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Consultancy project: These are our kids

Centre for Excellence in Child and Family Welfare

Final report

April 2022

Deloitte Access Economics

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Executive summary

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Executive summary

Background

Family violence includes any violent, threatening, coercive or controlling behaviours by a family member against another family member. The definition is broad and encompasses both directly experiencing the violent act e.g. physical violence and/or witnessing the violent act. It is reported within published literature and by practitioners who are involved in the family violence sector, that children who experience family violence are under represented, under supported and not provided with resources that meet their specific needs.

There are a range of long lasting impacts on children experiencing family violence. Children who experience family violence are at greater risk than age equivalent peers of developing anxiety, depression and post traumatic stress disorder (PTSD). Published literature indicates children who experience family violence are more likely to require homelessness service support, interact with the justice system, have higher rates of employment instability and are more likely to be reliant upon welfare payments.

Scope and approach

The Centre for Excellence in Child and Family Welfare (the Centre) is the peak body for child and family services in Victoria. The Centre, on behalf of a small group of philanthropists, engaged Deloitte Access Economics to establish a robust evidence base to raise community awareness of the prevalence of children who experience family violence as well as to make the case to state and federal governments about the need for specialist services for these children.

This was done through evidence gathering activities and an economic analysis, which estimated the avoided cost to government if successful services are in place.

A two-stage approach to evidence gathering was undertaken. Firstly, this included a targeted literature scan and stakeholder consultation. The purpose of these activities was to understand the impacts of experiencing family violence on children and to inform possible methods of intervention to support children who are experiencing family violence.

The findings were used to inform an economic analysis designed to estimate the avoided cost to government and the community if effective intervention(s) were in place and able to lessen the impact of family violence on children. The model compared two hypothetical states – one in which children received no intervention and one in which children engaged with intervention and experienced outcomes that lessened the impacts of experiencing family violence.

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Executive summary

Evidence gathering findings

Several key findings emerged through the evidence gathering. These included:

Key finding 1: the demonstrable need for increased investment and more intensive intervention(s) specifically focused on children who experience family violence.

Key finding 2: the need for a system-based response.

Key finding 3: the importance of intervention(s) being contextualised, child-focused and age-appropriate.

Key finding 4: the need for better data collection and reporting systems as the prevalence of children who experience family violence is under reported.

Key finding 5: the need for future research as there is limited information available about the effectiveness of available intervention(s) for children who experience family violence.

A set of key design principles to guide design of any intervention targeting children who experience family violence were informed through evidence gathering. Further detail can be found in *Section 3 – Evidence review.*

Economic analysis findings

The economic analysis examined the potential benefits (measured as avoided costs) which could be derived from a successful intervention/suite of interventions given to children who experience family violence. Noting the lack of sufficient data, various hypothetical scenarios were modelled using the Victorian community as a targeted case study. These scenarios modelled the potential benefits of delivering a successful intervention to children experiencing family violence. For example, improved outcomes (represented as a 2% reduction in effects) from an intervention over 20 years, may result in the following for the Victorian community:

Wellbeing: improved quality of life through lower rates of mental illness such as depression, anxiety and PTSD resulting in benefits up to $28.6 million dollars.

Education and employment: increased likelihood of completing Grade 12 schooling, resulting in increased earning potential by $6.7 million dollars and an avoided cost of $1.1 million dollars for welfare payments.

Homelessness: reduced likelihood of requiring out of home care services, leading to an avoided cost of up to $34.5 million dollars.

Justice system: reduced likelihood of entering the justice system, leading to an avoided cost of up to $34.5 million dollars.

Health system: reduced likelihood of entering the health system, leading to an avoided cost of up to $0.2 million dollars.

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Executive summary

Future opportunities

The findings from this study indicate that the impacts of experiencing family violence on children are diverse and long-lasting. There is a need for increased investment from state and commonwealth governments to evaluate and implement an intervention/suite of interventions that could lessen the impacts for these children, noting the need for a system-based response across the continuum from preventative approaches to reactive approaches.

Areas of opportunity are provided to assist future direction, including:

- seeking the perspectives of children who have experienced/are experiencing family violence to identify the specific needs by cohort, age and across the public health spectrum
- undertaking detailed design and pilot of intervention(s) which embeds key design principles and aims to enhance services available for children who experience family violence
- undertaking monitoring and evaluation activity in order to further contribute to the evidence base (or in parallel, undertake evaluation(s) of existing programs to determine what works, what needs to be improved and what existing programs are appropriate to scale)
- improving data collection and enhancing reporting systems
- completing additional economic analyses to further quantify the benefits associated with successful intervention(s).



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1. Introduction (incl. scope)

This section provides an overview of the project background

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Introduction (1 of 3)

Raising community awareness of the prevalence of children experiencing family violence

The definition of family violence

Family violence includes any violent, threatening, coercive or controlling behaviour by a member of the family towards another family member. A family member may be a parent or sibling in the core unit of the family or an extended relation such as an uncle or cousin in the family (DFFH, 2018).

The violence may be either direct e.g. physical violence or indirect, including any combination of the following (DFFH, 2018):

- receiving threats
- hearing the violence
- being forced to watch or participate in the violence
- psychological torment
- economic control
- damage to property
- social isolation.

Family violence is often perpetrated by a male (DFFH, 2018), however, this is not always the case. Family violence can occur in any kind of relationship. Social learning research shows that childhood family violence experience is an identified risk factor for adult perpetration (Lee et al., 2013). As a result of witnessing and/or experiencing violence, often at repeated times throughout their lives, children feel a sense of powerlessness and seek to re-establish control through learnt behaviours (Lee et al., 2013).

Other aspects of identity such as gender, ethnicity, cultural background and sexual orientation can also predispose an individual to an increased risk of experiencing family violence.

The prevalence of family violence

The multifaceted nature of family violence, along with the privacy and seclusion experienced by affected family members (AFMs) during episodes of violence presents problems when determining the true prevalence of the problem as it is likely many cases of family violence go unreported and/or undetected. It is also likely that due to the COVID19 pandemic across the globe and the associated increased social isolation, financial and economic stressors and reduced access to supportive services, that prevalence rates of family violence are greater than those currently reported.

Across Australia in 2020 (ABS Recorded Crime - Victims, 2021):

- 71% of family and domestic violence related sexual assault victims were <19 years of age at the time of the incident
- 37% of homicide and related offenses were attributable to family and domestic violence
- Approximately two in five recorded assaults were linked to family and domestic violence offences, ranging from 65% in Western Australia to 43% in the Australian Capital Territory
- 86% of family and domestic violence related sexual assault victims were female
- 28% of all kidnapping/abductions recorded nationally were linked to family and domestic violence offences.

