

Evidence based policy and evaluation in NSW

University of Technology Sydney
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Overview

- World class evidence based policy – what's achievable
- Current state – NSW
- Bridging the two

The potential for evidence based policy



The goal is evidence-informed policy



Juvenile Justice

PDF

For questions on benefit-cost results relating to Juvenile Justice, contact [Elizabeth Drake](#).

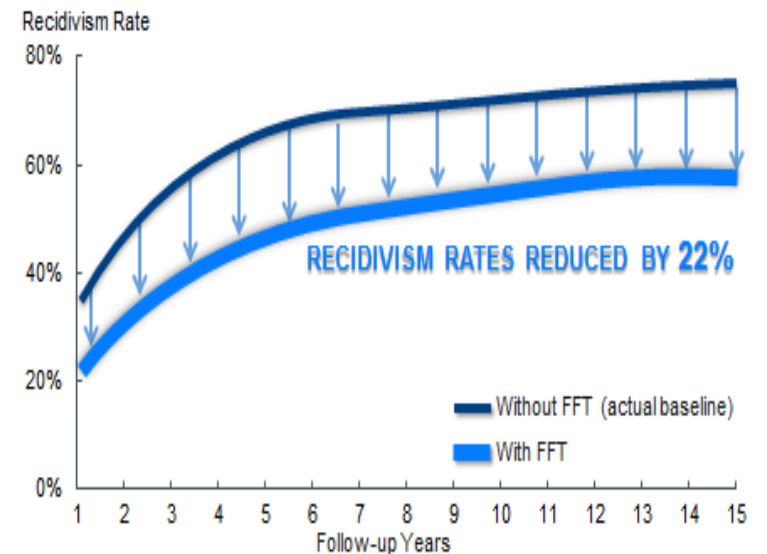
Program name <small>(click on the program name for more detail)</small>	Date of last literature review	Total benefits	Taxpayer benefits	Non-taxpayer benefits	Costs	Benefits minus costs (net present value)	Benefit to cost ratio	Chance benefits will exceed costs
Education and Employment Training (EET, King County)	Dec. 2015	\$36,180	\$9,023	\$27,157	(\$865)	\$35,316	\$41.84	100 %
Cognitive Behavioral Therapy (CBT)	Dec. 2014	\$14,957	\$3,672	\$11,284	(\$395)	\$14,562	\$37.87	94 %
Coordination of Services	Sep. 2015	\$9,869	\$2,758	\$7,111	(\$419)	\$9,450	\$23.55	96 %
Parenting with Love and Limits UPDATED	Jun. 2016	\$39,057	\$9,779	\$29,279	(\$1,705)	\$37,352	\$22.91	98 %
Aggression Replacement Training (youth in state institutions)	Dec. 2014	\$22,870	\$4,816	\$18,054	(\$1,604)	\$21,266	\$14.26	93 %
Functional Family Therapy (youth in state institutions)	Dec. 2014	\$43,696	\$9,813	\$33,883	(\$3,467)	\$40,229	\$12.60	99 %
Aggression Replacement Training (youth on probation)	Dec. 2014	\$16,949	\$4,181	\$12,768	(\$1,603)	\$15,347	\$10.58	92 %
Functional Family Therapy (youth on probation)	Dec. 2014	\$30,792	\$8,017	\$22,775	(\$3,470)	\$27,322	\$8.87	99 %
Other family-based therapies (non-name brand)	Sep. 2015	\$15,145	\$3,675	\$11,470	(\$1,812)	\$13,333	\$8.36	96 %
Victim offender mediation	Apr. 2012	\$3,553	\$1,089	\$2,465	(\$615)	\$2,938	\$5.77	75 %
Wilderness experience programs	Sep. 2015	\$27,408	\$8,367	\$19,041	(\$6,462)	\$20,946	\$4.24	100 %
Mentoring	Jun. 2014	\$13,685	\$4,267	\$9,417	(\$3,300)	\$10,385	\$4.15	84 %
Therapeutic communities for juveniles with substance use disorder	Dec. 2012	\$19,340	\$4,529	\$14,811	(\$4,717)	\$14,623	\$4.10	83 %
Intensive supervision (parole)	Sep. 2015	\$6,768	\$1,660	\$5,108	(\$2,156)	\$4,611	\$3.14	68 %
Functional Family Parole (with quality assurance)	Jan. 2013	\$11,916	\$3,078	\$8,837	(\$4,618)	\$7,297	\$2.58	71 %
Family Integrated Transitions (youth in state institutions)	Dec. 2014	\$29,044	\$7,132	\$21,912	(\$11,948)	\$17,096	\$2.43	75 %
Multisystemic Therapy	Apr. 2012	\$18,935	\$4,651	\$14,284	(\$7,834)	\$11,102	\$2.42	84 %
Multidimensional Treatment Foster Care	Jun. 2014	\$17,432	\$4,575	\$12,857	(\$8,379)	\$9,054	\$2.08	62 %

The Washington State approach

Outcomes in Washington State

- Juvenile arrest rates declined 62% relative to national rate of 48% (since 1990)
- Reconviction rates across all prison release cohorts trended downward (1990-2006).
- Non drug crime rate dropped (each year since 2005)
- Crime rates down without increased incarceration
- **State incarceration rate ~56% of national rate**

