



**To:** New Zealand Productivity Commission (NZPC)

**From:** Birthright New Zealand Incorporated

**SUBMISSION: Issues Paper – More Effective Social Services**

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## **1. About Birthright NZ**

Birthright NZ Incorporated<sup>1</sup> is a registered charity which has been operating in NZ for over 50 years.

Birthright works to strengthen and enrich the lives of children and families. We specialise in working with families led by one person.

Our vision is for nurtured, resilient, inspired children and families.

Birthright NZ is the national umbrella organisation for autonomous Birthright member organisations throughout NZ who deliver a variety of social services to children and their families. These organisations work with families with a wide variety of needs. They assess needs and work closely with other community service providers to ensure children and families who need support can access appropriate services. These organisations vary in size and therefore the range of services offered. Where services are not offered directly, our organisations are often a referral point to other services.

## **2. Introduction**

In making this submission we have chosen to focus on the broader themes raised by the issues paper. Our response is restricted to issues which impact on children and families, our area of expertise. We have also highlighted many of these issues in our recent response to the Treasury regarding their Social Investment Request for Information.

The issues we will focus on in this response are:

- Social services in the context of community
- Issues relating to funding, contracting and procurement
- Fostering innovation and continuous improvement
- The client perspective

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<sup>1</sup> [www.brnz.org.nz](http://www.brnz.org.nz)



### 3. The Community Context

The Productivity Commission has identified the focus of their inquiry as on improving individual and community wellbeing through the provision of social care, health, education and training, employment services and community services.<sup>2</sup> Effective social services policy must consider the broader framework within which services are delivered.

The lack of low cost and infrequency of public transport or alternative transport inhibit clients in their access to services. The quality of technical infrastructure impacts on how readily clients are able to make use of alternative means of connecting with services. The 2013 Census reports an increase in internet access; however there are still 23% of New Zealand households without internet access<sup>3</sup>. Cell phone ownership does not always equate to ongoing access due to the costs of maintaining adequate credit. A variety of means of accessing information will be required whilst the cost of continued internet access remains an issue for many families.

Lack of affordable, quality childcare which fits with family need and modern working patterns (e.g. accommodating seasonal work, shift work and weekend work patterns) inhibits the ability of parents to engage in the workplace and restricts opportunity.

Unless social services policy is developed within a framework which considers the broader community context and considers related issues which impact, progress towards outcomes will remain piecemeal.

The role that strong communities play in fostering effective social services does not seem to be acknowledged in the Issues paper. For example, child centred community based organisations such as kindergartens and playcentres have a dual role of not only improving educational outcomes for children but also enhancing parental skills and experience and building strong community connections.<sup>4</sup> When assessing the benefits or otherwise of various approaches (e.g. changes in balance of community and private based

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<sup>2</sup>As defined on page 7 of NZ Productivity Commission Issues Paper October 2014 – More Effective Social Services,

<sup>3</sup><http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-national-highlights/phones-internet-access.aspx>

<sup>4</sup> [http://www.tlri.org.nz/sites/default/files/projects/9279\\_summaryreport.pdf](http://www.tlri.org.nz/sites/default/files/projects/9279_summaryreport.pdf)



providers for early childhood services), this assessment needs to include the wider implications of the change.

#### **4. Issues relating to funding, contracting and procurement**

The use of competitive procurement processes does not always result in the best outcomes for service delivery. A service provider who has a record of sound service delivery in their area of expertise, is linked to their local community needs and who is small enough to adapt their services quickly to the changing needs of clients would seem to be an ideal candidate to deliver services contracted by Government. For many organisations in this position, however, the costs of participating in the competitive tender process are high. These “costs” include the resource required to respond to tenders. Different tenders from separate government departments require different information or even when similar information, different formats which adds complexity. Often, tender deadlines do not take into consideration the time that it takes to collaborate with others or seem to acknowledge the range of tenders which any one organisation may be needing to respond to within a restricted timeframe. In these instances, it seems ironic that the move towards greater collaboration encouraged by Government is stymied by government processes i.e. a competitive tendering model.

The impact is the growth of an “industry” around contracting and a process which at best, discourages, and at worse, excludes smaller organisations from tendering for work which they may be well placed to deliver.

For those who have contracts with Government agencies, the processes associated with the administering of those contracts can still be too cumbersome. An example of this is a member organisation which reported multiple audit visits within a 12 month timeframe. The multiple visits were not due to issues around the delivery of the contract but reflected changes of personnel within the Government agency. We acknowledge the work that the Ministry of Social Development is undertaking to improve processes but there are still mixed messages nationally and locally. It is not always clear what happens to the information that is provided as part of reporting on contracts. There is a sense that, in many instances, this information is collected but not used to inform and review. Providing this information requires investment in technology and significant time investment from lean organisations who have limited resources. This investment should not be to provide information for information’s sake.



Contracts between Government agencies and providers are typically tightly prescribed and do not recognise the dynamic situations of the families we work with. The Growing Up in New Zealand longitudinal study report which focusses on vulnerability highlights the rate at which family circumstances may change<sup>5</sup>. To ensure that services can be targeted to address need, contracts need greater flexibility. In some instances, longer term interventions may be required for children and families whether this is due to chronic health conditions or complexity of need. Contracts with providers should reflect that they are best placed to assess and identify how available resources are best matched to client need.

Although an outcome based approach can support more flexible contract mechanisms, there also needs to be recognition that a true outcomes focus for many groups will be longer term than current contract terms allow. This does not preclude contracts including milestones which show progress towards longer term outcomes.

## **5. Fostering Innovation and Continuous Improvement**

Community based social service providers rely heavily on the goodwill of their communities whether through assistance from volunteers, public donations and bequests, philanthropic support or local business support. Typically, our organisations survive on a patchwork of funding made up of contributions from all of these sources and government funding.

We operate in an environment where government funded contracts do not keep pace with increased operating costs and yet the complexity of need and the demands to report on how we are making a difference is increasing.

Access to robust data, solid systems and processes, the opportunity to take stock and review progress, to build collaborative relationships and to increase capacity to meet client need are all key. This cannot happen without investment in the capacity of our organisations. This includes the ability to test out new approaches. Innovation will always include an element of risk and at government level there appears to be a low appetite for any risk but a high appetite for organisations to work differently and innovate. The risk is therefore left with organisations that operate in an unstable funding environment with limited capacity to predict longer term funding streams.

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<sup>5</sup> <https://cdn.auckland.ac.nz/assets/growingup/research-findings-impact/report04.pdf>



More effective social services includes investing in organisational capacity building.

Innovation and continuous improvement also needs to be supported by consistency between the different arms of government. For example, the current focus of the Charities Service and their definitions of what does and does not constitute a charitable organisation seem to be at odds with other government initiatives.

## **6. The client perspective**

The remit of the Issues Paper is a broad one. Social services as defined in the Issues Paper touch on the lives of many New Zealanders. It is not clear how the perspective of these people, i.e. the clients or recipients of social services is being captured. More effective social services includes capturing the experience of users of these services, understanding the complexity of their needs and their perception of what makes a difference. We look forward to more information from the Productivity Commission on how these perspectives will be captured.

Gabrielle O'Brien  
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