

WRITTEN SUBMISSION TO THE PRODUCTIVITY COMMISSION-MORE EFFECTIVE SOCIAL SERVICES INQUIRY

Having regard to the context of the report and its original terms of reference the implication throughout the draft report is that many providers are not already innovative in their approaches to delivery of services –some qualification should be made of that in the final report. Similarly, many agencies take their professional reputation seriously and are already risk averse in that respect; this is not a disincentive however to ensuring that clients have the best fit for their service, in fact many agencies are doing very well at evaluating their services and expanding those that offer higher effectiveness. While some agencies may lack clarity about their part in the system, many do not, and they have a strong track record in delivering services collaboratively – those models if sought out by the Commission could be used as examples (of effective social services) in the final report.

While the scope of the report is about ‘effective’ social services the idea of achieving ‘efficiency’ (in the way that services are commissioned etc) is understandably a central theme in the draft report, but the fact that “New Zealand is not the only country grappling with ways of improving the outcomes from their large expenditure on social services” is on its own, not a bad thing. Potentially (arguably of course not economically) there is a choice about how much we spend; while that is outside the scope of the terms of reference, the bias that this leads to in respect of the recommendations of the report (by leaving out that consideration) cannot be disregarded.

The notion that clients lack choice in using providers is not well enough supported or evidenced in the draft report, we would ask that these statements be made less ambiguous in the final report.

It is likely that many submitters who are providers would disagree with the concept of introducing a form of social insurance and we strongly oppose the suggestion of that ideal in the draft report. In our view the care of those in our community should not be delegated to (for profit) businesses. It is agreed that Government do not take enough opportunity to consider cross-service budget allocation and service integration and we would support exploring models of achieving that further. This could be similar to the overall reform strategy recommended in the report.

To answer the question – ‘how can Government agencies manage contracting processes in a way that best leads to the development and dissemination of innovative approaches to service design and delivery?’ requires that Ministers from each Government department clearly communicating with their CE's (and their staff), particularly their contracting staff, how they should collaborate/ communicate when engaging with providers-a cross agency/department protocol for this needs to be established to set out this process - it should be simpler though and more consultative than the current Community Investment strategy that has been drafted.

Developing data-sharing partnerships between the government, non-government organisation and academics in our view requires reconsideration of the language being used to describe 'outcomes' - suggesting "social problems" can be solved by single or multiple providers is a deficit approach which presupposes that 'social ills' are caused by individuals who have some control over personal circumstances which are frequently out of their control; using language such as "social

issues" widens the discussion around 'what works' and takes away the notion that if providers fail to deliver positive outcomes it is somehow solely their fault or the fault of their clients.

Has the Commission adequately understood the challenges of devolving funding? The Report does not go far enough in its discussion around what are regarded as quality services or how 'quality' can be measured (and from whose perspective). While the report offers up the idea of a single outcome framework (now prematurely picked up in the draft MSD Community Investment Strategy) there needs to be more work done around how we should measure impact (there are some excellent examples of ways of doing that in some of the UK literature (e.g. see <http://www.thinknpc.org/publications/>)

The themes extrapolated in the report are reasonable considering their context (particularly the terms of reference), we would suggest however reworking areas of priority when considering benefits of restructuring the sector overall and the commissioning of social services; the first priority is about the benefits to wider society followed by benefits to the economy and government, not the reverse order. Unfortunately there are already reviews underway (e.g. Modernising project for CYF) that suggest that some of the themes in the report such as improving system stewardship are already being overlooked-the CYF review is therefore ill-timed, having not given sufficient time for this report to be finalised and its recommendations then included in a wider system review across government departments, and, more importantly with those involved in contracting and purchasing social services.

Thank you for the opportunity of making this submission.

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