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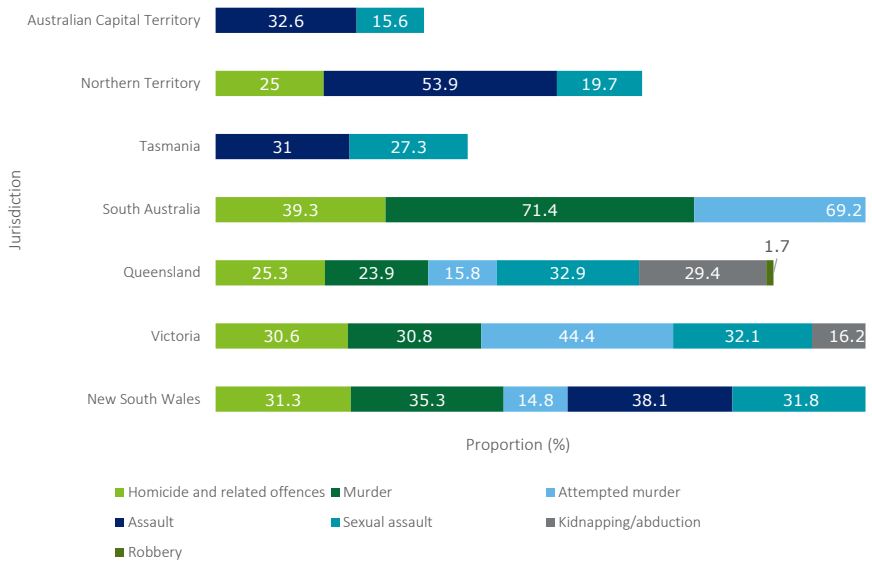
Introduction (2 of 3)

Raising community awareness of the prevalence of children experiencing family violence

The prevalence of family violence (cont.)

As shown in Figure 1, there are vast differences in the relative proportions of offences by family members recorded across Australia. In 2020, 71.4% of all recorded murder offences in South Australia were linked to family members known to the victim. In the Northern Territory, 53.9% of assault cases were attributable to a victims family member. Just under half (44.4%) of all attempted murder offences in Victoria and approximately one third of all sexual assault offences in Queensland were linked to family members known to the victims.

Figure 1: Family violence cases across Australia



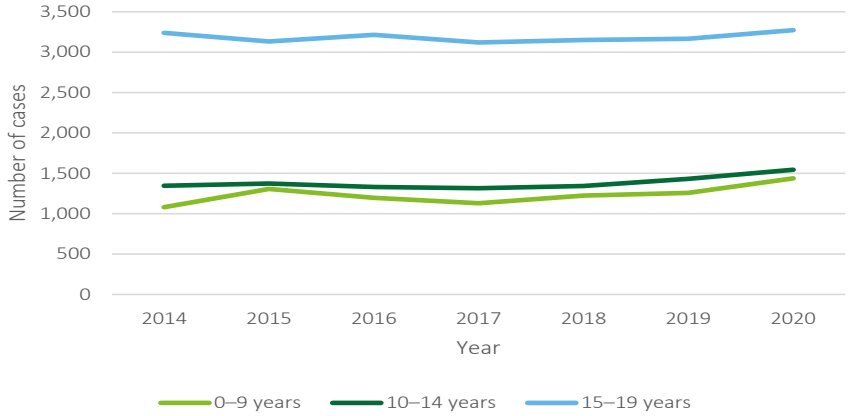
Note that variations in data publishing and data recording differences across Australia necessitates caution with direct result comparison across jurisdictions.

Source: ABS Recorded Crime – Victims (2021).

The prevalence of children and youth who experience family violence

Over the past ten years the prevalence of recorded assault and sexual assault cases against children (aged 0-19 years) by family members has increased across the country. As shown in Figure 2, since 2014 there has been a 33% increase in assault cases against children aged 0-9 linked to family members. Additionally, a 15% increase has been observed for children aged 10-14 years and a 1% increase for youth aged 15-19 years.

Figure 2: Prevalence of family violence assault cases against children across Australia



Source: ABS Recorded Crime – Victims (2021).

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Introduction (3 of 3)

Raising community awareness of the prevalence of children experiencing family violence

Project background

Family violence is a national issue with the prevalence of children experiencing family violence across Australia increasing over time. The Royal Commission into Family Violence (the Royal Commission) completed in 2015 revealed a number of findings pertaining to family violence and how the state of Victoria, at a system level, responds to the problem of family violence. While these findings were specific to Victoria, they likely have broad application across Australia. The Royal Commission (The Royal Commission, 2016) found:

- children (and women) are disproportionately affected by family violence
- children are largely invisible when it comes to reporting on family violence or the impact of violent crimes
- there is a lack of targeted resources to meet the specific needs of children and young people who have experienced family violence
- the system currently does not have enough flexibility to respond to children's individual needs
- current policies don't pay enough attention to the impact of violence on children.

This engagement

Deloitte Access Economics was engaged by The Centre for Excellence in Child and Family Welfare (the Centre) to undertake a project funded by a small group of philanthropists

This project aims to raise awareness about the impact on children experiencing family violence, the scarcity of specialist services to support their healing and recovery, the cost to themselves, their families and the community, and solutions that work.

The objectives of the Centre are to:

- raise community awareness about the prevalence and impact of family violence on children
- promote evidence-informed solutions that work to government
- secure government investment in specialist services and supports for every child who experiences family violence to enable them to get the support they need to be safe, to heal and to thrive.

Approach to this report

This report is based on analysis that draws on the following sources:

- available literature (incl. documents held by The Centre)
- semi-structured interviews with individuals who are involved in working directly with children who experience family violence and/or within organisations that provide services to support children who experience family violence
- publicly available data e.g., data published by the Australian Bureau of Statistics and the Australian Institute of Health and Welfare.

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2. Method

This section provides an overview of the project methodology

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Methodology (1 of 2)

A coordinated and comprehensive stepped methodology was deployed

Evidence gathering

A two-stage approach to evidence gathering was undertaken. This included a targeted literature scan and stakeholder consultation. Further detail regarding the methodology is provided below.

A targeted literature scan involved review of internet-based platforms, relevant academic databases, publicly available databases and any documents/data held by the Centre. Search terms included but were not limited to family violence, violence, children, kids, infants, teenagers, adolescents, parents, step-parents, cousins, siblings, intervention, treatment, therapy, funding, cost, cost-effective and cost of illness. For each retrieved data source, the reference list/cited references were also reviewed in order to identify any other relevant materials.

