



The Place-based Income Management Trial in Shepparton:

A best practice model for evaluation

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Glossary

ABS	Australian Bureau of Statistics
AHRC	Australian Human Rights Commission
AIDA	Australian Indigenous Doctors Association
AIFS	Australian Institute of Family Studies
AIHW	Australian Institute of Health and Welfare
ALII	Australasian Legal Information Institute
ALPA	Arnhem Land Progress Aboriginal Corporation
ALRC	Australian Law Reform Commission
APY Lands	Anangu Pitjantjatjara Yankunytjatjara Lands
ANU	Australian National University
BAFW	Better Australia's Future Workforce
CALD	Culturally and Linguistically Diverse
CHETRE	Centre for Health Equity Training, Research and Evaluation
CIM	Compulsory Income Management in NTER context, Conditional Income Management in relation to the Cape York Welfare Reform
CPIM	Child Protection Income Management
CPW	Child Protection Worker
DEEWR	Department of Education, Employment and Workplace Relations
DHS	Commonwealth Department of Human Services
DHS Victoria	Department of Human Services Victoria
DSP	Disability Support Pension
FMPS	Financial Management Program Service
FV	Financial Vulnerability
IM	Income Management
MSP	Matched savings Scheme Payment
Ng Lands	Ngannytjarra Lands
NHMRC	National Health and Medical Research Council
NIM	New Income Management
NSA	NewStart Allowance
NTER	Northern Territory Emergency Response
NT	Northern Territory
PEA	Priority Employment Area
PP	Parenting Payment
Qld	Queensland
SA	South Australia
SpB	Special Benefit
SPAR	Supporting People at Risk
SPRC (UNSW)	Social Policy Research Centre of University of New South Wales
SW	Social Worker
UTLAH	Unreasonable to Live at Home
Vic	Victoria
VIM	Voluntary Income Management
VULIM	Vulnerable Income Management
VWPR	Vulnerable Welfare Payment Recipient
WA	Western Australia
WACOSS	Western Australia Council of Social Services
WA DCP	Western Australia Department for Child Protection
YA	Youth Allowance

Overview

This paper presents an alternative framework for evaluating Place Based Income Management (PBIM). Its purpose is to complement existing evaluative frameworks by contributing other ways of examining the social impact of PBIM and, in particular, any of its unintended consequences. Greater Shepparton is one of the five trial sites of PBIM across Australia that commenced in July 2012. Using Greater Shepparton as a setting, FamilyCare and Berry Street commissioned the Social Inclusion and Social Policy Research Unit at Monash University to develop this evaluation framework.

The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) commissioned Deloitte Access Economics to evaluate all five trial sites of PBIM. The five trial sites are:

- Playford, South Australia (SA)
- Greater Shepparton, Victoria (Vic)
- Bankstown, New South Wales (NSW)
- Logan, Queensland (Qld)
- Rockhampton, Qld

As the trial sites are considered by the Federal Government to be geographically disadvantaged (FaHCSIA 2012a), the trials are likely to be the first step before a national rollout of PBIM or a similar program in other disadvantaged communities. Due to this, FamilyCare and Berry Street have recommended that an alternative PBIM evaluation framework, independent of government evaluative criteria, be considered before such a program is adopted nationally.

FaHCSIA have commissioned different organisations to evaluate the separate measures of income management. Although independent in the way they undertake the evaluations and report on the findings, they are bound by government evaluative criteria, which is primarily to find out if or to what extent the aims of income management have been met. A key aim of the government commissioned evaluations is to examine any changes in people's behaviour brought about by participation in an income management program. Monash University is not limited by the same considerations that have guided the government commissioned evaluations. The alternative framework has the capacity to take account of a broader context in which to evaluate PBIM.

This report outlines best practice for evaluating the implementation, impact and outcomes of the different measures, which comprise PBIM. These measures are:

- Child Protection Income Management (CPIM)
- Vulnerable Welfare Payment Recipients (VWPR) Income Management
- Voluntary Income Management (VIM)

It begins with a brief general discussion of income management before specifically describing PBIM. It analyses the key methodologies and limitations of the current evaluation frameworks used to evaluate income management in the Northern Territory and other jurisdictions. It discusses matters that have not been examined extensively or at all. An alternative evaluation framework is then developed on this analysis. The alternative evaluation framework comprises the following five themes:

- the dynamics between choice and control
- the quality of decisions in relation to income management
- the degree of consultation with local communities
- the issues of structural disadvantage
- the cost of income management.

This paper represents the views of the Social Inclusion and Social Policy Research Unit (SISPRU) in the Department of Social Work at Monash University. We are grateful to David Tennant (FamilyCare Shepparton) and Patrice Jackson and Julian Pocock (Berry Street) for their valuable and enthusiastic assistance in preparing this report.

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Part 1: Income Management

What is income management?

Income Management (IM) involves the Federal Department of Human Services (DHS) holding back 50 to 70 per cent of certain income support and family payments to ensure money is spent on priority items such as food, housing, clothing, educational costs and utilities. One hundred per cent of lump sum payments such as advanced payments and the Baby Bonus are income managed. It explicitly excludes the buying of alcohol, tobacco, gambling products and pornographic material. The rest of the payment is placed in the recipient's nominated bank account and is spent at their discretion.

Rationale of income management

Income management was first introduced in the Northern Territory (NT) as part of the Northern Territory Emergency Response (NTER) intervention. The two stated aims were:

- "To stem the flow of cash that is expended on substance abuse and gambling
- To ensure funds that are provided for the welfare of children are actually expended in this way"

(Explanatory Memorandum, Social Security and Other Legislation Amendment (Welfare Payment Reform) Bill 2007, p. 5 cited in Commonwealth Auditor-General Report 2013: 28-29 and Buckmaster et al 2012: 4)

Recent history of income management in Australia

Compulsory income management was initially introduced as part of the NTER intervention in 2007. Additionally, income support recipients could choose voluntary income management. Income management originated under the Coalition Government and has continued under the current Labor Party Government.

The original legislation allowed for future expansion: income management could be imposed upon other recipients of income support categories and/or upon recipients who lived in other geographical areas of Australia. As can be seen in Table 1 and Figure 1, it has now been rolled out to other urban, regional and remote areas and to other recipients of income support (Webster 2011: 8).

New Income Management (NIM) in the Northern Territory has subsumed the income management measure that was part of the Northern Territory Emergency Response. It was accompanied by legislative changes including the reinstatement of the *Racial Discrimination Act* (RDA) and took effect from August 2010 (Buckmaster et al 2012: 11). Despite this, some argue that the tension between the RDA and Income Management has not been fully resolved. The Aboriginal and Torres Strait Islander Social Justice Commissioner, Mick Gooda, says that the Australian Human Rights Commission (AHRC) may still get a complaint from someone arguing that 'it's possible to have a policy that in theory is non-discriminatory but if it impacts disproportionately on one group of people it can be' (Buckmaster et al 2012: 31). While not legally binding, the AHRC drafted guidelines that assisted the government in aiming to ensure that the IM measures protected human rights and were consistent with the RDA (Buckmaster et al 2012: 31). The guidelines suggest that it may be

acceptable to limit rights if the goals are legitimate and non-discriminatory. However, as noted below, their guidelines specified five criteria that should be met by an income management measure (Buckmaster et al 2012: 32).

Figure 1 shows the different income management measures being rolled out in certain geographical areas. As can be seen, Place Based Income Management (PBIM) has been a part of this rollout.

Policy aims of income management

According to the FaHCSIA website the general aims of all income management measures are to:

- 'ensure that priority needs of the individual, their children and other dependents are met
- strengthen participants' financial capability and skills to reduce risk of hardship and crisis
- provide stability to enable disadvantaged people to better engage with the community, employment and education
- promote socially responsible behaviour, particularly in relation to children
- reduce the amount of funds available to be spent on excluded goods, including alcohol, home brew kits, home brew concentrates, tobacco products, pornographic material and gambling goods and activities.'

(FaHCSIA 2012e)

Different income management measures

Income management is not a single program. There are a number of different income management measures, each of which operates under different rules (Buckmaster et al 2012: 42-43). It appears that one of the intended objectives of income management is to assist vulnerable groups of people with ensuring their priority needs are met and enhancing their social and economic participation (FaHCSIA 2012e; Deloitte Access Economics 2013: 9-10). The *Guide to Social Security Law* explains that particular groups of income support recipients have been targeted for income management. These are listed in Table 1.

The Australian Human Rights Commission (AHRC) specifies five guidelines that should be met by compulsory IM measures. These are that each measure should:

1. be subject to the application of the RDA and state/territory anti-discrimination legislation
2. not apply automatic quarantining; voluntary/opt in or a last-resort suspension approaches are suggested options that could be considered
3. be applied for a defined period of time
4. allow for review and appeal processes, and
5. include additional support programs that address the rights to food, education, housing and other forms of social support

(Buckmaster et al 2012: 32)

According to these guidelines, all mandatory IM measures meet the first criteria and are subject to the application of anti-discrimination legislation. Even though they all possibly meet the fifth criteria, it is unclear if each mandatory measure includes

additional support programs that address the rights to food, education, housing and other forms of social support (Buckmaster et al 2012: 32).

Table 1 explains:

1. the different income management measures and the corresponding legislation according to the Commonwealth *Social Security (Administration) Act 1999 Part 3B – Income Management Regime*
2. the people affected under each measure
3. the main conditions for each measure
4. if the remaining AHRC criteria (2, 3 and 4), mentioned above, applies.

Table 1: Different streams of Income Management Measures

IM Measure and Section of Social Security (Admin) Act 1999 Part 3B – Income Management Regime	People affected	Main conditions	AHRC criteria
Queensland Commission measure [Cape York Welfare Reform – CYWR called Conditional Income Management] 123UF	People referred to IM by the Queensland Families Responsibilities Commission (FRC) under the CYWR model	<ul style="list-style-type: none"> • Mandatory • Requirement to be on IM is subject to review • Exemptions do not apply 	<ul style="list-style-type: none"> • Quarantining not automatic • Allows for review and appeal • Defined period is applied for 3-12 months
Child Protection Income Management [CPIM] measure 123UC	People referred for income management by state and territory child protection authorities	<ul style="list-style-type: none"> • Mandatory • Requirement to be on IM is subject to review • Exemptions do not apply • Attracts Matched savings Scheme Payment (MSP) 	<ul style="list-style-type: none"> • Quarantining not automatic • Allows for review and appeal • Defined period is applied for 3-12 months
Supporting People at Risk [SPAR] Income Management measure 123UFAA	People referred for income management by a recognised state or territory authority under the Supporting People at Risk (SPAR) measure	<ul style="list-style-type: none"> • Mandatory • Requirement to be on IM is subject to review • Exemptions do not apply 	<ul style="list-style-type: none"> • Quarantining not automatic • According to <i>Guide to the Social Security Act</i> this measure allows for review and appeal, but according to AHRC it is not specified in legislation (See Buckmaster et al 2012) • Defined period applied not known
School Enrolment and	No one in context of IM	In 2008, SEAM was	

IM Measure and Section of Social Security (Admin) Act 1999 Part 3B – Income Management Regime		People affected	Main conditions	AHRC criteria
School Attendance [SEAM] measures 123UD and 123UE respectively		because SEAM, as a separate category of IM, has not been implemented as of yet. But as a tool for ‘suspension’ it has been introduced in selected locations in the NT and in Qld.	introduced as a measure that uses possible ‘suspension’ of income support payments to help ensure children are enrolled in school and attend regularly	—
Vulnerable Welfare Payment Recipients [VWPR] Income Management measure 123UCA		People assessed by a delegate of the Secretary (in practice, a DHS Centrelink social worker), as requiring income management for reasons in relation to the following indicators of vulnerability – financial hardship, financial exploitation, failure to take reasonable care and homelessness or risk of homelessness	<ul style="list-style-type: none"> • Mandatory • Requirement to be on IM is subject to review • Exemptions do not apply • Attracts MSP 	<ul style="list-style-type: none"> • Quarantining not automatic • Allows for review and appeal • Defined period is applied for 12 months
Parenting/ Participation Compulsory Income Management [CIM] measures. Designed to target people at higher risk of dis-engagement from economic and social participation	123 UCB	People aged 15 to 24 years old who have been receiving YA, NSA, SpB, or PP for an extended period for more than 13 weeks out of the last 26 weeks (disengaged youth)	<ul style="list-style-type: none"> • Mandatory • Exemptions apply • Attracts MSP 	<ul style="list-style-type: none"> • Quarantining is automatic • Allows for review and appeal • No defined period applied
	123 UCC	People aged 25 years old and above (and younger than age pension age), who have been in receipt of YA, NSA, SpB or PP more than 52 weeks out of the last 104 weeks. (long-term welfare payment recipients)		
Voluntary Income Management [VIM] measure 123UFA		People entering into a voluntary agreement with the delegate under which their income support and family	<ul style="list-style-type: none"> • Voluntary • Decision can be appealed • IM can be regularly reviewed 	—

IM Measure and Section of Social Security (Admin) Act 1999 Part 3B – Income Management Regime	People affected	Main conditions	AHRC criteria
	payments will be income managed.	<ul style="list-style-type: none"> • Person can request to stop IM anytime after 13 weeks • Attracts VIM incentive payment 	

(Information taken from ALRC 2012; Social Security (Administration) Act 1999; FaHCSIA 2012f; FaHCSIA 2012g; Buckmaster et al 2012: 15, 24-25, 32-33)

On the 1st of July 2013, a new category of young people became subject to mandatory income management under the VWPR measure relating to ‘vulnerable youth and youths who have recently been released from gaol’ (Explanatory Statement of Social Security (Administration) (Vulnerable Welfare Payment Recipient) Principles 2013: 6). In relation to this, Table 2 explains:

1. the corresponding legislation according to the *Social Security (Administration) Act 1999*
2. the people affected under this additional part of the VWPR measure
3. the main conditions for this measure

Table 2: Information relating to the new part of the VWPR measure that affects certain young people starting from 1 July 2013

IM Measure and Section of Social Security (Admin) Act 1999 Part 3B – Income Management Regime	People affected	Main conditions
VWPR Income Management (certain persons who are vulnerable youth or have been released from gaol) Measure 123UCA 123UGA(1)	<p>Young people who are living in the Northern Territory, Bankstown in NSW, Playford and the APY Lands in SA, Greater Shepparton in Victoria and Logan and Rockhampton in Queensland who are:</p> <ul style="list-style-type: none"> • Under 16 years old and receiving Special Benefit; or • Between the ages of 16 and 21 and receiving YA, DSP or ABSTUDY at a rate calculated on the basis it is unreasonable to 	<ul style="list-style-type: none"> • Mandatory • Automatic quarantining unless an exception applies • Reconsideration of circumstances can be done at young person’s request or initiated by the Social Worker. • There are circumstances where the determination of VWPR youth measure can be revoked. These are considered by the Social Worker.

	<p>live at home (UTLAH)</p> <ul style="list-style-type: none"> • Under 25 years old and have received crisis payment within the last 13 weeks due to having been released from gaol. 	<ul style="list-style-type: none"> • Reconsideration of person's circumstances must be done if the person has been on VWPR youth measure for a period or period totalling 12 months • Decisions are subject to review and appeal processes
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(Information taken from FaHCSIA 2013; Australian Government 2013)

As Table 2 shows, the key difference in the standard VWPR assessment process for this category of recipients is that their income support will be subject to automatic quarantining, unless an exception applies. These exceptions are:

- IM would place the person's mental, physical or emotional wellbeing at risk, including that the person is not able to comprehend the IM process or is experiencing serious instability in their housing or living situation and IM would affect their ability to direct funds to housing
- the person is undertaking full-time study
- the person is employed or is studying and is applying appropriate resources to meet their relevant priority needs and has recently been receiving their relevant social security payment at a reduced rate (for example, due to the person's earnings from employment)
- the person is already subject to IM under the voluntary IM measure.

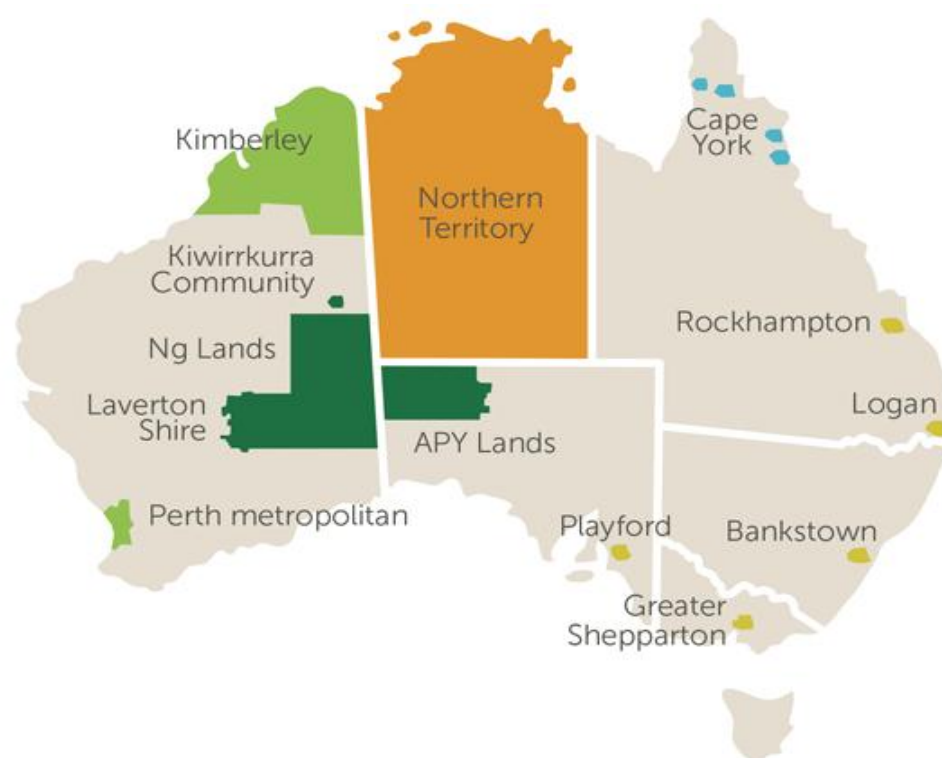
(Australian Government, Explanatory Statement 2013: 2-3)

The DHS Social Worker can also reconsider their circumstances in relation to being subject to the VWPR measure. It is not clear if there is a defined period in which IM is applied. The Federal Government states that the VWPR *Vulnerable Youth* measure is compatible with human rights according to the International Covenant on Economic, Social and Cultural Rights (Australian Government, Explanatory Statement 2013: 10-14). Buckmaster et al state that the AHRC would likely view the Participation/Parenting measure the least favourably partly because it does not clearly meet criteria two (to not apply automatic quarantining) and criteria three (to be applied for a defined period of time) (2012: 32). It appears that the extension of the VWPR to vulnerable youth does not clearly meet these two AHRC criteria either. In time there may be a better understanding of how this new category of the VWPR measure will compare according to the AHRC criteria.

