

Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

NT Royal Commission Response Background Paper

1.3 Costs and Benefits to new approaches to child protection and youth justice

Current costs

Based on the 2016\17 Annual Report of Territory Families, the NT currently expends \$222 million dollars per year on child protection and youth justice activities. It is important to note that this accounts for direct costs only and does not address related costs such as:

- Policing costs;
- Victim costs; or
- Health system costs.

Nor does it address the long term or life-long costs of the less than optimal outcomes of the two system, eg. The lifetime costs to society where a young person falls into a pattern of repeat offending.

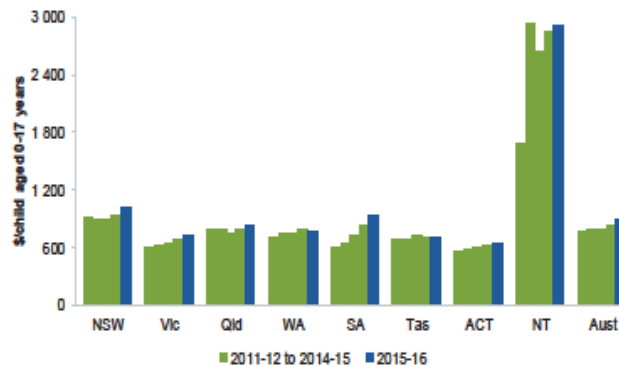
The direct costs are broken down as follows:

Child Protection	24,852
Out of Home Care	117,464
Family Support	24,407
Youth Justice	31,485
Domestic Violence	23,687

It is also important to note that:

- NT Expenditure per capita (per child 0-17 in population) on child protection is significantly higher than any other jurisdiction. (ROGS 2017 p 16.3) as presented in the chart below

Figure 16.2 Total real recurrent expenditure on all child protection services, per child (2015-16 dollars)^a



^a See table 16A.1 for detailed footnotes and caveats.

Source: State and Territory governments (unpublished); table 16A.1.

- NT Expenditure per child in out of home care is \$108,000 per year. This has increased from \$61,000 per child per year in 2005-06 (in constant 2015-16 dollars).
 - This cost per child is the highest by at least \$30,000 per year of any jurisdiction.
- Youth detention costs just under \$1,600 per child per day and community supervision costs \$86 per child per day.
 - The NT's costs in youth justice are similar to other jurisdictions.
 - These costs have risen sharply (in real terms) in the last few years:
 - youth detention per child per day from \$635 in 14-14 to \$1,600 in 15-16.
 - Total expenditure on detention based supervision from \$11.1 million in 13-14 to \$27.5 million in 15-16.

Key points re current costs

The total direct costs of child protection and youth justice are significant but are not delivering results consistent with such significant investment – this raises the question of how such funds could be spent to better effect. This is the case for wholesale reform – continuing to throw large sums of public money at a system which has an approach, legislation, culture and structures that are not supported by evidence of efficacy will lead to a continuation of escalating costs, sub optimal outcomes and growing costs to the wider community.

The cost benefit of alternative approaches and investments must be viewed in the context of the significant existing direct costs, the largely unmeasurable broader costs to the community and to government and the sharp upward trajectory of direct costs.

Proposed reforms

The significant reform proposed by APONT and detailed in the media briefing pack is based on extensive international evidence for approaches that reduce youth crime and recidivism and

reduce the need for removal of children and use of expensive out of home care options. Even without further costing, it is evident that a significant reduction in the placement of children in out of home care and in the detention of young offenders will make a straightforward saving in those systems by reducing usage of the most expensive components.

It is not possible for APONT to accurately cost a reformed system of child protection and youth justice – the information currently available from government simply does not allow this work to be done. However, taking a program logic approach we can consider whether approaches of the kind we propose have delivered outcomes that reduce need for and uptake of high end youth justice and child protection interventions. The following examples are a selection of case studies and proposals that evidence suggests will have an impact in reducing cost pressures.

Example 1: New Zealand

- The *Oranga Tamariki Children and Young Person's Well-being Act 1989* (former *Children, Young Persons and Their Families Act 1989*) places the wellbeing of children and young people at the centre and places the voices of families at the heart of all decision making – there has been a **38% decrease in youth crime since 2011**.
- In 2017, New Zealand undertook wholesale reform of its system based on a new operating model informed by a collaborative process with children, young people, families, caregivers, victims, experts from across the system, and an extensive review of local and international research.
- The new Ministry Oranga Tamariki has created a **single point of accountability** for all children and young people to ensure a coherent and cohesive response to meet the needs of vulnerable children, young people and their families.
- Since 2015, the total number of **child protection notifications requiring further action has reduced by 31%**.
- At present, more than **50% of out of home care placements are with family/whanau**.

