

## **Association of Blind Citizens New Zealand Incorporated**

### **Submission in response to**

### **More Effective Social Services Issues Paper**

**Question 1: What are the most important social, economic and demographic trends that will change the social services landscape in New Zealand?**

**Response:**

From the perspective of Blind Citizens NZ the key trends are:

- New Zealand's commitment to the United Nations Convention on the Rights of Persons with Disabilities. This places an emphasis on self-determination and changes the relationship between disabled people and support services.
- Changes to the labour market e.g. more casual and contract work. Government contracts with employment service providers do not allow them to count this type of work as an employment outcome.
- New Zealand's population is growing and, at the same time ageing. This will bring about an increasing demand on social services. If we are to limit the increasing cost that is involved with these demographic changes, reliance on volunteers in the community will become even more necessary.
- The technology landscape and the digital divide between some parts of the disability community (i.e. blind, vision impaired, deafblind etc) must be considered. There could be more people with disabilities (or less) however it is the nature of them that is more of a concern. Will New Zealand have a more dependent population in twenty years' time compared to now?

**Question 2: How important are volunteers to the provision of social services?**

**Response:**

- Volunteers are vitally important, however services that link to ensuring people can live dignified lives should not be contingent on those services being delivered by volunteers.

**Question 3: What role do iwi play in the funding and provision of social services and what further role could they play?**

**Response: No Comment.**

**Question 4: What contribution do social enterprises make to providing social services and improving social outcomes in NZ?**

**Response:**

- Social enterprises have the potential to positively influence society.
- They can be a means of providing employment, training and skill development.
- On the down-side, where a social enterprise purports to be the font of all knowledge on a given topic, i.e. disability and, is perceived to be led by a disabled person armed with knowledge, yet they are not then their messages will be in conflict with the very community that work is stated will be achieved on behalf of. Key influencers may then be placed in an invidious position.

**Question 5: What are the opportunities for, or barriers to, social-services partnerships between private business, not-for-profit social service providers and government?**

**Response:**

- Using the example given, i.e. Chubb working with the Charitable Trust Shine, the possibilities are endless.
- Barriers can take many forms – from the perspective of Blind Citizens NZ, endeavours to create partnerships that benefit New Zealand's blind and vision impaired population can be fraught, because it may not have the profile of larger organisations.

**Question 6: What scope is there for increased private investment to fund social services? What approaches would encourage more private investment?**

**Response:**

- There is scope for the private arena to become involved in the delivery of social services. However, it must be remembered that the majority of the population may not have discretionary funds to support this approach. The idea that has been floated with respect to putting the funding that is available into the hands of the people requiring the services should go some way to keeping private companies on their toes and providing an optimum service. Monitoring of this type of direct service would enable the population that requires the services to become more attuned to what is required. This may well provide a competitive element between private companies to compete for these funds.
- Inclusion of work experience programmes and other opportunities that improve employment prospects for disabled people could potentially encourage investment.
- Tax incentives for private businesses that invest in and support social services may increase investment.

**Question 7: What capabilities and services are Maori providers better able to provide?**

**Response: No Comment**

**Question 8: Why are private for-profit providers significantly involved providing some types of social services and not others?**

**Response:**

- Often because the market encourages them.
- For private companies to succeed there must be a profit motive so that the company can stay in business. There are also organisations, which are charity based, but doing an excellent job of providing services such as employment, household support, meals on wheels etc. These companies still have to break even to stay in existence. They often work on the basis of using volunteers but still have to earn money to support their organisation.
- It is the government's role to provide the environment and the support funding to ensure that this comes about. Government also needs to establish an effective way to monitor and ensure that value is obtained for the dollars spent.
- There are opportunities to establish novel approaches to this issue and not only provide services for the segment of the population that requires them, but also to ensure that the receiver of services is in the driver's seat. Recipients of a given service need to have greater involvement in defining the specific service to ensure it meets their needs. There should then be opportunities for monitoring of the service but also that service needs change over time and so what is funded one year may need amendment for future years and should not simply be rolled over as a matter of course.

