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**Re: More effective social services – Issues Paper**

The Dunedin Community Law Centre (DCLC) is a volunteer organisation that has been in operation for 34 years as a free legal advice, education and information service.

Our aims are:

- To provide and promote community based services that address the unmet legal needs of all cultures in the community
- To provide and promote legal training and education for university students
- To promote the dissemination of legal knowledge throughout the community
- To promote legal services which will increase access to justice and reflect the Treaty of Waitangi.

Reform and reorganisation of the New Zealand public sector has been ongoing since the 1980s. The structural changes that have taken place under the public sector reform process in New Zealand are linked to changes that have taken place worldwide to modernise the public sector and improve its performance.

Community organisations are mandated by the community rather than by legislation or regulation. They are ‘bottom-up’ structures, created as a response to a perceived need or demand. Each local response can be different around the country. A survey of over 300 community organisations, conducted by ComVoices, entitled ‘State of the Sector Survey 2014 Snapshot’ illustrates many are under severe pressure.

Early intervention offered by Community Law-type services delivers quicker resolution of disputes and avoids costs to the justice system and flow on to the wider community and other government agencies. Nationwide, community law centres deliver their services from over 140 locations such as outreach clinics, community centres, and marae.

The Dunedin Community Law Centre welcomes the opportunity to comment on the ‘More effective social services issues paper’, produced by the Productivity Commission. Our submission will address the questions stipulated below, with feedback provided on each.

- *How successful have recent government initiatives been in improving the commissioning and purchasing of social services? What are the reasons these initiatives succeeded or failed?*

It is assumed that the purpose of government initiatives is to strengthen organisations, eliminate competition, and encourage efficiencies, through amalgamation and cooperation.

This is endorsed by the ComVoices Snapshot, which reports that ‘too often Governments fall in love with new pet project fixes rather than recognising that it is the under-funding of previously ‘core’ services that has led to the problem’, noting a lack of understanding from funders, including government, regarding the required administration and infrastructure needed to support social service delivery. Further, there has been a failure to understand that the social service sector has had to be adaptive to keep pace with new communities and approaches.

- *Do current approaches to commissioning and purchasing encourage bottom-up experimentation? Do they reinforce successful approaches and encourage reform of less successful ones?*

The current approach does not seem to encourage bottom-up experimentation, but rather it appears to advocate for a one-size-fits-all structure. Indeed, in Wellington, ‘the Forum has become particularly aware that communities have unique characteristics and, despite some similarities ‘one size does not fit all’ in community needs and the delivery of services’ (Archive: Second Community Response Forum reports).

Smaller, local organisations have suffered, as they do not have the structures required to adapt and adjust to the changes. Larger contractors have succeeded at their expense, already having the necessary structures in place. This results in fewer organisations being available to provide services, and, worryingly, leads to a less diverse social services sector. Indeed, with the degree of competition evident among social service providers, agencies often find themselves unable to afford to risk experimenting.

- *What institutional arrangements or organisational features help or hinder innovative approaches to service delivery?*

The 1982 report from the New Zealand Planning Council, entitled ‘Who Makes Social Policy?’ noted a ‘compartmentalised approach to social policy’ in New Zealand. It recommended ‘greater interdepartmental cooperation in the exchange of information and in research efforts, which would recognise the inter-relationships and interdependence’.

Recommendations for institutional arrangements and organisational features which would serve to support innovative approaches to service delivery include structures and personnel which are approachable, accessible, and sufficiently flexible to adapt to processes. Also those who actively reduce barriers, encourage participation, and who go out and connect with key people in the community, as well as are seen to be out and about in said community. In today’s age of ever-increasing developments in information technology, the reduction of technological barriers is also considered to be a crucial feature to support innovative approaches to service delivery.

Identified as hindering the development of innovative approaches has been complications, such as differences in agencies decision-making processes, funding arrangements, data collection and administrative boundaries. To rectify such discrepancies, initiatives have been made to improve the situation by joining services at the frontline, but it has been suggested that moves need to go beyond this, to address barriers at the top of the system.

