECE that has a far-reaching impact for all those involved. We know this, because this is what we do and we have the results of twelve years of supporting this sector.



*“The relationship between research and policy are rarely linear - of research informing policy, or vice versa. Research and policy more often appear to function as parallel and sometimes interconnected communities of interest, sometimes shaping and sometimes feeding on the other, and other times in dispute about implications of research or justifications for policy. Meanwhile*

*both shape and are shaped by the broader political/economic/cultural context of early childhood work, nationally and regionally, and accommodate (to a greater or lesser degree) to global economic, political, demographic, technological and cultural change.” - (Changing perspective on early childhood: theory, research and policy, Martin Woodhead, 2006).*

Government focus is on increasing participation in early childhood education. (*Better Public Services - Supporting Vulnerable Children, 25 September 2013*). What and how this is delivered needs consideration. There appears to be two distinct areas to consider in regard to delivery of early childhood education. Those children deemed as vulnerable, particularly when they have been raised in families of many years of dysfunction and those that experience early life stress (trauma). Their needs should be considered separately from those children raised in functional families. Young children from adverse backgrounds are often not socially competent to enter mainstream early childhood services. They have not had positive experiences to support foundational brain development and therefore have a deficit when building relationships (*Childhood Experience and the Expression of Genetic Potential: What Childhood Neglect Tells Us About Nature and Nurture, Perry, Bruce D, The ChildTrauma Academy, USA 2002*). For young children to be placed into a kindergarten or education and care services when they have not developed relational capacity because of their early life stresses will not produce the desired outcome. For children in Child, Youth and Family care or those with parents who lack the necessary skills they need a consistent, caring and safe home environment, with support to build learning in the home first. Once the knowledge has been transferred and the children and family have relational capacity then they should be able to cope in a Centre based ECE service or kindergarten.

*“Internationally, the combination of early childhood education and parent support initiatives are promising vehicles for improving child outcomes, particularly within such initiatives are grounded in locality based settings”. - ‘Blending Whānau/Family Development, Parent Support and Early Childhood Education Programmes. Munford, Robyn., Sanders J., Maden B, Maden E. Social Policy Journal of New Zealand. Issue No. 32. Nov. 2007.*

Social breakdown is related to family functioning. Positive parenting in particular is a key influence on child development. There is no debate that creating positive early years for children impacts on social and economic outcomes. It is important for families to become resilient. (*Family Resilience and Good Child Outcomes: A Review of the Literature, Ariel Kalil, 2003*). How this can be achieved needs to be considered as part of this review, as does the delivery and make up of social services.

*“Early childhood is the period when humans are dependent on secure, responsive relationships with others (adults siblings and peers), not just to ensure their survival, but also the emotional security, social integration and cognitive and cultural competencies”. (Changing perspective on early childhood: theory, research and policy, Martin Woodhead, 2006).*

Clearly innovative ways of delivering parent support and education programmes that improve family functioning and reduce levels of child maltreatment need to be invested in. Building learning in the home for families provides improvement in parent capacity, understanding and connections to their children.

Early intervention is key to obtaining positive results. Especially relevant to the field of family resilience, despite the theoretical frameworks that stress parental behaviour as an important conduit through which economic disadvantage exerts its effects on children, most interventions

that have aimed to change children's behaviour by modifying parenting practices have been unsuccessful. Kalil (2003). Some research findings suggest that targeting the intervention directly at children in the home may have a stronger impact on child outcomes than targeting parental behaviour as the mechanism for change. We know this to be true, as we have worked with over 8000 children in this way.

Q4 What contribution do social enterprises make to providing social services and improving social outcomes in New Zealand?

The Ministry of Social Development generally funds social services in New Zealand. With the creation of the White Paper and the Children's Action Plan collaboration between government departments has occurred. Finally children and families are not regarded in isolation, with isolated problems. Consideration now needs to be put into how the funding of social services is distributed and where the funding should go.

Footsteps was formed as a social justice business, with a sound business model in place to ensure the funding was targeted where it was most needed - the children. Robust structure, financial management and high quality standards that are measureable were developed. This social investment perspective is working on a big problem in a cost effective way, meeting a need that is showing results.