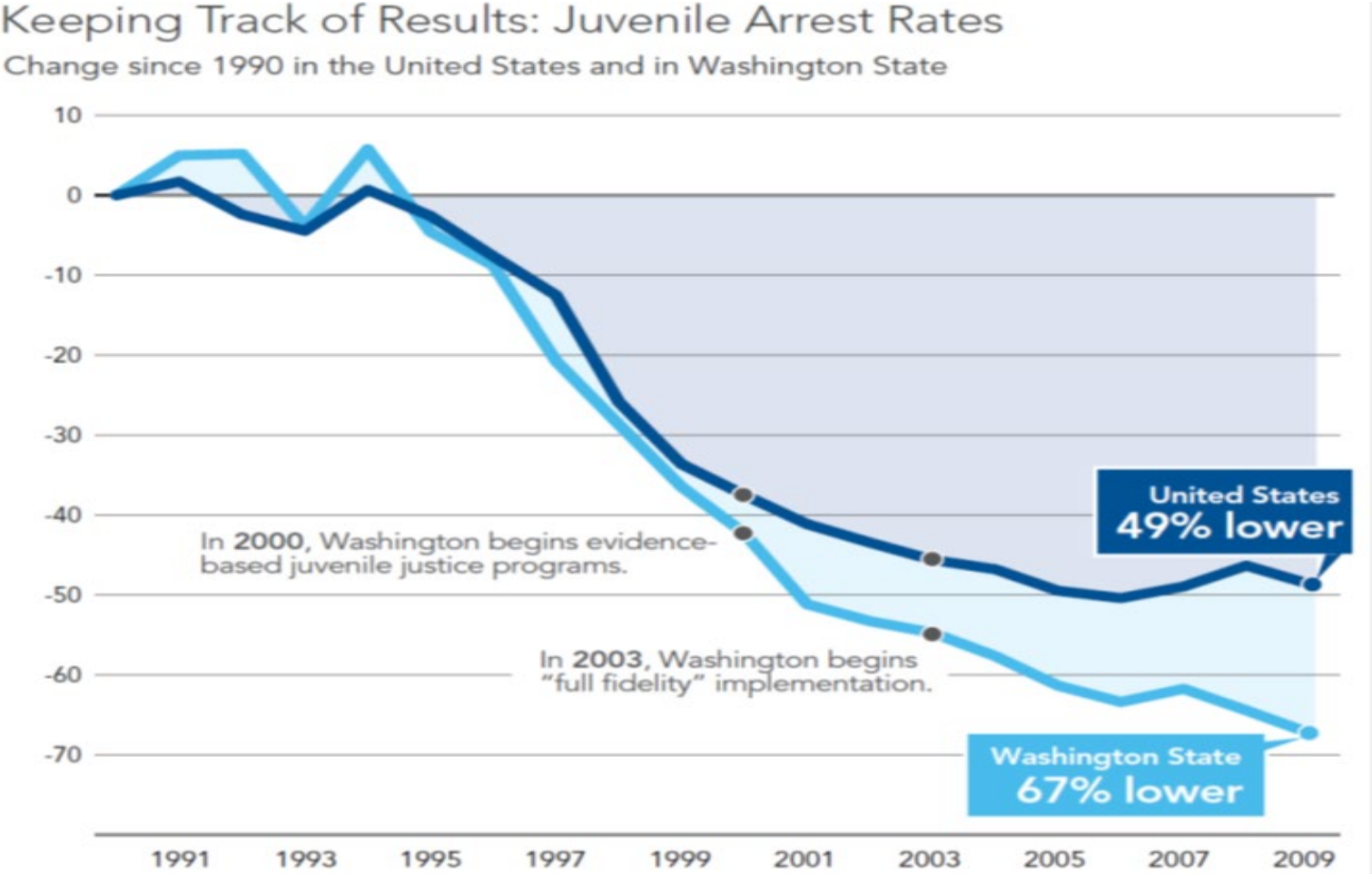
EXAMPLE: Meta-analysis of Functional Family Therapy