**Question 9: How successful have recent government initiatives been in improving commissioning and purchasing of social services? What have been the drivers of success, or the barriers to success, of these initiatives?**

**Response:**

- Individualised Funding: Blind Citizens NZ is mindful that while some blind and vision impaired people have had the choice of an Individualised Funding approach, many have not. Successes or not, have been contingent on the individual's knowledge of how to make best use of this to meet their needs. There are unfortunate situations however, where the individual has not realised the implications of "employing" someone to deliver services, and then be faced with a personal grievance. Little help has been offered to support them.

**Question 10: Are there other innovations in commissioning and contracting in New Zealand that the Commission should explore? What lessons could the Commission draw from these innovations?**

**Response: No Comment**

**Question 11: What other international examples of innovative approaches to social service commissioning and provision are worth examining to draw lessons for NZ?**

**Response:**

- We suggest looking at the UK, where there is direct support for social enterprise e.g. government offers some tenders to social enterprises only.

**Question 12: What are the barriers to learning from international experience in social services commissioning? What are the barriers and risks in applying the lessons in NZ?**

**Response:**

- There are risks applying international examples out of context, and without consideration of any unintended consequences. The impact of an international example must take in to consideration New Zealand's size, geography, values etc.
- There appears to be a view towards purchasing and commissioning as an end in itself rather than a means to an end.

**Question 13: Where and when have attempts to integrate services been successful or unsuccessful? Why?**

**Response:**

- With respect to individuals with multiple disabilities, for example people who are blind or vision impaired and who are also deaf, or have a physical or learning disability, a disproportional share of the workload falls to certain service-providers such as for example, the Blind Foundation. The latter is the primary provider of blindness services in New Zealand. As a service provider it can be required to provide services and/or funding even though neither is specifically targeted to response to the blindness needs of the individual's life.
- While on paper the concept of integrated services works well, there are challenges involved in providing support to a blind or vision impaired person when these are not well understood by some agencies. Issues around accessibility of information or simply a lack of understanding of what the individual can do and which areas of life can be problematic then result. An example of this may be the Blind Foundation providing an employment service and having a person job ready, only to have another agency not understand the technology and support needs of that person.

**Question 14: What needs to happen for further attempts at service integration to be credible with providers?**

**Response:**

- A greater understanding of the role each party plays is needed. It would be helpful to have an individual or party providing overall direction. At this juncture we highlight the thorny issue of an individual who actively undermines their support services. Services must be person-centred and, while the individual should have overall say about their needs, when they are unable to take control of their support needs, there needs to be someone to fulfill this role to ensure their needs are being met.
- There are instances where individuals can be surrounded by a horde of support services and these services get played off against each other. Situations such as this can potentially negate the credibility of service integration and what can be achieved thus the time and resources this behavior can consume will inevitably diminish resources.
- We make the point that achieving integration will be best achieved when government agencies stop thinking and funding in silos.
- There is a risk that integration leads to a one-size fits all approach

**Question 15: What are the benefits of client-directed budgets?****Response:**

- Having a budget is fine if there are options where someone can purchase the service from. Disability specific services such as Orientation and Mobility (for blind people), cannot be bought from just anyone. So whether linked to some budget, or managed by the contract system that funds the service provider, can be quite immaterial.
- Client-directed budgets could work in situations such as purchasing employment services or the like and, being able to pay more to the agency that finds the individual a job.
- Client-directed budgets are great, however the emphasis must also be that the client has a say about the budget, the funding for which is intended meet their needs. So it must be person-centred too.
- For blind and vision impaired people, having the ability to choose where rehabilitation services can be purchased would help to reduce wait times for service. There are many smaller providers of low vision services popping up and if people from the blind community can access these it will provide an incentive for these providers to grow and offer more services. It could break down a well established monopoly. The ability to purchase specific services may mean that blind and vision impaired people can purchase services that could potentially meet their specific needs such as driver support, reading assistance and the like.
- We are concerned about the statement made that 'some clients may have medical conditions or disabilities that limit their ability to make informed choices... services can be designed to allow choices to be made on their behalf.' Disability support providers have worked hard to ensure that people using their services are able to make informed choices. It is our experience that most people are able to make their preferences known when they are communicated with in the correct way.