Geographical areas in which the different IM measures apply

Figure 1 is a map with written description that illustrates the current geographical areas in which the different IM measures apply. (The map is taken from the FaHCSIA website [2013a] and information is taken from FaHCSIA 2012f and Buckmaster et al 2012).

Figure 1: Geographical areas in which IM measures apply



BY GEOGRAPHICAL AREA	BY INCOME MANAGEMENT MEASURE
Northern Territory NIM: CIM, CPIM, VWPR, VIM – commenced August 2010 SPAR - People referred by the Northern Territory Alcohol and Other Drugs Tribunal – government did not announce a commencement date	Parenting/Participation compulsory [CIM] measures. Northern Territory
APY Lands SA CPIM, VWPR and VIM – commenced October 2012 Ng Lands, Laverton Shire and Kiwirrkurra Community WA CPIM, VWPR and VIM – commenced April 2013	Child Protection [CPIM] measure <ul style="list-style-type: none"> • NT • Designated areas of WA • Playford, APY Lands, SA • Greater Shepparton, Vic • Bankstown, NSW • Rockhampton and Logan, Qld
Designated Areas (Metro Perth and the Kimberley) of WA CPIM and VIM – commenced November 2008	Supporting People at Risk [SPAR] measure Currently only in NT. People referred by the Northern Territory Alcohol and Other Drugs Tribunal at this point.
Playford SA; Greater Shepparton Vic; Bankstown NSW; Logan and Rockhampton, Qld PBIM: CPIM, VWPR, VIM – commenced July 2012	Vulnerable Welfare Payment Recipients [VWPR] measure <ul style="list-style-type: none"> • NT • Playford, APY Lands, SA • Greater Shepparton, Vic • Bankstown, NSW • Rockhampton and Logan, Qld
Cape York Qld CYWR – commenced July 2008	Queensland Commission measure [Cape York Welfare Reform - CYWR] <ul style="list-style-type: none"> • Aurukun • Coen • Hope Vale • Mossman Gorge (Cape York Peninsula), Qld

Indigenous and non-Indigenous breakdown of income support recipients subject to the IM measures

Table 3 shows the 17 May 2013 snapshot of the breakdown of recipients under income management who are Indigenous or non-Indigenous. Table 4 shows the 17 May 2013 snapshot of the Indigenous and non-Indigenous breakdown of exemptions in relation to the Parenting/Participation CIM measures. These are the latest figures publicly available.

Table 3: Breakdown of recipients under income management who are Indigenous or non-Indigenous on the 17th of May 2013

Location	Measure	Total Number	Indigenous %	non-Indigenous %
Northern Territory	VIM	4114	98	2*
	VWPR	153	Majority**	—
	CPIM	95	Majority**	—
	CIM - Disengaged Youth	4425	88	12*
	CIM – Long Term Payment Recipient	9825	87	13*
	SPAR	20	100	0
Total		18 632		
Western Australia including Ng Lands and Laverton	CPIM	317	Indigenous and non-Indigenous breakdown not currently available	
	VIM	1340		
	Recipients residing in WA and on a measure from other states or territories	80		
Total		1737 (158 or 9 per cent of this number reside in the Ng Lands)		
APY Lands	IM	279	Majority**	—
Cape York Peninsula	CPWR	200	Majority**	—

PBIM Locations	PBIM	423	—	Majority
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Table 4: Indigenous and non-Indigenous breakdown of exemptions in relation to the Parenting/Participation CIM measures on the 17 May 2013

Type of Exemption	Number of Exemptions granted	Indigenous %	non-Indigenous %
Parenting requirements	1666	36	64
Full time students	539***	4	96
Regular Paid Work	80	31	69
Full time new apprentices	Less than 20	—	—
Special Benefit	Less than 20	—	—

Notes for Table 3 and Table 4:

* All figures for non-Indigenous DHS income support recipients include people who chose not to disclose whether they were from an Indigenous background

** DHS presented information in a way to prevent income support recipients from being identified. Numbers below 20, or percentages that would identify groups of less than 20 were not provided.

***Full time students receiving ABSTUDY or Austudy are not included in this number, as these payments are not subject to the CIM measures.

—: Percentage unknown

(Parliament of Australia 2013)

Although the legislation does not directly target Indigenous Australians, 90 per cent of income support recipients subject to IM in the NT are Indigenous (Bray et al 2012: 254). As Table 1 shows, under the Northern Territory's Parenting/Participation (CIM) measure, people's payments are automatically quarantined after a certain time of being paid income support. People need to apply for an exemption if they think that CIM should not apply to them. To be granted an exemption from income management, a recipient is required to demonstrate that they:

- are not in hardship
- can budget to meet priority needs
- are not vulnerable to financial exploitation or abuse
- are behaving in a socially responsible manner especially in regard to the care and education of dependent children
- are meeting workforce participation requirements for those who are not a principle carer of a child (FaHCSIA 2012g).

Research shows that Indigenous people are less likely to apply for, or be granted an exemption (Bray et al 2012: 254). As shown in Table 4, the latest DHS data shows that non-Indigenous recipients under the CIM measure are granted the majority of exemptions.

Additionally, as the above map shows, several sites for mandatory and voluntary income management are Indigenous communities –the Ngaanyatjarra Lands,

Laverton Shire, and Kiwirrkurra Community of Western Australia and the APY Lands of South Australia. Table 3 shows that the majority of people under income management are Indigenous. The only IM program where the majority of those under income management are non-Indigenous is the PBIM measure, but currently these numbers are small. The total number of people under the PBIM measure is 423 and only 161 in Greater Shepparton (Parliament of Australia 2013). Given this, the history of government control over the lives of Indigenous Australians needs to be considered in any discussion regarding the impact and efficacy of income management.

The history of Indigenous wellbeing and welfare, especially of income support and allowances has been problematic. The operation of separate and paternalistic 'welfare' practice, has in large part, undermined their wellbeing (Bryson and Verity 2009:72; Briskman 2013: 56-57). Indigenous Australians have been forced to relocate to reserves, have only been able to travel with a pass signed by an administrator, prevented from using their language and from practicing their culture, and have been defrauded of their welfare entitlements and wages by the very people who were meant to protect them (Kidd 2006; Bryson and Verity 2009; Billings 2010). For the most part of the twentieth century many Indigenous Australians have had their income support payments managed in the form of rations where the individual had to make requests for cash through their 'protector' (Kidd 2006: 71-103).

Critics of the Commonwealth's intervention in the Northern Territory assert that the legal, administrative and institutional changes represent a return to past paternalism (Billings 2010: 179). Paternalistic policy is not always effective in achieving better outcomes for children, young people and other vulnerable groups. Sometimes, it can erode people's confidence in managing their own affairs, including undermining parents' ability to look after their own children. Additionally, erosion of confidence may contribute to ongoing negative psychological effects and behavioural problems, the very complexities that IM is trying to address.

Another category of vulnerable people potentially affected by income management is young people eligible for the *Unreasonable to Live at Home* (UTLAH) rate of payment. Bearing in mind the vulnerability of this group which may include many young people who grew up in out-of-home care, the Federal Government consider that they need the extra assistance that IM can provide (Australian Government, Explanatory Statement 2013: 14). It is, however, targeting a substantial number of income support recipients whose payments are automatically quarantined once granted, without first giving them the opportunity to show they can manage their own financial affairs.

Part 2: Place based income management policy

Place based income management

The Federal Government introduced Place Based Income Management (PBIM) on the 1st of July 2012. PBIM includes three measures, the:

- Vulnerable Welfare Payment Recipients (VWPR)
- Child Protection (CPIM) and
- Voluntary Income Management (VIM) (FaHCSIA 2012a).

These measures are for people who are in receipt of category H payments under the Social Security Act as shown in Table 5.

Table 5: List of Category H Income Support Payments to which the PBIM measures apply

Social Security Benefits	Social Security Pensions	Service Pensions
<ul style="list-style-type: none"> • widow allowance • youth allowance • austudy payment • newstart allowance • sickness allowance • special benefit • partner allowance • a mature age allowance under Part 2.12B • parenting payment (partnered) • PgA (other than non-benefit allowance) 	<ul style="list-style-type: none"> • age pension • disability support pension • wife pension • carer payment • parenting payment (single) • bereavement allowance • widow b pension • disability wage supplement • mature age partner allowance • special needs pension 	<ul style="list-style-type: none"> • age service pension under Part III of the VEA • invalidity service pension under Part III of the VEA • partner service pension under Part III of the VEA • carer service pension under Part III of the VEA
	<ul style="list-style-type: none"> • a payment under the ABSTUDY scheme that includes an amount as identified as living allowance 	<ul style="list-style-type: none"> • income support supplement
		<ul style="list-style-type: none"> • defence force income support allowance

(FaHCSIA 2012g)

As shown in Figure 1 five communities have been targeted for PBIM:

- Greater Shepparton (Victoria)
- Bankstown (New South Wales)
- Playford (South Australia)
- Logan (Queensland)
- Rockhampton (Queensland) (FaHCSIA 2012a).

The trials in these five communities will be for five years and will cost \$117.5 million (FaHCSIA 2012b).

Income management has been linked with the concept of geographical vulnerability. Place-based programs are intended to address the concentration of disadvantage in specific locations or postcodes. It is argued that holistic programs which target groups of people with multiple forms of disadvantage will be more effective than universal programs in promoting opportunities for disadvantaged communities, and preventing inter-generational poverty (Byron 2010; Vinson 2007). Place-Based Income Management reflects the commitment of the government to place-based policy solutions which it defines as “effective local solutions to achieve social and economic participation outcomes, with a particular focus on the very long term unemployed, jobless families and teen parents” (Australian Government, 2012). Place-based programs are intended to address the reality that disadvantage is often concentrated in specific locations or postcodes. The stated principles underlying effective place based programs include the enhancement of local capacity and resources, and the devolution of policy development to local groups with local expertise in order to define both problems and solutions (Australian Social Inclusion Board, 2011).

The five PBIM locations were chosen on the basis of statistical indicators of disadvantage such as high levels of unemployment, youth unemployment, the numbers of people on income security payments and the length of time of being on payments (FaHCSIA 2012a).

Researchers, such as Tony Vinson, use a wide range of indicators to demonstrate spatial inequality and geographic disadvantage. These are:

- **Social distress:** low family income, rental distress, home purchase distress, lone person's household
- **Health:** low birth weight, childhood injuries, deficient immunisation, disability/sickness support, mortality (life expectancy), mental health patients treated in hospitals/the community, and suicide
- **Community Safety:** confirmed child maltreatment, criminal convictions, prison admissions, domestic violence
- **Economic:** unskilled workers, unemployment, long-term unemployment, dependency ratio, low mean taxable income, limited computer use/internet access
- **Education:** non-attendance at pre-school, incomplete education (17-24 year olds), early school leaving of local population, post-schooling qualifications
- **Community engagement:** membership of local group, membership of groups that tackle local problems, local volunteering, help from neighbours when needed, feel safe after dark, trust people, attendance at local community events, feel valued by society (Vinson 2007: 6)

None of the five trial sites chosen for place-based income management feature in Vinson's list of Australia's most disadvantaged or next most disadvantaged postcodes, except for Playford, SA (Vinson 2007: 26-47).

Objectives of place based income management

In general, the objectives of PBIM are to help create financial stability for families, increase their economic participation, ensure that priority needs of families, particularly children are met, address vulnerable circumstances such as homelessness, and help ease immediate financial stress (FaHCSIA 2012e). Encouraging socially

responsible behaviour especially in the care, welfare and education of children (as implied in the Explanatory Memorandum in the introduction) is the main objective of place based income management.

Table 1 shows the people affected by each IM measure. The mandatory measures of Place Based Income Management particularly apply to:

- “parents who are referred by state or territory child protection authorities—this will apply ‘in cases where it is considered to be a useful tool in addressing child neglect and building life skills’ “ and
- “people assessed by DHS Social Workers as being vulnerable to financial crisis—for example ‘people referred to a DHS Centrelink Social Worker by public housing authorities because they are at risk of homelessness due to rental arrears’” (Buckmaster et al 2012: 15 & 16)

People may also volunteer to have their income support managed. People who volunteer or who are assessed by a DHS Centrelink social worker (i.e. those under the VIM and VWRP measures) will have 50 per cent of their income support and family assistance payments income managed. The people under the CPIM measure will have 70 per cent of their income support and family payments income managed (Buckmaster et al 2012: 16).

Federal Policy and Legislation

As shown in Table 1, people on the VWRP and CPIM measures can ask the decision maker to review their decision of placing them under income management (Buckmaster et al 2012: 28 & DHS, 2013). They have access to appeal rights through DHS Centrelink’s Authorised Review Officers and the Social Security Appeals Tribunal. People who are unhappy with the child protection authority’s decision to refer them to DHS Centrelink for income management need to obtain information on how to appeal this decision from their case worker (DHS, 2013).

The voluntary measure (VIM) is for people not subject to any of the above measures but who wish to participate in income management. An incentive payment of \$250 is made to those who volunteer, for every six months consecutively, to participate. People on this measure are required to remain on it for 13 weeks and can request to come off it any time after this (FaHCSIA 2012c & DHS 2013).

There are several elements to assist DHS workers in their decisions on income management. In relation to program design these are called inputs or activities. They are service system components required to achieve an expected outcome. The means by which they are used influences the operation of income management. The following list of components has a direct bearing on the implementation of place based income management because they are related to decision-making. These are (but not limited to):

- *Social Security (Administration) Act 1999* (Cth) s 123UC
- Legislative instrument: *Social Security (Administration) (Vulnerable Welfare Payment Recipient) Principles 2010 (the Principles)* [in sections 123UGA (1), (2), (4), (5), (6), (8), (9) and (10) of the Administration Act]
- FaHCSIA’s Guide to Social Security Law
- DHS Centrelink’s e-Reference

- *Guidelines for the assessment of Financial Vulnerability* (FaHCSIA 2012d).¹

There are other service system components that are relevant to the operation of PBIM, especially decision-making. Generally, these are common to both DHS Centrelink and child protection staff. These could also be considered factors that influence the implementation and ultimately the social impact (outcomes) of PBIM. The main service system components (and influencing factors) are in Appendix 1. Additionally included in this appendix is a list of non-service system components that influence the outcomes of PBIM. These are related to the wider community. These are not exhaustive lists. As mentioned, a new decision making process was introduced on the 1st of July 2013 with a separate category of young people who are now part of the VWPR measure. Decision-making will include assessing if mandatory IM is still or no longer required.

Ways of spending income managed funds

The three ways of spending the income-managed part of the recipient's income support are by:

- The recipient using the BasicsCard (see below for further information)
- DHS making payments to cover certain regular expenses such as rent, utilities etc.
- DHS making one-off payments to a merchant for a particular good or service (Bray et al 2012: 31).

These are not mutually exclusive ways of spending income-managed funds.

BasicsCard

The BasicsCard is the main mechanism used for people to access their income-managed funds. It is a PIN protected card that allows people to spend income-managed money at approved stores and businesses through EFTPOS. It can only be used at approved stores and businesses that display a BasicsCard sticker (Buckmaster et al 2012: 10).

The main operational processes of income management

The following briefly describes the processes that are intended to occur once there is a decision to begin income management. The Centrelink Customer Support Officer will interview the recipient to discuss the allocation of payment according to priority needs (food and non-alcoholic beverages, school, clothing and footwear, housing, utilities, health, education and training, items for employment, funerals, public transport and motor vehicle expenses) (ACOSS 2008: 12; Bray et al 2012: 32). The use of the BasicsCard and other information, such as other relevant social programs, are discussed. Recipients can change their allocations at any time so long as priority needs are being met. The circumstances of people on income management are periodically reviewed to determine if income management is still an appropriate intervention (Commonwealth Auditor General 2013: 33; Deloitte Access Economics 2013: 20-26²; Bray et al 2012:32). Figure 2 shows the main processes involved in delivering income management.

¹ For a full discussion on how these components are applied and considered see Commonwealth Ombudsman (2012), *Review of Centrelink Income Management Decisions in the Northern Territory*

² For a comprehensive illustration of the pathways for the three measures incorporated in PBIM see Deloitte Access Economics (2013), *Evaluation Framework – Place Based Income Management*. Through consultation with FaHCSIA and DHS, they developed detailed pathway maps of CPIM, VWPR and VIM measures. In their pathway map, they do not seem to develop the referral pathways to the Communities for Children program.