Source: Washington State Institute for Public Policy

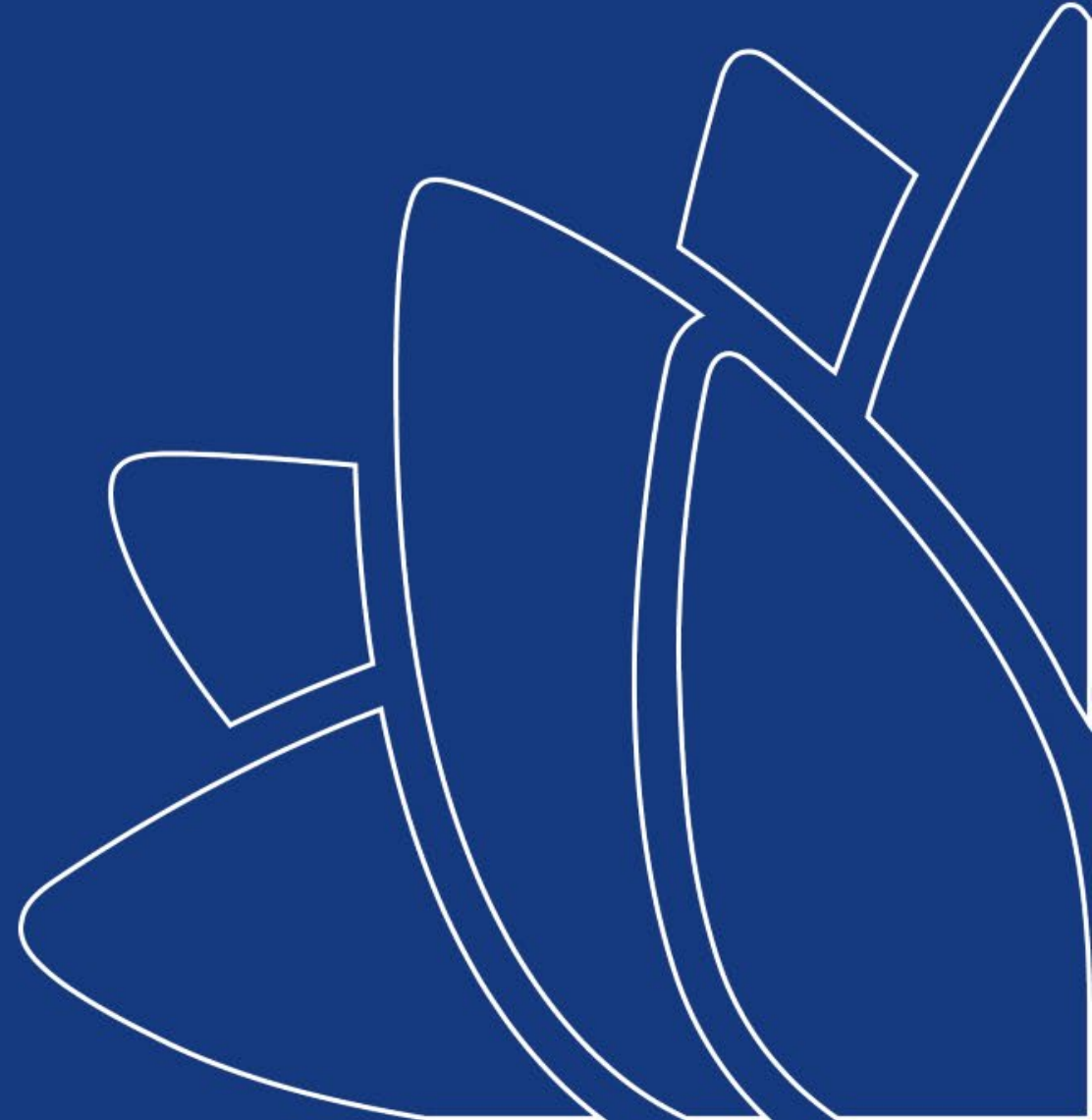
What's achievable - better outcomes

Outcomes in Washington State – reduction in juvenile arrest rates



Source: Washington State Institute for Public Policy and The Pew-MacArthur Results First Initiative

Current state NSW



Identified weaknesses in resource allocation

Criticism by major reviews

▶ NSW Commission of Audit 2012:

- “The matrix by which program effectiveness is measured need to be significantly improved to ensure that the full long term costs and benefits are incorporated in the calculation of public benefits from programs.”

▶ NSW Financial Audit (Lambert Report) 2011:

- “There is no process for systematically evaluating expenditure on the stock of current programs – either to avoid duplication and overlap; or to identify policies that are ineffective or fail to provide good public value, and which could make way for other policies that yield higher public value outcomes at a lower cost.”

Purpose of NSW pilot project



- Test feasibility of cost-benefit assessment model



- Using NSW criminal justice sector data



- Establish potential for use in NSW
- Establish evidence base of 'what works' to support policy decisions
- Develop tool to link the evidence base to resource allocation



Key model inputs

- Marginal costs of detection, conviction and custodial care
- Victim impacts (direct and indirect), resource use and costs to society
- Recidivism rates, resource use rates, offending base rates
- Incapacitation, simultaneity and elasticity metrics
- Policing and prison population headcounts
- Earned income by single year of age and educational attainment: used in model for early years interventions
- Evidence library: effect sizes of intervention outcomes

