Australian Government
Department of Social Services

Belling the Cat – Commissioning for outcomes and evaluating place-based initiatives

aes17 International Evaluation Conference

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4 September 2017

Overview:

Commission for better Outcomes – the journey this far

Why 'Place' matters, evolution of place-based approaches, current & emerging influential trends and DSS's Policy Approach to Place-based Disadvantage

Evaluating place-based initiatives – issues, challenges and current DSS thinking

Commissioning – the current context

Government	• Government commissioning must focus on outcomes instead of processes and inputs - Competition Policy Review (2015) • Current commissioning systems often fail to adequately identify need, address complexity, and strategically coordinate Productivity Commission (2016)	• Governments need to improve their commissioning capabilities - National Commission of Audit (2013)
Service Systems	• Service systems and impact are often constrained by siloed design, delivery and funding • Service systems sometimes lack coordination, strategic direction and consistency across and between different tiers of government leading to gaps, overlaps and inconsistencies • Service systems often fail to use available levers to achieve outcomes due to lack of innovation, collaboration or knowledge	• Recent improvements in data and analytics provide greater intelligence on complex social issues • Whole of government coordination allows us to assess all available levers to achieve outcomes • We should support the market to be the best it can be to help achieve better outcomes for people and families
Human Need	• Most programs do not use person-centred design principles • Need to make sure we are reaching the most disadvantaged	• We need to focus on improving outcomes by putting users at the heart of service delivery - Productivity Commission (2016) • There is an increasing drive to give service users choice in the services they use and how and when to access them
Service Impacts	• We are unclear about the impact of the services we fund, and the service systems within which we operate • We cannot assure how well our expenditure is achieving the best value for citizens and Government	• Public demand and expectations for quality government-funded services is increasing in a time of ongoing fiscal constraint
Service Markets	• Current market capacity to innovate and drive successful outcomes is variable and often unreliable • Service providers are often overly burdened with administration taking focus away from delivering outcomes. For example, Mission Australia had 42 funding relationships with DSS in 2014	• There is increasing demand by NGOs & civil society for more integrated (rather than transactional) solutions to wicked problems - ANZSOG (2016) • There is demand and support for developing and sustaining the community service sector including building innovation capacity to strengthen community service delivery – ACOSS

Commissioning for better outcomes

Better understand and meet the needs of **people and families,** particularly those most vulnerable.

Direct our policy design, service models and markets to deliver better **outcomes**.

A more **collaborative** and strategic way to commission services and programs.

A holistic approach that is **clear, evidence-based** and **supported.**

The co-creation of **innovative** and **fit-for-purpose** solutions.

Working together to understand challenges and **build capability**.

Some notes about our approach

It's not about outcomes-based funding…and is far more than contracting

It's far more than competition and contestability – it's about designing for better *OUTCOMES*

It's about working better together to improve outcomes for people and families

"It's not just about contracting…it's about how we work together to get real outcomes for people from our services and programs."

A Primary Health Network organisation

We want to grow together in stewardship of service systems

An example of stewardship – undertaking place-based initiatives

- Undertaking a place-based approach flows from a position of stewardship

- Involves jointly recognising and deciding that the best way to design, deliver and fund policies with the greatest impact for a particular community is via a place-based approach

- Similar foci – person centred, outcomes-focussed, collaborative, innovative, evidence-based