The New Zealand experience demonstrates that the implementation of wholesale reforms similar to those proposed for the NT can and do deliver significant reductions in service need at the expensive end of the system.

Example 2: A proposed Regional Model of Family Support and Interventions

Danila Dilba Health Service has proposed a regional model of family support and interventions that could be delivered by Aboriginal organisations across the NT.

Aim - to reduce the vulnerability of families and children through comprehensive availability of universal and targeted services to strengthen families and support parents. These universal services would be backed up by the availability through trusted organisations of a range of targeted supports to assist families identified as having some risks in relation to the wellbeing of children but not meeting thresholds for statutory interventions.

The kinds of services that are needed include:

- Engagement with families
- Identification of family strengths and supports available to the family
- Assessment of family and child needs and strengths – using an adaptation of the comprehensive assessment tool already in use in NZ (the Tuituita assessment)
- Positive parenting programs
- Child development education
- Child and family safety
- Social and emotional well being support including self-regulation, resilience, stress management
- Behaviour change, self regulation, anger management, CBT.
- Practical supports such as nutrition education and practical skills including financial management and budgeting.

The families and children to be supported are vulnerable and have complex, high level needs that require multi-disciplinary team approaches including professionally qualified staff. The services must be evidence based to build family strength and resilience.

Example 3: Scotland

- In Scotland, youth justice and care and protection matters are decided by decision makers specially trained in areas such as child development, resilience and vulnerability factors, substance misuse and the impact of trauma.
- The Children's Hearings system is an **integrated system** that deals with both child protection and youth justice and **holds the system to account for failing to meet the needs of children and young people.**
- Children's panels are made of local, specially trained panel members (rather than judges) who make binding decisions about the wellbeing of all children and young people.
- The system is focused on meeting the developmental needs of children rather than on punishment.
- Since the system was established in the 1970s, there has been a continuous fall in referrals for both offending and care and protection – between 2006/07 to 2012/2013 there was **a fall of 78% of referrals** (Scottish Children's Reporter Administration, 2013).
- Elements for the approach taken in Scotland have informed the current proposals.

Example 4: United States: Missouri Model

The Missouri Model in the United States adopts a therapeutic and developmental approach in secure or non-secure accommodation, according to the seriousness of the offence. It is considered a best practice model for treatment of youth who offend, and has been in operation for 25 years:

- it eschews large institutions in favour of smaller group homes, camps, and treatment facilities;
- safety is maintained through relationships and eyes-on supervision rather than isolation and correctional hardware;
- it provides intensive youth development offered by dedicated youth development specialists rather than correctional supervision by guards;

A review of the program published by the Annie E. Casey Foundation suggests that the model has achieved **“far lower recidivism than other states [in the US], demonstrates an impressive safety record, and positive youth outcomes – all at a modest budget far smaller than that of many [US] states with less-enviable outcomes.”** (Source: Richard A. Mendel (2010), The Missouri Model. Reinventing the practice of rehabilitating youthful offenders, Annie E. Casey Foundation, Baltimore Maryland.)

Example 5: Indianapolis - Restorative justice conferences as an early response to young offenders.

What was the intervention

Indianapolis area introduced restorative justice conference for young offenders as an alternative to juvenile court. The intent was to test the whether conferencing might be prevent re-offending. Conferencing was provided to offenders:

- Under 14 years old.
- first time offender
- non-serious offence
- offender admits responsibility

This was in response to US data demonstrating that approximately 60% of young offenders going through juvenile courts would reoffend and that likelihood of reoffending increases with each referral to the court.

Restorative justice conference model

The Indianapolis model is more limited than that proposed for the NT. It is a conference between offender and victim, along with supporters to allow the offender to:

- Address the damage to the victim
- Offer apology
- Arrange appropriate means of restitution to the victim
- Arrange form of community service.

Restorative justice conferences provide:

- a controlled environment where individuals are involved in decisions made
- provide a learning experience for the individual through the support of their community
- deter individuals from offending by imposing consequences for their actions.

Conferences are managed by a coordinator who treats the offender as a valued member of the community, and use language that condemns behavior whilst offering support.

Results

- The approached showed a higher rate of victim satisfaction where conferencing was used – 90% compared to 68% in a control group.
- 6 month rearrests for conference groups was 12.3% compared to 22.7% in control group – for those who had successfully completed the program.
- 12 month rearrests for conference groups was 30.1% compared to 42.3% in control group