As a contributor for the social outcomes of children and as previously mentioned the tight restraints around what is a social service and what is an early childhood service impacts on delivery, access for families, funding and ultimately child outcomes, as the bigger picture is not being recognised.

The continued generational dysfunction within families, high rates of child abuse and neglect and numbers of notifications to Child, Youth and Family show that the practices, and intervention that are continuing to be funded are still not working. As stated by *Grunewals and Rolnick (2006) private, innovative, and targeted provision of early childhood services (small scale, high quality interventions have demonstrated greater social returns than broad-based publicly provided schemes).*

We think that social enterprises lie somewhere on a spectrum. Our service has government funding, as long as we make it fit within the prescribed boundaries, but it was created for the sole social purpose of building early learning at home for vulnerable children, a business for social justice. The way we are funded needs discussion as it is limiting to those that would benefit the most and restricts our contribution as a social enterprise.

Q5 What are the opportunities for, or barriers to, social-service partnerships between private business, not-for-profit social service providers and government?

There appears to be a stigma around private businesses being able to provide social services in NZ. This creates barriers to funding and partnerships.

As an early learning provider, that has been specifically developed to meet the needs of the most vulnerable children barriers continue to be an obstacle to provision to those that would benefit the most. As an example and as previously stated we are an ECE home-based service that has

created a model to build learning in the home for vulnerable children. Because this has been our focus for twelve years we have made sure that what is provided meets the need of the vulnerable children and families, including culture, capability, and family aspirations for their children. This model was developed with collaboration and partnerships of Child, Youth and Family, Fostering Kids, Child Matters, Alcohol Watch (FASD), Brainwave Trust, Victoria University, Teen Parent homes and other NGO's that work with the children. It was developed from the bottom up - what was needed for the children, whānau, and community.

Knowledge was a key to understanding what would ensure positive outcomes for children who experience early life stress. This was beyond the early childhood education training, but it was a key to meeting the complex needs of these children and families. This clearly shows that it is possible to form successful partnerships within all areas as long as the goal and vision are the same and the provider is prepared to invest in knowledge and skills to work with the children and families, to create a model on need rather than trying to fit into a box. Unfortunately the funding models do not reflect the reality of the delivery so never seem to "fit"

Our early childhood teachers are able to form productive trusting relationships with families and children, due to the very nature of being a teacher, the training and what we can provide in the home. Our teachers are not a threat to families who often have a mistrust of government agencies and services. Being able to build learning in the home for these high risk children is a very simple way to transfer knowledge and skills to the adults surrounding the child and to build the child's capabilities and competencies at the same time. This is an effective and valid means to provide early childhood education in a way that makes a difference in a non-threatening way for those children that have experienced adversity in their lives. Without this they often go on to repeat the pattern of dysfunction that for them is the 'normal'.

A partnership has been developed with Victoria University of Wellington and Footsteps to embark on a joint longitudinal research project looking at the home-based early learning for children in foster care. This has taken over five years to develop, as being a private business we were continually turned down for funding of this project. The research from this project is significant, as it will provide evidence of how vulnerable children's educational needs are being met. It will strengthen professional practice and explore the value of collaborative wrap-around services. In particular it will increase understanding of home-based early childhood education for the children in foster care and working in the home to build resilience.

Another barrier to partnership is Footsteps work with the teen parent homes around the country. There is a high need to build learning in the home for these teen parents and their children. We successfully work with four teen parent homes, but we are restricted by having to fit into the intent of home-based ECE. Without the funding from the Ministry of Education to provide the learning there is a high likelihood that these parents will either have their children removed and placed into state care or repeat the generational dysfunction.

It is the 'who' and 'outcome' that the service is being provided for, rather than not just the 'what' that should create the opportunities, partnerships and funding. No one service can work in isolation and make a difference. This is relevant for partnerships, whether private, not for profit or government.



Q6 What scope is there for increased private investments to fund social services? What approaches would encourage more private investment?