A range of good practices, such as Circles of Support, have been developed. There is a risk that designing new services to make choices for people will create another layer of bureaucracy and reduce the amount of funding directly available to the person through their personalised budget.

**Question 16: Which social services do not lend themselves to client-directed budgets? What risks do client-directed budgets create? How could these risks be managed?**

**Response:**

- Services that hold a monopoly could put their prices at whatever level they like and would not lend themselves to client-directed budgets.
- Competition is viewed as positive by government and in the paper, but this is not necessarily so. Competition does not create the necessary trusting environment for collaboration and the sharing of effective practice. Competition also comes at a cost, with organisations having to spend more of their operational budgets on publicity and communication tools which effectively reduce their frontline capability.
- Individualisation can lead to isolation thus, the person can be seen in isolation from their family and/or /community.
- Providers have no guarantee of income. This makes it difficult for them to plan, ensure that adequate staffing ratios are maintained and, that the organisation can run efficiently and be sustainable. There is still a need for core or baseline funding.
- There is a risk that the government being overly-prescriptive about what client-directed budgets can be used for will cancel out any advantages for the client.

**Question 17: What examples are there of contract specifications that make culturally appropriate delivery easy or more difficult?**

**Response: No Comment**

**Question 18: How could the views of clients and their families be better included in the design and delivery of social services?**

**Response:**

- Individual plans to identify a client's goals and aspirations. These are now standard practice in employment and community inclusion services for disabled people.
- Disabled Persons Organisations such as Blind Citizens NZ are the voice of disabled people and our respective communities. Our collective knowledge and expertise will add value and ensure the voice of disabled people is heard and included in the design and delivery of social services.

- Implementation of the following priority identified in Government's Disability Action Plan 2014-2018 is needed: "Promote the involvement of Disabled People's Organisations in the design and monitoring of the disability support system transformation." This will involve, as agreed by the Chief Executives Group on Disability Issues on 21 August 2013, a joint DPO and Government work programme involving DPOs in decisions that affect disabled people."
- The Disability Action Plan 2014-2018 includes the following priority and commitment: "Priority-Increase the capability of disability support service providers to be of service to disabled people." This will be enacted as follows: "Develop and implement effective ways for disabled people and DPOs to provide feedback (both qualitative and quantitative) safely about the quality of services and support and to monitor, evaluate, and scrutinise and make providers accountable to funders for achieving outcomes."

**Question 19: Are there examples of service delivery decisions that are best made locally? Or centrally? What are the consequences of not making decisions at the appropriate level?**

**Response:**

- Devolved decision-making can lead to unlevel playing fields, where providers in different parts of the country are funded at different levels for the same outcomes.
- If service delivery decisions are to be made locally then communities need access to good information, and be inclusive of all parts of their communities.

**Question 20: Are there examples where government contracts restrict the ability of social service providers to innovate? Or where contracts that are too specific, result in poor outcomes for clients?**

**Response:**

- Overly specific contracts, especially those linked to milestone payments do not allow providers to follow the best interests of the client. They are also risky for providers when a milestone cannot be met because the circumstances of the client change. This makes it impossible for the provider to claim payment despite the work done.
- Overly specific contracts linked to outcomes can also cause providers to 'cherry pick', i.e. choose to work with those clients who will achieve outcomes easily rather than those who bring greater challenges and, are arguably those most in need.
- Contracts don't look for change, people do.

**Question 21: How can the benefits of flexible service delivery be achieved without undermining government accountability?**

**Response:**

- We believe this is a difficult question. It may be necessary to set up different schemes (such as Enabling Good Lives and Whanau Ora) to test the validity of various control systems. Clearly, the government must be satisfied that money is being used wisely and effectively, but it must be certain too, that the receiver of services is satisfied with the outcomes. Alternative schemes could be set up as pilots so that different modes of control can be tested and evaluated. The audit requirements can also be established during these trials.
- Standards for service delivery should be set. These should be developed with advices from DPOs (refer responses to question 18) and, the input of those receiving the service. This approach should be coupled with ongoing monitoring that would also involve DPOs. There also needs to be a robust mechanism for dealing with issues arising from poor service delivery.

