



NSW Department of
Community Services

Costing Manual for Child and Family Services in New South Wales

2008/09

BRIGHTER FUTURES EARLY INTERVENTION PROGRAM

Service System Development Division

No part of this report is to be cited without the permission of
Service System Development Division
September 2008

Table of Contents

1	Introduction	3
2	Indicative EI caseworker costs	4
3	Brighter Futures	7
5	Brighter Futures EI Costing Tools	11

1 Introduction

Long-term studies have shown that early intervention (EI) programs can have long-term benefits for children and families by promoting healthy child development, increased resilience, reinforced family relationships and reduced abuse and neglect, all of which help prevent the need for intensive services later on.

A wide range of service models is employed in the sector, consisting of different packages of a number of service components. In this document, the key service components considered are:

- case management
- home visiting
- child care
- supported playgroups
- parenting programs

The Brighter Futures EI costs have been estimated for each service component separately. The total service cost per family can be determined by adding up the service components applicable to a particular family's circumstances.

This chapter sets out the development of 2008/09 indicative unit costs for:

- EI caseworkers (costs per FTE and family)¹
- Brighter Futures EI service components
 - case management
 - home visiting
 - child care
 - supported playgroups
 - parenting programs

Costs for a direct worker have been calculated by 'loading' indirect and other associated costs onto the direct worker cost. The unit costs for service delivery vary depending on the service and support needs of each client.

The costs for service delivery vary depending on the service and the support needs of the family. Average service parameters for a family are used for each category of service, which in turn determines the service costing for each component. An annualised cost per family placement has been used i.e. the program cost that would be required if a family were to be served for a full year.

Unit costs are based on the true cost to deliver a service, irrespective of funding sources. For example, a service could receive 30% of funding from one department and 70% from another. Variations in input cost levels, workforce profile and service intensity will impact on indicative unit costs.

¹ Note: In the Costing Manual, direct staff are generally taken to be 'caseworkers' but it is acknowledged that different job titles, such as 'family workers' and 'case coordinators' are sometimes used.

2 Indicative EI caseworker costs

The indicative EI direct worker cost per caseworker (one FTE) consists of the total labour cost (per FTE) and total non-labour costs (per FTE) associated with casework activity. The total labour costs per FTE comprise the salary of the direct worker as well as a loading for the labour costs of indirect support staff (eg. supervisors, administrative staff, etc), and salary oncosts. Total non-labour costs per FTE include operating costs and agency overheads associated with the defined workforce profile (that is, apportioned on a per FTE basis).

The cost per direct client hour is estimated by dividing the total loaded cost per worker by the number of service hours available for working with clients.

In addition to the indicative levels of caseworker unit costs and costs per direct client hour, a range of lowest and highest unit costs are shown, based on acceptable cost variations within the sector. All cost estimates and parameter values are based on the data received from agencies and standard caseloads from the literature².

Table 1 provides estimates of the indicative loaded EI caseworker unit cost in total, and per direct client hour, for 2008-09 (including low and high estimates).

Table 1 Indicative EI caseworker unit costs

Caseworkers - Indicative Unit Cost per FTE	Low Range	High Range	Indicative Cost
Unit Labour Costs (per FTE)			
Caseworker Base Salary	\$47,900	\$58,540	\$53,220
Direct Supervisor Allocation	\$10,390	\$12,690	\$11,540
Admin and Other Indirect Support Allocation	\$18,670	\$22,810	\$20,740
Salary Oncosts	\$13,370	\$16,340	\$14,851
A. Total Unit Labour costs	\$90,330	\$110,380	\$100,350
Unit Non-Labour Costs (per FTE)			
Motor Vehicle			\$13,240
IT/Computer			\$4,920
Telecommunications			\$1,310
Stationery/postage/printing			\$1,610
Depreciation and Equipment Maint.			\$1,960
Staff Training			\$3,630
Accommodation			\$10,360
Corporate Overheads & Other			\$26,100
B. Total Unit Non-Labour Costs	\$56,820	\$69,440	\$63,130
Total Loaded Cost per FTE (A+B)	\$147,150	\$179,820	\$163,480
Labour Cost Factor			61%
Non-Labour Cost Factor			39%
Total Available Hours			1,626
% of time - non client related			20%
Service Hours Available			1,301
Cost Per Direct Client Hour	\$113.1	\$138.2	\$125.6

² Standard caseloads adopted for the Brighter Futures Early Intervention Program are based on international research and practice summarised in the DoCS Technical Report on Caseloads in Child and Family Services (2006).

In order to determine the total Loaded Cost per FTE and Cost per Direct Client Hour, various parameters were used, as shown in Table 2 and Table 3.