Barriers which have been identified include the absence of a common goal or framework, as well as a lack of common information between agencies and service providers, owing to privacy restrictions. An example of this was in the Green Paper on Vulnerable Children, where a lack of common goal or framework to unite child and family-focused work was noted. This was even despite the number of government and non-government agencies who are designed to support children and families.

The issue of the lack of common information results in barriers to creating seamless services and hinders planning and policy development between agencies. While it is not always appropriate for information to be shared, it has been suggested that a better balance may be able to be achieved for certain purposes.

One proposal is for the development of the concept of a departmental joint venture ('DJV'), which would operate in a way similar to a joint venture in the private sector. The aim would be to allow groups of departments to share decision-making power and accountability for its results, enabling smarter use of resources with reduced complexity and duplication. It aims to give relevant Ministers increased flexibility in working with social sector departments, including more ways to focus resources and take action on complex issues. The concept would allow relevant departments and their Chief Executives to have collective accountability and decision-making authority. A department could act as a single agency to drive action on areas of common interest. Although a legal entity in its own right, it would be accountable to a particular minister, with participating departments and chief executives collectively accountable for results. This concept differs from current practices based on collaboration, where departments and chief executives are only responsible for their individual involvement.

The situation in the Waikato, as provided to the Second Community Response Forum, seems to support a scheme such as that detailed above, and notes that 'networking has occurred around single purpose initiatives, e.g. Family Safety Network. This has encouraged providers from the different locations to work together, but it has been limited to Family Violence. It has also enabled providers and other agencies in the district to realise the benefits of working together and also for the benefits of early intervention.' Yet this narrow focus did not please all: 'The providers and agencies we worked with want to form a governance group with a much wider brief.' (Source: Second Community Forum reports.)

- *What is the best way to include the views of clients and their families in the design and delivery of social services?*

There have been numerous examples of collection of client feedback, which is positive. The next step is therefore to ensure that these views are being noted and worked into the subsequent design and delivery of social services.

The Children's Commission has a Young People's Advisory Group to gather information directly from young people on what it is like being young in New Zealand. (Office of the Children's Commissioner, 2014). The Ministry of Youth Development runs a 5000 member youth panel, used to consult on policy affecting young people (Ministry of Youth Development, 2014). Utilising the aforementioned developments in technology, the Wellington Wesley Community Action collects real-time feedback from clients on service effectiveness. This provides a formal mechanism for clients to be involved in the choice of care approaches (Wesley Community Action Group, 2014).

Pillars of the design and development social services, paying homage to the views of clients and their families, include consultation, feedback, engagement and listening. Further, it is important to consult not only with the targeted end-users of the service, but with others also, to allow for a diversity of views and approaches to be employed.

*Wellington International Airport v Air New Zealand* (1993) is a leading case on consultation and provides a useful statement of the standard for an adequate consultation. It states, "Consulting involves the statement of a proposal not yet finally decided upon, listening to what others have to say, considering their responses and then deciding what will be done."

- *Do governmental agencies engage with the appropriate people when they are commissioning a service?*

For governmental agencies to engage with the 'appropriate people' when commissioning a service, they first need the local knowledge to ascertain who the 'appropriate people' in fact are.

One suggestion from Community Matters has been to identify 'champions' for the community and voluntary sector within an agency. The role of the champion is to ensure the interests of sector organisations are represented in policy planning and service delivery, agency activities in common areas of interest, and reports provided on the quality of the agency's community-government relationships.

Other ideas have included considering basing policy staff within the community, as opposed to centralised agency offices, placing policy staff in a regional office where they can work effectively with community groups, secondments or short-term placements with community organisations, and allocating staff some time each week to work with a community organisation.

There is a plethora of information available online stipulating how to involve communities in the development of services. The 'Good Practice Participate: Building Government Capability' document, produced by Community Matters and located on the Department of Internal Affairs website, offers a range of guidelines and suggestions.