The purpose of the literature scan was to:

- summarise the evidence that shows the short, medium- and long-term impacts of experience family violence on children
- identify proven or promising models of support, internationally and nationally, for children who do/have experienced family violence.

Retrieved data was analysed using a modified thematic description approach and where suitable, descriptive statistics were also used e.g. to gather the proportion of children who experience mental health difficulties as a result of experiencing family violence. The findings retrieved through the literature scan were used to inform a detailed understanding of the impacts of experiencing family violence on children and current available supports/services. Further detail can be found in *Section 3 – Evidence review.*

Evidence gathering (cont.)

Semi-structured interviews were completed with key stakeholders to validate retrieved literature findings and gather insight to inform an in-depth understanding of both the impacts of experiencing family violence and possible approaches for intervention. For confidentiality reasons, identifiable stakeholder details have been withheld however an overview of the organisations consulted as part of this project is provided below in Table 1.

Table 1 Overview of stakeholders consulted

Organisation	Description
Australian Childhood Foundation	Dedicated to preventing child abuse and reduce the harm it causes to children, families and the community. Provides specialist trauma counselling and therapeutic care to child victims of abuse, as well as running research, education and community awareness programs.
Victorian Aboriginal Child Care Agency (VACCA)	A state-wide Aboriginal Community Controlled Organisation servicing children, young people, families and community members.
Uniting	A community services organisation of the Uniting Church, delivering services and programs across Victoria.
KidsFirst	An innovative child-centred organisation that works to make a positive difference with children and families.
Family Care	Provides a range of services to families and young people including child and family support, carer support and disability support.
Anglicare	Victoria's largest provider of out-of-home care services for children and young people.
Berry Street	Provides a range of services to support children and young people including out of home care, post care support, trauma services, family violence support services, education services and a suite of prevention and community based programs.

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Methodology (2 of 2)

A coordinated and comprehensive stepped methodology was deployed

Approach to economic analysis

An economic analysis was designed to estimate the avoided cost to government and the community if effective intervention(s) were in place and able to lessen the impact of family violence on children. The modelling was based on the cohort of Victorian children experiencing family violence in 2022. However, it is recognised that family violence is a national issue and that a similar suite of avoided costs could be achieved through effective intervention in other jurisdictions.

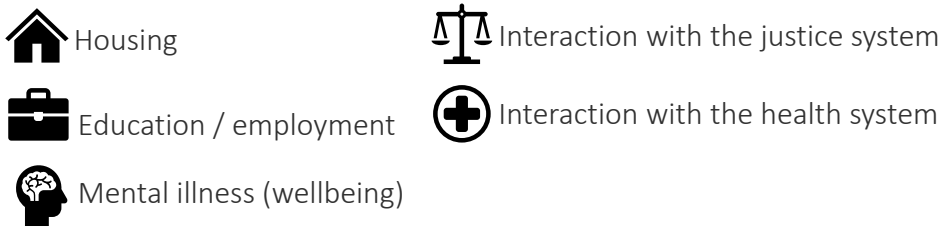
The model compared two hypothetical states – one in which children received no intervention and one in which children engaged with intervention and achieved positive outcomes that lessened the impacts of experiencing family violence. The overarching approach to the economic analysis included five steps:

1. Scenario establishment: identification of the 'as is' scenario and identification of the likely scenario of positive effects from intervention(s).
2. Identification of costs and benefits: assessment of all possible costs and benefits suitable for inclusion in the analysis.
3. Definition of approach: specification of the modelling approach, time horizon, perspective and discount rates.
4. Analysis: developed data assumptions, benefits and/or costs quantified and/or monetized.
5. Value for money assessment: net present value and additional economic indicators calculated.

The following assumptions underpinned the economic analysis:

- the potential impacts (i.e. avoided costs) are based on available literature and stakeholder consultation
- estimates are based on a hypothetical scenario
- no specific intervention(s) in the form of new or existing programs or services was included nor were any costs attributed to intervention(s).

The analysis allows for estimation of avoided costs across five categories:



There are also likely to be significant benefits (and therefore avoided costs) for the families of children who receive intervention however these are unable to be accounted for in the modelling. It is also noted that there may be other benefit domains which were not included within this modelling approach. For example, future health system costs related to the long-term impacts of mental illness were not accounted for within this modelling.

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Part 1. Evidence review

This section provides an overview of the retrieved evidence

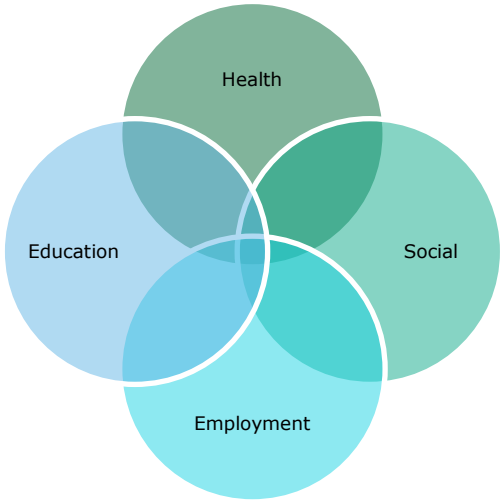
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Nature of the problem

There are significant impacts for children who have experienced domestic violence

The impacts of experiencing family violence on children span multiple domains and often result in long lasting effects over the rest of their lives. Broadly speaking, there are four major domains in which the impacts of experiencing family violence may be grouped under (see Figure 3). An overview of the impacts under each domain is provided below with further detailed information available in Appendix A.

Figure 3: Family violence impact domains



Health

Physical injuries such as bruising and broken bones remain the most salient indicators of direct family violence against a victim. Witnesses may experience many other issues not associated with family violence such as depression, self-blame, suicidal ideation, eating disorders and reduced risk aversion (Calder & Regan, 2008) (Baker & Cunningham, 2009) (Children's Commissioner, 2018). These issues are often accompanied by PTSD (Fortson et al., 2016) (Humphreys et al. 2020). Escapism from previous trauma can see these issues translate into alcohol and substance abuse in adolescence and adulthood.

Social

Witnesses to family violence tend to have increased behavioural and developmental issues, including poor self esteem and stunted empathy. This may present as individuals overreacting or simply withdrawing in social situations (Holt, Buckley & Whelan, 2006). This can also see increased levels of juvenile delinquency, and in some cases continued involvement with the criminal justice system throughout adulthood.