The potential benefit of social investments to society is significant. There is scope for private investment but clarity around outcomes and impact needs to be more of a focus, rather than what type of organisation you are. Currently social investment from the private market generally goes to voluntary, charitable or not for profit organisations. The stigma of 'private business' impedes on any social investment, as was the case when Footsteps tried unsuccessfully for over five years to obtain funding for their research project.

Private investment usually is a grant for a project that has a social outcome and some form of financial return. Outcomes are often long-term, so investment must be stable and available. Often services have funding for short periods of time or from the one source. The social problems in NZ are not simple short-term fixes, so a long-term vision must be part of the funding process. Measuring and reporting on social programmes can create challenges, as outcomes especially for children are long term and fluid.

Funding is difficult to justify for private businesses that have been created for social justice, merely because often they are a business and are seen as capitalists out to make a quick buck, where in fact in our case we have been created as a social justice company aiming to make a difference for children and society. The reason for this structure is its simplicity of use and cost effective nature.

Changing perception of society and endorsement by government may change this stigma, as it impedes the possibilities of what could in fact make an enormous difference.

Q8 Why are private for-profit providers significantly involved in providing some types of social service and not others?

As stated in the issues paper there are a number of organisations providing social services including early childhood education, private schools, retirement villages and rest home care. It appears that the growing industries around children and the elderly need investment and mixed models should be considered. Generally private businesses already have people with knowledge, good structure, management, financial accountability, stability and reporting practice. They generally have the skills and knowledge to be successful and to make the social service they are providing work for the benefit to the receiver.

Other forms of investment and ways of doing need consideration for the future as the global economy and world practices continue to change. The obvious at present is the road issues, particularly in Auckland. Investment is needed but the government cannot continue to fund to the degree that is required. Some other investment will be required. This is the case with the social sector, for the impact of change for society; investment in our children is required. This may need to be a mixed model of government and social investment from private organisations. The opportunity also needs to be considered for more private businesses to undertake the task of being involved and implementing the social services. Removing the barriers to funding, as discussed previously will support this model.

Businesses with a social conscious can play a part in social investment, whether providing the programmes or the finances. Supporting these businesses would lead to greater success and outcomes for society.

Q9 How successful have recent government initiatives been in improving commissioning and purchasing of social services? What have been the drivers of success, or the barriers to success, of these initiatives?

We have seen no significant improvement for our services ability to procure contracts. The barriers appear to be a lack of understanding on what Footsteps Education provides and the box we have to fit into to obtain the funding. It appears that it is not what we do or the outcomes for the children we work with, but the need to meet the rigid requirements and fit into the prescribed box. This does not mean that we do not want to be accountable, it means that funding should be for the need rather than having to 'look like something' to be able to get the funding.

Footsteps is an approved provider by the Ministry of Social Development (MSD), but we have not been successful in procuring contracts. This means that we cannot be part of the Investing in Services Outcomes framework. It appears that only those services that have contracts are being supported for future funding. We are also 'classed' as an early childhood education provider, which raises the debate that we should be funded as an education provider, where (as previously stated) we are a social service provider, building learning in the home.

Q15 Which social services do not lend themselves to client-directed budgets? What would be the benefit of client-directed budgets over existing models of service delivery? What steps would move the service in this direction?

In our case a client directed budget would benefit the children we currently work with. If the funding sits with the child then we would be able to continue to work with children when circumstances change such as when they return to parents, are given home for life and the other 'canyon children' that we cannot work with under the Ministry of Education Licensing Criteria and having to fit into the intent of home-based ECE.

We know that the gap for children, probably the most vulnerable as they are either in CYF care or have come to the attention of CYF, continue to be disadvantaged because of the way funding is currently distributed.

For example, when children in care and protection are given a 'home for life', Footsteps is no longer funded to work with the child and family. The need is still there, but because the criterion around the child has changed, we have to withdraw our service. The anomaly around this was highlighted significantly on the Sunday programme screened on TV1, Sunday, 23 November. The caregivers in this instance were providing a home for life for the children. These children had an opportunity that would have changed their lives for the future. This was taken away from them for several reasons, including biological parental involvement, and lack of support for the home for life caregivers. Both families described the children as 'feral' - this shows the high and complex needs that require support for not only the children but also the caregivers to make this placement successful. If the budget sits with the child then the likelihood of services having to withdraw would be lessened and the children would have a brighter future. These children have now been

moved, yet again, which in itself is damaging as previously highlighted. This is a clear case of the absurdity around funding and not taking into account the best interests of the child.