Figure 2: The main processes in regard to income management

Main processes for CPIM, VWPR and VIM measures		
CPIM	VWPR	VIM
CPIM Referrals Decision made by Child Protection Worker (CPW) to refer person to DHS Centrelink for CPIM.	VWPR Referrals DHS Centrelink Social Worker (SW) makes decision to place person on VWPR. Clients can be referred by other agencies including state housing authorities.	VIM Referrals People can self-refer. They can also transition from other IM measures.
CPIM Initial Assessment -Advantages, obligations under CPIM measure and how IM works are discussed. -CPW's ranking of priority needs are discussed and then IM funds are allocated to meet these needs. -The option to be referred to FMPS is made.	VWPR Initial Assessment -Advantages, obligations under VWPR measure and how IM works are discussed. -Priority needs are discussed and funds are allocated to meet these needs. -The option to be referred to FMPS is made.	VIM Initial Assessment -Advantages, obligations under VIM measure and how IM works are discussed. -Priority needs are discussed and funds are allocated to meet these needs. -The option to be referred to FMPS is made.
Ongoing Contact with DHS Centrelink People can request for allocations to be altered at any stage. Also DHS Centrelink will review allocations approximately 8-12 weeks while they are on IM.		
CPIM Reviews -Progress review conducted in 2-4 weeks' time after IM commences. Allocation changes may be made. -Midpoint review conducted. CPW will decide to revoke or extend IM notice. -Final review is conducted to determine if IM should continue.	VWPR Reviews -DHS SW can decide at any point to continue or revoke IM notice. This can be done as file assessment. -Final review is conducted 35 days before IM is due to end to determine if IM should continue.	VIM Reviews -If person does not attend 2-4 progress review DHS will attempt to contact person via phone. -After 26 weeks of continuous IM, person is eligible for Voluntary IM incentive payment. -Person can exit from VIM agreement at anytime after 13 weeks, but will forfeit their incentive payment if they do.
Exit -Discuss transition to standard payment or another IM arrangement. -If exiting, IM final disbursement of any remaining funds from person's IM account -FRMPS is offered again, if not already taken up -People on CPIM and VWPR may take up options of meeting expenses via Centrepay or nominee arrangements -People on VIM will be advised of Centrepay option.		

(Information taken from the Commonwealth Auditor- General 2013: 33; Deloitte Access Economics 2013: 20-26)

Associated Programs

The Matched Savings Scheme, Financial Management Support Services and the Communities for Children program accompany the introduction of PBIM.

The Matched Savings Scheme

The Matched Savings Scheme is open to the VWPR and CPIM streams of PBIM. Its aim is to encourage people to develop a savings pattern (up to 13 weeks is the qualifying period). Part of the qualification is also to undertake an approved money management course. Once the person has saved the qualifying amount their savings will be matched by government up to \$500. The savings are subject to income management in that they cannot be spent on excluded items. The idea is for these savings to be spent on big-ticket items such as white goods. (FaHCSIA 2012a)

Financial Management Program Services

Financial Management Program Services are voluntary, free, and open to everyone but are targeted at those who experience financial disadvantage. People on income management receive priority access. Financial counselling and money management courses, two programs run by the Financial Management Support Services, aim to improve financial literacy and people's ability to manage money (FaHCSIA 2012a and FaHCSIA, 2012a cited in Bray et al 2012: 27). It appears that resources are weighted towards money management and budgeting courses rather than towards financial counselling. Financial counselling has an advocacy component while a money management course is largely information exchange. Significantly, research suggests that many people on a low income are good at day-to-day budgeting but there is a greater need for financial counselling and advocacy (Landvogt 2008: 36-38, 42; Wise 2011).

The Communities for Children program

The Communities for Children program provide services that focus on prevention and early intervention approaches that bring about positive family functioning, safety and child development outcomes for children. This too is a place-based initiative (FaHCSIA 2012a). In Shepparton, Centacare manages the Communities for Children program. They aim to deliver positive and sustainable outcomes for vulnerable and disadvantaged families with children 0-12 years (Centacare, 2012). It is not clear at what stage a person is referred to the Communities for Children program.

Victoria State Department of Human Services (DHS)

The Federal Government has drawn up bi-lateral agreements with State Child Protection authorities allowing child protection workers to refer only those clients who are also income support recipients to DHS for income management where they assess that child neglect has occurred. The exact objectives of the child protection measure (CPIM) is unclear, as it is not known if child protection workers refer people because of child neglect per se or refer people because of child neglect due to financial mismanagement. In the Western Australia trial, WA Department for Child Protection (WA DCP) case managers could refer a person to DHS where it was considered that this would help the person to provide for the priority needs of their children (Buckmaster & Ey 2012: 21).

The Victorian Department of Human Services obtained agreement that child protection practitioners will discuss participation in income management with their clients as part of the case plan, and obtain their informed consent prior to making a referral (FaHCSIA 2012b). In Victoria, the policy documents and legislation that assist child protection workers in making decisions concerning child neglect or abuse are:

1. Protecting Children is Everyone's Business: National Framework for Protecting Australia Children's, 2009 – 2020
2. *Children, Youth and Families Act 2005* (CYFA)
3. Child Protection Practice Manual
4. Child Protection Orders
5. Information Sharing Guidelines
6. Parent Assessment and Skill Development
7. Specialist Practice Resources such as
 - Best interests case practice model: summary guide
 - Best Interest Principles: a conceptual overview
 - Cumulative harm: Specialist Practice Resource
 - Best Interest Series: practice framework
 - Child Development and Trauma
8. Looking After Children framework and documentation (DHS 2013a)

Part 3: Assessment of other income management evaluations

To proceed with an independent evaluation, a sound understanding of how others have evaluated income management measures is necessary. From examining the strengths and limitations of previous evaluations we can assess where there are gaps in data and ultimately obtain new knowledge. We can ascertain if there have been any potential sources of data not yet tapped that would assist our understanding of how income management works, is observed and perceived. Some of the data collected may also concur with data collected from other evaluations and serve to strengthen known information about income management.

There are several government-commissioned evaluations, which will be called the official evaluations. Please refer to Appendix 2 for a summary assessment of the official evaluations of income management in Australia. In chronological order these include:

1. Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) (October 2008), *Northern Territory Emergency Response Report of the NTER Review Board*
2. Australian Institute of Health and Welfare (AIHW)(2010), *Occasional Paper 34: Report on Evaluation of Income Management in the Northern Territory*
3. ORIMA Research and Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) (September 2010), *Evaluation of the Child Protection Scheme of Income Management and Voluntary Income Management Measures in Western Australia Report*
4. KPMG and Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) (September 2010), *Implementation Review of the Family Responsibilities Commission Final Report*
5. National Partnership Agreement for Closing the Gap in the Northern Territory (November 2011), *Northern Territory Emergency Response (NTER) Evaluation Report 2011*
6. Social Policy Research Centre (University of NSW), Australian National University, Australian Institute of Family Studies (July 2012), *Evaluating New Income Management in the Northern Territory: First Evaluation Report*
7. Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) (2012) *Cape York Welfare Reform Evaluation*
8. Deloitte Access Economics and Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) (2013), *Evaluation Framework – Place Based Income Management*

There are additional unofficial reviews of income management, or aspects of, which will be also referred to in this assessment. Please refer to Appendix 3 for a list of these (unofficial) evaluations of income management. In chronological order these include:

1. Australian Council of Social Services (ACOSS) (2008), *Submission to FaHCSIA – NT Emergency Response Review*
2. Menzies School of Health Research (2010), *Impact of income management on store sales in the Northern Territory*

3. Australian Indigenous Doctors' Association and Centre for Health Equity Training, Research and Evaluation, UNSW (2010), *Health Impact Assessment of the Northern Territory Emergency Response*
4. Equality Rights Alliance (2011), *Women's Experience of Income Management in the Northern Territory*
5. Commonwealth Ombudsman (2012), *Review of Centrelink Income Management Decisions in the Northern Territory*

Other reviews not listed in Appendix 3 but referred to in this analysis include:

- Cox, E (2011), 'Evidence-Free Policy Making? The Case of Income Management'
- The Auditor-General Audit Report No.19 2012–13 Performance Audit Administration of New Income Management in the Northern Territory
- Mendes Philip (2012), 'Compulsory Income Management: A Critical Examination of the Emergence of Conditional Welfare in Australia'

Methodological Problems

- The main methodological problems of the evaluations of income management (official and unofficial) were arguably the following:
- Limited or no baseline data that could be used to examine statistical differences prior to, during, and following the introduction of IM (AIHW 2010; Cox 2011b). Only the Social Policy Research Centre (SPRC) and Deloitte Access Economics evaluations have included baseline data. Albeit, the SPRC evaluation relies on stakeholder recollections of earlier conditions, rather than actual data collected prior to the introduction of New Income Management (Bray et al, 2012).
- Strong reliance on qualitative measures (e.g. the opinions of a range of stakeholders including self-reporting by users and reports by community members, store owners, NGO employees, and those with a vested interest in the success of IM such as DHS staff and Business Managers) to judge the impact of income management which tend to be influenced by recall bias and may not be reliable given the lack of supportive hard data (Cox, 2010; 2011C; Western Australian Council of Social Service, 2011).
- Difficulty in obtaining 'objective' evidence of sustained behavioural and attitude change such as parents encouraging their children to attend school and meet their children's developmental needs (AIHW 2010: 63; Bray et al 2012: xviii). It is unclear if IM has addressed the long-term addiction of individuals to substance use or gambling. It is unknown if IM convenors have enrolled participants with these problems in rehabilitation or counselling programs.
- Low sample numbers making it difficult to generalise findings. The AIHW study acknowledged that the participant interviews were limited by the small sample size (only 76 out of a possible 15,125 which is a much smaller sample than would be expected from a study that was expecting to generalise its findings, and derived from only four out of 73 affected communities) and method of selection, with no random selection involved (AIHW, 2010). Similarly, there were only 149 interviewees across the two sites in the ORIMA Research (2010) evaluation of the WA child protection trial) making it difficult to generalise findings (Cox, 2011a).

- Limited examination of Indigenous cultural issues despite a disproportionate number of participants being Indigenous (Bray et al, 2012: xvii).
- Difficulty in measuring the impact of IM on outcomes separately from the effectiveness of other policy interventions and existing programs provided by statutory and voluntary services (Buckmaster & Ey, 2012; Coghlan, 2012; McClure, 2013). For example, how can IM be segregated from the casework, counselling, self-help groups or cultural networks already provided by Non-Government Organisations (NGOs) to similar groups of service users? And how can the impact of IM be isolated from the effects of increased policing or community imposed alcohol restrictions in the NT? (ACOSS, 2010; Bray et al., 2012).
- Limited or no analysis of the impact of income management on business and other market dealings, such as the BasicsCard being used in a similar manner as EFTPOS.

Only a few of the evaluations have used or are using comparison groups in order to measure the changes that occurred as a result of income management, or what would have happened in its absence (AIHW 2010; Bray et al, 2012; Coghlan, 2012). These are the ORIMA, SPRC and Deloitte Access Economics evaluations. A comparison group could be persons or households experiencing similar disadvantage but not involved in income management, but able to access the same financial and parenting support services offered to IM recipients. The NTER could have randomly assigned half the people living in remote NT communities to IM, and retained the other half as a control group (Farrelly, 2012). The Deloitte Access Economics evaluation will be comparing the five PBIM sites with five other areas that have similar characteristics to the trial sites but where PBIM has not been implemented. They will compare similarly disadvantaged groups of people. Other Better Australia's Future Workforce (BAFW) programs such as the Financial Management Support Services are common to both the trial and comparison sites (Deloitte Access Economics 2013: ii and 46).

Due to these methodological flaws, the findings need to be interpreted with caution. The evidence for the effectiveness of income management to achieve child protection and educational objectives or to change personal behaviour is not strong.

Data collected and data sources

In the official evaluations, the types of data collected were both quantitative and qualitative. Quantitative information mainly came from DHS (Centrelink), surveys and businesses that used store cards (before the introduction of the BasicsCard) and the BasicsCard. Understandably, data could not be collected on exact items bought with these cards. DHS data could show that money was spent in approved stores, but could not show the actual purchases, such as fresh food, school clothing or educational items on which the money was spent (Bray et al 2012: 70).

The Menzies School of Health Research tried to find out how the income- managed funds were being spent (Brimblecombe et al 2010: 549-554). They used an interrupted time-series analysis to examine trends in the sale of commodities over a period spanning the introduction and continuation of income management. They used Arnhem Land Progress Aboriginal (ALPA) Corporation stores (that use a purely voluntary card system) as a point of comparison. They used convenience rather than a

random trial. Sales data was collected on commodities such as food, beverage, fruit, vegetables and soft drink. Data was collected pre-intervention, post intervention and during the government stimulus period. Findings indicated that income management may not have been associated with healthier food and drink purchases, and may not have had any effect on tobacco sales. There are concerns in regard to these findings.

First, the different conditions of the FOODcard and BasicsCard are not discussed in sufficient detail and the uptake of the FOODcard program is unknown. Second, the government stimulus package began at the same time as the BasicsCard was being introduced as part of the voluntary and compulsory measures of income management across 73 remote communities in the Northern Territory. This is a confounding factor and its affect was not discussed in sufficient detail. Third, external factors such as the cost of and availability of items are likely to influence shop sales. This was not given due recognition. Finally, the authors claim that ‘the findings challenge a central tenet of income management – that people’s spending habits will be modified in a positive way with mandatory restrictions on expenditure alone’ (Brimblecombe et al 2010: 553). Yet they were not just measuring ‘mandatory restrictions’, but also measuring spending shaped (in part) by a voluntary scheme. As cited in the NTER Evaluation Report, DSI Consulting Pty Ltd also described the following concerns in regard to the findings:

‘conclusions were not put into proper context for the statistical model structure chosen, the use of a convenience rather than a true random sample, the use of an interrupted time-series analysis, inconsistencies with the dates used to determine the switch-on time of income management for stores in the study (versus the actual switch-on dates) and differences between ALPA stores and other community stores, suggesting that the results were not easily generalisable to other store sales’
(National Partnership Agreement for Closing the Gap in the Northern Territory 2011: 347).

People’s perceptions of how income management worked and its impact at the individual and community levels were the types of qualitative data collected. The various data sources for the collection of qualitative information in the official evaluations were primarily made up of:

- Income support recipients subject to income management (the vast majority of Indigenous heritage)
- Federal DHS staff
- State Child protection authorities staff
- Federally funded financial services staff
- Indigenous community representatives from the different locations where income management is being administered
- Local store owners

In relation to the official evaluations, the NTER Review Board, ORIMA Research, KPMG and the SPRC consulted NGOs. The extent of these consultations is unknown. The ORIMA research surveyed NGO employees but did not interview them. Out of 34 organisations contacted, fifteen indicated that they would complete the survey with only six NGOs actually completing the survey (please refer to Appendix 4 for a list of the peak NGO bodies and NGO organisations contacted). The

SPRC evaluation consulted with members of some peak NGO bodies such as those representing refugees and women as well as the Northern Territory legal services (Bray et al 2012: 138). They did not provide the details of the NGOs consulted. It is unclear how well the views of NGO direct service delivery level employees are represented. The NTER Review Board also conferred with key NGOs. They consulted with NGOs from the main regional areas in the Northern Territory. Consultations were with a variety of organisations such as the Central Land Council, Alice Springs Women's Shelter, St Vincent de Paul, Council for Aboriginal Alcohol Program and Sunrise Health (FaHCSIA 2008: 82-84). Out of the 222 submissions, several were from NGOs such as The Smith Family and the Amata Community Family Centre (FaHCSIA 2008: 87-91).

Deloitte Access Economics will be holding focus groups with NGOs and give the Communities for Children program as an example of one such NGO with which they will hold a focus group (2013: iv). It is unknown, at this stage, if in-depth interviews will be carried out with NGO direct service delivery and management level employees who come into contact with people under the PBIM measures. In particular, it is unknown if such interviews will be carried out with employees who work in areas such as mental health, homelessness, substance abuse treatment and family support services. These may be untapped and rich data sources.

The official evaluations provide a large amount of data on how people under income management perceive it. There is an abundance of information on the diverse personal experiences of those under income management. Information on the processes in regard to decision-making and referrals is not so extensive. NGO direct service delivery workers and members of peak NGO bodies will have information that will shed light on these aspects on income management that is currently unknown.

General Findings

This section examines the general findings of the evaluation review in relation to the social impact and the operational processes of income management.

Outcomes (Social impact)

There have been mixed results of income management. There is no clear evidence regarding the efficacy of income management. Any positive changes have generally been irregular. Equally, there is no clear evidence that income management is responsible for a deterioration of the situation for those under IM in areas in which it operates (Buckmaster and Ey 2012: 24). In regard to NIM, the SPRC report found that: "The evidence gathered to date for this evaluation suggests that NIM has had a diverse set of impacts. For some it has been positive, for others negative and for others it has had little impact. Taken as a whole there is not strong evidence that, at this stage, the program has had a major impact on outcomes overall. Although many individuals report some gains, others report more negative effects" (Bray et al 2012: xxiii).

Main positive outcome findings

There is some evidence that income management has helped many recipients increase the amount of money they spend on fresh food, increased the weight of children, helped people when they are in acute crisis and been shown to decrease 'humbugging' (financial harassment). It has assisted some people with acute or chronic financial

difficulties and has had some encouraging results in improving child, adult and family wellbeing. Some people saw the BasicsCard as being helpful as fee free banking. Some people have reported that income management has contributed to lower levels of gambling, substance use and violence. These benefits at community level are still considered provisional until results become clearer in the longer term.

