

More effective social services at a glance



The inquiry evidence base:

- 246 submissions
- 200+ face-to-face meetings
- Academic literature and government reports
- Extensive engagement with government agencies
- Four detailed case studies



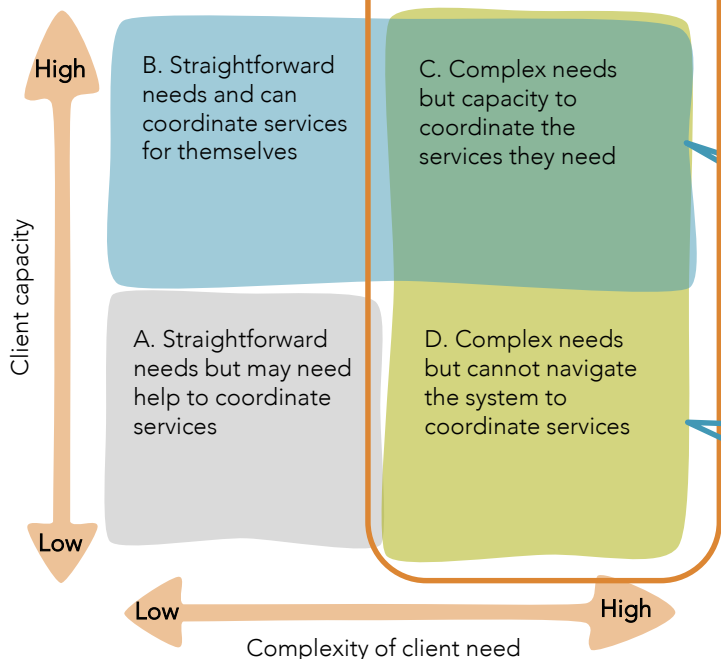
What is not working?

What needs to change?

How to achieve change

The social services system functions reasonably well for most New Zealanders...

...but the system badly lets down many of New Zealand's most disadvantaged people.



Top-down control
decision-making power sits with ministers/CEs.

VS

Devolution
Transfers substantial decision-making powers and responsibilities to autonomous or semi-autonomous organisations with separate governance.

Devolution encourages: bottom-up innovation and experimentation, energy and ideas at a local level, and a better match between services and client circumstances.

Empowering clients

- Trial client-directed service models for home-based support of older people, respite services, family services, and drug and alcohol rehabilitation services.
- Create client choice whenever feasible.

A new approach that:

puts clients at the centre of service design, assigns responsibility for a defined population, uses navigators to prioritise and sequence services, has information systems to support decision making, devolves control to avoid over specification, prioritises the use of resources, and is accountable for improving client outcomes.

Better Lives agency

Two possible models

District Health and Social Boards

Change the nature of Ministers' accountability. This should be accountability for setting the right **enabling environment** – rather than controlling how services are delivered.

Ministerial Committee for Social Services Reform to develop a reform plan for the social services system.

&

Transition Office to drive reform in the social services system.

Government to take responsibility for system stewardship

Enhanced role for Superu as monitor and evaluator of system performance

Social Sector Board retain responsibility for coordination across social services agencies eg, as data sharing and improving data-analytical capability.

A **rolling review of existing social services programmes** against specified criteria.

Government control of system outcomes is far from complete, and **substantial change will require broad support from participants.**

Government should also establish an **Advisory Board** of system participants to provide the Ministerial Committee with independent expert advice on system design and transition.

The current system

- Little visibility around what works and what does not
- Services often not tailored to the needs of clients
- Government processes have high transaction costs
- Large stock of programmes face little review
- Missed opportunities for prevention and early intervention
- Hampers innovation
- Unsophisticated commissioning (overuse of contracting out)
- Too fragmented to deal effectively with complex needs

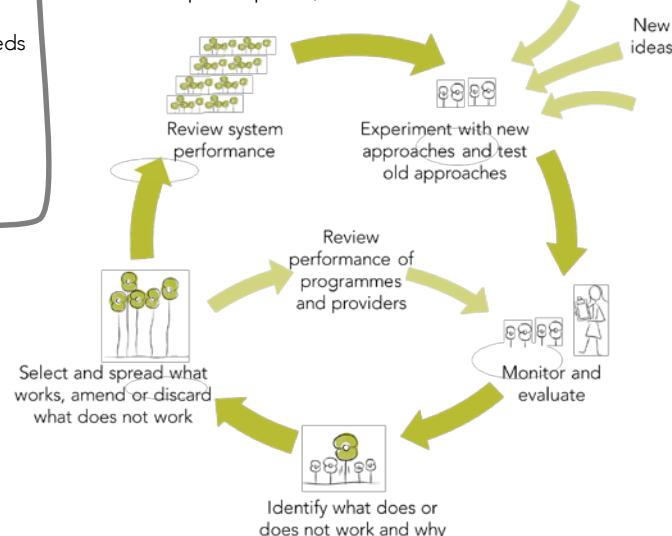
What the system should look like

- Targets funds to areas with most benefit
- Matches services provided to client needs
- Decision makers have adequate information
- Deals effectively with complex needs
- Respects clients' wishes and needs
- Meets public expectations of fairness and equity
- Responds to needs of Māori & Pasifika
- Fosters learning

MANY PREVIOUS REVIEWS - FEW LASTING SOLUTIONS

How can government enable an environment where the system generates good outcomes?

Government cannot control the outcomes of a complex system with multiple participants, formal and informal rules and relationships between those participants



Create a learning system

- Further develop and apply the investment approach
- Better data integration and sharing
- Independent scrutiny of MSD's Investment Approach

Improve commissioning

- Use a wider range of service delivery models
- When "fully funding" pay providers at a level that allows a sustainable return
- Build capability to lift the quality of commissioning
- Expand the use of contracting for outcomes

Barriers to system change

Change is disruptive and inevitably threatening for some. Barriers to change include:

- Those with a significant stake in the status quo have a natural inclination to resist change.
- Participants may see only a small part of the system, and concentrate on securing resources for "their" clients at the expense of wider system performance.
- Well-meaning but paternalistic organisational cultures with a "we know what's best for you" attitude can inhibit change and disempower clients.
- Partnerships require compromise and flexibility on all sides, and strongly held worldviews can be a barrier to constructive partnership.

Successful reform requires active commitment from both government and non-government organisations, and creating the conditions that unlock the potential of the many leaders across the system.