We are continually asked by social workers to work with children who are placed in care and protection and then returned to parents. Once they return to the parent then the MOE funding for the 'home-based' education we provide no longer meets the legislative requirements. The need is probably even greater as there was a reason that the child was removed in the first place. This highlights in particular the funding being directed for the prescribed model and not at the need - the child.

Q 20 Are there examples where government contracts restrict the ability of social service providers to innovate? Or where contracts that are too specific result in poor outcomes for clients?

Footsteps is approved under Section 403 of the CYPF Act. We have also been approved by MSD as a parenting and early childhood home education programme. We have experience and expertise in managing programmes for high needs and complex families and children. We have strong stakeholder networks. We have been unsuccessful in obtaining any contracts through MSD, therefore we are unable to provide what we have been approved to do.

As a service Footsteps builds learning in the home for vulnerable children and families - this is regarded within government as being an early childhood education service and is funded as a home-based early childhood education service by the Ministry of Education. This may not have been the intent of home-based ECE, but it is the only pathway for thousands of children and still more that cannot fit within the restrictive legislation. We are in fact a social service providing early learning in the home to vulnerable children, creating intergenerational transfer of knowledge and ways of doing. This type of delivery or intervention in the home has provided positive outcomes for over 8000 children nationally in the past twelve years. It builds foundational brain development, relational capacity and social competence for children that have experienced adversity in their early years. This then provides them with the resilience, foundational skills and dispositions required for school and later life. The family and those surrounding the child learn new ways of doing, of respecting and of understanding their child. The child becomes valued in their family.

Q21 How can the benefits of flexible service delivery be achieved without undermining government accountability?

Accountability based on inputs restricts innovative practice. Accountability within the social sector is often hard to measure and should be based on outcomes and be measured long term. The level of dysfunction within families has evolved over generations, so an easy and short-term fix is not possible. Investing in children over time will have an impact and create change in how children are viewed, treated and cared for and therefore have an impact on society in general.

Qualitative outcomes or specific goals are measurable, which allows for flexible service delivery, rather than inputs, such as enrolling 50 children - this does not show any change or transformation. Set outcomes can be shown in many ways. For us at Footsteps the outcomes or benefits have been identified as:

1. Potential risks to the child's safety and health are decreased
2. The physical environment supports the child's learning
3. The child is happy and displays improved emotional wellbeing

4. The child's learning is supported and extended
5. Parents needs are met and their knowledge of positive parenting is extended
6. The values, beliefs and language of the child's family are supported
7. Parent's confidence and self-esteem improves
8. Children and parents are empowered to learn and grow
9. Improved relationships between parents and children
10. Children are equipped with the processes for learning when they enter school

These outcomes are documented through our monthly review plans and each child's individual Learning Journals. Around 8000 journals have been created to capture each child's evidence of learning. Monthly review plans are shared between kaiako (teacher) and parent/social worker and document actions, activity and support provided.

To be effective and accountable programmes should have evidence based design and practice. The monitoring and improvement of practice should be considered, with evaluations for programme improvement. This is one of the reasons that Footsteps have embarked on a 3-year longitudinal study in conjunction with Victoria University of Wellington.

Consideration for this type of outcome, monitoring and design will improve education and social outcomes for vulnerable children. Service providers should not be restricted on how they are being accountable, particularly around inputs, allowing for flexible accountable methods and service provision.

Q 26 What factors should determine whether the government provides a service directly or use non-government providers? What existing services might be better provided by adopting a different approach?

Often non-government providers can provide services of high quality, specific to client need. In our case we have been specifically developed to provide early learning for vulnerable children and families, ensuring we have the professional skills, knowledge and capacity to deliver.

