Submission: Strengthening Child and Family Reforms in Australia

Response to 'A new approach to Programs for Families and Children' – Discussion Paper, Department of Social Services, October 2025

Prepared by:			

Contents

Submission: Strengthening Child and Family Reforms in Australia	1
Introduction	3
Merits of the Government's proposed reforms	3
1. Integrated program model	3
2. Proportionate universalism and streamed support	3
3. Culturally led practice and First Nations prioritisation	3
4. Relational contracting and reduced red tape	3
Critical areas for strengthening	4
1. Governance and accountability	4
2. Holistic place-based partnership	4
3. Data, measurement, and system learning	4
4. Population-level outcomes and system cohesion	4
5. Persistent disadvantage and community-led co-design	4
The case for comprehensive local cross-portfolio governance	4
Features of effective governance of the ecosystem that supports families and communities to care for children	
The importance of relational commissioning	6
Strategic and policy preconditions	7
Governance and relational infrastructure	7
Trust, culture and behaviours	7
Capability, capacity and resourcing	7
Contract, funding and regulatory settings	7
Data, learning and accountability	8
Implementation	8
Horizon 1 – Stabilise and signal (0–18 months)	8
Horizon 2 – Embed and redistribute (18 months–4 years)	9
Horizon 3 – Transform and devolve (4+ years)1	0
Recommendations	0
Conclusion 1	1

Introduction

This submission brings together leading sector evidence, policy analysis, and practical expertise to respond to proposed changes outlined in the government's discussion paper on child and family services.

Drawing on the DSS' Discussion Paper, Evidence Summary and our experience in system level reform our submission assesses the reform merits, highlights strategic gaps, and advocates for robust, place-based governance as the essential lever for system effectiveness. To drive real change and achieve positive outcomes for children and families; the program must have strong cross portfolio givernance that puts communtiies at the centre.

Merits of the Government's proposed reforms

1. Integrated program model

The move to unify five fragmented programs into a single national program (children and parenting support, communities for children, family mental health support, family and relationship services, and specialised family violence services) is a sound step towards coherence and flexibility. Families repeatedly report challenges accessing help due to program boundaries and bureaucratic rigidity.

Strict grant requirements can limit flexibility, making it harder for children and families to get help when they need it most. Consolidation supports streamlined access, more adaptable funding, and outcome-focused services.

2. Proportionate universalism and streamed support

The program's architecture—universal, targeted, and intensive streams—reflects global evidence that multi-layered, proportionate supports are more effective than one-size-fits-all approaches. Prevention and early intervention are prioritised, supported by credible research highlighting social and economic returns.

3. Culturally led practice and First Nations prioritisation

Funding orientation towards Aboriginal community-controlled organisations (ACCOs) demonstrates commitment to Closing the Gap principles. There is evidence that ACCO-led supports have significantly greater impacts than mainstream alone. ACCO health services offer greater health benefits than mainstream, with lifetime impacts estimated to be 50% greater due to improved access and culturally responsive care.

4. Relational contracting and reduced red tape

Proposed shift to relational contracting, reduced reporting burdens, and a streamlined milestone/metrics approach acknowledges sector's administrative fatigue and need for innovation. Streamlined outcomes reporting is necessary for transparency and continuous improvement.

Critical areas for strengthening

1. Governance and accountability

Despite improvements, the proposed model risks repeating historical failures if robust local, cross-portfolio governance is not embedded. Ongoing system reviews and Royal Commissions consistently identify weak oversight, siloed responsibility, and low accountability as root causes of poor outcomes in services targeted at children, young people and families. Accountability to communities for outcomes and supports is critical.

2. Holistic place-based partnership

National frameworks need local translation. Evidence argues for holistic, community-based partnerships that fully integrate health, education, justice, housing, and welfare—transcending statutory and non-statutory boundaries.

3. Data, measurement, and system learning

Current reforms lack mechanisms for real-time, cross-system data analytics. Effective governance requires tiered access to data at local, regional, and state levels—enabling rapid adaptation, investment prioritisation, and population-level learning.

4. Population-level outcomes and system cohesion

Building on the recent AIFS Research Report, Improving the Safety and Wellbeing of Vulnerable Children, which examines over 3,000 recommendations from 61 Royal Commissions and inquiries relevant to the child protection and youth justice systems held between 2010 and 2022, this work contemplates better mechanisms for involving primary health, education and child and family services in supporting families when and where they need it. A public health lens must shape all policy and investment, moving focus from crisis and statutory responses to prevention and system-level risk mitigation.