Some people living in remote communities have reported feeling safer where income management operates. But it is difficult to assess the specific contribution of income management towards making remote communities safer. This is because income management has been introduced alongside other government measures that may have also contributed to the feeling of increased safety. (FaHCSIA 2008; AIHW 2010; ORIMA Research 2010; KPMG 2010; National Partnership Agreement for Closing the Gap in the Northern Territory 2011; Bray et al 2012).

Main Negative Outcome Findings

A major negative impact is that many people have felt disempowered, embarrassed and ashamed at being subject to income management, especially when shopping. Some people have experienced practical problems in using the BasicsCard such as it not being accepted at a wide range of outlets and not being able to easily check the card's balance.

Other limitations of income management are that it has not necessarily helped with keeping children engaged with school and some people are not necessarily managing their finances any better (FaHCSIA 2008; AIHW 2010; ORIMA Research 2010; KPMG 2010; National Partnership Agreement for Closing the Gap in the Northern Territory 2011; Bray et al 2012).

There are concerns that people may become reliant on income management as a tool for managing their finances rather than being able to rely on their own skills (ORIMA Research 2010: 14 & 15; Bray et al 2012: 261). There has not been a large uptake in using financial management support services to learn financial management skills (ORIMA Research 2010: 13; Bray et al 2012: 105 & 106). The ORIMA research said that 15 per cent of those on child protection income management who did not attend financial counselling cited, 'not needing money management skills when having their money income managed' as a reason for not using financial management services (ORIMA Research 2011: 13 & 14). The KPMG and SPRC evaluations note that there is no clear pathway between managing money responsibly and exiting from income management (KPMG 2010: 85; Bray et al 2012: 257). The KPMG and SPRC evaluations also state that there could be a cohort of people who require ongoing support and may need to be on income management well into the future (KPMG 2010: 85; Bray et al 2012: 267). This highlights the limits of income management's capacity to achieve its main intended objective, that is, to assist in sustainable, socially responsible behavioural change. Additionally, they state that there has not been enough time to measure the long-term effects of income management (KPMG 2010: 6; Bray et al 2012: 67). Consistent across all of the evaluations, the negative results are most prevalent with those people on compulsory income management.

Processes (Operation and delivery of income management)

A major process concern was how income management should be delivered. Most of the evaluations emphasise the outcomes for those under income management. They highlight if and to what extent income management has delivered on its intended objectives. The NTER Board of Inquiry and AIDA stated that income management should be available on a voluntary basis to people or communities who choose it, and that compulsory income management should only apply on the basis of child protection, school enrolment and attendance and other relevant behavioural triggers (FaHCSIA 2008; AIDA 2010).

Very few official evaluations evaluated at length the operational processes at direct service delivery level, except for the NTER Review Board. These processes were decision making in regard to subjecting a person to income management, reviewing their circumstances, explaining the purpose of income management and how it works. Other processes examined were having access to appeals and reviews and linking recipients to other supports (FaHCSIA 2008). The Commonwealth Ombudsman's Report also closely studied decision making processes in relation to DHS decision makers denying people exemptions due to signs of financial vulnerability in the past 12 months, and the decisions made by social workers when assessing people as vulnerable welfare payment recipients (VWPR). (Commonwealth Ombudsman: 2012). In short, the decision-making processes were below an acceptable standard. DHS has now implemented the vast majority of the Ombudsman's recommendations. Nevertheless, extra consideration on decision-making processes is still warranted as articulated below.

What we still need to find out

This section discusses what the evaluations have not examined extensively or at all. These include the:

- dynamics between choice and control
- quality of decisions in relation to income management
- degree of consultation with local communities
- issues of structural disadvantage
- cost of income management.

After each section a series of questions are posed, which will form the basis of an alternative evaluation framework.

The dynamics between choice and control

A major limitation of the evaluations appears to be in regards to examining the dynamics of choice and control. The one exception was the NTER Evaluation, which noted that many participants in the NT felt a 'loss of freedom, empowerment and community control' (Australian Government, 2011: 333).

There is a history of the state, when necessary, using coercive measures to ensure the wellbeing of citizens. Family court and bankruptcy orders are examples of legal orders undertaken in the context of a well-established democratic institution of legal argument and contestation. Measures such as garnisheeing child support payments from a person's wages, administrative and guardianship orders are examples of the state intervening in the interests of children, young people and people with

disabilities. As pointed out by Healy (2005) coercion is sometimes necessary to protect people, especially children, from harm. Even with this amount of control, upholding people's rights and allowing them the opportunity to take responsibility is important.

Many Indigenous and non-Indigenous recipients have been able to manage their financial commitments effectively by using the Centrepay voluntary deduction scheme. This involves the direct debiting of payments from benefits to pay for a range of goods and services, including accommodation, utility and education costs (Australian Government 2012). Similar successful voluntary payment schemes have been operated by Indigenous organisations such as Tangentyere Council in Alice Springs, and also by a women's centre in Wugularr who established a school nutrition program (Havnen, 2012). Compared to these voluntary methods for managing finances, income management arguably limits the recipient's opportunity to take responsibility for how they manage their income support.

A further positive example was the FOODcard introduced by ALPA in 2004 for the purchase of fresh food and healthy products. Both the BasicsCard and the FOODcard restrict the purchases of alcohol and alcohol kits, tobacco and gambling products and pornographic material. The FOODcard goes a step further in its restrictions; it also doesn't allow the purchase of high sugar (lollies, soft drinks etc.) or high fat food and toys (Creative Spirits 2012). By 2006, there were at least 4500 FOODcard users across 12 community stores in Arnhem Land. The FOODcard seems to have led to more sales of healthy food, and contributed to an improved diet for children who had previously been malnourished. However, the introduction of the BasicsCard, which can be used for any food or drink product including soft drinks, undermined this existing system. The number of users in the Gapuwiyak community has now fallen from 700 to 120 (Stewart, 2010).

The major difference between the FOODcard and the BasicsCard is that the FOODcard is strictly voluntary while the BasicsCard (although it can be used voluntarily too) is an instrumental part of the mandatory measures. Even with a higher level of purchasing restrictions, the FOODcard had high usage. Could this be due to the level of community consensus sought in relation to the card's restrictions and to the element of 'choice' in the use of the card? The introduction of the BasicsCard has arguably restricted the choices of recipients compared to other existing voluntary frameworks for managing finances. There is a need for a deeper understanding about the process of developing and implementing a program such as income management, and the choices available to participants within the program.

Further Questions

What impact does the BasicsCard have on people's sense of control over their lives? Are those service users who are already using Centrepay or other voluntary schemes given a choice of remaining in those schemes? What is the quality of information given to people who are considering volunteering for income management? Does the information assist these people to make an informed choice? What are other more effective approaches?

The quality of decisions in relation to income management

The decision of when to use income management has significant implications for the way it is implemented and, ultimately, for its social impact. The Commonwealth Ombudsman emphasised the ‘imperative that VWPR decisions comply with the legal requirements, accord with policy instructions and demonstrably meet the objectives of the measure’ as it ‘has significant implications for personal decision making and self-determination’ (Commonwealth Ombudsman 2012: 28).

The Family Responsibility Commission (FRC), an independent statutory authority, is the major decision-making body for conditional income management in the Cape York Peninsula. Its objectives are to rebuild Indigenous authority and restore social norms in the Cape York Peninsula communities. In using incentives to support socially responsible standards of behaviour it seeks to change undesirable behaviour, especially when this concerns the caring and education of children. The FRC links into and collaborates with local Indigenous leaders, education authorities and services, child protection, housing, income support, police and courts, and NGOs. The FRC Commissioners state the expectations of the community to individuals in a conference setting. It uses basic counselling (listening, providing information and the option of support service referrals) techniques to fulfil its objectives. The FRC has the power to recommend conditional income management, but also views it as an intervention of last resort (KPMG 2012: 5; Cape York Welfare Reform 2012: 183; Le Marseny 2012-2013: 23).

In examining income management related decisions from a justice point of view, Billings (2010) differentiates between the accountability of the decisions relating to the NTER intervention, the decisions relating to the WA child protection scheme trial, and the decisions made by the FRC as part of the Cape York Welfare Reforms. He argues that the NTER had ‘an indiscriminate approach to welfare management that offered no means for individuals to demonstrate their worthiness’ (2010: 192). In contrast, the WA child protection scheme provided access to justice as it was individually based, but the supportive interventions occurred only after a person was under income management (2010: 192). Finally, the FRC is arguably fairer in that it ‘aims to resolve problems collaboratively... rather than simply by imposing solutions upon people’ (2010: 192).

The FRC uses IM as ‘an escalation of intervention in the life of the person’ and then it is de-escalated when the behaviour change starts occurring (KPMG 2010: 75 & 226). It is uncertain that income management can change behaviour but the CYWR approach to welfare reform seems to be the most realistic in its endeavour as it integrates income management with case management and community-based schemes to enhance people’s sense of responsibility and community participation (Billings 2010: 192; KPMG 2012; Cape York Welfare Reform 2012). Findings from the United States have shown that programs combining case management, support services and sanctions have had a limited but positive affect on school attendance (Billings 2010: 192; Campbell and Wright 2005: 2-28).

The Deloitte Access Economics methodology will use secondary data measurements that will focus on participation in PBIM and various components of the program, time to respond to recipients’ needs, the number and type of services and resources available (Deloitte Access Economics 2013: iv). It does not appear to allow for a

qualitative measure of the process of the intervention.

Child protection workers described the CPIM measure as a case management tool that could be helpful when working with families where child neglect or abuse is an issue (Bray et al 2012: 157). Yet there were diverse opinions among practitioners as to whether it should be used as a regular part of their practice, or as a tool of last resort. Below are two examples of two opposing opinions of managers who encourage their staff to act upon their particular view of using CPIM in cases of child neglect:

We've adjusted our practices to suit our type of work. Now we're saying that any notification that comes into the system that is substantiated for either neglect, serious neglect, failure to thrive, drug and alcohol or gambling issues, they automatically become referrals for income management.

DCF child protection staff member (Bray et al 2012: 157)

I guess it's designed to actually ensure that families get money for food. I guess its intent was to help reduce neglect issues with children and families. I guess it's just one more tool that's available for child protection workers to make use of [...] It's also a very intrusive, it's exceptionally paternalistic, [...] it really is a tool of last resort after many other interventions have been tried.

DCF child protection staff member (Bray et al 2012: 158)

This highlights how decision-making at direct service delivery level can be inconsistent. An inconsistent approach at this level is highly likely to be confusing for recipients. Inconsistency in applying legislation and policy, of course, is not just pertinent to income management. However, as mentioned, the mandatory measures, when determined as necessary, have major implications for self-determination.

In the PBIM site of Shepparton, the Federal Government has signed an agreement with the Victorian Government that state child protection workers will only refer clients for income management who have provided their written consent. However, bureaucratic barriers can limit the connections between the levels of government, and important messages like these do not always evenly filter down. For example, the imbalance of power between workers and clients may mean that workers informally pressure clients to agree to income management as an alternative to having their children removed or placed in care. Equally, we do not know what occurs if a parent or carer, already subject income management, is reported again to child protection for neglect.

Official evaluations have not sufficiently examined the connection between family violence and income management. DHS uses the term 'financial exploitation' in their *Guidelines for the assessment of Financial Vulnerability* (Bray et al 2012: 315). Financial exploitation may be considered a form of financial abuse if it denies a person's economic or financial autonomy. Financial abuse is associated with other forms of family violence and relates to the exercise of power and control over close others. The Victorian legislation, as in the *Family Violence Protection Act 2008*, includes economic violence in their definition of family violence (Australasian Legal Information Institute 2008).

As cash is such a flexible resource, income management, which seeks to limit this flexibility, has been shown to reduce the level of 'humbugging' in many of the Indigenous communities in the Northern Territory and in Cape York. Yet in some cases income management may not be appropriate. For instance, when victims of

family violence are in sudden crisis and need to quickly escape, they most likely need the flexibility of cash to do so (Australian Law Reform Commission 2012).

As is now known, in some cases income management can be beneficial to the person experiencing financial exploitation. But financial exploitation could be part of a wider set of circumstances that may have more extreme violence at its core. The Australian Law Reform Commission Report on Commonwealth Law and Family Violence and the Equality Rights Alliance paper on women's perceptions of income management in the urban areas of the Northern Territory highlighted that some women do not seek help from DHS when they may be experiencing family violence. This is due to not wanting to risk being assessed as 'vulnerable' and therefore become subject to income management (Australian Law Reform Commission 2012; Equality Rights Alliance 2011: 35). The severity of this unintended consequence is not known.

Many of the evaluations found that income management needs to be employed with the provision of a range of support services (FaHCSIA 2008; AIHW 2010; ORIMA Research 2010; KPMG 2010; National Partnership Agreement for Closing the Gap in the Northern Territory 2011; Bray et al 2012; ACOSS 2008; Commonwealth Ombudsman 2012). The Commonwealth Ombudsman, in particular, drew attention to the need for workers to examine all relevant service options for those who are about to become income managed (Commonwealth Ombudsman 2012: 30). This is still an aspect for further investigation because it is a crucial part of decision-making in relation to income management.

Further Questions

Have suitable individuals and families been targeted by income management? What crucial decisions are made when assessing the need for and then administering CPIM and VWPR? Who are involved in these decisions? How do workers assess the effectiveness of other interventions before eventually coming to a point where they judge income management needs to be employed? What factors are looked at in deciding on the de-escalation of income management? How are important messages about the application of income management being passed from managers to direct service delivery workers? How are the wider circumstances of people, particularly women, assessed when financial hardship or financial exploitation are determined to be indicators of financial vulnerability? What other options of support service referrals are offered and when are they given?

The degree of consultation with local communities

Prior to the introduction of the NTER, a number of government and non-government reports documented severe social problems in the Northern Territory (Mendes 2012: 3 & 4). However, it was the *Little Children are Sacred* report that impelled the government to act (especially to urgently act upon the protection of Indigenous children from sexual abuse). That report also stressed the need for governments to act in consultation with people in the remote communities of the Northern Territory (Wild and Anderson 2007: 7). One of the major criticisms of the NTER intervention was that it was implemented without consultation (ACOSS 2008; Cox 2011; FaHCSIA 2008; AIHW 2010; Mendes 2012).

There is overwhelming evidence of the importance of local control and involvement in problem identification, program design and decision-making (Cox, 2011a). Many evaluations of services in Indigenous communities have shown that they are most effective when the community is heavily involved in both the planning and implementation stages (AIHW & AIFS, 2011). Other authors draw specific attention to community development interventions that have worked to enhance school attendance and retention rates for Indigenous children. These programs appear to be most effective when introduced as a result of ongoing consultations between schools and Indigenous parents and communities (Behrendt & McCausland, 2008). A community development approach is also recommended by the government's Social Inclusion Board (Australian Social Inclusion Board, 2011).

As shown in the ABC report on the ALPA FOODcard and as reported in the Menzies School of Health Research *Submission to the Northern Territory Emergency Response Review*, the FOODcard is a good case example of a 'bottom up' community approach in tackling a difficult social problem. People in the area had knowledge of the problem and how it affects their community (the use of existing knowledge), had been involved with the solution of the problem (consultation about what restrictions should be placed on the FOODcard) and could then volunteer to use it (have a choice) (Stewart: 2010; Menzies School of Health Research 2008).

Community members are often best at understanding the needs of their community and the type of services necessary. In regard to the NTER intervention, in their report to the NTER Review Board, Yu, Duncan and Gray point out: 'No matter how good the framework, no matter how much money is available, you cannot drive change into a community and unload it off the back of a truck ... Deep seated change - safe healthy families - must be grown up within the community' (FaHCSIA 2008: 58).

In relation to the PBIM roll out, the Federal Government does not appear to have consulted with any community groups in these locations to clarify whether the introduction of IM programs was warranted, or how they might complement existing support programs. It appears that the IM measures were first introduced and engagement with local stakeholders only occurred many months after the original announcement had been made (ACOSS 2012(a); Tennant 2012).

Further Questions

What 'bottom up' community based approaches can be used in relation to income management? Were NGOs or local governments in the five PBIM trial sites asked whether they wanted income management, and/or how they believed IM programs might integrate with existing support services? Why did the government only commence engagement with local stakeholders after the announcement of the five locations? What strategies are now in place to ensure that IM programs incorporate local knowledge and expertise regarding the causes of and potential solutions to social disadvantage?

The issues of structural disadvantage

The official evaluations have not examined at length how issues of structural disadvantage inter-relate with income management. This is despite the fact that many

Australians reliant on income security appear to be living well below the poverty line (ACOSS, 2012b). It is unclear whether this is due to the narrow brief provided by FaHCSIA. The evaluation guidelines (see Appendix 2) are, in general, limited to measuring how income management changes individual behaviour. This includes the methodological approach adopted by Deloitte Access Economics. Many of the behavioural issues targeted by income management are arguably related to broader structural and systemic causes of disadvantage. These include the low level of income security payments and lack of affordable housing which push many recipients into poverty and associated family breakdown, the minimal education, training and employment opportunities available in many communities, the limited access to healthy and affordable food, and the intergenerational trauma experienced by many Indigenous Australians due to experiences of racism, dispossession, institutionalization and the removal of children. These issues not only affect recipients of income security, but may also impact on individuals and families in low-paid employment (ACOSS, 2010; Billings, 2010; Cox, 2010; WACOSS, 2011).

Access to services was a structural issue analysed. It was found that access to support services programs were not uniform and very poor in remote communities (FaHCSIA 2008; AIHW 2010; ORIMA Research 2010; KPMG 2010; National Partnership Agreement for Closing the Gap in the Northern Territory 2011; Bray et al 2012). The SPRC and KPMG evaluations reported on income management and its relationship with personal barriers. The Cape York welfare reform trial noted that sustainable change is difficult to achieve because people with chronic problems have fragile lives (KPMG 2010: 6). The SPRC evaluation noted that income management could be helpful to people with chronic problems but these people are most likely to be subject to it for long periods (Bray et al 2012: 67). Another part not extensively known is how income management impacts upon the effectiveness of and access to other services.