Education

Children who witness or directly experience family or domestic violence often have heightened feelings of anxiety and engage in recessive behaviours. These traits make these children more prone to bullying (Holt, Buckley & Whelan, 2006). This leads to a tendency of absenteeism, as well as poor concentration, hypervigilance and hyperarousal (Sterne & Poole 2010). This cyclical pattern leads back to bullying, but is also observable statistically in a 13% probability of not graduating secondary schooling (Fry et al., 2018) and through decreased probabilities of completing higher education following high school.

Employment

As a result of generalised anxiety and difficulty concentrating, children who have experienced/experience family violence often have trouble completing workplace based tasks (The Domestic Violence Shelter, 2017). The increased rates of high school drop out/poor school attendance resulting in lower education attainment scores mean that children have a greater risk of economic hardship through lower incomes, higher rates of employment instability, fewer assets and are more likely to be reliant upon welfare payments (Richards, 2011; Mersky & Topitzes, 2010; Currie et al., 2010).

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What is out there/ what works

There are a suite of models of support available however their trialled effectiveness is scarce

Currently available supports and services

There is a wide spanning range of interventions available for children who are experiencing/have experienced family violence. However as stated earlier, at present there is limited evidence pertaining to intervention effectiveness in this population group and determination of best practice intervention(s) is not possible without further research. A brief overview of currently available interventions identified through targeted literature review and stakeholder consultations is provided in *Appendix B*, acknowledging that the presented suite of interventions are unlikely to be completely exhaustive.



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What is out there/ what works

There are a suite of models of support available however their trialled effectiveness is scarce

Stakeholders identified several shortfalls of the current approaches to delivering intervention(s) to children who are experiencing/have experienced family violence. An overview of each identified shortfall is provided below.

Family violence trauma is unique: stakeholder consultations discussed multiple methods of treating trauma, including methods such as art therapy or therapeutic storytelling. However these treatment modalities are not unique to trauma specifically from family violence. It is unclear if there is evidence and understanding within the field as to the differences between trauma from family violence and other forms of trauma.

Underestimating the treatment required: stakeholder consultations reflected that the existing evidence base significantly underestimates the length of time a child needs an intervention for. It was suggested that interventions should last somewhere between 12 and 14 months for most children. Furthermore, there needs to be ongoing support available to these children as they develop and the support provided must shift alongside the different developmental transition points each child goes through.

Children experience ongoing instances of family violence: there is an ongoing underestimation of how often family violence reoccurs. This means that even after an intervention is delivered, the child may need future support to deal with reoccurrences of family violence.

Training of case workers: case workers are often not equipped to provide sufficient support to children who experience family violence. Additional training needs to be provided, focussing on the developmental stages children go through, understanding the trauma attached to family violence and awareness of how family violence can affect the child's perception of relationships, their identity and their views.

Whole of system approach: for interventions and services to be effective, they need to be integrated within current systems e.g., health and education so that children are able to be monitored and referred for supports as required and with urgency. However, as noted by stakeholders, the current system is immature, adult focussed and unable to support children who experience family violence.

Cultural considerations: there is a need for consideration of cultural orientation and thought given to how interventions and services could be optimised e.g., inclusion of a community elder in developing and delivering an intervention and embedded in more culturally appropriate ways.

Literature review findings were combined with stakeholder consultation outputs to generate a suite of key design principles to reflect the elements important to consider and to guide the design of any intervention targeting children and young people who experience family violence. Further detail can be found on page 18.

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Design principles

The following principles should be used to guide the design of any intervention for children who experience family violence

01 **Principle 1:**
Trauma informed approach, acknowledging the meaning of violence for the child.

02 **Principle 2:**
Tailored to individual needs with incorporation of developmental milestones.

03 **Principle 3:**
Participation of the family unit.

04 **Principle 4:**
Culturally safe and appropriate, including for vulnerable populations such as Aboriginal and Torres Strait Islander children.

05 **Principle 5:**
Connected with family violence related services and easy to access.

06 **Principle 6:**
Incorporation of stakeholder feedback and regular evaluations.

07 **Principle 7:**
Expansion of current funding arrangements to support children who experience family violence at any point through their lifespan.

08 **Principle 8:**
Flexibility in delivery mode.

09 **Principle 9:**
Clinician specialistion in supporting children who have trauma.

10 **Principle 10:**
Opportunity for self-referral to intervention.

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Implications for the economic analysis

Economic analysis inputs were informed from the targeted literature review and stakeholder consultations



Implications

The available evidence described the nature and extent of the problem of children experiencing family violence as well as key design principles and the types of interventions that could be appropriate, noting the need for a system based response across the continuum from preventative to reactive approaches. However, it was highlighted by stakeholders that caution is required in terms of defining too narrow a scope of intervention(s). Therefore, as mentioned in *Section 2 – Method*, no specific intervention(s) were deemed suitable for inclusion within an economic analysis framework, nor were any costs attributed to intervention(s).

The economic analysis approach estimated the potential magnitude of avoided costs to government and the community, were there to be significantly more investment effectively targeted at addressing this issue. Given the paucity of robust data sources and absence of defined intervention(s), a pre-feasibility approach was applied to a Victorian case study, with feasibility needing to be subsequently tested more specifically in relation to a clearly defined intervention.

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Part 2. Economic analysis findings: Victorian case study

This section provides an overview of the economic analysis findings

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Economic analysis (1 of 2)

Model overview

Target cohort

The economic analysis was based on the estimated population of children experiencing family violence in Victoria in 2022. There were 10,440 children impacted by family violence, with the summary of the age/gender distribution provided in Table 3.

The intervention

Only the hypothetical benefits of a successful intervention are reflected in the economic analysis. The modelling estimated the benefits of the delivery (and success) of this intervention to a single cohort over a time horizon of 10, 20 or 30 years. This structure is designed to fully quantify the benefits of this single cohort over time. It is noted that the initial cohort of 10,440 children was modelled to shrink marginally over time due to mortality using general population data from the ABS life tables.

It should be highlighted that the findings presented in subsequent slides refer only to the single cohort over time. The estimated benefits would be significantly larger were the intervention to be provided to additional cohorts (e.g. children experiencing family violence in 2023) over time.