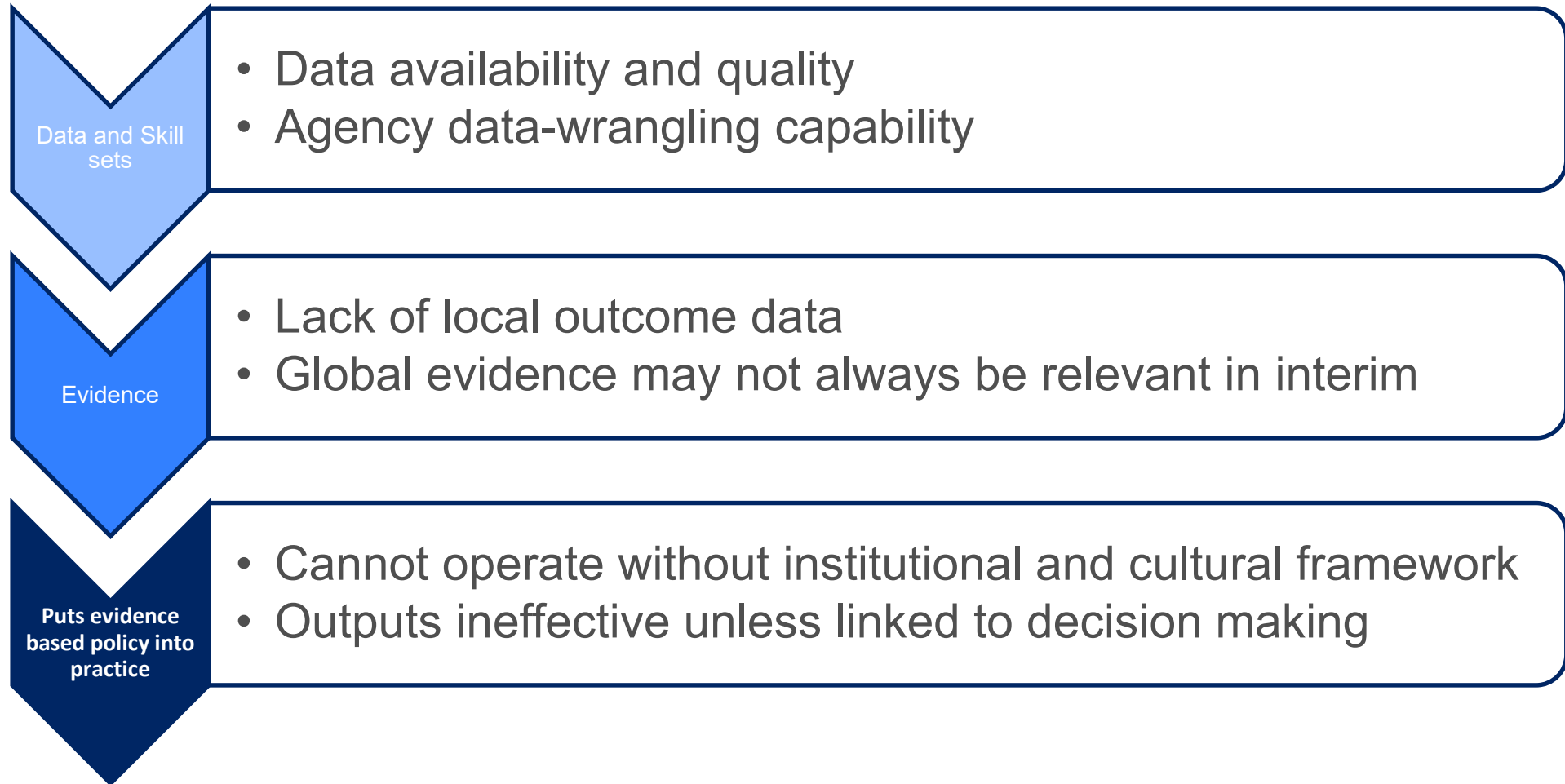


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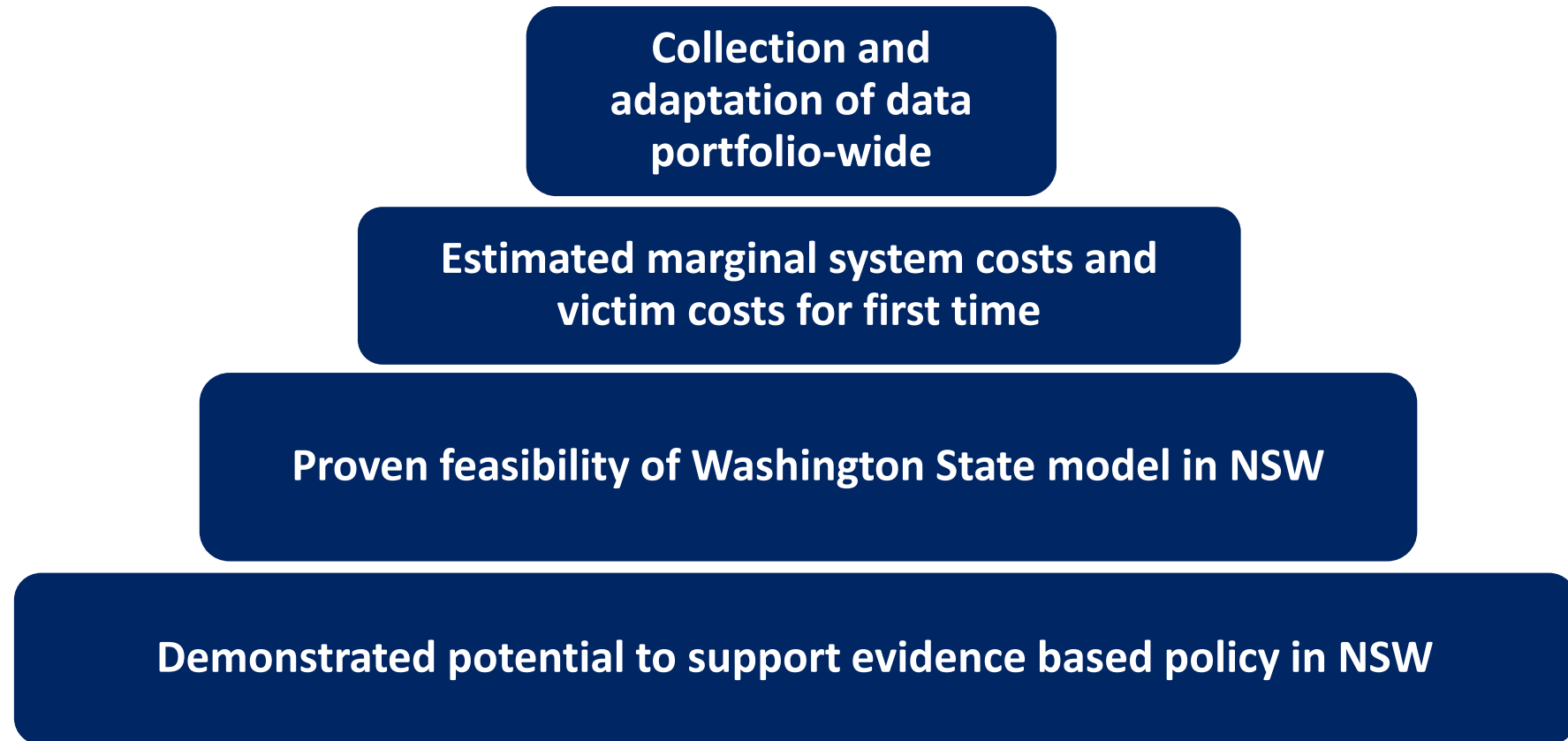
Limitations

And what would be required to replicate capability in NSW?