In relation to people subjected to income management, the official evaluations provided little analysis on structural issues such as:

- the power imbalance between DHS workers and income support recipients
- the difference between being on a pension and an allowance (an allowance is paid at a much lower rate)
- the cost of living
- the scarcity of opportunities for higher education and of labour market involvement for the those under income management in remote and some regional areas of Australia. The people living in many of the remote areas of Australia do not have the same economy as those in urban Australia. Generally speaking, the labour market and educational opportunities are more limited for those living in these areas compared to their more urban counterparts.
- the lack of choice in markets for low income people exacerbated by other factors like geographical disadvantage.

None of the official evaluations took account of the structural barriers to maximizing income for the person on a low income. These include: over time reduced access to basic financial services – basic transaction account, basic general insurance and low income credit; lack of a financial buffer; and the asymmetry of accessing good financial information (Connolly 2013; CAV 2004; Landvogt 2008). In effect these

are indicators of financial exclusion and reduced financial capability. The money management courses and financial counselling are intended to be a remedy to the lack of financial information. But many of the money management workers stated that the federally endorsed program was pitched too high or too low for their audiences. Furthermore, some of them said that they were frustrated by not being able to use their existing knowledge of their audience's needs to properly pitch the financial information (Bray et al 2012: 106 & 107).

A common scenario for income support recipients is not being able to afford the said priorities when a large unexpected cost occurs. In the official evaluations, there was no extensive analysis of the real life competing spending priorities of people firstly on income support and secondly being subject to income management. A typical case study might involve the following: In the same pay period a parent needs to pay part of the utility bill which has been set up for them via income management, but also have the extra expense of needing to pay for school uniforms and books. On top of this the fridge breaks down. They still have the other spending priorities of food and rent. An Anglicare report on people who regularly experience food insecurity revealed that the expenses most cited which left little money for food were gas and electricity, phone and housing (Babbington and Donato-Hunt 2007: 5). An ACOSS report discussed the flexibility needed when living on an income support payment (ACOSS 2008: 17).

Neglectful parents who may be working or receiving an income other than from DHS will not be subject to the CPIM measure. In cases of substantiated child neglect, the official evaluations have not explained this difference in treatment between those on income support compared to those who are not.

Finally, there has not been any analysis of the effect of income management on the local economy where income management operates. Besides the lack of consumer choice, ACOSS found as an unintended consequence "a significant burden being placed on small store owners and staff in the implementation of income management and on larger stores in the administration of the stored value card system" (ACOSS 2008:17). Assuming income management becomes larger in scale if it is rolled out across Australia, there could be profound effects on businesses that do not use the BasicsCard for whatever reason. Given this, another data source for an alternative evaluation framework are small business owners who do not use the BasicsCard.

Further Questions

How do recipients subject to income management cope with instances of competing spending priorities and the cost of living? What is the impact of economic and social conditions for people subject to income management? What is the impact of income management on the local economy? What is the effect of the introduction of PBIM on service providers? How does income management interact with other support services? What impact, if any, has Income Management on the availability of appropriate, affordable and accessible financial services for low income and disadvantaged consumers?

The cost of income management

The SPRC evaluation did not undertake a cost-benefits evaluation in their first report. They were asked to leave this to a later stage when FaHCSIA will have a better understanding of the ‘full cost of program implementation and of the separate cost of establishment and operation’ (Bray et al 2012: 3). The first report states: ‘At this stage of the evaluation, the evidence highlights a diversity of outcomes from NIM which are positive for some and negative for others. This raises two central questions: whether, to the extent that there are gains under the existing arrangements, the gains outweigh the costs; and whether or not alternative arrangements, including a more targeted approach and greater attention to the provision of higher quality services would permit the gains to be achieved without the negative outcomes’ (Bray et al 2012: xxiv).

The question remains as to whether the gains achieved by income management outweigh the costs. ACOSS estimated in 2010 that income management in the Northern Territory was costing \$17,600 per person over 4 years or \$4400 per person per annum, which is one third of the single rate of Newstart Allowance paid to unemployed people, and more than eight times the amount allocated to employment services to address work barriers for the long-term unemployed (\$500 per annum). The Financial Impact Statement in the Explanatory Memorandum indicated that the total resourcing for income management over 5 years (nationally), across all portfolios was \$402 million (ACOSS 2010: 19).

The cost in the five new PBIM trial sites appears to be even higher at \$6000 per person. This includes the initial cost of introducing the program in a new region as in the registration of stores, and the continuing resources required by DHS to interview and assess service users, and negotiate and manage budgets. The total cost amounts to one half of the maximum single rate of the Newstart Allowance (ACOSS 2012a: 3).

These costs raise the question: did the Federal Government closely examine the possibility of using the current EFTPOS system instead of introducing another electronic payments system (BasicsCard) specifically for people being income managed? If this could have been achieved, not only may this have been much cheaper (as the infrastructure is already in place), but also the universal use of Australia’s EFTPOS system may contribute to reducing the stigma for a person being income managed. Also, critics argue that money could be better spent on support programs designed to deal directly with the underlying causes of the social disadvantage such as family support services and alcohol and other drug services (ACOSS 2010: 19-20; Mendes 2012:11). Since the evidence of the effectiveness of income management is at best uneven, it warrants serious consideration of its value.

Further Questions

What are the resource implications of implementing income management? Are there other existing programs and services with a strong evidence base for working with the underlying causes of disadvantage? If so, are they more cost effective than income management? What existing services or service platforms might be useful to pursue the policy aims and what are their relative costs and/or potential effectiveness, in comparison to the elements designed and delivered by government?

Conclusion

This section has examined the strengths and limitations of previous evaluations. We have ascertained potential sources of data not yet tapped that will assist our understanding of how income management works, is observed and perceived. It has highlighted several gaps in knowledge about income management that can form the basis of an alternative evaluation framework for income management.

Part 4: Shepparton trial of income management evaluation design – best practice model

Introduction

Our review of the official evaluations suggests that they were often asking the wrong questions; we have subsequently identified five key themes that have received little if any attention in their reports.

Firstly, we would critically examine the choices given to income management participants, including those who are voluntary participants in the VIM, and whether or not IM appears to have enhanced or reduced their sense of independence and control. Secondly, we would assess the quality of decision making in relation to income management, and whether the procedures used are applied fairly and consistently, and with sensitivity to issues such as family violence.

Thirdly, we would analyse whether income management (and particularly place-based income management) is implemented via top-down processes, or alternatively via a genuine bottom-up partnership with local communities, non-government service providers and small business owners. Given the high number of Indigenous participants in IM, it would be crucial to determine whether Indigenous community groups have been involved in consultations.

Fourthly, we would consider how key issues of structural disadvantage such as financial poverty and inadequate housing have been addressed within income management. Finally, we would explore the cost effectiveness of income management to ascertain whether the gains outweigh the costs, and also if there is other existing programs that may be more cost effective.

Based on these themes, we recommend an alternative evaluation model which would arguably provide a better measure of whether or not income management is improving the lives of the chronically disadvantaged.

The remainder of this section provides more detail on what our alternative model for evaluation could look like. This section also includes the principles underlying the alternative approach to evaluating income management, the key objectives of the evaluation framework and its design. It begins with a brief community profile of Greater Shepparton.

Greater Shepparton Profile

Cultural differences

The latest Census data (2011) shows that Shepparton's population is over 61500 people. The population is mainly made up of people with Anglo heritage followed by mainland European. From 2006 to 2011, the migration rate from other countries increased by three per cent. In 2011, nearly 8000 people living in Shepparton were

born overseas and 27 per cent arrived in Australia in the previous five years (Greater Shepparton City Council 2011; ABS 2011).

According to the Department of Immigration and Citizenship, in the past five years, more than 500 humanitarian migrants have settled in the Greater Shepparton LGA. They account for 32 per cent of Greater Shepparton's migrant intake over the period, compared with only seven per cent for Australia overall (DEEWR 2012: 2). According to ABS data, there are nearly 1750 people living in Greater Shepparton who speak another language and do not speak English very well (Greater Shepparton City Council 2011).

In 2011, according to ABS Census data on those people who stated an Indigenous status, Greater Shepparton's Indigenous population was just over 2080 people (ABS 2011). Greater Shepparton has a higher proportion of Indigenous residents (three per cent) compared with Victoria overall (one per cent) (DEEWR 2012: 2).

Unemployment rate and labour market participation

The unemployment rate for the Greater Shepparton LGA was 8.6 per cent in December 2012, while the unemployment rates for Victoria and Australia were 5.8 and 5.5 per cent respectively. In Greater Shepparton, 20 per cent of families with children under the age of 15 years do not have an employed parent, compared to the state figure of 13 per cent (DEEWR 2012: 3). According to DEEWR, the three groups in Greater Shepparton most at risk of unemployment are Indigenous people, humanitarian migrants and people without post-school qualifications (2012: 2).

In 2011, the unemployment rate for the Indigenous working age population of Greater Shepparton was 20.9 per cent and the participation rate was 54.2 per cent. In comparison, the unemployment rate for the non-Indigenous working age population was 5.3 per cent and the participation rate was 75.0 per cent (DEEWR 2012: 2).

Humanitarian migrants often have no or poor English language proficiency, which limits their employment prospects. The unemployment rate for people with no or poor English language proficiency in Greater Shepparton is 20.7 per cent compared to 5.2 per cent for people who speak English only (DEEWR 2012: 2).

Educational attainment has a strong relationship with employment outcomes. The 2011 Census shows that 41 per cent of the working age population in Greater Shepparton had completed Year 12 or equivalent compared to the state average of 59 per cent. Across the North Eastern Victoria Priority Employment Area (PEA), the unemployment rate for people who had not completed Year 12 or a post school qualification is 14.7 per cent while their participation rate is 65 per cent (DEEWR 2012: 2). By contrast unemployment rates are lower and participation rates are higher for those who have completed a Bachelor degree (2.4 per cent and 90.4 per cent respectively), Advanced Diploma or Diploma (3.8 per cent and 84.9 per cent respectively), Certificate Levels III and IV (3.8 per cent and 88.2 per cent respectively) and Year 12 (six per cent and 77.3 per cent respectively) (DEEWR 2013).

Principles underlying our evaluative approach

This alternative evaluative approach is consultative in style, which is conversant with the key place-based policy recommendations of the Australian Social Inclusion Board (Australian Government, 2011). It is also aligned with the Greater Shepparton City Council approach to their community. They state that they want to utilise local knowledge and expertise, inform the community and encourage community participation in decision-making. The alternative evaluation of PBIM in Greater Shepparton is underpinned by the following principles of community development:

- **Inclusiveness and participation:** Local knowledge is valued at least equally, if not higher than external expertise (Ife & Tesoriero 2006). The evaluation participants will be encouraged to share their view and allowed the space to change their position without losing face. Consultation will be widely undertaken on the many issues regarding PBIM from various stakeholders, as listed below. As an example of this principle in action, consultation was undertaken with various NGOs to provide comment and feedback on the draft of this evaluation framework.
- **Process and outcome:** Process and outcome are integrated phenomena with equal value (Ife & Tesoriero 2006). The processes of PBIM need to be evaluated for their upholding of human dignity as this too reflects a desired outcome of PBIM. The outcomes need to be evaluated in the context of assessing what processes are helpful for those under the PBIM measures to be able to genuinely participate in the community in which they live.
- **Addressing structural disadvantage:** There are complex, subtle and pervasive ways in which power differences can operate through language, organisational structures, the welfare system, the economy and the market (Ife & Tesoriero 2006). PBIM needs to be evaluated in light of ongoing structural disadvantage in the Greater Shepparton community.
- **Accountability:** Accountability not only occurs upward or to a central point but it also occurs downward and outward (Ife & Tesoriero 2006). In this way the alternative evaluation would be mindful of its responsibility to the various PBIM stakeholders in Greater Shepparton. This not only includes the Federal and State Governments, the people participating in any PBIM measure, and the businesses that use the BasicsCard. It also incorporates the community of Greater Shepparton, and in particular, the various community NGOs that work with vulnerable people, and the businesses that do not use the BasicsCard.
- **Community building:** Building social capital and strengthening the social interactions within the community can lead to an understanding of how to help resolve social problems (Ife & Tesoriero 2006). The alternative evaluation values finding out how the Greater Shepparton community is already doing this – how it builds trust, how it encourages people to work with each other and develop structures that mean people become more dependent on each other (rather than government) to get things done - and building upon this.

Evaluation strategy

This evaluation strategy has been informed by the analysis of previous income management evaluations. The evaluation would contain the evaluation objectives, which would provide both process and outcome goals. These objectives would be broken into five topics:

- Choice
- Decision making processes
- Consultation
- Structural disadvantage
- Cost and value of PBIM

Following on from this will be the evaluation questions, data types and possible data sources.

Evaluation objectives

The objectives of this evaluation would be to find out:

CHOICE	<p>How the BasicsCard impacts on people's sense of control over their lives.</p> <p>How people who are subject to any of the three streams of PBIM are given choices by examining the following processes that:</p> <ul style="list-style-type: none"> • give people informed choice to be placed on VIM or CPIM • articulate service and support options for people who are income managed.
DECISION MAKING PROCESSES	<p>How decisions are made in relation to income management by examining the processes in relation to:</p> <ul style="list-style-type: none"> • assessments that take account of the interaction of different vulnerabilities (homelessness, family violence, mental health, substance misuse) • other interventions and social support programs being canvassed before examining the need for income management • income management being used as part of an escalation of interventions • the de-escalation of income management • people having all the information they need about income management, financial management support services, matched savings scheme, the communities for children services and other relevant support services appropriate to their needs • how information is filtered through to the main decision makers involved in assessing people for income management.

CONSULTATION	<p>How consultation on income management would be done in the Greater Shepparton community by examining:</p> <ul style="list-style-type: none"> • 'bottom up' community based approaches in relation to income management • whether the Greater Shepparton council and community NGOs were asked whether they wanted income management, and/or how they believed IM programs might integrate with existing support services • the strategies to ensure that IM programs incorporate local knowledge and expertise regarding the causes of and potential solutions to social disadvantage • what networks are involved in the administration of PBIM or can be in the orbit of PBIM such as welfare, education, business etc. networks • some of the processes for these networks, how often they meet, how information is shared etc.
STRUCTURAL DISADVANTAGE	<p>How some of the structural disadvantage issues interrelate with income management by examining:</p> <ul style="list-style-type: none"> • if people on income management experience competing spending priorities • the effect of the cost of living for people who are income managed • the impact of the local economy and other social conditions on income management • the impact of income management on the local economy • the effect of PBIM on service providers • the interaction between income management and other support services.
COST AND VALUE OF PBIM	<p>The value of income management by examining:</p> <ul style="list-style-type: none"> • the resource implications of PBIM in Shepparton • the types of programs required to assist with producing sustainable positive change • existing programs with a strong evidence base for working with vulnerable people and with the underlying causes of disadvantage.

Evaluation questions

The questions of this evaluation would be:

CHOICE	<ul style="list-style-type: none"> • What impact does the BasicsCard have on people's sense of control over their lives? • Are those service users who are already using Centrepay or other voluntary schemes given a choice of remaining in those schemes? • What is the quality of information given to people who are considering volunteering for income management? • Does the information assist these people to make an informed choice? • What are other more effective approaches?
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DECISION MAKING PROCESSES	<ul style="list-style-type: none"> • Have suitable individuals and families been targeted by income management? • What crucial decisions are made when assessing the need for and then administering CPIM and VWPR? • Who are involved in these decisions? • How do workers assess the effectiveness of other interventions before eventually coming to a point where they judge income management needs to be employed? • What factors are looked at in deciding on the de-escalation of income management? • How are important messages about how to apply income management being passed from managers to direct service delivery workers? • How are the wider circumstances of people, particularly women, assessed when financial hardship or financial exploitation are determined to be indicators of financial vulnerability? • What other options of support service referrals are offered and when are they given?
CONSULTATION	<ul style="list-style-type: none"> • What 'bottom up' community based approaches can be used in relation to income management? • Were NGOs or local governments in the five PBIM trial sites asked whether they wanted income management, and/or how they believed IM programs might integrate with existing support services? • Why did the government only commence engagement with local stakeholders after the announcement of the five locations? • What strategies are now in place to ensure that IM programs incorporate local knowledge and expertise regarding the causes of and potential solutions to social disadvantage?
STRUCTURAL DISADVANTAGE	<ul style="list-style-type: none"> • How do recipients subject to income management cope with instances of competing spending priorities and the cost of living? • What is the impact of economic and social conditions for people subject to income management? • What is the impact of income management on the local economy? • What is the effect of the introduction of PBIM on service providers? • How does income management interact with other support services? • What impact, if any, has income management on the availability of appropriate, affordable and accessible financial services for low income and disadvantaged consumers?
COST AND VALUE OF PBIM	<ul style="list-style-type: none"> • What are the resource implications of implementing income management? • Are there other existing programs and services with a strong evidence base for working with the underlying causes of disadvantage? • If so, are they more cost effective than income management? • What existing services or service platforms might be useful to pursue the policy aims and what are their relative costs and/or potential effectiveness, in comparison to the elements designed and delivered by government?

Types of data

The evaluation will use both quantitative and qualitative data. Quantitative data will include some baseline population survey data, the Federal DHS and the Victorian State DHS annual reports and a desktop review of relevant documentation. Existing programs and service networks in Greater Shepparton should be mapped. Qualitative data should include comprehensive interviews with workers involved in decision making related to income management, and interviews and focus groups with representatives from the wider Shepparton community as listed below.