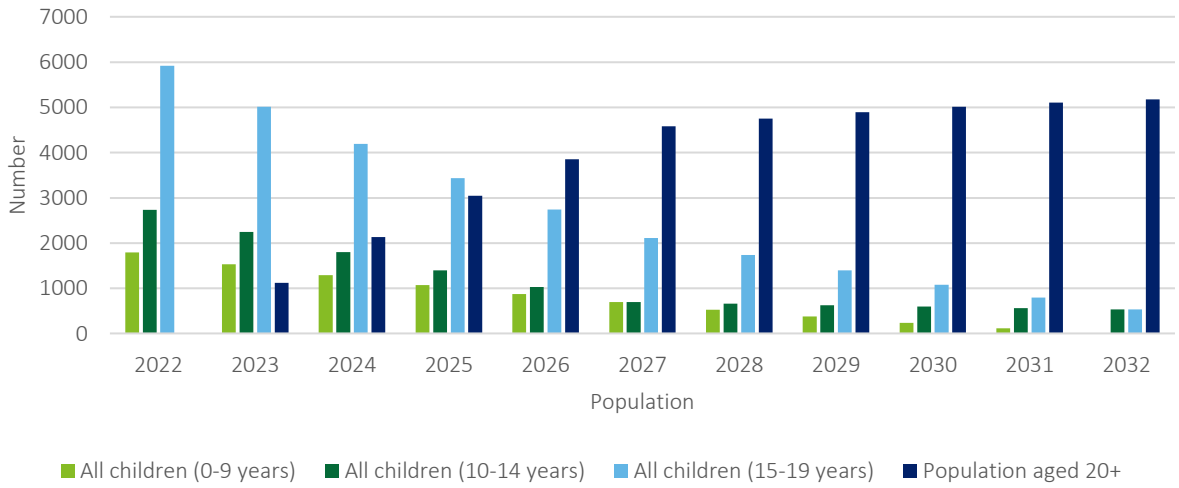
The possible outcomes of a successful intervention were captured in terms of children's mental wellbeing, their educational attainment and future employment prospects, as well as their engagement with the health system, homelessness services and the justice system.

Table 3: Target population - children experiencing family violence

Cohort	Number of children affected	Proportion of population
Male Children in Victoria (0-9 years)	959	0.2%
Male Children in Victoria (10-14 years)	1,085	0.5%
Male Children in Victoria (15-19 years)	1,548	0.7%
Female Children in Victoria (0-9 years)	832	0.2%
Female Children in Victoria (10-14 years)	1,647	0.8%
Female Children in Victoria (15-19 years)	4,369	2.2%

Source: ABS, Crime Statistics Agency Victoria

Chart 1: Target population age distribution over time



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Economic analysis (2 of 2)

Assumptions and benefit domains

Assumptions

The intervention was provided to 10,440 children in 2022. It was assumed in the base case that only 75% of these children would uptake the intervention. While the intervention was not specified, it was assumed that a successful intervention would continue to provide access to services for these children for an ongoing period of time.

Benefit domains

The modelling estimated benefits of an intervention/suite of interventions using the benefit domains outlined in Table 4 to the right. .

Table 4: Benefit domains included within the economic analysis

Benefit domain	Description	Calculation
Wellbeing	Improvement in quality of life through lower rates of mental illness such as depression, anxiety and PTSD.	(Change in rate of mental illness) X (Quality of life adjustment for mental illness) X (Value of a statistical life year)
Education and employment	Increased likelihood of completing year 12 education. Improved employment rates associated with higher educational attainment.	(Change in likelihood of year 12 completion) X (expected earnings with/without year 12 completion)
Homelessness	Reduced likelihood of interaction with Out of Home Care (OOHC) services.	(Change in rate of OOHC utilisation) X (annual cost of OOHC)
Justice system	Reduced likelihood of interaction with the justice system.	(Change in rate of justice system utilisation) X (annual cost of community or detention supervision)
Health system	Reduction in the number of hospitalisations due to future incidences of family violence	(Change in hospitalisation rate) X (cost of hospitalisations)

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Findings (1 of 3)

Core scenarios

Table 5 presents the estimated benefits of an intervention under three core scenarios described below. While the costs of the intervention were not considered, the results imply that any level of program investment at a cost lower than these benefits could lead to a positive benefit to cost ratio.

Scenario 1a

In scenario 1a the impacts of the intervention were modelled over a 20-year time horizon. The effectiveness of the intervention was modelled to be 3%. As a result, the total benefits of the intervention were estimated to be **$110.1 million**.

Scenario 1b

Scenario 1b presents the minimum possible estimated benefits. Under this scenario, benefits were captured over a 10-year time horizon. The effectiveness of the intervention was estimated to be 1% The total benefits of the intervention were estimated to be **$29.7 million.**

Scenario 1c

Scenario 1c presents an optimistic view of the benefits achieved through a successful intervention. Benefits were modelled over a 30-year time horizon. The effectiveness of the intervention was assumed to be 5%. The total benefits of the intervention were estimated to be **$197.1 million**.

Table 5: Present value ($AUD 2021-22) of benefits of intervention ($ million)

Cost component	Scenario 1a	Scenario 1b	Scenario 1c
Wellbeing	$28.6	$5.9	$57.6
Education and employment			
Wages	$6.7	$1.3	$13.6
Taxes	$2.1	$0.4	$4.2
Welfare	$1.1	$0.2	$2.2
Homelessness	$34.5	$10.6	$57.5
Justice system	$36.9	$11.1	$61.5
Health system	$0.2	$0.1	$0.4
Total	**$110.1**	**$29.7**	**$197.1**

Source: Deloitte Access Economics

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Findings (2 of 3)

Extended scenarios

A range of possible impacts of an effective intervention were modelled as presented in the table below. Further modelling scenarios are also available in **Appendix D**.

The economic benefits of a successful intervention were estimated to be **between $29.7 million and $197.1 million.**

This highlights that the range of benefits of a successful intervention could be significant – though they are also uncertain.

While this report presents evidence that there are several benefit domains of a successful intervention, there is little research appropriately evaluating the magnitude of these impacts.

Similarly, as the specific intervention has not been defined, the appropriate time horizon is not clear.

These uncertainties, and the consequent range of potential benefits highlights the need for further research.