Results of NSW Pilot



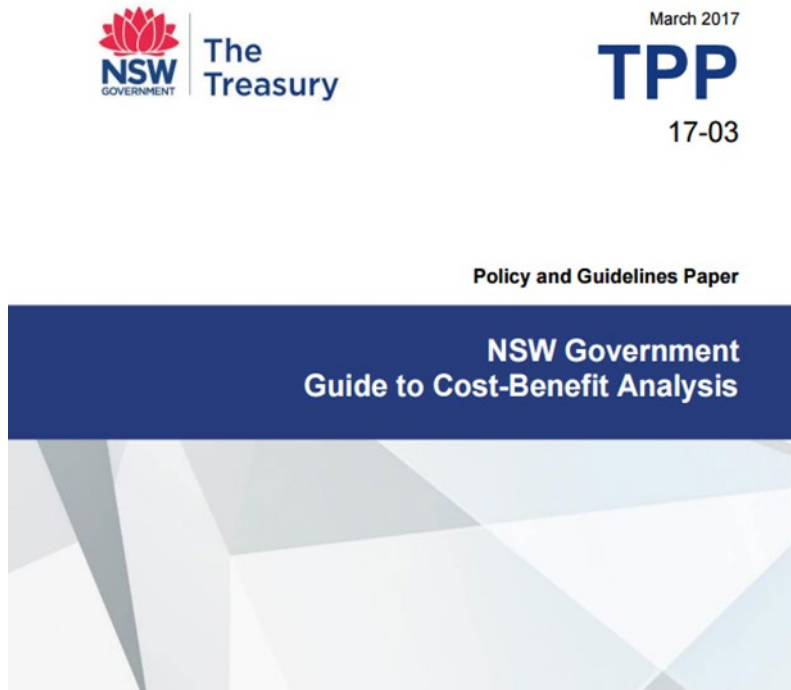
Centre for Evaluation and Evidence

Setting the policy standards

Building capacity to meet policy standards

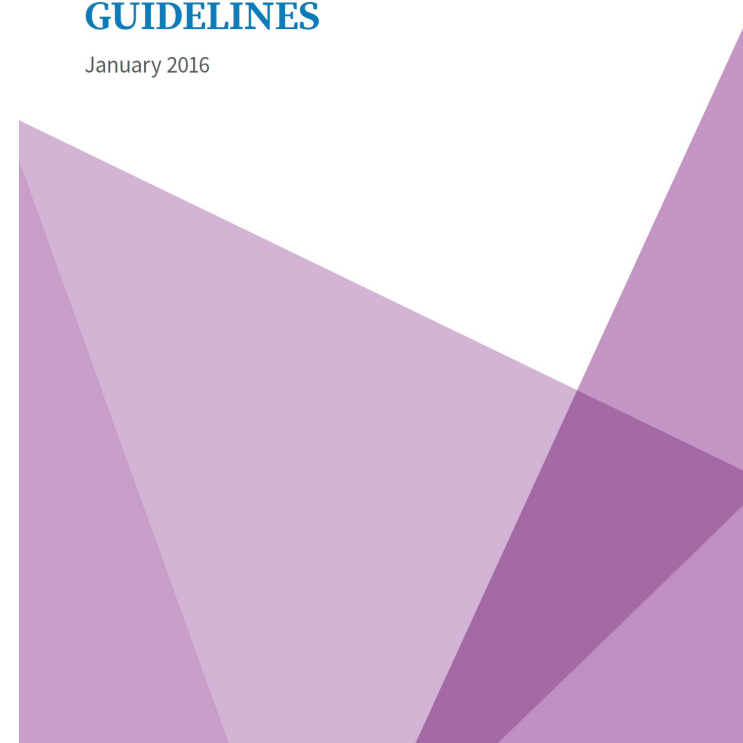
Strengthen links to policy and resource allocation decisions