**Question 22: What is the experience of providers with High Trust Contracts?****Response: No Comment****Question 23: Do Crown entities and non-government commissioning agencies have more flexibility to design and manage contracts that work better for all parties? Are there examples of where devolved commissioning has led to better outcomes?****Response: No Comment****Question 24: Are there examples of where government agencies are too dependent on particular providers? Are there examples of providers being too dependent on government funding? Does this dependency cause problems? What measures could reduce dependency?****Response:**

- We have previously commented that along with government contracts comes an enormous amount of (paper) work – while this may be necessary, the sheer volume can significantly reduce the resources available to actually providing a service. An example with the recently amended Ministry of Health funding model for equipment equates to someone spending between one to three hours collecting data to support an application for a \$50 magnifier.
- Blind Citizens NZ believes that it is government's responsibility to provide funding for necessary rehabilitation and habilitation services. Many service-providers are also charitable organisations. Without the charity dollar the needs of blind and vision impaired New Zealanders for example, would not be met! We ask is this acceptable?



**Question 25: What are the opportunities for and barriers to using information technology and data to improve the efficiency and effectiveness of social service delivery?**

**Response:**

- The opportunities for the blind community (people who are blind or vision impaired) are quite obvious when it is possible to receive information in their format of choice (braille, large print, audio, electronic text). The disadvantages are equally as obvious if they cannot access basic information ranging from what their children can access at school all through life.
- While there are opportunities for using information technology to gather data and the like, if the technology is not accessible for everyone, then the system fails the very people it aims to support. Blind people are citizens too, yet all too often accessing a government website for example, will prove problematic.

**Question 26: What factors should determine whether the government provides a service directly or uses non-government providers? What existing services might be better provided by adopting a different approach?**

**Response:**

- In some cases government agencies are not clear about what they are provide and what they purchase. An example of this is Work and Income offices which have a role in finding and placing people in work. Then there are Supported Employment agencies that are contracted by Work and Income to support disabled people into work. Supported Employment agencies have specialised skills in working with disabled people and with employers to ensure that an employment placement will be successful and sustainable. Work and Income personnel are frequently unaware that there is a community organisation contracted for this purpose which can lead to people not being referred and not receiving the support they need. It can also damage relationships with employers, and lead to poor experiences for both the client and the employer.
- The investment approach has created an environment where it is perceived that Work and Income case managers are now in competition with Supported Employment providers, as both are required to meet targets for placing people in work. There is a perception (and we have referred to this previously) that individuals Work and Income “cherry picks” and works with clients who will achieve outcomes easily rather than those who bring greater challenges yet, are still job-ready.

**Question 27: Which social services have improved as a result of contestability?**

**Response: No Comment**

**Question 28: What are the characteristics of social services where contestability is most beneficial or detrimental to service provision?**

**Response: No Comment**

**Question 29: For which services in which parts of New Zealand is the scope for contestability limited by low population density?**

**Response:**

- We suggest that that when considering disability specifically, almost everywhere is low-density, even in some of the major cities. Thinking about people who are blind or vision impaired, there are approximately 11,500 people registered with the Blind Foundation primarily to receive blindness-specific services. The 2013 Disability Survey conducted by Statistics NZ states there are 168,000 people in New Zealand (4% of the total population), with a vision impairment that cannot be corrected by glasses or contact lenses.
- Small towns and villages around New Zealand are experiencing a decrease in the population due to people drifting to larger towns and the cities. A policy of decentralising the work of government around the country could help to stem the loss of population to the cities. The use of modern technology could also provide the focus in smaller centres to enable social services to be delivered. Trialling of schemes to deliver services to those who need them no matter where they live is required. If this does not happen, then more and more of the population will move to areas where their needs can be met – this will increasingly drain provincial centres.

**Question 30: Is there evidence that contestability is leading to worse outcomes by working against cooperation?**

**Response: No Comment**

**Question 31: What measures would reduce the cost to service providers of participating in contestable processes?**

**Response: No Comment**

**Question 32: What additional information could tender processes use that would improve the quality of government purchasing decisions?**

**Response:**

- While Blind Citizens NZ has limited first-hand knowledge and/or experience, we do believe that funders should be doing more to ensure that services meet the needs of those for whom funding is made available. It is not enough for the organisation being funded to say how well it is doing. There must be a more objective process that involves DPOs. We restate content from the Disability Action Plan 2014-2018 i.e. “Develop and implement effective ways for disabled people and DPOs to provide feedback (both qualitative and quantitative) safely about the quality of services and support and to monitor, evaluate, and scrutinise and make providers accountable to funders for achieving outcomes.”