Government has been known to import overseas models and try and fit them within the social provision landscape, often unsuccessfully. For example, Parents as First Teachers, while the idea is good, the delivery, content and outcome did not match the needs of our cultural, social problems or early childhood curriculum and practice. This is an example of bringing an idea to NZ then having to put the money into setting it up, issuing contracts, development, trial and error and then reviewing and still not reaching those children and families most in need. There are 'home grown' providers that are reaching high-risk children and families. They are already set up and running effectively and providing positive outcomes that would require less funding and be cost effective for delivery. There appears to be a fear of trying something that is 'home grown'.

Interestingly the *Families Commission, Research report, April 2014 on Effective Parenting Programmes. A review of the effectiveness of parenting programmes for parents of vulnerable children, focused on parenting support programmes for parents of vulnerable children aged zero to six years. This included parent education, parent training programmes and home visiting programmes, but excluded general support that does not address parenting (such as financial assistance, mental health and drug abuse programmes). We aimed to provide evidence on the*

*effectiveness of parenting support programmes in reducing maltreatment, or the risk of maltreatment, of vulnerable children.*

*We first reviewed international research, determining common features of successful programmes overseas. We then reviewed the evidence for the effectiveness of New Zealand programmes. The review highlighted a number of issues related to the effectiveness of programmes (such as programme implementation) and these are also covered in this report.*

The NZ programmes researched were limiting and included several that were imported from overseas and adapted to fit NZ culture and society. This research project highlighted its limitations in ability to assess the effectiveness of New Zealand programmes. On a larger note this research project only looked at government initiated programmes and not home grown programmes such as Footsteps. This again highlights the bias towards private social justice enterprises, created solely in NZ, providing solutions specifically for NZ children and whānau.

Q32 What additional information could tender processes use that would improve the quality of government purchasing decisions?

A better understanding of content and outcomes of programmes available that are currently working successfully in NZ, rather than continually looking overseas for solutions and then having large start up costs to implement here.

There appears to be a preconceived outcome of what should fit the tender scope. We believe that looking at the need and purchasing the service that best meets the need would provide a better quality of service and outcome.

The current tender process is limiting, as the service has to tick the boxes - limiting the scope of the delivery. Currently contracts seem to be about “what they think it should look like rather than what is working”

Q33 What changes to commissioning and contracting could encourage improved service and outcomes where contestability is not currently delivering such improvements?

To increase fairness for contesting of contracts a system whereby the need or needs are identified, rather than asking for interest or delivery of a specific programme. Contracting by programmes in this way limits the outcome and ability of services to provide a different way, which may have a better outcome. A recent good example of this is the government putting out tenders for delivery of the Incredible Years workshops. Instead of asking specifically for services to deliver this particular workshop, would it not be preferable to specify the desired outcome and call for tenders? This way those services that have a good record of outcomes, have developed from an evidence based perspective and have a robust management system in place would have a chance to contest a contract and if successful, deliver and show outcomes.

Being so specific of what should be provided hinders the outcome. Contracting by expected outcome would broaden opportunities, and provides new possibilities, which may not have been thought of previously and this could change the social sector landscape.

Contracts often ask for the same material (policies, audited accounts, etc) to be provided for each contract. This is very time consuming especially if you are submitting a number of contracts for different regions. A master could be held for the one organisation with the relevant material and this updated once a year.

Q 38 Do government agencies engage with the appropriate people when they are commissioning a service?

From our perspective, probably not, for the reasons previously stated.

Q 39 Are commissioning agencies making the best choices between working with providers specialising in services to particular groups, or specifying cultural competence as a general contractual requirement?

We do not believe that the best choice of provider is always selected, due to the fact that often the provision of the service has already been defined. We have developed our business as a specialised service, specific to a particular group and ensuring cultural competence (over half of the children and whānau we work with are of Maori or Pasifika descent). This has made no difference in our ability to obtain contracts. This could be due to the fact, as stated above, that tenders ask for either inputs or specific programmes to be delivered, instead of focusing on goals and outcomes.

Q 42 Are there examples of outcome-based contracts? How successful have these been?