Table 6: Potential financial benefits of a successful intervention ($ million)

Intervention effectiveness	10 years	20 years	30 years
+1%	$29.7	$36.7	$39.4
+3%	$89.1	$110.1	$118.2
+5%	$148.5	$183.5	$197.1

Source: Deloitte Access Economics

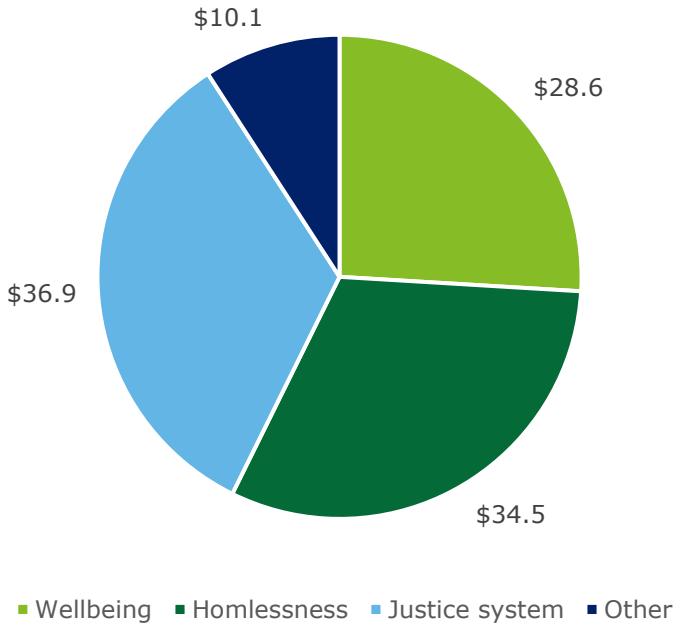
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Findings (3 of 3)

Distribution of costs over time and by component (scenario 1a)

The total estimated benefits under scenario 1a was **$110.1 million.** The majority of this benefit was derived from reductions in interactions with the justice system ($36.9 million), homelessness services ($34.5 million) and through improvements to wellbeing ($28.6 million). Chart 2 below presents the distribution of benefits by component.

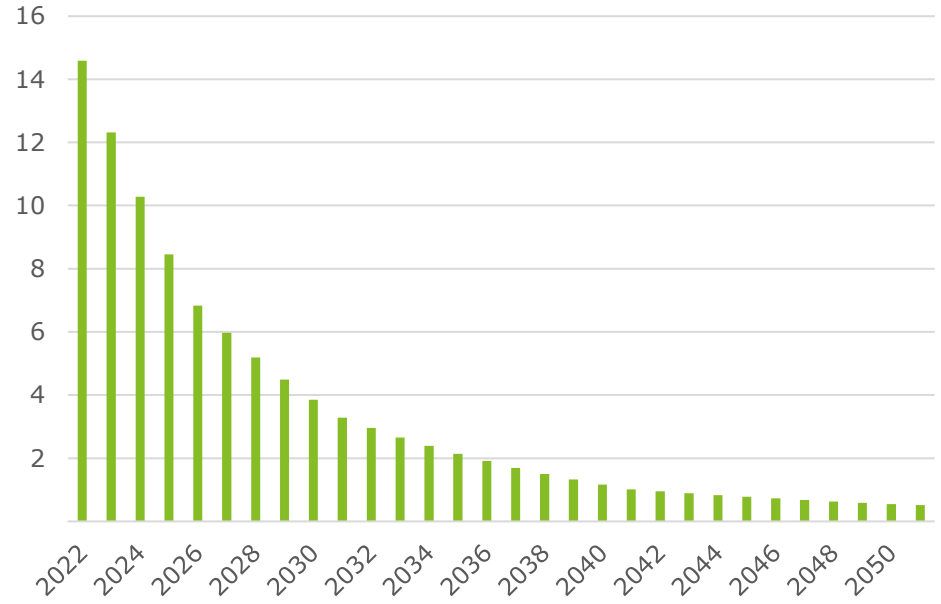
Chart 2: Distribution of benefits by component, scenario 1a, discounted 7% ($ millions)



Source: Deloitte Access Economics

Approximately 48% of the estimated benefits are experienced within the first 5 years of the delivery of the intervention and its success. The chart below shows the distribution of benefits over time. The estimated benefits of the intervention fall over time for several reasons. As the target cohort become adults, costs from homelessness services and hospitalisations due to family violence are no longer captured as it is assumed the child is no longer living in the family. The results below are the discounted benefits, highlighting that benefits achieved in the present day are more valuable than future benefits.

Chart 3: Total benefits per year, scenario 1a, discounted 7%



Source: Deloitte Access Economics

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5. Future opportunities

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Future opportunities

The benefit of investment in intervention(s) for children who experience family violence

The following areas of opportunity are provided here to assist the Centre in the next steps of developing evidence-informed solutions to lessen the impact of experiencing family violence on children and in securing government investment in specialist services.

Opportunity 1: seek the perspectives of children who have experienced/are experiencing family violence

Stakeholder consultations profiled that children are often not provided with a voice and/or advocacy platform through which they feel they are heard and supported, a fact also highlighted in the Royal Commission. The Centre could undertake a suite of consultations with children (and their families) who have experienced/are experiencing family violence to gather rich contextual insight into their needs and wants in regards to supportive specialist services. Gathering insight into the different needs of children across age, cohort and the public health spectrum could assist the Centre in developing an appropriate intervention/refining an existing intervention to better fit the needs of children.

Opportunity 2: undertake detailed design and pilot of intervention(s)

Evidence gathering activities identified a suite of key principles necessary for inclusion and likely to drive success in intervention(s) for children who experience family violence. There is opportunity to build upon the findings retrieved from the evidence, stakeholders consultations and stated design principles and develop and pilot a detailed intervention to support children who experience family violence.

Opportunity 3: undertake monitoring and evaluation activities

While child focussed interventions do currently exist, many are of a small scale, not delivered on the grounds of robust evidence findings and not encompassing of a suite of key design principles grounded in stakeholder feedback based on real time experience. Additionally, while some interventions, particularly early intervention programs, have been evaluated by universities and research institutions and their effectiveness proven (albeit often in small sample sizes), many have struggled to get continued funding, meaning inequitable access and limited long-term provision of effective interventions. Undertaking additional and robust evaluations of currently available interventions could further assist the Centre in identifying the most appropriate intervention(s).

Opportunity 4: improve data collection and enhance reporting systems

Family violence is a prominent issue across the country, with the issue generally being understood to be more prevalent than the reported statistics. We know from the literature and real time recounts of people who work with children who experience family violence that the impacts of experiencing family violence for children span multiple domains and are long lasting however they are often underreported and difficult to quantify. Improved data collection methods and enhanced reporting systems across the system could assist with real time monitoring of children who experience family violence as well as support the case for investment through quantified evidence of the high prevalence of the issue within society.

Opportunity 5: conduct additional economic analyses to further quantify the benefits associated with successful intervention(s)

The current project allowed us to explore the avoided costs associated with delivering an intervention(s) that yielded positive outcomes and lessened the impacts associated with experiencing family violence for children. Conducting additional economic analyses with a clearly defined intervention(s) could further support the case for change and need for increased investment.