NSW policy for ex-ante and ex-post evaluation

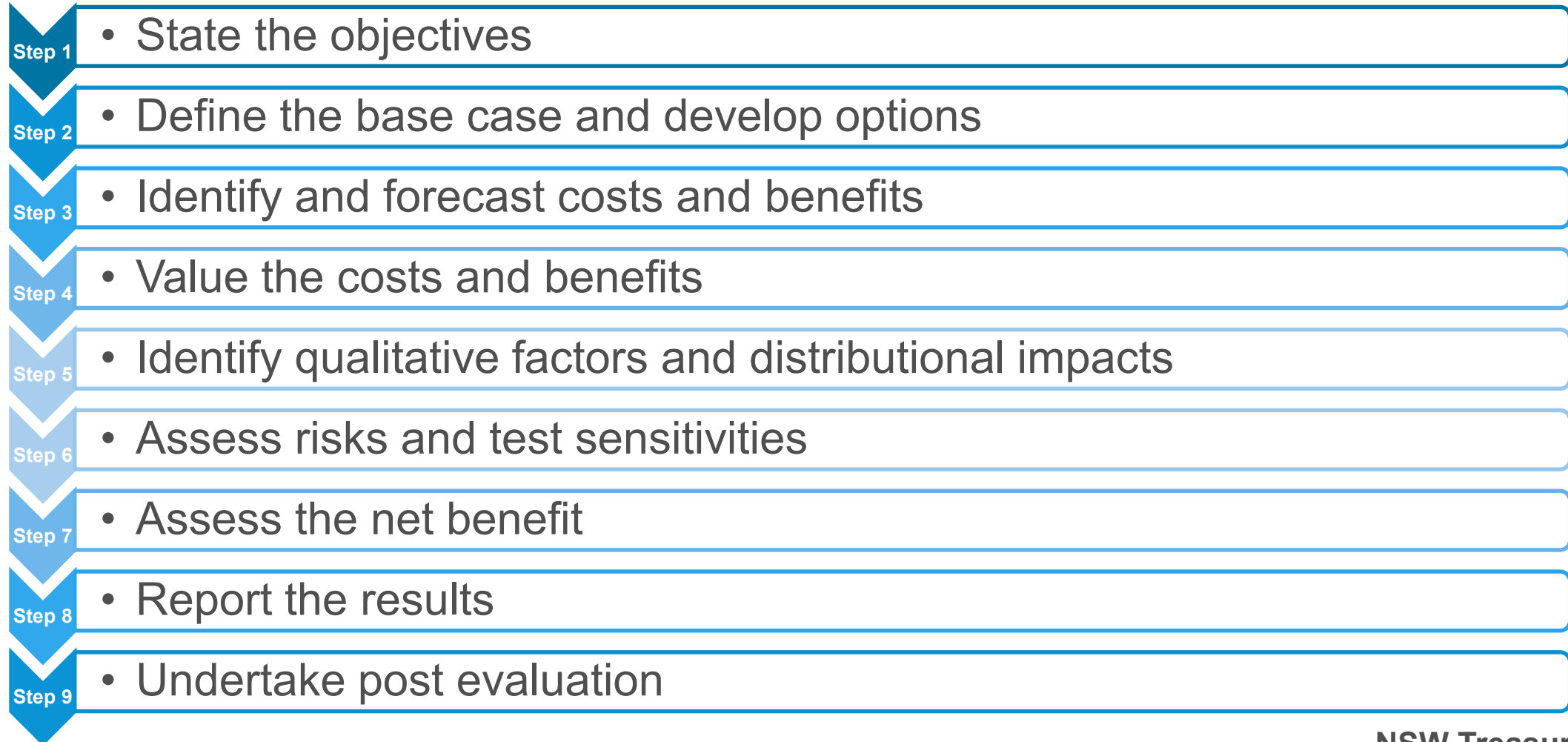


NSW GOVERNMENT PROGRAM EVALUATION GUIDELINES

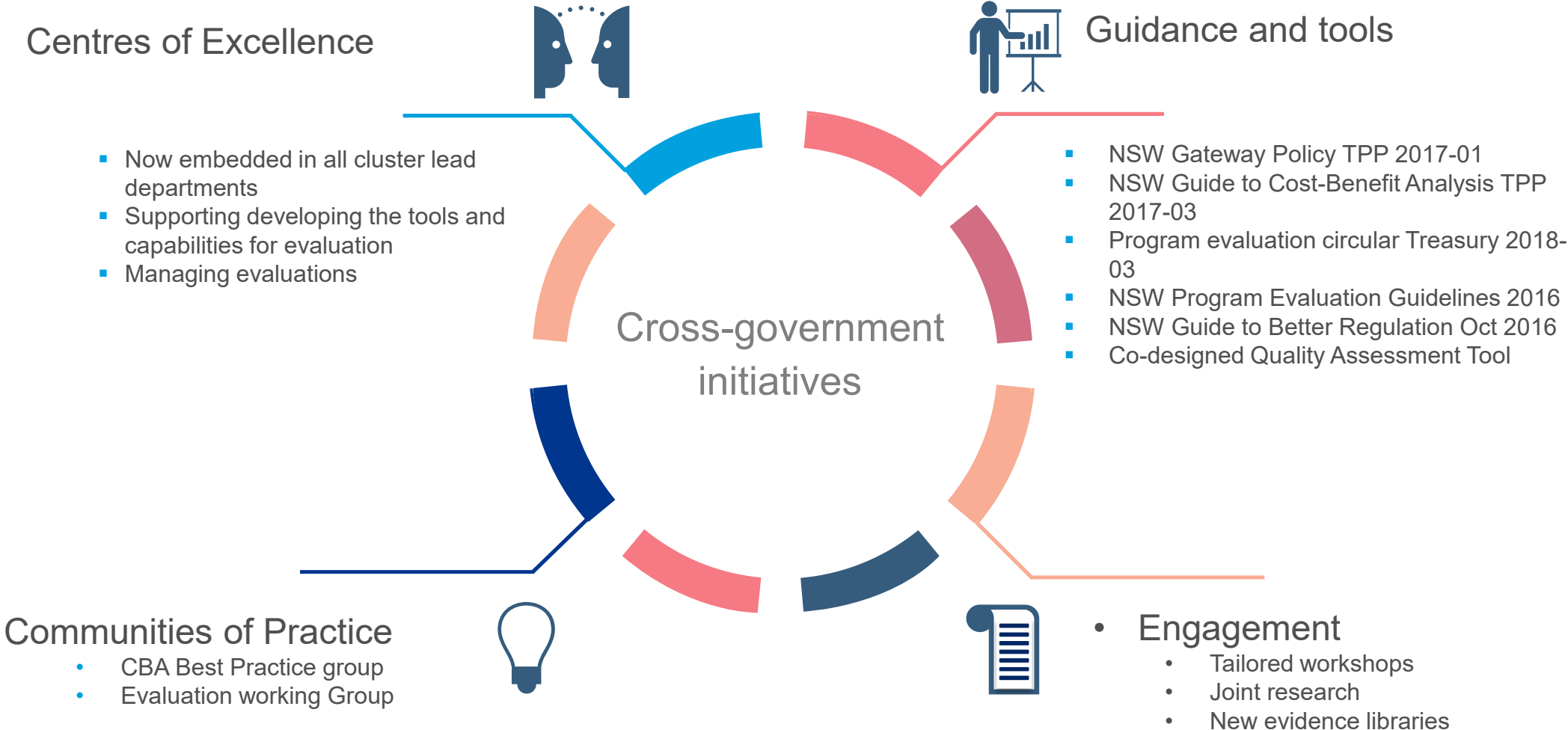
January 2016



Ex-ante evidence for new policy proposals

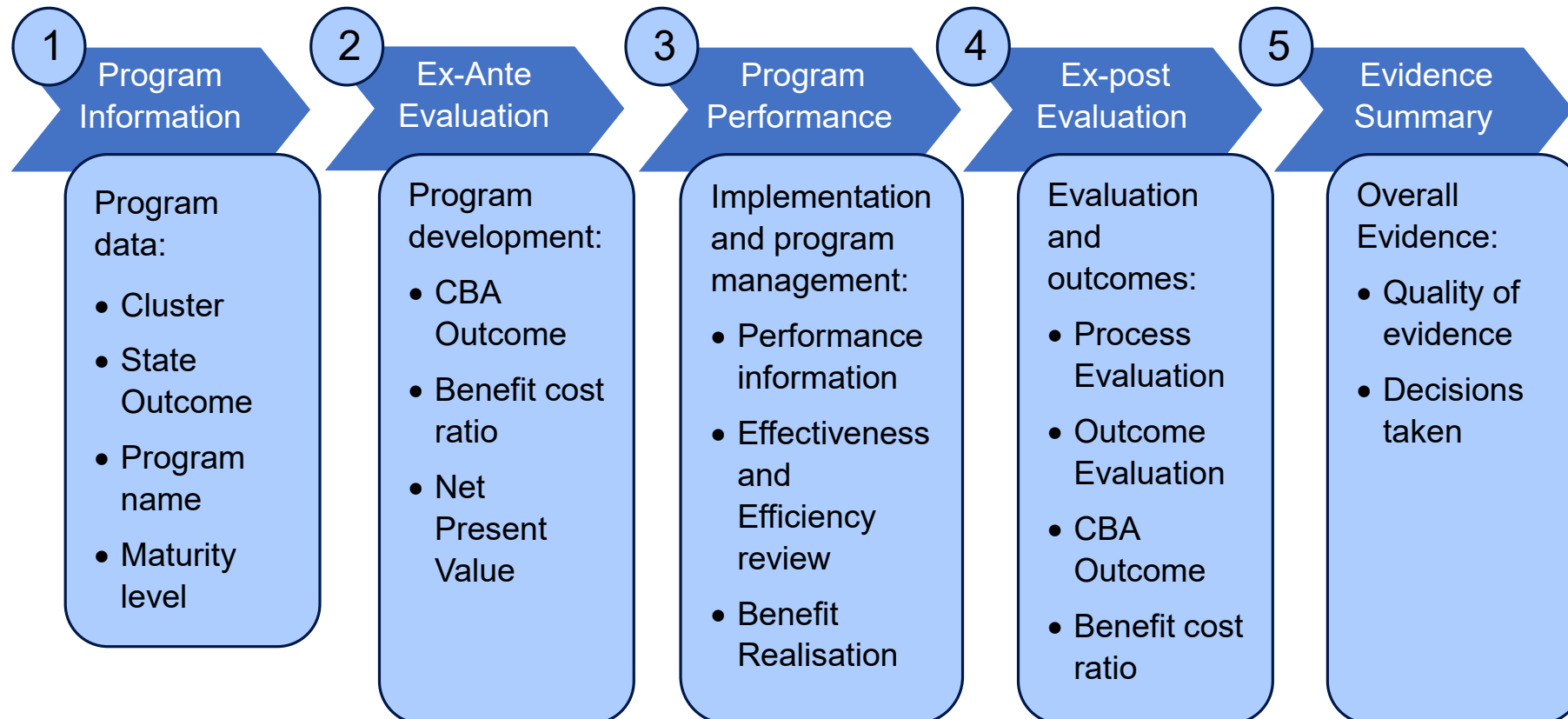


Building capacity across the NSW public sector



Building an evidence library

Evidence will be gathered throughout the policy development lifecycle, including, Budget process and funding requests, reviews and evaluations and final program evaluations