Family and Community Services highlight that 'involving people in planning has many benefits for social service providers and community organisations, which include securing a strong sense of ownership from participants therefore increasing the likelihood of successful implementation, accessing a broader range of ideas and perspectives, and building connections between people and providing a route for new leaders to emerge'. These 'new leaders' may well end up becoming the 'appropriate people' that are sought out to be engaged with by governmental agencies when commissioning a service.

Certainly there are challenges to be faced when engaging with key people in the orchestration of the development of services, such as the time involved, the fact that disagreement between different parties can occur, and it can be hard getting all the right people around the table. Yet there are a number of ways to involve people in planning, and a range of methods for such engagement to occur. These include workshops, surveys, community meetings, and forums, all of which can be conducted in person or online.

A possible useful structure is the Community Response Model, which was established in 2010 with the aim of giving communities a say in the services and support they need. It recognises that local people understand their communities best, offering an opportunity to participate in its decision-making and the development of local solutions to community problems. The model is built on Government working in partnership with communities, communities knowing what works in their area and what needs to change, developing a social service sector which is both responsive and flexible to meet the changing needs of a community, and managing the effectiveness of services and support so the sector builds upon its current knowledge to better inform future planning and delivery of social services.

- *The provision of some services is open to all qualified providers. This has advantages and disadvantages. Which social services and service outcomes are affected, either positively or negatively, by competition among service providers?*

Comments by ComVoices note that 'community organisations are concerned that competitive funding models are changing the collaborative nature of the sector'. The Dunedin Community Law Centre sees competition in the social service sector as unhealthy and unhelpful, leading to the creation of uncertainty rather than promoting cooperation. Such comments are supported by the New Zealand Planning Council 1982 report, 'Who Makes Social Policy?' where it reads, 'competition between departments underlay the fragmented approach to social planning in New Zealand.'

Competition aims to stimulate efficiency and innovation, leading to improvements in the quality or cost of service delivery, providing a practical benchmark against which current approaches can be compared to alternatives, allowing entry by new providers, and apparently encouraging reform or exit of poorly performing providers. However, often competition results in more harm than good to social sector organisations. These include disruptions to relationship between providers and clients; who provides a service may be as important to the client as the service itself, small or remote communities may not be able to sustain more than one provider, and social service providers reporting that contestability works against coordination and cooperation between providers.

- *What are the most important benefits of having a diverse range of providers? Which services have a greater or more limited choice of providers? What does this mean for the quality and effectiveness of services?*

Diversity of staff and organisations bring unique experiences and perceptions to working with others. Combining multiple unique experiences and perceptions, along with different skills and knowledge, can strengthen productivity and responsiveness to the changing conditions which are part and parcel of the social services sector.

If the same providers are always on offer, and there are no alternatives, there may always be people who need help but who miss out, as the existing providers may not adequately cater to their needs. New Zealand is becoming an ever-increasingly diverse country, and the social service landscape must properly reflect this, and ensure that the multiplicity of cultures that make up our country are provided for and supported.

- *Which types of services have outcomes that are practical to observe and can be reliably attributable to the service?*

Because the flow-on effects of dealing with a social service can be difficult to capture and measure, it is easier to instead observe the practice and the results which come from them. Yet observing the best outcomes for the client and being able to measure these depends on an accurate framework and an effective system. In today's environment of limited funding and scarcity of resources, it is not enough to just be doing positive, well-meaning work, you must show the difference that you are making.

Family and Community Services, a service of the Ministry of Social Development, recognises this, stating that 'knowing what progress your organisation is making towards achieving outcomes for your clients and communities is very important'. They advocate for a Results Based Accountability (RBA) framework, which encourages a range of organisations to share their ideas about what works to make better and unique contributions towards the wellbeing of communities. The central question of RBA is 'how are our communities and clients better off (as a result of our efforts)?'

RBA involves two types of accountability (population and performance) and three types of performance measures (how much did we do? /how well did we do it? /is anyone

better off?). It employs a variety of means, such as customised meeting agendas, team performance development and reviews, and strives to follow the overarching goal of 'always doing better than our own history'. This system of performance measurement has been in place in social service contexts in New Zealand as well as internationally, and has been successful in organisations of varying size, from large government agencies to small community groups and recreational programmes.