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7. Appendices

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Appendix A

Impacts of experiencing family violence

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Impacts on children who experience family violence

Analysis revealed children who experience family violence are at risk of poorer educational, employment, social and health outcomes

	Short term	Medium term	Long term
Education	Low social success at school. Children impacted by family violence have the tendency to either react too strongly or tune out aggressive cues from other children. This increases their risk of being bullied (Holt, Buckley & Whelan, 2006).	Disrupted schooling such as non-attendance, poor concentration and attention, withdrawal, insecurity, hypervigilance and hyperarousal (Sterne & Poole, 2010).	Lower educational attainment is two times greater for youths with a history of family violence versus those without (Jaffe et al., 2018).
	Significant impact on academic achievement from difficulties concentrating in class and negative home environments (Fry et al., 2018).	Children experiencing family violence have a 13% predicted probability of not graduating from school (Fry et al., 2018).	
Employment	Difficulty concentrating and generalised anxiety, increasing the challenge of attending to and completing workplace tasks (The Domestic Violence Shelter, 2017).	Greater rate of high school drop out and unemployment among youth with a history of family violence (Jaffee et al., 2018).	Greater risk for economic hardship with resultant higher levels of unemployment, lower incomes and fewer assets (Currie et al., 2010).
	Women who have a history of family violence are likely to have greater disruptions to work schedules and are more likely to be casual and/or part time employment (Reeves & O'Leary-Kelly, 2007).		Lower economic standing from reduced productivity, welfare recipient, unemployment and medical costs (Richards, 2011).
	Greater proportion of adults in menial and semi-skilled occupations than controls come from a violent family (Currie & Widom, 2010).		Higher rates of employment instability (Mersky & Topitzes, 2010).

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Impacts on children who experience family violence

Analysis revealed children who experience family violence are at risk of poorer educational, employment, social and health outcomes

	Short term	Medium term	Long term
Social	Increased behavioural consequences, including juvenile delinquency (Mersky & Topitzes, 2010).	Criminal behaviour, poor social networks, risk taking behaviour and substance abuse (Children's commissioner, 2018).	Family violence is the best predictor of adolescent male abusive behaviour and victimisation in intimate relationships for males and females (Holt, Buckley & Whelan, 2006).
	Higher levels of behavioural and social problems in school, and stunted empathy development, resulting in poorer self-esteem (Holt, Buckley & Whelan, 2006).	Family violence is the leading cause of homelessness of children in Australia (Campo, 2015).	More likely to be arrested and incarcerated as an adult (Mersky & Topitzes, 2010).
	Powerful emotions manifests itself in temper tantrums, aggression, resisting comfort, despondency and anxiety (Holt, Buckley & Whelan, 2006).		Lower observed levels of resilience (Mersky & Topitzes, 2010).
	Engaging in repetitive play, regressive behaviour and inhibited independence (Baker & Cunningham, 2009).		
Health	Eating problems, stress-related conditions e.g. asthma and bedwetting (Calder & Regan, 2008). Physical illness and injury e.g. bruises and broken bones (Fortson et al., 2016).	Increased drinking related problems in adolescence (Mersky & Topitzes, 2010).	Increased risk of experiencing mental health issues, participating in drug use, committing suicide, engaging in risky sexual behaviours (Norman et al., 2012).
	Sleep problems and anxiety (Baker & Cunningham, 2009). Posttraumatic stress disorder (Fortson et al., 2016).		
	Depression, self-blame, suicidal ideation, substance abuse, risk-taking behaviour and eating disorders (Children's Commissioner, 2018).		

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Appendix B

Currently available interventions

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Interventions currently available (1 of 2)

Analysis reviewed there are range of interventions currently available however there long term effectiveness is unclear

Intervention	Audience	Key features	Benefits	Sources
Cognitive-behavioural therapy (individual and parent-child)	Children with PTSD or depression following instances of experiencing family violence. Parents who have been substantiated for abuse towards their children.	Key focus on education, capacity skill building, abuse prevention and future orientation.	Reduced likelihood of depression and PTSD, gains in education attainment and employment, reduced reliance on public services such as housing and judicial and improvements in parent-child relationships.	Mihalopoulos et al (2015) Gospodarevskaya et al (2012) Runyon et al (2010) Taussig et al (2010)
Prevention approaches	Targeted towards new parents and families who are at risk of family violence such as those where violence has been present historically or those who are at risk of social and/or economic disadvantage.	A strong emphasis is placed on learning positive parenting skills, establishing healthy relationships, accessing services early and remaining within the service system for regular follow up.	Reduced likelihood of family violence episodes, improved education, school, health and social aspects and improved engagement with services.	O'Neil et al (2018) Australian Research Alliance for Children and Youth (2015)
Attachment, Regulation and Competency (ARC) Framework	Children and youth 0-21 years and families exposed to multiple traumas.	Large focus on building resilience. Incorporates principles of development, trauma, attachment, risk and resilience.	Improvements across social, emotional and behavioural domains. Applicable to a range of trauma exposure types.	Fehrenbach et al (2021) Bartlett et al (2018)
SafeCare®	Parents of children aged 0-5 at risk or reported for child maltreatment.	Early intervention parenting evidence-based model. Provides in home direct skills training, infant and child health, home safety education and parent-child interaction support.	Reduced child abuse and neglect, reduced engagement with child protective services and improved parent-child relationships.	California Evidence-Based Clearinghouse for Child Welfare (The California Evidence-Based Clearinghouse for Child Welfare (cebc4cw.org))
Caring dads	Fathers who have directly abused their children, exposed their children to domestic violence or who are deemed to be at high-risk of these behaviours.	Combination of motivation enhancement, parent education, skills training and direct cognitive-behavioural therapy.	Reduced direct child abuse, decreased frequency of exposure of children to family violence, Improved father-child relationships.	Caring Dads (Caring Dads™)

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Interventions currently available (2 of 2)

Analysis reviewed there are range of interventions currently available however there long term effectiveness is unclear