Table 2 Labour Parameters

Labour	Low Range	High Range	Indicative level
Supervisor Base Salary (per FTE)	\$62,320	\$76,160	\$69,240
Admin Support Base Salary (per FTE)			
Supervisor to Caseworker Staff Ratio			1:6
Admin to Caseworker Ratio			

Table 3 Salary oncosts

Salary Oncosts	% of Base Salary
Superannuation	9.00%
Long service leave	2.85%
Worker's compensation	4.00%
Leave loading	1.35%
FBT	0.17%
Total Salary Oncosts	17.37%

Table 4 Calculation of working hours for direct and client-related works

Work Availability	Low Range	High Range	Indicative level
Days in a year	365	365	365
Less			
Weekends	104	104	104
Public Holidays	10	10	10
Recreation Leave	24	16	20
Sick Leave	12	8	10
Training	8	6	7
Days Available	207	221	214
Available Hours (@38 hours per week)	1,570	1,683	1,626
% Time spent on non client related activities	24%	16%	20%
No. of effective service hours	1,193	1,413	1,301

Table 4 above shows the estimated effective hours for caseworkers. In order to estimate hourly costs for different types of staff, it is necessary to know the way in which they use their working time. The costing manual has categorised caseworker time utilisation as:

Work availability:

- total available time for work activities

Non-client related:

- activities that do not concern specific clients, but are essential to the overall running of the service e.g. team meetings, supervision and general administration

Client Related:

- face-to-face contact
- client-related activities that do not actually involve contact with the child and family but are directly related to client work e.g. telephone calls to coordinate care and travel time

It is assumed that a worker devotes 76-84% of time to direct service delivery and client-related activities and 16-24% to training, staff meetings, supervision etc.

3 Brighter Futures

Brighter Futures is a voluntary program that provides targeted support tailored to meet the needs of vulnerable families with children under 9 years or who are expecting a child. Brighter Futures provides families with the necessary services and resources to prevent an escalation of emerging child protection issues. It aims to strengthen parenting and other skills to promote the necessary conditions for healthy child development and wellbeing. Common service components include:

- casework support and home visiting
- childcare
- parenting program
- brokerage

Table 5 provides 2008/09 estimates of the indicative costs per family in the first and second year of the Brighter Futures program.

Table 5 Indicative costs per family: Brighter Futures

Brighter Futures - Unit cost per Family	Low range	High range	Indicative Cost
Total Caseworker FTE Cost (from Table 1)	\$147,130	\$179,830	\$163,480
Caseload Year 1 (from Table 9)			9.4
Caseload Year 2 (from Table 9)			16.8
(A1) Casework Support	\$15,710	\$19,210	\$17,460
(A2) Casework Support	\$8,770	\$10,710	\$9,740
(B) Childcare (from Table 10)	\$4,660	\$5,700	\$5,180
(C) Parenting Programs (from Table 11)	\$1,080	\$1,320	\$1,200
(D) Brokerage (from Table 12)	\$1,350	\$1,650	\$1,500
Year 1 Average Annual Cost per Family (A1+B+C+D)	\$22,800	\$27,880	\$25,340
Year 2 Average Annual Cost per Family (A2+B+C+D)	\$15,860	\$19,380	\$17,620

The following sections provide parameters underpinning these indicative cost estimates of the Brighter Futures program.

3.1 Casework support

Casework support is a combination of the processes of assessing, identifying and supporting service delivery options required to meet the objectives and goals established in the client's case plan. Key activities include:

- case planning and assessment
- service coordination and monitoring
- closure and exit planning

Table 6 provides average hours per family per year of Brighter Futures casework support.

Table 6 Casework support hours per year

Casework support	Average hours per family per year
Year 1	90
Year 2	60

3.2 Home visiting

Home visiting can improve the well-being of young children, especially where the mother/family is expecting a child and has low levels of social support.

- Home visiting may be conducted by a caseworker, nurse or social worker. Home visiting may also be supplemented by volunteer support, which requires the caseworker to spend time selecting and supporting volunteers. Depending on the model used, the home visitor may also be the case manager. The main activities a caseworker will undertake for a home visit are preparation, travel to and from the site, writing reports and of course, conducting the visit itself.

Table 7 presents time required for a home visit and Table 8 presents a typical home visiting schedule.

Table 7 Time required for home visiting

Home Visiting	Ave. Hours per Home Visit
Preparing for visit	0.5
Travel (2 ways @ 0.5 hr)	1.0
Duration of home visit	1.5
Writing up reports	0.5
Total time required (hrs)	3.5

Table 8 Home visiting schedule: Brighter Futures

Home visiting	Year 1	Year 2
Average Visits per Family per Year	14	5
Total Home Visiting Hours per Year	49	17.5

Table 9 presents the estimated caseload of Brighter Futures caseworkers, given the available service hours and the total caseworker hours per family in each year (casework and home visiting hours)

Table 9 Estimated caseload: Brighter Futures

Caseload per FTE	Average Hours per Family: Year 1	Average Hours per Family: Year 2
A. Direct Caseworker: Number of effective service hours	1301	1301
B. Casework Hours	90	60
C. Home Visiting Hours	49	18
Estimated caseload (A/(B+C))	9.4	16.8

3.3 Childcare

Those families eligible for the Brighter Futures program are also provided with subsidised childcare for 120 days per child per year. The amount of the Brighter Futures' subsidy is the cost to the family after the CCB and Child Care Tax Rebate. An average of two children per family per year is also assumed.

Table 10 presents Brighter Futures childcare costs.