Data sources

It is not absolutely necessary to interview people who are income managed as much data has already been collected from this group of people. Furthermore wanting to be sensitive to interview fatigue, this design would acknowledge that Deloitte Access Economics would have consulted this group of people. In light of this, possible data sources are listed below. The reasons for choosing these as data sources have also been given.

Federal and State Departments of Human Services

Federal and State Departments of Human Services staff should be included as these workers are pivotal decision-makers in relation to income management. To gain a good understanding of its operation, interviews with people such as DHS social workers, customer service officers and child protection workers need to be comprehensive.

General and specialist community NGO workers

Child Family Information and Referral Support Team (Child FIRST) is a Victorian state wide program funded by the Victorian DHS which is aimed at working with vulnerable children, young people and their families (DHS 2013b). There are 24 Child FIRST sites established in sub regional catchments across the state. Greater Shepparton is a part of the Hume catchment area (DHS 2013b). Consulting with Child FIRST workers is important as they provide the entry point into services that are needed to support children. The main referral point is the **Integrated Family Support Service**, which is mainly run from community NGOs. In Greater Shepparton, two NGOs that manage Integrated Family Support Service programs are FamilyCare³ and Rumbalara. Family Support workers are key holders of knowledge that may not be so available to child protection workers and Federal DHS staff. Family support workers, in particular, are more likely to be privy to the everyday situations of service users. The nature of their work is likely to place them in more frequent and regular contact with their clients. Family support workers would be just as useful to interview as Community for Children services staff. Other key informants from the NGO social welfare sector are direct service delivery level workers who specialize in responding to: **homelessness, mental health, substance misuse, family violence, emergency relief and working with young people**. This evaluation design acknowledges direct service delivery level workers as key informants to policy departments and governments. They are able to give their views on the specific realities of the diverse recipients' experiences. The perspectives of these workers could provide a platform for viewing the experience of income-

³ See Appendix 5 for a summary of the history and services of the two commissioning NGOs, FamilyCare and Berry Street

managed recipients and the broader structures in which they live. Potential participants in this evaluation work in a variety of social programs in Greater Shepparton.

Indigenous services

As Greater Shepparton has a large Indigenous community, it is critical to obtain information from community elders and workers who specifically work with Indigenous people. Interviews would need to be sensitive to Indigenous culture in accordance with NHMRC guidelines in undertaking evaluative research with Indigenous communities. Consultation will be sought with **Rumbalara Aboriginal Cooperative**.

Culturally and Linguistically Diverse (CALD) services

Consideration should also be given to consulting CALD and bilingual workers because Shepparton has a large community of people from different cultural backgrounds. Again significant community representatives could be asked as well as workers in the community.

Peak welfare bodies and high level networks

The views of middle and upper level management of the key community organisations in Greater Shepparton should also be sought. These people may hold information about the overall implementation process of PBIM, especially in relation to consultative processes. Representatives from networks such as the **local advisory group, welfare and business networks** should be consulted. Representatives from the **Centre for Excellence in Child and Family Welfare**, the **Victorian Financial and Consumer Rights Council** and the **Welfare Rights Groups** should also be consulted. These people will provide a multidimensional view of the possible structural factors impinging on people who are being income managed.

Small business owners

It is important to discuss with store owners the impact on them and obtain their observations of the impact on the community. If income management became large scale there could be profound effects on businesses that do not use the BasicsCard for whatever reason. It would also be beneficial to obtain an understanding of those business people who do not use the BasicsCard.

Ethics

A best practice model for evaluation would always seek ethics approval when methodological techniques involve surveys, interviews and focus groups. In particular, a best practice model would abide by the National Health and Medical Research Council (NHMRC) guidelines in interviewing people from an Indigenous heritage.

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Appendices

Appendix 1: Influential factors - Service System Components required to achieve the expected outcomes

Technical components

- the BasicsCard (for example it should be easy to use, the balance easily accessible, and there are a wide range of places in which it can be used)
- other income management arrangements (regular and one-off payments)
- reliable computer information systems including automatic workflows that assist decision-making
- computer and technical support.

Human resource components

- qualified and/or experienced staff with analytical and interpersonal skills
- training for all staff involved with decision making
- supervision of staff (note that supervision for social work and child protection staff has a particular professional meaning)
- expert advice and support: Subject Matter Experts, staff with expertise in working with specialist groups such as people who are from an Indigenous heritage, people from other different cultural backgrounds, young people, people with disabilities, people experiencing family violence, people who are homeless, people who experience poor mental health, people who misuse alcohol and other substances
- use of and access to interpreters
- cross cultural competence of staff.

Other service system components

- feedback mechanisms are in place for both recipients and staff
- clear documentation of decisions made
- appeal and review rights
- regular networking with other community programs and associated programs such as the Financial Management Support Service and the Communities for Children services
- referral of recipients to associated programs such as the Matched Savings Scheme, the Financial Management Support Service and the Communities for Children services.
- referral of recipients to other community programs such as education and employment, emergency relief, family support, counselling, alcohol and drug treatment and prevention, mental health, domestic violence, homelessness prevention and housing services

Other non-service system components

- Community knowledge and expectations of PBIM
- Workers in the community who work purposively with people who could be subject to income management, e.g. family support worker

- Other workers who have minor contacts with people who could be subject to income management, e.g. shop assistant
- Business and storeowners who have agreed to use the BasicsCard
- Business and storeowners who do not use the BasicsCard
- Take up of referrals to work with people who are subject to income management

Appendix 2: Assessment of government commissioned (official) evaluations of Income Management

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>Report of the NTER Review Board (2008)</p> <p>NTER in the Northern Territory</p>	<p>This report evaluated other NTER measures alongside income management. Measures examined were:</p> <ol style="list-style-type: none"> 1. Welfare Reform and Employment (Income Management sits here) 2. Law and Order 3. Enhancing Education 4. Supporting Families 5. Improving Child and Family Health 6. Housing and Land Reform 7. Co-ordination <p>In summary the NTER Review Board Terms of Reference were to:</p> <ol style="list-style-type: none"> 1. Examine evidence and assess the overall progress of the NTER in improving the safety and wellbeing of 	<p>The NTER Board:</p> <ul style="list-style-type: none"> • Visited 31 communities • Met with representatives of 56 communities, outstation residents and resource centres & relevant Commonwealth and Territory agencies • Consulted with over 140 different organisations, including with key NGOs • Sought public submissions and received over 200 • Requested background briefing materials, data and specific information which were provided by the Australian and Northern Territory governments 	<p>From the discussions and consultations the following positives and negatives of income management were people:</p> <ul style="list-style-type: none"> • Having money for children, more food and better stores. In some places people linked income management to a reduction in drinking, gambling and fighting. Aboriginal and Torres Strait Islander people, local clinicians, schoolteachers and storekeepers attested to these benefits. • Having a new opportunity to manage income and family budgets in a way that they wanted to see continue • Avoiding or limiting ‘humbugging’ 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Stated the limitation of having no baseline data in the key areas of health, housing, education, policing and employment in which to measure the impact of income management and the limitation of the lack of empirical data. This gave greater weight to the consultations and discussions in assessing the impacts of the various NTER measures. • Provided a deeper understanding of the impact of lack of choice as pointed out in the executive summary of the report <p>“Support for the positive potential of NTER measures has been dampened and delayed by the manner in</p>

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<p>children and laying the basis for a sustainable and better future for residents of remote communities in the Northern Territory.</p> <p>2. Consider what is and isn't working and whether the current suite of NTER measures will deliver the intended results, whether any unintended consequences have emerged and whether other measures should be developed or ways of working applied to better address circumstances facing remote communities in the Northern Territory</p> <p>3. In relation to each NTER measure, make an assessment of its effects to date, and recommend any required changes to improve each measure and monitor performance.</p>		<ul style="list-style-type: none"> • Being embarrassed in supermarkets • Being frustrated in dealing with Centrelink • Experiencing reduced spending on mobility and daily life. • Suggesting that it should be voluntary for people wanting to stay on it and targeted to people who abuse and neglect children. <p>The NTER Board's Recommendations on Income Management:</p> <ul style="list-style-type: none"> • The current blanket application of compulsory income management in NT cease. • Income management should be available on a voluntary basis to people who want some of their income quarantined for specific purposes, as determined by them. • Compulsory Income Management (CIM) should 	<p>which they were imposed" (9).</p> <ul style="list-style-type: none"> • Provided analysis on the impact of income management on welfare concerns • Provided some analysis on the broader structural issues (such as overcrowded housing, racial discrimination, unmet service needs, educational needs) • Did not provide an analysis of the impact of income management on the local economy • Did not provide a cost benefits analysis of income management. • Consulted with NGOs

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
			only apply on the basis of child protection, school enrolment and attendance and other relevant behavioural triggers across the Northern Territory.	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>Australian Institute of Welfare (AIHW) (2010)</p> <p>NTER in the Northern Territory</p>	<ul style="list-style-type: none"> • This research was designed and managed by FaHCSIA, but was undertaken by two different consultants. • The evaluation report is structured on evaluation questions, based on the objectives of the program and the expected outcomes from the program logic. • The program logic articulates the expected outcomes that income management is designed to achieve. • The main short to medium-term outcomes are: <ul style="list-style-type: none"> ❖ More money spent on priority needs ❖ Improved food security and food choices ❖ Reduction in spending on excluded items/harmful 	<ul style="list-style-type: none"> • Overview of data collected mainly by other organisations, which FaHCSIA managed. • AIHW compiled evidence from various data sources including: <ul style="list-style-type: none"> ❖ <i>Quantitative data</i>: face to face interviews with 76 IM clients in 4 locations ❖ <i>Qualitative data</i>: focus groups, 167 stakeholders, FaHCSIA did a telephone survey of 66 community store operators, surveyed 49 GBMs, there was a qualitative report on community consultations in 4 other remote communities. 	<p>The findings were perceptions of the various stakeholders, including those being income managed. The main findings were:</p> <ul style="list-style-type: none"> • Initial confusion amongst those being placed on income management but became less so as it progressed. Stakeholders thought that people became more positive when they could see the practical benefits. • Two thirds of surveyed clients were positive. But clients in other communities viewed it negatively. • Positive changes in expenditure patterns, more money being spent on priority goods and less being spent on harmful excluded items. 	<p>This evaluation emphasised the limitations of its methodology and indicated that evidence is therefore not conclusive. These limitations were:</p> <ul style="list-style-type: none"> • No empirical or objective data to strengthen the views and perceptions of the various stakeholders • Type of methods used (point-in-time descriptive studies and qualitative research) sit towards the bottom of evidence hierarchy • No comparison group to test the counterfactual (what would happen in the absence of income management) • No baseline data • No control group meant it was difficult to determine what changes had been due to income management, or to quantify the extent of any change that had occurred.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<p>behaviours</p> <ul style="list-style-type: none"> ❖ Improved money management ❖ Reduction in humbugging (harassment for money). <ul style="list-style-type: none"> • Longer-term outcomes were: <ul style="list-style-type: none"> ❖ Improved wellbeing of children and family members ❖ Greater self-reliance and economic, social and community engagement stronger families and more resilient communities. • The report also considered the implementation and administration of income management as this can impact on outcomes, and addressed other issues that arose from the research. 	<ul style="list-style-type: none"> • AIHW triangulated the findings of different studies by looking for common issues and themes, and to draw these together around the key evaluation questions. • <i>Evaluation questions were:</i> <ol style="list-style-type: none"> 1. How well was income management implemented and administered? 2. Was more individual/family income being spent on priority needs? 3. Had there been an improvement in food security and food choices? 4a. Was less individual/family income being spent on excluded items and/or harmful behaviours? 4b. Had the capacity of people to manage money improved? 5. Had the wellbeing of 	<ul style="list-style-type: none"> • Survey and stakeholders reported improved wellbeing of children and community; increased consumption of food and children weighed more. • Majority of survey and stakeholders reported less alcohol abuse, less gambling and less financial harassment. • Survey reported improved money management but still a need for money management and financial skills development. • Insufficient funds in BasicsCard • Impact on mobility 	<ul style="list-style-type: none"> • It was difficult to separate the effects of income management from the effects of the other measures introduced as part of the NTER. • There were quality issues with the survey and focus groups. These were the: <ul style="list-style-type: none"> ❖ 4 areas selected for the interviews were not necessarily representative of all prescribed areas in the NT. ❖ Overall sample size was small ❖ Clients who were interviewed were not randomly selected ❖ Focus group report did not attribute comments or views to particular stakeholders therefore the evaluation report could not always identify whose views were being reported, or whether

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
		<p>children, families and communities improved?</p> <p>6. What other issues were identified by the evaluation?</p>		<p>they applied to the majority of people in the focus groups</p> <p>This evaluation also</p> <ul style="list-style-type: none"> • Provided analysis on the impact of income management on welfare concerns and individual capacity. • Did not undertake interviews with direct delivery service level workers from NGOs or at manager level to provide an organisational view. • Did not provide much analysis on the broader structural issues such as impact on local economy or the power imbalance between Centrelink workers and income support recipients. • Did not provide a cost benefits analysis of income management.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Assessment of the Evaluation
<p>ORIMA Research (2010)</p> <p>Child Protection Scheme Income Management (CPSIM) & Voluntary Income Management (VIM) in Perth and the Kimberley region of Western Australia</p>	<p>The evaluation objectives were:</p> <ul style="list-style-type: none"> Assessing the impact of income management in improving child wellbeing: <ul style="list-style-type: none"> The extent to which redirected IM money is spent on addressing the needs of dependent children The extent to which the priority needs of children have been better met via income management Observed social, emotional and physical improvements in child wellbeing as a result of income management Observed positive/adaptive changes to family dynamics 	<p>The evidence was compiled from various data sources including:</p> <ul style="list-style-type: none"> <i>Quantitative data:</i> analysis of Centrelink & WADCP data; online surveys and interviews with CPSIM recipients (number=263, Perth=70, Kimberley=193) & VIM recipients (n=642, P=103, K=539) (263+642=905) and non-IM (comparison group) Income Support recipients (n=835, P=422, K=413), (905+835, Total number = 1740) WADCP staff, Centrelink staff, Commonwealth financial services provider staff & representatives from the welfare sector and community organisations <i>Qualitative data:</i> focus groups and in-depth 	<p>There was a range of positive results for both CPSIM and VIM, with few negative outcomes.</p> <p>Positive outcomes included:</p> <ul style="list-style-type: none"> More conclusive evidence in relation to positive changes in child and family wellbeing. Some evidence of positive impact of the measures on the financial management capabilities of participants. <p>Negative effects included:</p> <ul style="list-style-type: none"> The possibility of an income managed recipient becoming dependent on income management and is not able to manage their finances without remaining on it. Low uptake of Money 	<p>This evaluation:</p> <ul style="list-style-type: none"> Contained the data source of representatives from NGOs. The survey was sent to 35 community sector organisations (NGOs), 16 of these organisations indicated that they would complete the survey, 7 organisations fully completed the survey. However, there were no interviews with direct service delivery level workers from NGOs or at manager level to provide an organisational view. Provided analysis on the impact of income management on welfare concerns and individual capacity. Did not state the limitations of its methodology

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Assessment of the Evaluation
	<ul style="list-style-type: none"> Assessing the impact of income management on the financial capability of individuals: <ul style="list-style-type: none"> The extent to which income managed individuals have received financial management services The degree to which these services enable them to better manage their income for the benefit of the child/family. Assessing the effectiveness of implementation: <ul style="list-style-type: none"> Degree to which individuals have had timely access to service providers Extent to which processes between stakeholders have been 	<p>interviews with 17 Aboriginal male and female community leaders from Broome and Kununurra</p> <p>The most common findings are reported except in certain situations where only a minority have raised particular issues</p>	<p>Management courses and of financial counselling</p> <ul style="list-style-type: none"> Limited understanding of key features of CPSIM and VIM. 	<ul style="list-style-type: none"> Did not have any baseline data Did not mention ethics approval; in particular there was no mention of sensitivity to Indigenous culture and norms. They discussed sensitivity towards interviewing young people. Did not have any empirical or objective data to strengthen the views and perceptions of the various stakeholders Did not examine the effects of income management separately from the effects of other social programs or examine the effects of income management alongside the effects of other social programs. Did not provide much

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Assessment of the Evaluation
	<p>clear and efficient</p> <ul style="list-style-type: none"> ❖ Opportunities for improving the initiative. 			<p>analysis on the broader structural issues such as impact on local economy or the power imbalance between Centrelink workers and income support recipients.</p> <ul style="list-style-type: none"> • Did not provide a cost benefits analysis of income management.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>KPMG (2010)</p> <p>Implementation Review of the Family Responsibilities Commission (FRC) as the first step in the evaluation of the Cape York Welfare Reform in Aurukun, Coen, Hope Vale and Mossman Gorge in Queensland.</p>	<p>The Cape York Welfare Reform aims to:</p> <ul style="list-style-type: none"> • Restore positive social norms • Re-establish local Indigenous authority • Support community and individual engagement in the 'real economy' • Move individuals and families from welfare housing to home ownership. <p>The FRC is:</p> <ul style="list-style-type: none"> • Located in the Social Responsibility stream of the Cape York Welfare Reform, • Designed to be a key agent of change within the broader reform agenda. • A new regulatory authority, which is time-limited and involves local Indigenous 	<p>The evidence was compiled from various data sources including:</p> <ul style="list-style-type: none"> • Ethics approval was sought and obtained • Document review • Development of a process map which represents the end-to-end process of the FRC • Observation of a two day FRC Training and Cultural Awareness Session • Development of consultation guides for large scale qualitative survey interviews, focus groups and individual interviews with FRC clients • Consultation with the FRC Commissioner, Registrar, Principal Case Manager and Executive Officer, 	<p>The main findings were that:</p> <ul style="list-style-type: none"> • The FRC had laid down enablers that support its theory of change. • The need for additional service provision: resources to address poor school attendance, additional parenting program, greater access to local alcohol and substance abuse programs and greater access to services for children with poor mental health, truanting histories and complex needs. A case management framework is also needed for complex clients accessing multiple services (Cowling 2011:10). • The FRC client data showed that clients who were income managed were more likely to be the subject of multiple 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Examines the operational processes of the Cape York Welfare Reform such as obtaining the individual and families' understanding and acceptance of the rationales for change. • Is sensitive to Indigenous culture and norms • At this stage, does not know if income management and the related processes (such as influencing the individual's desire for change, addressing barriers to change and linking to other supports) are sustainable as a way to meet the expected aims of the Cape York Welfare Reform. • Did not provide much analysis on the broader