5. Persistent disadvantage and community-led co-design

Rigorous local needs assessment and community-driven co-design are non-negotiable. Funding formulas, priorities, and program logic must reflect not just population data, but the voices and leadership of those experiencing entrenched disadvantage and marginalisation.

The case for comprehensive local cross-portfolio governance

Historically, most program reform approaches have focused on point solutions to address specific issues related to service failures – either/or through redesigning service models, improving processes, addressing lines of accountability along with a focus on strengthened performance measurement and reporting. The role of technical expertise has also been recognised, as too the need for underpinning proven models (such as trauma-informed approaches) to guide practice and service delivery. Unfortunately, scant attention has been given to **the role of systems governance** as part of these improvement strategies.

Acknowledging that the responsibility for supporting children, young people and families cuts across differing levels of government and a range of government departments and entities as well as the not-for-profit, business and civil society, there is pressing need for mechanisms to be established to coordinate investment and actions; to assess and understand local and emerging needs; to support the efficient use of available resources and ensure that all have timely access to the supports they need to achieve a positive life trajectory.

To date, limited attention has been given to the role of system governance as a useful mechanism for ensuring the efficient and effective operation of a service system focused on children, young people and families. Where there have been attempts in the past to take such an approach, the lack of clarity and agreement about the outcomes sought and the opaque authorising environment with no real ceding of 'authority' to act has left such initiatives failing. Further, the desire for government to be responsible for such mechanisms has underplayed the role, value and resources that the community, non government (NGO), business, philanthropic and academia can contribute to this process.

The concept of strong governance in the child and family sector is not a new idea. However, previous attempts to introduce effective governance frameworks have not been successful, mainly due to a lack of persistence, limited access to real time data and poor implementation.

To achieve this end a cross-portfolio mechanism will be required to:

- Prevent siloed interventions—No more fragmented pilots or duplicative reporting.
- Assist in scaling local successes—What works in one place can be grown, adapted, and measured elsewhere.
- Create a bridge to State and Australian Government priorities—Offering feed-forward data and insights for national planning.
- Empower leaders at every level—Authorising place-based and cross-sector action, not just compliance.

There are green shoots of partnership in some areas, such as the integrated Child and Family Hubs that bring together supports across health, education and social care, provide parents with the opportunity to build social connections, and help to identify emerging issues before they become entrenched and difficult to address. A national governance framework with tiers at the local, regional and statewide level would offer a mechanism to build a resilient place-based response, identify what works, embed an integrated 'partnership' way of working and enable scaling up and further rollout of initiatives for children and families to thrive across the state.

Key to such system transformation is adoption of new models of commissioning, in particular relational commissioning. This moves away from transactional compliance approaches to an approach based on relationships within the ecosystem. The features and preconditions for relational commissioning are outlined later.

Another key is the collection and utilisation of critical data to inform an effective response. This has been a recurring theme in recommendations but as yet, no real progress has been made in the development of a mechanism for systematic analysis of key data across government agencies to identify and build an integrated response to assist in a preventative manner with a focus on early intervention responses for those families with multiple vulnerabilities. Again there are green shoots emerging with initiatives such as Seer Communities (working with

Indigenous communities and government) to provide access to real time data to inform decision making (<u>Similar Communities Model - Seer Data & Analytics</u>).

There has never been more urgent need for a holistic approach to address the drivers of vulnerability in children and families – including poverty, domestic and family violence, mental health issues and substance misuse – many of the issues this reform is targeted to address. Unless there is investment in building a system that can effectively respond early to families who need assistance and stay with them for as long as they need with capacity to come in and out as they are needed, the 'system' will continue to operate in crisis mode, focused predominantly on the tertiary end of the system and invest in solutions that have limited likelihood of success as they are responding to symptoms rather than the root cause of factors creating vulnerabilities in families.