From an early childhood education perspective Footsteps was developed as an outcome based service. We believe, as do others that this model has had a positive impact for over 8,000 children and their whānau. Footsteps has 70 dedicated and professionally qualified teachers who work in homes and communities of vulnerable children to build learning in the home, specific to their needs, abilities and interests.

In June 2010 a working paper by the *Ministry of Justice titled 'Who is Vulnerable and Hard to Reach in the Provision of Maternity, Well Child and Early Parenting Support'*, identified risk factors of early childhood associated with adverse outcomes. Some of these adverse outcomes in relation to the children are; delayed development, low intelligence, difficult temperament, poor attachment, poor social skills and disruptive behaviour.

In relation to parents and parenting styles, risk factors identified included; single parents, young maternal age, depression or other mental illness, drug or alcohol abuse, harsh or inconsistent discipline, lack of stimulation of child, lack of warmth and affection, rejection of child, abuse or neglect.

We have chosen to provide our service to children who are adversely affected by many of the risk factors identified above. These children are in many cases unlikely to attend or benefit from traditional pre-school education services.

By delivering this service in homes and local communities, Footsteps is able to work with caregivers, parent(s) and tamariki to create a healthy positive learning environment scaffolded with effective, relevant parenting skills and support. In February 2014 UNICEF endorsed this delivery

with the following comment – ‘Footsteps provides high quality early childhood education and care by working with parents and caregivers to enable them to give children the best possible start’.

By defining our outcome group it is was our intention to ensure children identified as being vulnerable and their caregivers, parents or guardians are all provided with the support, education, training and resources to create healthy, positive learning environments and relationships. In effect working to ‘future proof’ these children. (Kevin Christie, July 2013).

Given the group has many criteria of adverse risk outcomes we aim to provide an improved chance of gaining effective early learning for vulnerable children and their families. We work to provide life long skills and ongoing support leading to quality life changing outcomes. The likely knock-on effect for future siblings and other related family members has obvious positive effects such as positive role models and improved family stability.

We believe that this is a good example of an outcome service, though not specifically funded as such, and not having been successful in obtaining any outcome based contracts. We have developed a pathway for vulnerable children by fitting into an existing funding model. This is obviously not ideal and something I am sure this review will consider.

The Footsteps programme achieves outcomes in the following ways:

- Early Childhood Educations (ECE) is delivered to vulnerable children in the home
- Effective learning and development has occurred for those children and parents, caregivers most unlikely to have received it
- Parents, caregivers and children are supported in creating valuable and relevant learning in their home over 5 years
- Children finish Footsteps Early Learn Programme and are supported in their transition into school
- Tamariki learn how to be life learners and enjoy learning
- Early learning ensures children have foundational brain development
- Children and parents are empowered to believe they are capable and worthy
- A record of learning and development is created

Preventative early interventions for vulnerable children can potentially save New Zealand over \$750,000 per child (Rankin, D 2012)

Q 45 What have been the benefits of government initiative to streamline purchasing processes across agencies? Where could government make further improvements?

As an early childhood education service, we can only speak from our own experience and there appears to be no change with the purchasing process in relation to providing early learning from a social perspective. This entails that MSD and MOE collaborate to provide the best services available. The best services available as determined by MOE seems to be those already defined with no scope for innovative home grown endeavours that are working.

Q 47 Does the commissioning and purchasing system encourage bottom-up experimentation? Does the system reinforce successful approaches and encourage reform of less successful ones?

The current system does not appear to encourage or support innovation. New ideas and ways of doing appear to evoke suspicion rather than encouragement or funding. As a service that developed solely to change the outcomes for the most vulnerable children there have been constant barriers and jumping through hoops to be recognised by those that purchase and commission.

For organisations that understand what we do (Brainwave Trust, Child, Youth and Family, other social service providers etc) they are amazed constantly that funding has not been accessible to develop this programme to reach more children, especially those that come to the attention of CYF and living with parents.

Q 56 Are you willing to meet with the Commission? Can you suggest other interested parties with whom the Commission should consult?

Yes - we are willing to meet with the Commission

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