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<p>people in decision-making.</p> <p>The FRC aims to:</p> <ul style="list-style-type: none"> • Support the restoration of socially responsible standards of behaviour and local authority • Help people resume primary responsibility for the wellbeing of their community. • Seeks to promote the interests, rights and wellbeing of children and other vulnerable persons living in these communities. 	<p>administrative staff, Local Commissioners and Local Coordinators in each community</p> <ul style="list-style-type: none"> • Consultation with representatives of the Tripartite Partners • Consultation with service providers, notifying agencies, and other relevant community based stakeholders • Two rounds of site visits to each community during which a range of consultation activities occurred including a public meeting, qualitative survey interviews with community members, focus group discussions, individual interviews with FRC clients and observation of the FRC 	<p>agency notifications than other FRC clients.</p> <ul style="list-style-type: none"> • 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. • Income management hampers some people's ability to travel outside of the community. This includes 	<p>structural issues such as impact on local economy or the power imbalance between Centrelink workers and income support recipients.</p> <ul style="list-style-type: none"> • Did not provide a cost benefits analysis of income management. • Consulted with NGOs

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
		<p>conferences in operation</p> <ul style="list-style-type: none"> • Analysis of de-identified client data from the FRC • Synthesis, analysis and triangulation 	<p>travel associated with medical reasons, to support family members with medical conditions, and to attend family functions such as graduations or funerals.</p> <ul style="list-style-type: none"> • BasicsCard impedes shopping for cheaper groceries and general household items. • The rate and direction of changes in school attendance across the communities has differed markedly (there is no consistent upsurge in school attendance in the targeted communities) • Some people may be becoming dependent on income management 	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>NTER Evaluation (2011)</p> <p>This evaluation comprises of 7 chapters done by different organisations:</p> <ol style="list-style-type: none"> 1. Coordination and engagement: Allen Consulting Group 2. Promoting law and order: Australian Institute of Criminology 3. Improving child and family health: Australian Institute of Health and Welfare 4. Supporting families: Australian Institute of Family Studies 5. Enhancing education: Australian Council for Educational Research 	<p>The five evaluation goals:</p> <ol style="list-style-type: none"> 1. To establish whether governments have been effective in developing and delivering a coordinated and integrated suite of services and initiatives, and in undertaking effective engagement with Indigenous communities 2. To examine if individual measures are effective and appropriate, and whether there are any gaps in the suite of services and initiatives 3. To establish whether this approach has led to an improvement in the safety, health and education outcomes of children and vulnerable people in the affected communities 4. To assess whether this 	<p>Desktop Reviews</p>	<p>The main findings are:</p> <ul style="list-style-type: none"> • Consultation was not always fit-for-purpose. Communities argue that they are over-consulted on some things, but not sufficiently engaged on other matters. • Interpreters were either never used when required or were only used when required some of the time • Income management was supported by many people who believed that it was bringing about positive change, especially for children, although there are still problems in finding out the balance on a BasicsCard. • Community stores stock a wider range of healthy foods. • Income management generated a mixed reaction 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Did not state any evidence of the efficacy of IM in helping to reduce the physical neglect of children. • Provided some analysis of broader structural issues such as lack of employment opportunities, equitable access to services and Indigenous governance. • Did not provide a cost benefits analysis of income management.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>6. Welfare reform and employment: Colmar Brunton Social Research</p> <p>7. Housing and land reform: KPMG.</p> <p>Chapter 6 was examined in particular because of its relevance to and mentioning of income management.</p>	<p>approach has contributed to more sustainable communities, and progress in achieving the Closing the Gap targets</p> <p>5. To inform future policy development and decision making about where and how improvements could be made to achieve the objectives of the National Partnership Agreement.</p>		<p>– 51% in favour, 46% against</p> <ul style="list-style-type: none"> • The initial selection of only Indigenous communities caused ‘widespread disillusionment, resentment and anger in a significant segment of the Indigenous community’ • Spending patterns of those on IM showed that 68.4% of their funds was being spent on food – ‘which is one of the spending priorities, and part of the overall strategy under the NTER and the new scheme of income management to prevent the physical neglect of children’ • Range of positive and negative effects. Examples of positive outcomes are improved child health and community well being. Examples of negative 	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
			<p>outcomes are less discretionary cash, restrictions on the use of managed money, blanket coverage being discriminatory, problems with accessing managed money.</p> <ul style="list-style-type: none"> • Employment remains low and narrowly based. Economic development is essential to producing sustainable improvement in the NTER communities • Community members rated housing as the most important challenge still facing communities • Issues of equity are arising with the creation of many types of communities with different access to services. • Indigenous governance capacity will be a key to sustained development 	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>SPRC (UNSW), ANU, AIFS (2012)</p> <p>New Income Management (NIM) in the NT consists of:</p> <ul style="list-style-type: none"> • Compulsory Income Management (CIM) for long-term Income Support working age recipients and disengaged young people • Vulnerable 	<p>The following changes are expected to occur as a result of the combination of three interacting interventions:</p> <ul style="list-style-type: none"> • income management, which is intended to act as a stimulus for people to change, to force immediate changes in spending to meet basic needs, and reduce financial harassment, • exemptions and matched savings, which provide the incentives for people to change behaviour • financial counselling and money management services, which are designed to enhance the capacity of people to manage their money. <p>Combined, these components of the program are intended to reinforce responsible parenting and more generally</p>	<ul style="list-style-type: none"> • Ethic approval was sought and obtained <p>The evidence was compiled from various data sources including:</p> <ul style="list-style-type: none"> • <i>Quantitative data</i>: analysis of Centrelink & other source data, Survey of Centrelink, NT Department Children and Families Child Protection (NTDCFCP), Commonwealth funded Financial Service Support staff • <i>Qualitative data</i>: smaller sample of interviews with these staff and consultations with other service providers & peak bodies. • <i>Longitudinal Survey of NIM (first wave)</i>: survey of people on NIM (n=818)in NT and survey of comparison group of people 	<p>The main finding were:</p> <ul style="list-style-type: none"> • Poor coordination of services • Lack of success with associated financial support programs – Matched Savings Scheme, Money Management courses & Financial Counselling. • BasicsCard is used as transaction fee free banking. • Some people may have become passive in the management of their finances and dependent on income management. • Reduction of cash in the communities has reduced financial harassment for many but for others financial harassment has increased. Reduced cash can add to other financial pressures and stresses. • In relation to NTER, 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Obtained baseline data • Made comparisons with similar people who are on income support and who are not subject to the NIM measure. • Was not a random sample of people subject to income management • Did not stratify by each NIM measure; the very small number of people subject to the Vulnerable and Child Protection measures means that the findings for these groups cannot be reported separately. • Is longitudinal, so can potentially say something about the long-term effect of income management. • Found that people on income management said

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>Income Management (VULIM)</p> <ul style="list-style-type: none"> • Child Protection income Management (CPIM) • Voluntary Income Management (VIM) 	<p>promote principles of engagement, participation and personal responsibility. This is the first evaluation report and covers the period of implementation and the first 12 months after full implementation. It is considering the following:</p> <ol style="list-style-type: none"> 1. How effectively the measure was rolled out 2. How the transition from the NTER IM to NIM was managed 3. Initial data on the impacts of NIM. <p>The Terms of Reference are:</p> <ul style="list-style-type: none"> • Provide evidence on the impact on NIM on those who are affected (3) • Assess whether the reforms were implemented effectively (1 & 2) • Understand whether NIM is 	<p>on income support in similar circumstances in Qld, SA & WA (n= 305) (total n=1123)</p> <p>Data from all three sources has been used to ‘triangulate’ or verify findings. There has been no economic evaluation of the program at this stage.</p>	<p>positive perceptions did not necessarily match objective outcomes where this could be measured.</p> <ul style="list-style-type: none"> • No impact on the time people spend on income support • Little evidence that income management results in widespread behaviour change • Perceptions of recipients were: <ul style="list-style-type: none"> ❖ Little practical difference to their lives ❖ Value BasicsCard but resent the associated loss of autonomy 	<p>that it had been useful in helping them manage their money, yet this was not reflected in how often they said they ran out of money (compared to those who were not on income management)</p> <ul style="list-style-type: none"> • Did not state much about the process of income management. • Provided analysis on the impact of income management on welfare concerns • Did not provide much analysis on the broader structural issues such as impact on local economy or the power imbalance between Centrelink workers and income support recipients. • Did not provide an analysis of the impact of income

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<p>a cost-effective model (1,2,3)</p> <ul style="list-style-type: none"> • So as to inform future government decision making social policy formulation for both the wider and the Indigenous communities (1,2,3) 			<p>management on the local economy</p> <ul style="list-style-type: none"> • Did not provide a cost benefits analysis of income management as of yet but mentioned that this will be done in the next part of the evaluation.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
<p>Cape York Welfare Reform (2012)</p> <p>There were several authors writing the eight different chapters of this evaluation.</p>	<p>The Cape York Welfare Reform aims to:</p> <ul style="list-style-type: none"> • Restore positive social norms • Re-establish local Indigenous authority • Support community and individual engagement in the 'real economy' • Move individuals and families from welfare housing to home ownership. <p>According to FaHCSIA, the focus of the evaluation is on assessing whether the CYWR trial set the foundations for, and made progress towards, changing social norms and rebuilding Indigenous authority in the four participating communities (p.89): Aurukun, Coen, Hope Vale and Mossman Gorge in Queensland. The focus of the evaluation was on the 'theory of change' and also focused on four streams and the</p>	<p>The key strategic evaluation questions:</p> <ul style="list-style-type: none"> • Was the reform implemented as agreed by the three partners: Federal Government, Queensland Government and the Cape York Institute? • Are social norms and behaviours changing? • Has service provision changed in a way that supports norm and behaviour change? • Have governance arrangements supported changes in service provision and social norms and behaviours? <p>Limitations in the scope of the evaluation include:</p> <ul style="list-style-type: none"> • No economic evaluation (no cost effectiveness of the intervention). • Still needs a comprehensive review of the strategic and operational governance 	<p>The main findings were:</p> <ul style="list-style-type: none"> • CYWR has been implemented largely as agreed by the three partners. • The most significant behaviour change has been a substantial increase in school attendance in Aurukun. There has been a statistically significant increase in school attendance at Mossman Gorge between 2008 through to 2011. There has been no change in Coen school attendance and in Hope Vale there has been a small decline in school attendance. • 78% of respondents in the 4 communities reported that the BasicsCard made their life better, while 12% thought that it made their life worse. • The FRC Commissioners and other residents confirmed that the improved quality of life brought about by income 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Did not obtain baseline data • Did not have a comparison group. • Is longitudinal, so can potentially say something about the long-term effect of income management. • Provided analysis on the impact of income management on welfare concerns • Did not provide much analysis on the broader structural issues except to state that the lack of economic opportunities may negatively impact in the longer term if not sufficiently addressed. • Did not provide a cost benefits analysis of income management. • Cannot conclude if desired behavioural change is sustainable.

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<p>projects that lie beneath these streams:</p> <ul style="list-style-type: none"> • Social responsibility <ul style="list-style-type: none"> ❖ the Family Responsibilities Commission ❖ support services, including Ending Family Violence programs and parenting programs ❖ Conditional Income Management ❖ Family Income Management (now known as MPower) • Education <ul style="list-style-type: none"> ❖ MULTILIT ❖ Attendance Case Management Framework (now known as Student Case Management) ❖ SETs ❖ ABSTUDY • Housing <ul style="list-style-type: none"> ❖ mainstream tenancy 	<p>arrangements for the trial.</p> <ul style="list-style-type: none"> • There have not been separate independent evaluations of each project or program under the trial, except for the FRC which was done in 2010. • Not being able to attribute outcomes to causes and is compounded by the set of interconnected reforms that are intended to act together to bring about social change. • limitations of administrative datasets • the need to take account of the significant differences between the four communities • the fact that programs and services under the trial were implemented at different rates and in different ways in each of the four communities • the difficulty of benchmarking against comparator Indigenous communities elsewhere in 	<p>management was on of the most significant benefits of the trial. As a result, the Commissioner indicated that some women were requesting income management.</p> <ul style="list-style-type: none"> • The social change survey concluded that the BasicsCard and MPower (money management program) seem to be the most effective interventions in improving people's lives. There is spending on essentials like food and clothing, less humbugging and some people have managed to save more money for boats, cars and white goods. • An analysis of data for substantiated child abuse or neglect revealed no clear trend in the welfare reform communities. • There was no baseline data for people seeking help, but there 	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
	<ul style="list-style-type: none"> ❖ Pride of Place ❖ home ownership • Economic Opportunity ❖ business precincts (including lighthouse projects) ❖ mentoring and up-skilling ❖ real full-time jobs ❖ mobility 	<p>Queensland, due to the differences in communities and the small numbers involved</p> <ul style="list-style-type: none"> • the uniqueness of many of the trial initiatives, which precludes comparison with any preceding initiatives • the absence of baseline data for key indicators for the trial, such as measures regarding social norms and behaviours that were prevalent at the commencement of the trial • the inability to identify time-series trends in data over the relatively short three-year timeframe for the trial 	<p>was willingness to access support and opportunities provided by the trial's services. To this extent, the trial appears to be succeeding in reinforcing behaviours that reflect individual responsibility for improving one's life, in contrast to passivity and dependence (pp.40-41).</p> <ul style="list-style-type: none"> • Long term success of the trial will only become clear once there is substantial evidence that the self-help behaviour has resulted in sustainable improvements for a large proportion of residents of the 4 communities. • Although these improvements set the foundation for greater engagement in the 'real economy', the continuing lack of opportunities for employment and business development will make it difficult to achieve 	

Who did the evaluation and their focus	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of the Evaluation
			<p>significant long-term improvements in living circumstances.</p> <ul style="list-style-type: none"> • In regard to service delivery, there is no accepted understanding of what ‘active service delivery’ means, other than being the opposite of ‘passive service delivery’. SPRC found that there was identified process for operationalizing personal responsibility for different service providers, and thus services are essentially left to interpret this philosophy as they see fit. 	

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
<p>Deloitte Access Economics (2013)</p> <p>From 2012-2015, evaluating place-based income management (PBIM) in five trial sites:</p> <ul style="list-style-type: none"> • Playford (SA) • Greater Shepparton (Vic) • Bankstown (NSW) • Rockhampton (Qld) • Logan (Qld) 	<p>“The purpose of PBIM is to provide people with the financial stability needed to increase their social and economic participation and to encourage welfare recipients to spend Income Support Payments in the best interests of children and families. It is designed to be especially useful for people who are vulnerable to financial crisis or have alcohol abuse or mental health issues with affect their ability to budget” (Deloitte Access Economics 2013: i). Logic Maps were developed to guide the evaluation; these were broken down to short term, medium and long-term outcomes.</p> <p>FaHCSIA criteria for its aims and scope:</p> <ul style="list-style-type: none"> • The project will comprise a 	<p>Deloitte Access Economics will:</p> <ul style="list-style-type: none"> • Compare the 5 PBIM trial sites with 4 similarly disadvantaged sites without PBIM. The comparison sites are Wyong (NSW), Shellharbour (NSW), Hume (Vic) and Burnie (Tas). • Collect baseline data at the start of PBIM, followed by further waves of data collection in subsequent years. • Synthesise a range of secondary data sources to understand community level impacts of PBIM. • Examine the impact of other BAFW initiatives on the effectiveness of income management and whether any outcomes have resulted due to the interaction of the suite of initiatives. • Collect primary data: 	<p>No findings as of yet.</p>	<p>This methodology should be able to:</p> <ul style="list-style-type: none"> • Obtain baseline data • Make comparisons with similar people who are on income support and who are not subject to the PBIM measure. • Discuss the limitations of the methodology • Potentially say something about the long-term effect of income management because it is collecting longitudinal data. • Provide analysis on the process of income management. • Provide analysis on the impact of income management on welfare concerns • Examine the effects of BAFW initiatives on the effectiveness of income management and whether any outcomes have

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
	<p>process and outcome evaluation. It is aligned, where appropriate, with the design of the New Income Management evaluation in the Northern Territory.</p> <ul style="list-style-type: none"> • The evaluation will collect baseline data and include analysis of a comparison group (of individuals from other place-based sites that have not implemented the income management policy). • Findings will be based on: <ul style="list-style-type: none"> ❖ Administrative data from Centrelink, Money Management Service Providers and State governments (including child protection and housing authorities) ❖ Survey-based data and in-depth interviews from employees from the above agencies, from people 	<ul style="list-style-type: none"> ❖ A longitudinal survey of Centrelink customers over a three year period in both trial and comparison sites to capture the immediate and more sustained impacts of income management on customers' lives. ❖ Face to face interviews with Centrelink customers to gain a more detailed understanding of the impact of IM of their day-to-day lives, and the lives of their families and household unit. ❖ Online surveys with DHS Centrelink staff, Money Management and Financial Counselling staff and Merchants who use the BasicsCard. The first DHS survey will focus on the process of implementation and the 		<p>resulted due to the interaction of the suite of initiatives. This methodology may not be able to:</p> <ul style="list-style-type: none"> • Examine the effects of income management separately from the effects of other BAFW initiatives. • Examine the effects of income management separately from the effects of other social programs or examine the effects of income management alongside the effects of other social programs. • Provide much analysis on the broader structural issues such as impact on local economy or the power imbalance between Centrelink workers and income support recipients. • Provide an analysis of the impact of income management on the local economy.