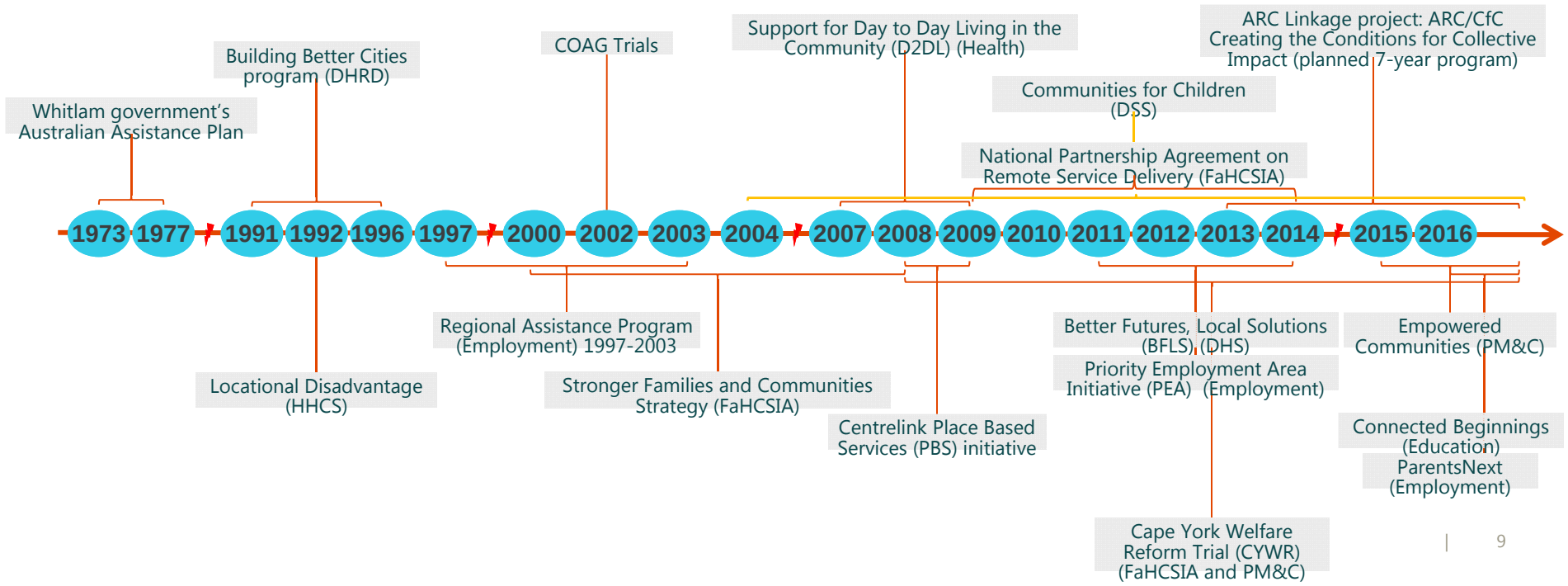
DSS Policy Approach to Place-based Disadvantage - Why 'Place' matters

- Place underpins our notions of identity, civil society and democracy
- Recognition that people and place are inter-related
- Structural and service delivery issues tend to be defined by place
- Social, economic, environmental & cultural interests can come together in a place

Evolution of place-based approaches

- International influences and experiences – UK, Europe, Canada and US
- Australian Government interest in 'place' has been evident since the post-war period
- Queensland (& other States) have experimented with place based models
- More recently, a rise of 'collective impact' approaches

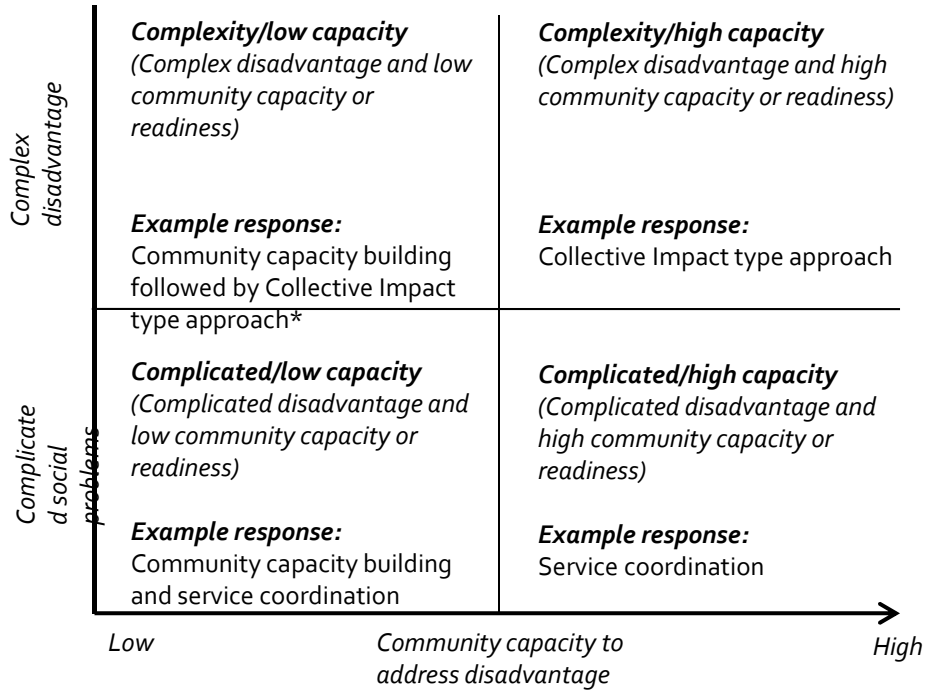
A `potted' history of place-based approaches in Australia



Guiding principles

Principles
1. Take a systems approach
2. Focus on data, evidence and outcomes
3. Long-term investment
4. Understand the place
5. Partner with others
6. Local community decision-making