**Question 33: What changes to commissioning and contracting could encourage improved services and outcomes where contestability is not currently delivering such improvements?****Response:**

- Refer our response to question 32.
- A requirement for all reporting should include commentary from those who received the service.

**Question 34: For what services is it most important to provide a relatively seamless transition for clients between providers?****Response:**

- Healthcare, education and, transition to tertiary or advanced education and employment.
- Client information should be easily transferred from one provider to another – there is nothing more aggravating and unsettling than for people to have to continually explain their situation and/or their needs. A review process may however be helpful i.e. the client is asked if there are any changes needed.

**Question 35: Are there examples where the transition to a new provider was not well handled? What were the main factors that contributed to the poor handover?****Response: No Comment****Question 36: What are the most important benefits of provider diversity? For which services is provider diversity greatest or most limited? What are the implications for the quality and effectiveness of services?****Response: No Comment**

**Question 37: How well do government agencies take account of the decision-making processes of different cultures when working with providers?**

**Response: No Comment**

**Question 38: Do government agencies engage with the appropriate people when they are commissioning a service?**

**Response:**

- Whilst this question is primarily focussed on culture with respect to ethnicity, Blind Citizens NZ takes this opportunity to identify that within many disability communities there are disability-specific cultures. Engaging with DPOs will go some way towards addressing this need.

**Question 39: Are commissioning agencies making the best choices between working with providers specialising in services to particular groups, or specifying cultural competence as a general contractual requirement?**

**Response: No Comment**

**Question 40: How well do commissioning processes take account of the Treaty of Waitangi? Are there examples of agencies doing this well (or not so well)?**

**Response: No Comment**

**Question 41: Which types of services have outcomes that are practical to observe and can be reliably attributed to the service?**

**Response: No Comment**

**Question 42: Are there examples of outcome-based contracts? How successful have these been?**

**Response: No Comment**

**Question 43: What is the best way to specify, measure and manage the performance of services where outcomes are not easy to observe or to attribute?**

**Response: No Comment**

**Question 44: Do government agencies and service providers collect the data required to make informed judgments about the effectiveness of programmes? How could data collection and analysis be improved?**

**Reponses:**

- We restate the comment made in response to question 32 where reference to the Disability Action Plan is made to: “Develop and implement effective ways for disabled people and DPOs to provide feedback (both qualitative and quantitative) safely about the quality of services and support and to monitor, evaluate, and scrutinise and make providers accountable to funders for achieving outcomes.”
- More could be done by Government to engage with DPOs about the effectiveness of funded programmes. This feedback would come direct from the recipients of services and would not come with the conflict of interest that funders may have in ensuring security of funding in the next funding round.

**Question 45: What have been the benefits of government initiatives to streamline purchasing processes across agencies? Where could government make further improvements?**

**Response:**

- Government needs to be consistent in its own policies and approaches before streamlined contracting can have any real impact. For example, social service agencies are being encouraged through contracts to focus on inclusion, well-being and sustainability yet the government’s Charities Commission is challenging organisations for changing their rules to use these terms.

**Question 46: Is there sufficient learning within the social services system? Is the information gathered reliable and correctly interpreted? Are the resulting changes timely and appropriate?**

**Response:**

- From knowledge gleaned, we believe that government agencies do not have the capacity or capability to consider anything other than quantitative information. Narrative reports containing qualitative information do not seem to be read or even considered.
- Changes made to contracts are more often driven by the desire to reduce spending, political ideology and election cycles. They are not made in response to information about what is or is not working the latter of which is often about the needs of the individual.
- Government agencies only measure what they contract, and innovative practices are most often not contracted or funded by government agencies.