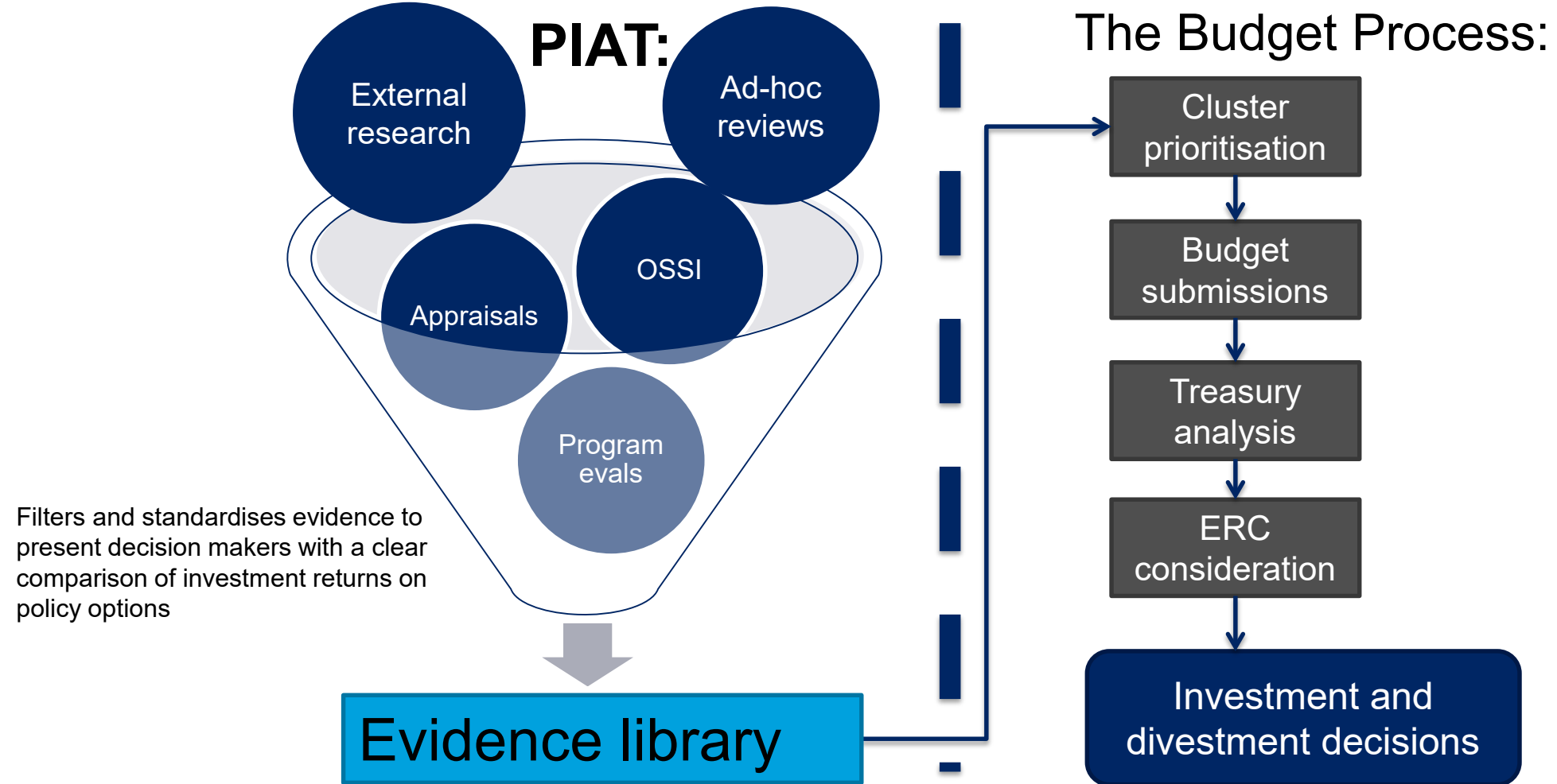
Evidence as an input to decision-making

Ties to resource allocation



Building Policy Impact Assessment Capability

Modelled on the Washington State Institute for Public Policy Approach (WSIPP)



Outcome Evaluations and Outcomes Budgeting		
Outcomes Budgeting	State Outcomes	Describes what the government is seeking to achieve for the people of NSW with Budget funds.
	Outcome Indicators	A measure of effectiveness that can reasonably demonstrate to the public the performance of the Government in achieving the specific State Outcome.
	Program Groups	An administrative mechanism to hold together all relevant and related Programs that specifically contribute towards a particular State Outcome.
	Programs	The collection of activities, tasks, divisions or functions of an agency, to deliver specific outputs that contribute towards achieving a State Outcome.
	Program KPIs	A quantitative or qualitative measure of Program performance that is used to demonstrate change and which details the extent to which Program results are being or have been achieved. (e.g. input, output, efficiency, effectiveness, and/or equity KPIs)
Evaluations	Initiatives	Individual capital, recurrent and/or regulatory policy proposals.
	Initiative KPIs	Benefit cost ratios, net present value, performance monitoring data and post evaluation findings for an initiative.

► How to get there?

- Mindset
- Skillset – e.g. tools to make CBA & evaluation easier
- Dataset
- Process – e.g. 1-3% of program budget for ex-ante & ex-post evaluation
- Durable ties to policy decisions and resource allocation

► Returns on this ‘evaluation investment’ are high



Thankyou