Intervention	Audience	Key features	Benefits	Sources
The Safe & Together model	Practitioners and organisations who are involved with child protection issues.	Three overarching principles: keeping the child safe and together with the non-offending parent, partnering with the non-offending parent as the default position and intervening with the perpetrator to reduce the risk and harm to the child. Model is customized to ensure the safety and wellbeing of children experiencing domestic and family violence remains forefront.	An all of family approach. Solid evidence to depict usefulness in youth population. Resources and assessment tools available with model.	STACY Project (2020) PATRICIA Project (2017) Safe & Together Institute (2020)
Eye movement Desensitisation and Reprocessing (EMDR)	Children and youth 2-17 years who have experienced trauma.	Psychotherapy designed to alleviate symptoms of trauma.	Effective in reducing severity of PTSD symptoms following trauma.	California Evidence-Based Clearinghouse for Child Welfare (CEBC » Program › Eye Movement Desensitization And Reprocessing (cebc4cw.org))
Early Years Education Program	Children aged 0-3 years facing family stress and social disadvantage.	Dual focus which addresses family stressors/social disadvantages present while also aiming to redress learning deficiencies.	Decrease in requirement for targeted therapy pertaining to impacted social-emotional development, improved resilience, improvements in cognition and educational attainment.	University of Melbourne (2019)
Functional family therapy - Child Welfare (FFT-CW®)	Children and youth aged 0-17 years and families	Designed to improve family dynamics, communication and supportiveness. Decrease frequency and intensity of negative language and dysfunctional behaviors. Delivers a comprehensive service to all family members.	Improved family relationships, decrease in conflict/abuse present, decrease in justice system engagement, improved school attendance and improved connectivity with services.	Anglicare Victoria (Functional Family Therapy - Anglicare Victoria) New South Wales Communities & Justice (FFT-CW | Their Futures Matter (nsw.gov.au))
Neuro sequential model of therapeutics	Children aged 0-17 years and parents/adults	Targeted approach based on identification of the timing and severity of trauma and the resultant influence on brain development.	Structured assessment and deployment of intervention highly individualised to each child, Improved family relationships, improved cognition, school attendance and educational attainment, improved emotional regulation and decreased defiant behaviours	Neurosequential Model of Therapeutics (NMT) Assessment – QIC-AG

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Appendix C

Detailed model inputs

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Economic analysis definitions and parameters (1 of 3)

The key parameters that informed the economic analysis

Variable	Assumption (Costs are annual and have been inflated to 2020-21 dollars)	Source
Target population		
Children 0-19	10,440 children in Victoria who will experience family violence in 2022.	ABS population data Crime Statistics Agency Victoria
Intervention uptake		
Intervention uptake rate	75%	Informed by stakeholder consultation
Wellbeing costs		
Probability of a mental illness	36.1%	Kessler et al (2010)
DALYs per person with a mental illness	0.06 (ages 0-9) 0.09 (ages 10-14) 0.13 (ages 15-19)	Global burden of disease (2019)
Value of a Statistical Life Year (VSLY)	$222,000	Prime Minister and Cabinet (2021)

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Economic analysis definitions and parameters (2 of 3)

The key parameters that informed the economic analysis

Variable	Assumption (Costs are annual and have been inflated to 2020-21 dollars)	Source
Education & employment		
Probability of not completing year 12 (no intervention for children experiencing family violence)	0.13	Fry et al., (2018) – global systematic review & meta-analysis
Wage (less taxes), no post school qualifications	$38,735	ABS (2021)
Wage (less taxes), post school qualifications	$57,065	ABS (2021)
Average income tax rate	23.60%	OECD. https://www.oecd.org/tax/tax-policy/taxing-wages-australia.pdf
Taxes, no post school qualifications	$11,965	N/A
Taxes, post school qualifications	$17,627	N/A
Probability of employment, post school qualifications	79.4%	ABS (2021)
Probability of employment, no post school qualifications	55.9%	ABS (2021)
Jobseeker, single, no children	$16,367	Services Australia (2021)

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Economic analysis definitions and parameters (3 of 3)

The key parameters that informed the economic analysis

Variable	Assumption (Costs are annual and have been inflated to 2020-21 dollars)	Source
Homelessness		
Probability of housing support	45.5%	ABS data/Victorian Crime Database
Cost of out of home support	$65,888	Government Services Productivity Commission. Cost per child aged 0-17 for care services (out of home care and other supported placements)
Median time in out of home care	1 year	Assumption
Justice System		
Cost to justice system	25.8%	Stewart et al., (2005). Note includes children who were maltreated and then offended
Cost to justice system	$147,764	Government Services Productivity Commission. Per child cost 10-17 years on youth justice services.
Health system		
Proportion of male children hospitalise in Victoria (0-19 years)	3.12%	Victorian Crime Database
Proportion of female children hospitalise in Victoria (0-19 years)	2.00%	Victorian Crime Database
Cost of hospitalisations	$7,785	Average health expenditure per person in Victoria

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Appendix D

Detailed model outputs

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Intervention effectiveness sensitivities – Time horizon

Potential benefits based on effectiveness of intervention (7% discount rate, 75% intervention uptake rate) ($ million)

Effectiveness of intervention	10 years	20 years	30 years
1%	$29.7	$36.7	$39.4
2%	$59.4	$73.4	$78.8
3%	$89.1	$110.1	$118.2
4%	$118.8	$146.8	$157.7
5%	$148.5	$183.5	$197.1
6%	$178.2	$220.2	$236.5
7%	$207.8	$256.9	$275.9
8%	$237.5	$293.6	$315.3
9%	$267.2	$330.3	$354.7
10%	$296.9	$367.0	$394.1

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Intervention effectiveness sensitivities – Discount rate

Potential benefits based on effectiveness of intervention (20-year time horizon, 75% intervention uptake rate) ($ million)

Effectiveness of intervention	4% discount rate	7% discount rate	10% discount rate
1%	$42.9	$36.7	$33.5
2%	$85.8	$73.4	$67.0
3%	$128.7	$110.1	$100.5
4%	$171.7	$146.8	$134.0
5%	$214.6	$183.5	$167.5
6%	$257.5	$220.2	$201.0
7%	$300.4	$256.9	$234.5
8%	$343.3	$293.6	$268.0
9%	$386.2	$330.3	$301.5
10%	$429.2	$367.0	$335.0

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Intervention effectiveness sensitivities – Intervention uptake

Potential benefits based on effectiveness of intervention (20-year time horizon, 7% discount rate) ($ million)

Effectiveness of intervention	50% intervention uptake	75% intervention uptake	100% intervention uptake
1%	$24.5	$36.7	$48.9
2%	$48.9	$73.4	$97.9
3%	$73.4	$110.1	$146.8
4%	$97.9	$146.8	$195.7
5%	$122.3	$183.5	$244.7
6%	$146.8	$220.2	$293.6
7%	$171.3	$256.9	$342.5
8%	$195.7	$293.6	$391.5
9%	$220.2	$330.3	$440.4
10%	$244.7	$367.0	$489.3

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