Features of effective governance of the ecosystem that supports families and communities to care for children

System transformation cannot be realised without the Australian Government working with the State Government to establish a comprehensive framework for local and regional governance, bringing together government agencies, ACCOs, NGOs, philanthropy, and community. This mechanism must have:

- National and State government mandate with processes and practices that empower local governance mechanisms. Government showing up together.
- Involvement of all parties ie community, ACCO, not for profits, philanthropy, business, at the right level and based on mandated cross-agency participation in strategy, funding and decision making with real authority to prioritise, reallocate, and invest as needed.
- Relational contracting processes and capability
- Access to integrated, real-time data and analytic platforms based on data sharing protocols, cloud-based platforms, and community reporting feedback loops.
- Accountability for both government and non-government contributions with funding tied to local outcomes based on tiered authority for resource reallocation.
- A clear and transparent implementation strategy (preferably based on Horizon 1-3 planning principles).

There is clear international and national evidence to support this. Multidimensional governance—place-based, authoritative, and accountable—have successfully delivered population-level improvement wherever sustained (e.g., UK Children's Centres, New Zealand NASC model, ARACY's Investment Dialogue). There is clear opportunity for Australia to learn from these experiences.

The Health system too has developed a govenance system which illustrates what is possible. https://www.health.nsw.gov.au/policies/manuals/Documents/corporate-governance-compendium-section2.pdf

The importance of relational commissioning

Along with the need for a refreshed approach to system governancea new model of commissioning ie relational commissioning, is needed.

Relational commissioning models depend on a set of interlocking preconditions across strategy, governance, culture, capability and data.

Strategic and policy preconditions

Relational commissioning must be explicitly mandated in policy, with clear objectives that prioritise outcomes, equity and learning over short-term cost minimisation. This requires abandoning purely transactional, competition-driven settings (e.g. frequent tenders, rigid payment-by-results) in favour of longer-term, trust-based arrangements where commissioners can work with providers to improve performance rather than constantly retender. A shared commissioning framework should articulate principles such as people- and place-centred design, Aboriginal and Torres Strait Islander and community leadership where relevant, and a commitment to collaboration and continuous improvement.

Governance and relational infrastructure

Successful relational models are anchored in joint governance structures that share power, data and accountability across government agencies, providers, ACCOs and community partners. These structures need defined decision-rights (including scope to adjust service models and reallocate resources within agreed envelopes), agreed dispute-resolution processes, and routine forums for joint planning, review and problem-solving. Foundational documents (charters, Part A 'relational' components of contracts, partnership agreements) should codify shared values, behaviours, risk-sharing norms and expectations about how unanticipated issues will be handled.

Trust, culture and behaviours

Relational commissioning is fundamentally dependent on high-trust relationships, mutual dependence and a shared identity among partners. Preconditions include explicit investment in relationship-building before and during contracting (e.g. co-design summits, joint workshops, open-book discussions) and a deliberate move away from blame cultures towards collaborative problem-solving. Parties must commit to transparent communication, open-book financials where appropriate, gain-and-pain sharing, and norms that reward candour about failure and learning rather than punishing providers when assumptions prove wrong.

Capability, capacity and resourcing

Commissioners and providers both require specific capabilities to operate relationally, including commissioning literacy, facilitation and negotiation skills, data literacy, and the ability to design and manage outcome-focused, adaptive contracts. These capabilities must be backed by resourcing: time and funding for co-design, partnership governance, monitoring and evaluation need to be treated as core, not overhead, and included explicitly in commissioning budgets. Provider markets must also be stewarded, with attention to local capacity, ACCOs and smaller NGOs so that relational commissioning does not default to a narrow set of large incumbents.

Contract, funding and regulatory settings

Formal contracts need to embed relational elements as first-class components, not as informal 'nice to haves'. This includes: longer contract terms; flexible pricing and payment mechanisms that can be adjusted as circumstances change; outcome frameworks that emphasise trajectories and improvement; and clauses that enable variation to scope and approach without full retendering. Regulatory and probity settings must allow for joint planning, co-design and

iterative adaptation within clear guardrails, replacing rigid input specifications with principles-based requirements and proportionate assurance and reporting.

Data, learning and accountability

Relational commissioning depends on shared access to timely, relevant data and a disciplined approach to learning. Preconditions include data-sharing agreements, interoperable or shared platforms, and jointly designed dashboards that support partners to track outcomes, equity, experience and system performance in near real time. Accountability shifts from narrow, output-based compliance towards mutual accountability for outcomes and learning, supported by joint review cycles, collaborative evaluation, and transparent reporting back to communities and funders on what is working, what is not, and how commissioning will be adjusted as a result.

Implementation

The implementation of the new local governance arrangements and relational commissioning approach should be staged using a three-horizon approach to manage risk, build capability, progressively devolve authority, and systematically embed relational commissioning as the core way governments and partners work together.