Table 10 Childcare costs per family per year: Brighter Futures

Childcare	Average cost per family
Average childcare weeks per year	48
Average days per week	2.5
Days per child per year	120
Full cost per day	\$65
<i>minus Child Care Benefit (CCB) & Tax Rebate</i>	\$43
DoCS or agency cost per day	\$22
Cost per child per year ³	\$2,592
Average number of children per family	2
Cost per family per year	\$5,184

3.4 Parenting programs

Brighter Futures parenting programs help parents improve their relationship with their children, and prevent or address a range of issues families face including managing children's behavioural and emotional problems.

Table 11 shows how the costs per family per year in Brighter Futures parenting programs have been estimated.

Table 11 Parenting program costs per family per year: Brighter Futures

Parenting Programs	Cost
Staff preparation time (hours per session)	2
Staff attendance time (hours per session)	6
Hourly labour costs	\$100
Labour cost per session	\$800
Miscellaneous operating cost (books, biscuits etc)	\$100
Centre facility cost (incl. utilities)	\$100
Total Cost per session	\$1,000
Number of families per session	10
Cost per family per session	\$100
Average number of sessions per family per year	12
Cost per family per year	\$1,200

³ Figures subject to rounding error.

3.5 Brokerage

Brighter Futures Program brokerage provides material aid, financial aid and specialist services. Table 12 provides brokerage cost estimates per family per year.

Table 12 Brokerage cost per child per year: Brighter Futures

Services/brokerage	Cost per child per year
Material aids	\$150
Respite care	\$300
Specialist service - counselling	\$150
Support service - interpreter	\$150
Ave. per family each year	\$750
Ave. children per family	2
Cost per family per year	\$1,500

5 Brighter Futures EI Costing Tools

This section provides links to the Excel-based Brighter Futures EI costing model tools and job aids developed as part of the Costing Manual Project and includes details on type of data needed and the potential data sources. The job aids are a detailed set of instructions on using costing model tools, which include illustrative examples on the type of data required, information sources, cost elements, model assumptions, and handy tips to help in filling out the Excel costing templates.

While the indicative costings provided above reflect the data obtained from a range of organisations, it will be important for individual services to develop their own cost estimates using the tools and job aids provided to gain a better understanding of their specific costs and cost drivers. This would also enable cost comparisons with the range of costs provided in the manual and provide opportunities for benchmarking.

The basic user requirements of the Excel data input templates for NGO and DoCS staff include:

- a basic understanding of Excel
- a basic understanding of costs and costing principles
- a good understanding of the organisation's structure and cost centres

Data can be acquired from various sources within the finance, management and service delivery areas of organisations to define indicative unit costs for key service types. Finance staff can assist in providing data related to general ledgers and the actual costs associated with operations. Additionally, management and service delivery staff can help provide information related to workforce profiles, service time availability and service intensity (e.g. caseload).

Data requirements are summarised in Table 13.

Table 13 Data requirements for the EI costing model

Data requirements	Cost inputs
1. General ledgers and chart of accounts based on indicative annual data including transaction history reports	<ul style="list-style-type: none"> labour costs e.g. salaries and salary oncosts of direct and indirect client support staff direct operating costs including non-labour costs e.g. motor vehicle, IT/computer, telecommunications, stationery / postage / printing, staff training, depreciation and equipment maintenance and other related organisation specific operating costs
2. NGO workforce utilisation & client profile related data	<ul style="list-style-type: none"> staff mix, staffing levels, average salary per levels, salary oncosts, caseload support levels, service time availability, training allocations caseload volume per caseworker volumes of clients managed per year by service type (e.g. home visiting, parenting programs, supported playgroup) intensity of service/cost usage (e.g. motor vehicle usage)
3. Home visiting assumptions	<ul style="list-style-type: none"> visiting schedules service hours per visit
4. Supported playgroup assumptions	<ul style="list-style-type: none"> average number of playgroup sessions per client family per year number of client families per playgroup session
5. Parenting program assumptions	<ul style="list-style-type: none"> average number of client families per parenting session average number of parenting session per client family per year
Other (if needed):	
6. NGO organisation profile	<ul style="list-style-type: none"> organisation design & organisational charts annual reports
7. Other miscellaneous reports related to client needs and service delivery requirements	<ul style="list-style-type: none"> indicative direct client costs (by placement type and/or client needs)

The Brighter Futures Early Intervention Costing Model can be accessed via.
http://www.community.nsw.gov.au/docswr/_assets/main/documents/cost_manual_ei.xls

Brighter Futures EI Job Aid

The purpose of the Brighter Futures Early Intervention Costing Model Job Aid is to assist DoCS and NGO service providers in using the Excel based Costing Model tool.

The Job Aid provides screen shots with input tips and detailed instructions illustrating how to:

- save a cost model file to local disk
- define staff profile and associated costs
- define staff utilisation for direct and non-direct client related activities
- define NGO operating costs for a central office
- define service delivery assumptions and associated costs

The Brighter Futures EI Job Aid can be accessed via

http://www.community.nsw.gov.au/docswr/assets/main/documents/cost_manual_ei_aid.pdf