

2 December 2014

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Dear Geoff

More effective social services

Thank you for the opportunity to respond to the Commission's issue paper "More effective social services". Rather than a detailed submission on each of the questions raised we would like to make a number of general observations about the role of local government in social services and the importance of effective and culturally appropriate social services to our communities. We also discuss the opportunities for greater 'joined-up' and collaborative approaches to social servicing commissioning that might be achieved through 'place-based' approaches.

While not generally understood, local government plays a number of roles in the provision of social and community services, particularly in relation to community services which are services designed to improve the quality of life in communities and neighbourhoods and which enhance the effectiveness of social services. This lack of awareness can lead to policy decisions that are less effective than they would otherwise have been.

- In some cases under-provision of a service can lead to councils picking up the tab, essentially 'topping up' the Government's social service responsibilities, such as Auckland City's current programme to address homelessness.
- In other cases policies can have long term outcomes that are inconsistent with their intentions. Such as the decision to exclude council housing from access to income related rents and which Wellington City Council notes as an issue in its submission. The income related rent issue and the change to the purpose of local government has encouraged a number of councils to privatise their social housing stock – despite social and affordable housing being a government priority.

Need for a place-based approach

Many of the issues that social servicing commissioning seeks to address, such as child poverty, youth offending and ageing in place, fall into the category of wicked issues; issues that need a multi-agency response and are beyond the ability of a single agency acting by itself to resolve. If services are to have impact on the ground then they need to be integrated with other local services, whether provided by Iwi, NGOs or local government.

Connecting services at the local level requires an awareness of 'place'. This has been the focus of a number of initiatives in the United Kingdom over recent years, ranging from Total Place, Whole of Place, community budgeting and joint commissioning. In addition, the Sustainable Communities' Act allows councils to determine government departmental priorities within their towns.

Common to all of these initiatives is a place-based and coordinated approach to identifying local issues and priorities, combining central and local government funding and developing joint commissioning approaches. The National Audit Office in the UK recently commented about the Whole of Place initiative as “the co-production approach between central government and local bodies in planning whole-place Community Budgets is a promising model for future policy design and delivery” (<http://communitybudgets.org.uk>).

Placing the “fence at the top of the cliff” rather than the “ambulance at the bottom” requires an investment in the communities in which troubled families and individuals live. Successful outcomes for families and individuals depend not only on social services but also on community resilience, such as the quality of local facilities, employment opportunities and public transport. Successful social service commissioning needs to be integrated with local community services focused on strengthening social networks and building community resilience.

Councils are also well positioned to provide overall direction, coordination and the soft infrastructure that enables agencies to operate effectively within their cities.

Opportunities

Following the experience of the United Kingdom, we believe that social service commissioning will be more effective if it occurs within a city or district context so that overlaps can be identified and integration enhanced. A number of examples are already showing promise, for example:

- Social sector trials which are partnerships of government agencies, third sector agencies, local government and Iwi providers;
- The Mayors’ taskforce for Jobs which adapts funding from national programmes to address local circumstances;
- The provision of supported facilities that provide a base for local social service agencies, thus enhancing community access to services, reducing agency costs and improving inter-agency information flows; and
- The establishment of the Wellington Strategic Coordination Group which brings together the leaders of key central government agencies, reduces duplication and agrees priorities.

Local government, because of its proximity to communities and its requirement to undertake long term planning with those communities, is well placed to inform the commissioning of social services with regard to local issues. It is similarly well placed to oversee the allocation of devolved funding or coordinate the process of place-based budgeting.

Nationally provided services are often difficult to tailor to local circumstances and the success of social service interventions is likely to be influenced by the network of complementary social and community services to which families and individuals have access. Local authorities have a significant interest in the quality and effectiveness of central government funded social services in their cities, towns and districts. Through their community knowledge councils can assist government departments to ensure commissioning is undertaken in an integrated way, addresses important local issues and is focused on those most at need.

In addition to the provision of information and intelligence on local needs there are some policy areas, such as skill training and local business assistance, where social service commissioning might be more effective if budgets were pooled within the locality. LGNZ would be keen to talk with the Productivity Commission and the Government about establishing locally based pilots to look at the potential value of place-based budgeting of this kind.

In summary, LGNZ recommends that social servicing commissioning must take more of a 'place based approach' so that local services are integrated and interventions operate in a complementary manner. We are happy to provide further information if required.

Yours sincerely

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President
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