A tool for understanding differences between places



Source: Adapted from the NZ Productivity Commission report on More effective social services, 2015
**See Attachment A p51 for a glossary of place-based approaches*

Role of evaluation is critical

- Reflecting DSS commitment to evidence based/informed policy
- DSS is similarly also interested in identifying some key principles to help guide evaluation of such initiatives

…but also challenging

- Number of theorists and practitioners have written on the inherent challenges in evaluating a place-based initiative or project;
  - Dynamic and ‘ground up’ in nature
  - Issues of concern invariably complex – often described as ‘wicked’
  - Difficulty in applying ‘traditional’ evaluation approaches & social science methodologies
  - Tension between learning and accountability

Lesson learned - Evaluation of place based approaches

Key lessons
1. Place-based approaches are 'big picture' and dynamic in nature
2. Evaluators should gain an understanding of communities within a place
3. Capturing and sharing lessons learnt in real time should be a key objective of place-based evaluations
4. Key questions are what, for whom, how, when, in what context
5. Establishing a baseline and/or counterfactual is important
6. Innovative evaluative methods should be considered
7. Effective evaluation governance is critical for outcomes

1. Place-based approaches are 'big picture' and dynamic in nature

- Important to understanding and map local factors and dynamics influencing "communities" and "places"
- understand formal and informal lines of authority and influence, family relationships, networks, economic opportunities, other sectors programs
- acknowledge community objectives, relationships, values and systems may change over time
- Consider temporal changes, e.g. migration in and out of physical locations over time

2. Evaluators should gain an understanding of communities within a place

- A single ‘location’ will not map directly to a single community, but will include many ‘communities’, with overlapping affiliations, identities, membership, social norms and behaviours
- There is no single definition of ‘place’ but overlapping ‘places’, with different geographical boundaries

3. Capturing and sharing lessons learnt in real time should be a key objective of place-based evaluations

- Community priorities, and approaches to addressing entrenched disadvantage, will differ across locations
- Capturing lessons learnt from evaluations of often small scale, trial initiatives essential to informing future policy
- A culture of learning from failure is required
- not always useful categorising outcomes of trials and pilots as either ‘succeeded’ or ‘failed’ - success is rarely linear or short-term

4. Key questions are what, for whom, how, when, in what context

- Evaluation should;
  - specifically identify what changes, who they affect, when we can reasonably expect change, and under what circumstances
  - recognise the potential for impacts on individuals, families and communities, as well as broader systems
  - be sensitive to the potential outcomes beyond those planned for target groups
  - identify clear and targeted objectives, with a manageable number of questions/propositions

5. Establishing a baseline and/or counterfactual

- Administrative and longitudinal data sources can be harnessed more effectively to develop baselines against which to assess whether change has occurred
- Data linkage provides new avenues for exploring administrative and longitudinal data and use of innovative methods
- Developing counterfactuals is challenging, their validity is often contested
- Need to provide clarity around what is an acceptable counterfactual

6. Innovative evaluative methods should be considered

- including realist, developmental/action research, theory building/testing (causal inference), spatial displacement, modelling, key events mapping, and process tracing
- traditional evaluation approaches need to shift to a more adaptive policy approach of try, test and learn
- sophisticated statistical analyses potential methods to rule out confounding factors in establishing effectiveness
- shift thinking around discrete, disconnected “evaluations” to “evaluative activities” or “data-informed evaluative thinking”

7. Effective evaluation governance is critical for outcomes

- Place-based approaches are based on ground-up, local community decision-making, include stakeholders at different levels of government and interest groups across communities
- Identification of common objectives and measurable actions part of multi-stakeholder design, requiring sharing of data, power and accountability
- a high-level champion and decision-maker required to ensure flexibility in commissioning evaluations

Acknowledgements

- Paul Burton (Griffith University)
- Matthew Cox (Logan Together)
- Mathew Gray (Australian National University)
- Kim Grey (Prime Minister & Cabinet)
- David Hogan (Opportunity Child)
- Ross Homel (Griffith University)
- Sherena Oxley (Logan Together)
- Shelley Mallett (Brotherhood of St Laurence)
- Paul Memmott (University of Queensland)
- Patricia Rogers (Australia and New Zealand School of Government)
- Mark Western (Australian National University)
- Geoff Woolcock (Centre for Evidence and Implementation)

Next Steps

- Further developing DSS thinking and policy around:
  - Commissioning for outcomes
  - Place-based initiatives

- Ongoing dialogue with government, community and academic policy, program and evaluation practitioners

- Applying, testing, reflecting upon and improving our evaluation practice in this space

Questions