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
	<p>subject to income management and from people in the comparison group.</p> <ul style="list-style-type: none"> • The evaluation will not analyse broader BAFW outcomes, nor will it analyse the effectiveness of any other place-based initiatives also being implemented in the five locations in addition to income management. 	<p>second survey will focus on the assessment of the impact of income management on customer outcomes.</p> <ul style="list-style-type: none"> ❖ Stakeholder interviews and focus groups at two fieldwork waves (2013 & 2014). This includes: <ul style="list-style-type: none"> ○ Five interviews with Child Protection staff in each PBIM site (25 interviews in total) ○ Two focus groups in each of the sites at the time of the two fieldwork waves (20 focus groups in all). They seek to include child protection workers, public housing authorities, DHS Zone Income Management Coordinators, DHS Government Action Leaders (GALS) and 		

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
		<p>BAFW Community Action Leaders (CALs) and non-government organisations that may have contact with income management customers, such as Communities for Children Program.</p> <ul style="list-style-type: none"> • Child Protection case file analysis review and analysis of secondary data (principally administrative data). It will focus on process and outcome issues. • Deloitte Access Economics also considers the strengths and weaknesses of the methodology. In brief the challenges include: <ul style="list-style-type: none"> ❖ Attribution – challenges associated with attributing evaluation findings to a specific initiative. ❖ Social desirability bias – 		

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
		<p>asking people questions where some individuals may answer in a way that will earn social approval rather disapproval and can therefore impact on the accuracy of their responses. This can affect the validity of the survey or experimental design.</p> <ul style="list-style-type: none"> ❖ Sampling bias – this can be a critical threat to methodologies which utilise comparison and control groups. It can lead to a sample that is in some way non-representative of the target population. ❖ Response rates and loss to follow up – low response rates and loss to follow-up can pose a significant threat to the validity of longitudinal survey research. ❖ The quality and 		

Who is doing the evaluation and what is their focus?	Guidelines for the evaluation	How: main methodology	Main findings	Our Assessment of Methodology
		granularity of secondary data available to inform the evaluation limitations on comparability of data across States. Separating the effectiveness of PBIM from other initiatives and programs can be difficult particularly if their processes and outcomes are closely aligned with those of PBIM.		

Appendix 3: Assessment of other evaluations of Income Management

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
<p>Commonwealth Ombudsman (2012)</p> <p>NTER and NIM in the Northern Territory</p> <ul style="list-style-type: none"> Examining the processes in relation to financial vulnerability assessments (FV) as part the exemption process and in which the exemption had been refused Examining the processes in relation to Vulnerable Welfare Payment Recipient (VWPR) social work assessments 	<ul style="list-style-type: none"> Information was gathered from a sample of clients records (25% of 408 clients) chosen with whom decisions of FV and VWPR had been made between August 2010 & March 2011 	<p>Main findings were:</p> <ul style="list-style-type: none"> Poor quality decision-making and documentation in both parts. Decisions not abiding by Principles set out in policy Poor assessments done on the clients' circumstances Not enough information gleaned by Centrelink staff to find out reasons why a client might have taken a certain course of action. Adverse decisions were made without getting quality information from clients or third parties. Difficulties of obtaining formal Aboriginal language interpreters but reasons for not using formal Aboriginal interpreters were rarely documented. Not examining and discussing other options before applying 	<p>This evaluation:</p> <ul style="list-style-type: none"> Provided an extensive review of clients' records. As this is a service delivery level work evaluation, recipients were not interviewed but some workers interviewed about the processes and operation of income management. Provided a series of recommendations to improve processes, which have mostly been implemented by Centrelink.

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
		<p>VWRP measure</p> <ul style="list-style-type: none"> • Misapplication of decisions. Commonwealth Ombudsman considers VWRP measured decisions should not be applied lightly. 	

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
<p>Australian Council of Social Services (ACOSS) (2008)</p> <p>Submission to FaHCSIA – NT Emergency Response Review. Discusses a range of issues and submits recommendations.</p>	<p>Desktop review</p>	<ul style="list-style-type: none"> • Due to the, blanket, undifferentiated response child abuse has caused acute stigma of those subject to IM. • States that evidence is weak in achieving the aims of child protection and education objectives. • Many unintended effects. • Suggest more research is needed to find out if NTER IM is affecting population mobility. • Suggest that more data is required to monitor social impacts by reference to crime rates, health status, employment status and other social indicators. • Little evidence to make a reliable generalisation about changes in income patterns. 	<p>This evaluation</p> <ul style="list-style-type: none"> • Provided some analysis of the structural factors in relation to income management • Provided some analysis of the cost of income management

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
<p>Menzies School of Health Research (2010)</p> <ul style="list-style-type: none"> • How the income-managed funds were being spent 	<p>Methods used were:</p> <ul style="list-style-type: none"> • Using an interrupted time-series analysis to examine trends in the sale of commodities over a period spanning the introduction and continuation of income management. • Using Arnhem Land Progress Aboriginal (ALPA) Corporation stores (that use a purely voluntary card system) as a point of comparison. • Using convenience rather than a random trial. Sales data was collected on commodities such as food, beverage, fruit, vegetables and soft drink. • Data was collected pre-intervention, post intervention and during the government stimulus period. 	<ul style="list-style-type: none"> • The main finding was that income management may not have been associated with healthier food and drink purchases, and may not have any effect on tobacco sales. 	<p>This evaluation did not take account of the:</p> <ul style="list-style-type: none"> • different conditions of the FOODcard and BasicsCard • uptake of the FOODcard program • government stimulus package beginning at the same time as the BasicsCard was being introduced as part of the voluntary and compulsory measures of income management across 73 remote communities in the Northern Territory. This is a confounding factor. • external factors such as cost of and availability of items are likely to influence shop sales.

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
<p>Equality Rights Alliance</p> <p>Women's experience of income management in the NT</p>	<ul style="list-style-type: none"> • Qualitative: Obtaining urban women's views of income management 	<p>Findings were both positive and negative:</p> <ul style="list-style-type: none"> • Positive findings included the benefits of saving, budgeting and less financial harassment. • Negatives included lack of understanding of most participants of purpose of the program or why they were on it, concerns that women may not tell Centrelink that they want to leave an abusive relationship because they did not want to be referred for IM, loss of a sense of respect and dignity, women perceive that they do not feel safer, some said there is less fighting but more petty crime to obtain cash, perceptions that Centrelink and others in the community do not respect them. 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Provided information about some women's lived experience of income management • Provided information from workers at community service delivery level such as domestic violence crisis workers • Provided women's views and perceptions only, no matching objective evidence. • Mainly provided views from Indigenous women, only few women of non-Indigenous and refugee backgrounds.

Who did the evaluation and their focus	How: main methodology	Main findings	Assessment of the Evaluation
<p>Australian Indigenous Doctors Association (AIDA) and the Centre for Health Equity Training, Research and Evaluation (CHETRE) (2010)</p> <p>Health Impact Assessments (HIA) – assessing the potential health impacts of a proposed policy, plan, program or project on the health of a population and making practical recommendations to improve that proposal</p> <ul style="list-style-type: none"> • Used holistic model of health • Health issues targeted among others were Governance and Control & Compulsory Income Management in the Northern Territory 	<p>-Evidence collected in three ways:</p> <ol style="list-style-type: none"> 1. Consultation with nominated communities 2. Consultation with other stakeholders 3. The commissioning of expert appraisal reports <ul style="list-style-type: none"> • Steering committee • Legislative analysis • Appraisal and analysis of evidence involved assessing the identified impacts using a standard matrix, assessing the significance of the impacts and prioritising them • Making recommendations 	<p>The main findings are:</p> <p>Positive: improved Aboriginal child and community health</p> <p>Negative: impact on developmental antecedents of children's health</p> <p><i>Psychological health</i></p> <ul style="list-style-type: none"> • Positive: improved sense of safety in some communities • Negative: cumulative trauma, stigma, shame <p><i>Social health and wellbeing</i></p> <ul style="list-style-type: none"> • Positive: commitment to and investment in providing basic services including housing, education, food supply and improved access to health care • Negative: loss of trust in government, loss of autonomy, undermining self determination <p><i>Spirituality</i></p> <ul style="list-style-type: none"> • Negative: lack of recognition of and respect for Aboriginal aspirations, goals and needs 	<p>This evaluation:</p> <ul style="list-style-type: none"> • Consulted widely • Provided a holistic health assessment of the impact of income management • Did not provide a cost benefits analysis of income management. • Did not provide a structural analysis of income management

		<p><i>Cultural Integrity</i></p> <ul style="list-style-type: none"> • Negative: lack of recognition of existing activities that had been working, lack of recognition of and respect for Aboriginal leadership and decision-making <p>Compulsory Income Management (CIM)</p> <p><i>Physical Health</i></p> <ul style="list-style-type: none"> • Positive: improved nutrition, increased reliance on bush tucker • Negative: running out of food, running out of money <p><i>Psychological health</i></p> <ul style="list-style-type: none"> • Positive: more control over their money for some people • Negative: Anger at universal application of CIM, cumulative trauma – shame, discrimination, stress associated with costs and use of ‘basics card’, trans-generational trauma – children seeing parents’ control and capacity undermined <p><i>Social health and wellbeing</i></p>	
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		<ul style="list-style-type: none"> • Positive: better access to physical health hardware, e.g. fridges, some improvements to food supply and food security, increase in money available for food and other necessities for children's health and wellbeing in some families • Negative: increased costs for transport and food, denial of rights of Aboriginal adults to solve their own problems <p><i>Spirituality</i></p> <ul style="list-style-type: none"> • Negative: Decreased sense of social inclusion and participation, lack of recognition of Aboriginal goals and aspirations <p><i>Cultural Integrity</i></p> <ul style="list-style-type: none"> • Negative: lack of community and personal control of income management, denial of universal and constitutional rights of citizenship and access to appeal procedures 	
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Appendix 4: List of participating peak welfare bodies and NGOs in the ORIMA Research

Evaluation of the Child Protection Scheme Income Management and Voluntary Income Management Initiatives in Western Australia

Organisations contacted	Indicated they would complete the Questionnaire	Those who did complete and returned the survey
1. Aboriginal Health Council of WA	1. yes	
2. Anglicare WA	2. yes	
3. ARAFMI	3. yes	
4. Australian Red Cross	4. yes	
5. Broome Circle	5. yes	1. yes
6. Carers WA	6. yes	
7. Centrecare		
8. Citizens' Advice Bureau		
9. City of Wanneroo	7. yes	
10. CLAN WA Inc.		
11. Communicare		
12. Community Legal Centres Association (WA) Inc.		
13. Domestic Violence Agencies Network	8. yes	
14. Eastern Region Domestic Violence Prevention Council Inc.		
15. Eastern Region Domestic Violence Services Network		
16. Financial Counsellors Association of WA – Telephone Counselling Service		
17. Financial Counselling Resource Project of WA Inc. – Financial Counsellors Association of WA		
18. Jacaranda Community Centre	9. yes	2. yes
19. Jungarni-Jutiya Alcohol Action Council		
20. Kullari Employment Services	10. yes	
21. Kununnara Waringarri Aboriginal Corporation		
22. Midland Information Debt and Legal Advocacy Service (MIDLAS Inc)	11. yes	3. yes
23. Mission Australia (WA)		
24. Ngunga Group Women's Aboriginal Cooperation	12. yes	
25. Outcare		
26. Relationships Australia (WA)	13. yes	4. yes
27. Ruah Community Services	14. yes	5. yes

Organisations contacted	Indicated they would complete the Questionnaire	Those who did complete and returned the survey
28. Saint John of God Foundation		
29. Salvation Army Perth		
30. St Vincent de Paul WA		
31. The Salvation Army		
32. The Smith Family		
33. Uniting Care West	15. yes	6. yes
34. WA COSS		

(Taken from ORIMA Research (2010): Appendix B – List of participating Peak Welfare Sector Bodies and Community Organisations: 1)

Please note the original states there are 35 organisations contacted, 16 that indicated they would complete the survey and 7 that completed the survey. After manually counting, there were 34 organisations listed, 15 that indicated they would complete the survey and 6 organisations that completed the survey.

Appendix 5: Summary of programs of the commissioning NGOs - FamilyCare and Berry Street

FamilyCare

History and Vision

FamilyCare, formerly known as Goulburn Valley Family Care (GVFC) began in 1984 as a program of Child & Family Care Network (formerly Burwood Children's Home). GVFC was incorporated in 1994. It offers services to families to assist them to better care for and maintain their children in their own home. GVFC became the major provider of family services for the Local Government Areas of Moira, Greater Shepparton, Strathbogie, Mitchell and Murrindindi, otherwise known as the West Hume region. Core to their business is providing information and services to people who care for an aged person or a person with a disability to enable that person to stay within their own home. This emphasizes the place of all age groups within the definition of 'family'.

FamilyCare is committed to achieving its vision by:

- Focusing on practices that embrace the existing strengths of families, individuals and communities;
- Developing partnerships and alliances that contribute measurable value to client outcomes;
- Contributing to the development of the communities in which we work;
- Investing in continuous improvement in practices and processes.

FamilyCare's core values are: respect, empowerment integrity, leadership, communication and professionalism.

FamilyCare's central philosophies are:

- All people are to be treated with respect, with due regard to issues of confidentiality and safety;
- The family unit is the best form of support, nurturing and care, enhancing our sense of belonging and identity.

(This summary is taken from the FamilyCare website. For a more detailed history, mission and vision please visit the website: <http://www.familycare.net.au/>)

Programs and Services

FamilyCare services come under three umbrella programs:

- Children and Family Services
- Carer Support Programs
- Disability Support Programs

Children and Family Services (CAFS)

CAFS provides relevant support and services to families. The various programs and activities that are offered under this umbrella are designed to enhance parent to child, partner to partner & sibling to sibling interactions. All programs and services are

free and confidential.

- Child FIRST
- Integrated Family Services
- Parent Child Program
- Cradle to Kinder
- Perinatal Depression Support Group
- Families First
- Parent Assessment and Skill Development
- Men and Family Relationships
- Real Men Make Great Dads (Hey Dad)
- Refugee Minor Program
- Girls Girls Girls
- People in Partnership (Volunteer Program)
- No Interest Loan Scheme

Carer Support Programs

The service essentially aims to support carers through the provision of short-term respite, information and support. The programs are:

- Support for Carers Program – Aged
- DHS Disability Respite
- Employment Carers Program/Flexible Service Response (Hospital to Home)
- Dunlop street House – Accommodation for Carers

Disability Services

Disability Support Services are funded to provide respite to families of children and young people aged from birth to 21 years, with a disability in the west Hume region of Victoria. The programs are:

- Recreation Program
- Host Program
- Friendship Program
- Volunteer Program
- Special Children's Christmas Party

(Information taken from the FamilyCare website:

<http://www.familycare.net.au/>)

Berry Street

History and Vision

Berry Street is a not-for-profit, non-government and non-church based organisation that has been supporting Victorian children and families since 1877. In this year, a group of Melbourne women voiced their concern about the high infant mortality rates and the plight of disadvantaged pregnant girls and women who had did not have homes, hope or money. In 1907, Berry Street implemented a formalised training program that later became the Mothercraft Nurses Training Program which continued until 1975. In this year, their adoption agency closed and by 1992 Berry Street had expanded into the youth and family services area. In 1994, Berry Street amalgamated with Sutherland Homes for Children. Berry Street merged with Lisa Lodge in July 2012 to strengthen the services being provided in the Grampians Region.

Berry Street Vision - All children have a good childhood, growing up feeling safe, nurtured and with hope for the future.

Berry Street focus is in two main areas:

- The rights of all children to a good childhood
- Supporting those children, young people and families with the most complex issues arising from their personal experiences of abuse, neglect or violence.

Berry Street strives to:

- Forge strong relationships with their clients and help restore a belief in themselves and their future
- Stick with these children, young people and their families
- Help children and young people recover from the trauma of abuse, neglect or violence
- Look beyond challenging behaviour to identify and build on strengths
- Include family members and other significant people in planning and caring for children and young people
- Respect people's culture and spiritual beliefs
- Involve their clients in planning, decision making and the way they help meet their needs
- Acknowledge and promote the human rights of children and young people

Berry Street core values are: courage, integrity, respect, accountability and working together.

(This summary is taken from the Berry Street website. For a more detailed history, vision and focus please visit the website: <http://www.berrystreet.org.au/>)

Programs and Services

Berry Street works with children, young people and families with the most challenging and complex needs. The Hume Region covers the Shire of Greater Shepparton, Moira, Mitchell, Murrindindi, Strathbogie, Alpine, Delatite, the rural cities of Wangaratta and Wodonga. Berry Street has been providing services in the

Hume region since 1998.

Programs & Services in the Hume Region include:

- Community Partnerships and Support Services – includes L2P, Springboard, Youth Connections and Engage
- Education and Vocational Training - includes our school and other vocational training activities (including fee for service)
- Child and Family Services – includes Foster Care, Kinship Care and our Post Separation Services (Children's Contact Service and Post Separation Co-operative Parenting Program)
- Specialist Adolescent Support Services – includes Residential Care, Intensive Case Management, Leaving Care and Lead Tenant.

(Information taken from the Berry Street website: <http://www.berrystreet.org.au/>)