This framework recognises that Horizon 1 must stabilise and better coordinate existing arrangements while building the foundations for relational commissioning capability; Horizon 2 must embed cross-portfolio governance, re-prioritise investment locally and normalise relational commissioning practice; and Horizon 3 must realise a fully mature, data-enabled, place-based system with genuine local decision-making power and relational commissioning as business-as-usual. By sequencing the work in this way, governments and partners can deliver early wins while laying the structural, cultural, capability and data foundations required for long-term transformation in outcomes for children and families.

Horizon 1 – Stabilise and signal (0–18 months)

In Horizon 1, the priority is to stabilise existing programs, clarify intent, and create the minimum viable local governance mechanisms and commissioning practices without over-promising structural change. Concretely this means:

- Confirming the national governance framework and issuing clear guidance on the role, remit and authority of local cross-portfolio governance tables (or 'local governance boards'), including an explicit expectation that they will steward relational commissioning locally over time.
- Mandating cross-agency participation (Health, Education, Justice, Housing, Child & Family, relevant Commonwealth programs) as a condition of funding, but initially focusing these forums on coordination, information-sharing and joint planning rather than major resource reallocation.
- Piloting relational contracting with a small number of local sites, aligning contracts and reporting to shared local outcomes, using a simple 'Part A/Part B' structure where Part A sets out shared goals, behaviours, governance and feedback loops, and beginning to rationalise duplicated reporting requirements.
- Establishing baseline local data packs using existing administrative data (e.g. child protection notifications, family violence call-outs, school attendance, service usage)

- and simple dashboards to support the new governance tables and early relational performance conversations.
- Providing introductory training and guidance for commissioners and providers on relational commissioning principles, expectations and ways of working, linked to the early pilots.

This horizon is about building legitimacy and trust: communities, ACCOs and NGOs are visibly 'at the table'; expectations are managed (this is still largely the current system, but better coordinated); and early wins (e.g. reducing duplication, solving obvious local bottlenecks, adjusting contracts by mutual agreement) are harvested to build confidence in both the governance model and relational commissioning as a viable alternative to purely transactional approaches.

Horizon 2 – Embed and redistribute (18 months–4 years)

Horizon 2 concentrates on embedding the governance mechanisms, devolving practical authority, normalising cross-portfolio decision-making at the local level, and building relational commissioning capability at scale. Key moves include:

- Formalising local and regional governance boards through instruments such as terms of reference, delegated decision-rights, and joint commissioning protocols between State and Australian Government agencies, with these protocols explicitly adopting relational commissioning principles (shared outcomes, co-design, open-book dialogue, test-and-learn).
- Shifting a defined portion of flexible funding (e.g. innovation or 'place-based' envelopes within the consolidated child and family program) to be allocated by local governance boards against agreed local priorities and outcomes, using relational contracts that allow for variation as insights emerge.
- Integrating ACCO leadership and community-led co-design as non-negotiable features
 of local governance, including resourcing community representatives and ACCOs to
 participate meaningfully rather than as unpaid advisors, and ensuring commissioning
 processes and criteria value local relationships and cultural capability.
- Standing up shared data and learning infrastructure at regional scale—cloud-based platforms, agreed data-sharing protocols, and near real-time dashboards accessible to local governance partners—to support joint problem-solving, 'open-book' performance discussions and rapid iteration of commissioned models.
- Extending relational contracting so that NGOs, ACCOs and other partners hold contracts that reference both program-level outcomes and place-based outcomes agreed through local governance, with structured joint reviews, collaborative evaluation, and mechanisms for adjusting service models without recommissioning.
- Investing in structured capability-building for commissioners and providers (e.g. commissioning academies, communities of practice, mentoring) focused on negotiation, facilitation, data literacy and adaptive management needed for relational commissioning.

By the end of Horizon 2, local/regional governance boards should be making real decisions: re-prioritising investment, endorsing new place-based initiatives, and scaling local exemplars; they operate as the primary engine for aligning portfolios around outcomes for children and

families in each place, and relational commissioning is the default mode for new and renewed agreements rather than a niche pilot.

