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New Productivity Commission inquiry – Enhancing productivity and value in public services

The Government has asked the Productivity Commission to investigate ways to improve the delivery of public services in New Zealand.

The Productivity Commission has recently completed an inquiry into boosting productivity in the market-provided services sector. This new inquiry will focus on ways to improve productivity and generate better outcomes for New Zealanders from the Government's investment in public services such as social housing, employment services, and programmes to reduce crime.

The Commission has been asked to examine traditional and emerging innovative approaches to social services in particular, drawing on both international and domestic experience, and assess their effectiveness. Examples of new approaches in governance, commissioning and delivery in New Zealand include the Social Sector Trials and Whānau Ora.

The inquiry will consider how agencies identify social-service needs and make decisions about delivery. It will pay particular attention to commissioning arrangements and how effective these arrangements are at targeting services to the right clients, bringing together the right mix of agencies, and achieving desired outcomes.

"There are likely to be significant gains from challenging and improving the ways that social sector agencies identify needs and deliver services. Social services are dedicated to helping New Zealanders overcome difficult social and individual problems. Improving these services will directly lift the wellbeing of recipients, and have positive effects for families and whole communities", said Commission Chair, Murray Sherwin.

"It is important that the institutional arrangements and commissioning processes are effective so that service providers can and do address the complex range of issues that they often face. Equally it is important that there is adequate accountability and oversight to ensure that social service providers are achieving the results or outcomes that matter most to New Zealanders.

"We expect that the range of approaches used internationally and in New Zealand will provide valuable lessons that enable more effective delivery of social services".

The terms of reference are now available at www.productivity.govt.nz/inquiry-content/social-services and anyone interested in the topic can [subscribe to receive regular updates](#).

The Commission will begin the inquiry with the publication of an "issues paper" that will outline its proposed approach to this inquiry, the context for the inquiry, and a preliminary list of key questions to be addressed. The issues paper will seek submissions from all interested parties and be accompanied by consultation to gather a wide range of views and experience. The Commission's final report to the Government is due on 30 June 2015.

About the New Zealand Productivity Commission

The Commission – an independent Crown entity – was established in April 2011 and completes in-depth inquiry reports on topics selected by the Government, carries out productivity-related research, and promotes understanding of productivity issues.

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