- *What are the benefits of government initiatives to streamline purchasing processes across agencies? Where could further improvements be made?*

Alluded to earlier, the 1982 New Zealand Planning Council report recommends 'greater interdepartmental cooperation in the exchange of information and in research efforts, which would recognise the inter-relationships and interdependence'.

Streamlining is defined as 'to improve the efficiency of a process, business or organisation by simplifying or eliminating unnecessary steps, using modernising techniques or taking other approaches', streamlining provides wider benefits and savings to government by passing work on to the sector.

High-trust documents and contracts have been mentioned in these conversations surrounding streamlining purchasing processes across agencies, with contracting relationships between government and non-governmental organisations seen as an improvement. Findings from the Social Sector Trials state that too much of providers' time is spent managing different contracting practices between agencies, involving contract types, terms, payment schedules, scope, reporting requirements and funding rules. As a response, other ways are being explored for contracting with non-government providers, including integrated and high-trust contracting. While these offer ways to reduce compliance costs, it is to be noted that they will not always be the best option in every case.

As such, there are methods and strategies being developed and refined to identify where they can add most value, and ensure best practice is shared and applied across the sector. This serves to help providers focus on results.

Examples of streamlining social services (which could serve as models for future streamlining of purchase processes across the sector) include Family Start, a 1990s policy initiative jointly sponsored by the Ministers of Health, Education and Social Welfare. This initiative is useful in illustrating issues that can arise in such a streamlining endeavour. Indeed, the Family Start process evaluation in 2003 noted that insufficient time had been allocated to allow the service to become functional given that it was required to do so from scratch. Further, tension was identified in trying to address the expectations and requirements of the various stakeholders involved. The core issues identified included timing, with the establishment phase taking longer than originally budgeted for and the need for community consultation versus meeting the needs of government and tendering processes.

There are lessons to be learned and points to be taken from initiatives such as Family Start, when considering future streamlining of purchasing processes across agencies.

There are growing concerns regarding what is seen as the ‘creeping privatisation’ of the social services sector, and we stress the importance of the word ‘community’ in the term ‘community organisations’. As aforementioned, they are best placed to know what is required in their area, and so it is vital that they are listened to and their views valued.

- *Are there examples where government contracts restrict the ability of social service providers to innovate? Or where contracts are too highly specified, resulting in poor outcomes for clients?*

The social services sector has reported that in some cases, government contracts for service providers can be too prescriptive. In creating highly specified, prescriptive contracts, stipulating exactly what is to be done, this leave little room for the social service in which they are contracting with to develop and demonstrate their own ideas within this contractual arrangement. One may wonder how ‘high-trust’ a document or contract may be when it runs for over 60 pages!

As such, if there is limited room for a service to develop and demonstrate their own ideas, this may discourage services from doing exactly this. In order to keep pace with the ever-developing world we live in, we need to ensure that services are continuously encouraged to research and develop new ways of doing things. Being at the coal-face of the issues, as they deal with clients on a daily basis, social services are indeed best placed to be undertaking development of new techniques and methods for service delivery, and they need the freedom to be able to do so. Highly prescriptive and limiting contractual arrangements between services and government will not help this. Failure to encourage social services to innovate may lead to New Zealand lagging behind their global counterparts in terms of programme development and service delivery, with the potential to let social service users down.

Further, there are situations where certain receivers of services are vulnerable and require continuity of care, such as the elderly and those with disabilities, and efforts to create highly prescriptive, specified contracts can be at a detriment to these populations. Indeed, such users as those alluded to above require flexibility in the contract between the social service they deal with and the government which funds the service, and there should be scope to allow this. This goes back to the one-size-fits-all mentality which has been proved to not always be suitable in government contracting and funding of social services, however desirable it may be for its simplicity and efficiency.

We wish to conclude by highlighting the plethora of wonderful charitable organisations that exist in New Zealand, and encourage guidance regarding how these organisations

can fit in with another, in terms of funding and support, to provide the best range of services possible for the people of this country.

Thank you for the opportunity to comment on this paper.

Kindly,

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