Horizon 3 – Transform and devolve (4+ years)

Horizon 3 is where the vision of comprehensive, authoritative local cross-portfolio governance is fully realised, moving from 'coordinated programs' to a genuinely place-based system with mature relational commissioning at its core. This entails:

- Devolving substantial authority to local/regional governance boards to re-shape the service mix within broad guardrails—able to shift investment across program lines (e.g. from late-stage crisis responses into earlier supports) and adjust commissioning strategies without requiring major structural reforms or new approvals every budget cycle, within agreed accountability frameworks.
- Embedding population-level outcomes and system-level measures (e.g. reductions in substantiation rates, improved developmental outcomes, decreased placement instability) as the organising logic for planning and investment, with direct feedback loops from local relational commissioning practice and data into national policy and funding settings.
- Normalising joint commissioning and pooled or braided funding arrangements between State, Australian Government, ACCOs, NGOs, philanthropy and business, authorised through the governance boards and supported by robust, outcomes-focused relational contracts that incorporate gain-sharing, risk-sharing and long-term learning commitments.
- Using mature, integrated data platforms (potentially building on existing place-based or PHN-style models) to support continuous learning, early identification of emerging risks, and transparent reporting back to communities on progress, with evaluative inquiry and co-interpretation of data embedded in commissioning cycles.
- Treating relational commissioning capability as a core institutional asset, maintained through ongoing workforce development, succession planning, knowledge management and shared practice standards across jurisdictions.

In Horizon 3, the 'implementation' story becomes one of ongoing adaptation: governance arrangements are not a project but the way the system works, with local partnerships authorised and expected to refine, re-prioritise and innovate over time in response to what the data and communities are telling them, and with relational commissioning providing the disciplined, trust-based mechanism through which those adjustments are co-designed, agreed and delivered.

Recommendations

To maximise the likelihood of reform success and overcome persistent governance failures, as part of this reform process, it is recommended that the Australian Government work with the State Governments to:

 Embed comprehensive cross-portfolio system governance mechanisms at national, state, local and regional levels, with transparent accountability and devolved authority is established.

- Mandate cross-agency participation (Health, Education, Justice, Housing, and Community Services) as a condition of funding for integrated services delivery.
- Invest in real-time data infrastructure to support preventive, adaptive system management and population-level learning.
- Extend relational contracting to include system partners and mandate measurable, outcome-driven reporting.
- Strengthen commitment to ACCO leadership and community co-design as a core funding principle in all regions, not only significant First Nations areas.
- Build the capability and flexibility for local/regional governance mechanisms to pilot, iterate, and scale solutions responsive to shifting local needs.
- Build the capability and capacity for relational commissioning with commissioners and service providers.
- Develop a clear implementation plan should be designed using Horizon1-3 principles to optimise success for both the new governance arrangements and the introduction of relational commissioning.

Conclusion

The Government's proposed reforms set out a promising direction, focusing on coherence, evidence, and equity. However, without a comprehensive local cross-portfolio governance framework, investment in real-time data, authentic partnership, community-led practice and the establishment of relational commissioning, these reforms risk recreating the gaps and failures of the past.

Establishing and resourcing place-based governance locally—empowered with cross-agency buy-in, ACCO leadership, and flexible data-driven decision-making—is the critical condition for breakthrough and impact. National policy must authorise and sustain local partnership, not prescribe it.

Building on the capacity and capability required to implement relational commissioning is fundamental for both commissioners and service providers as to is the need to build a new level of trust to support the effectiveness of these processes.

Drawing on the direct experience of previous reform process, there is both a need and an opportunity to learn from past efforts and existing exemplars, to drive the establishment of a robust system that delivers the following:

- Access to real-time, system-level data that provides a strong sense of the journeys of children, young people and families across the care continuum.
- Authority at the regional and local level to re-prioritise the service approach and investment as required, to respond to the needs of the children and families in the area without ripping money out of the system or undertaking major restructures.
- Immediate visibility of impact/outcomes, with the capacity to cross-check, learn and iterate, which will be used to influence investments and transformation. It moves the system away from being a competition of ideas to a competition of efficacy.

This vision requires the creation of tools and data that have not been available previously but are now within reach. The pre-conditions for success include access to CRM-type, cloud-based data and real-time information and collaborative platforms which are now increasingly available. These improvements will strengthen governance and support improved decision-making by establishing feedback mechanism at the various levels of the system so that investment and effort occurs (place based, program based) in the right place at the right time to improve the lives of children, young people and their families.

We urge government to act on these recommendations and lead the way in ensuring that these proposed reforms deliver the impact and outcomes that are desired and the trajectory for children and families comes closer to that which aspire.