**Question 47: Does the commissioning and purchasing system encourage bottom-up experimentation? Does the system reinforce successful approaches and encourage reform of less successful ones?**

**Response: No Comment**

**Question 48: Would an investment approach to social services spending lead to a better allocation of resources and better social outcomes? What are the current data gaps in taking such an approach? How might these be addressed?**

**Response:**

- We believe an investment approach would have positive results. Throwing money at gaps does not in our opinion, solve the issues. For example if a person in our community has all the equipment they need but an employer won't give them an opportunity because of a lack of awareness then the issue remains. Alternatively if a child has resources to attend school programmes yet because of the concerns of staff they are denied access then this funding does not solve the issue.
- Blind Citizens NZ supports Chapple's criticism of the investment approach to welfare (refer page 61).

**Question 49: How can data be more effectively used in the development of social service programmes? What types of services would benefit most?**

**Response:**

- We make the point that data, in itself, does not give the whole story. The following example is offered - take the number of people in the blind community who are unemployed. This data shows a trend but it does not say why the trend is so and it provides no solution. To find a solution or at least have a conversation about it, Government would need to engage with the community concerned. Thus, data can be useful but it also depends on what questions are asked to gather the data.

**Question 50: What are the benefits, costs and risks associated with using data to inform the development of social service programmes? How could the risks be managed?**

**Response: No Comment**

- Data collection will not necessarily inform the development of social service programmes. It might help predict demand in future, but only if the service is assumed to remain as valid. Blind Citizens NZ fails to see how collecting data from current users or recent past clients can lead to aspirational change that might be needed for the blind community.

**Question 51: How do the organisational culture and leadership of government agencies affect the adoption of improved ways of commissioning and contracting? In what service areas is the impact of culture and leadership most evident?**

**Response:**

- When thinking about disability generally and blind and vision impaired people more specifically, Blind Citizens NZ suggests these can be influenced from within and asks where are the senior policy makers that have lived experience of disability? Are their points of view listened to and if so, are they linked to their respective communities or do they speak from just a personal perspective?

**Question 52: How do the organisational culture and leadership of providers affect the adoption of improved ways of supplying services? In what service areas is the impact of culture and leadership most evident?**

**Response:**

- There are examples of leaders who have taken a "we know best approach" thus engagement has been on very specific terms. This approach stifles improvement and innovation and tends to shut out the collective voice of those receiving a given service.
- We have also seen tendencies towards a medical model of disability rather than a social model and, even employment of those who perpetuate the medical model. We have also seen people put their name forward for governance roles where clearly they have no idea about the service they wish to be involved nor have they demonstrated any interest in engaging with those who will receive the organisation's services.

**Question 53: What institutional arrangements or organisational features help or hinder the uptake and success of innovative approaches to service delivery?**

**Response:**

- Lack of community engagement from service providers hinders uptake and success of innovative approaches to service delivery.
- Much as for our response to question 52, sometimes organisations can be set in their ways and any change is hard fought. Much of this comes from the "we know best approach" and a sometimes less than enthusiastic desire to engage with service recipients. Providers are often tied up in contracts that tend to limit what they can say publically for fear of rocking the boat or biting the hand that feeds them.
- Sometimes organisations tend to go through cycles where the issues that have been fought and won by clients/service recipients come back again and have to be refought. This deprives both the provider and persons and groups supporting them of valuable resources.

**Question 54: Have recent amendments to the Public Finance Act 1989 made it easier to coordinate across government agencies? Are there any examples where they have helped to deliver better social services? What further measures could be effective?**

**Response: No Comment**

**Question 55: Are there important issues for the effective commissioning and contracting of social services that will be missed as a result of the Commission's selection of case studies?**

**Response:**

- The Issues Paper indicates a real interest in Individualised Funding and Enabling Good Lives, linking these initiatives to contracting and purchasing. On this premise we offer the following additional comments:
  - ✓ Individualised Funding-as the Ministry of Health oversees what clients can use funding for, it is not truly individualised. It is not an integrated approach for it can only be used for services contracted by the Ministry of Health.
  - ✓ Enabling Good Lives-there have been difficulties cross several areas and these need to be considered (e.g. determining pricing for services, issues around GST, Christchurch Providers were not paid for seven months while issues were being worked through...)

**Question 56: Are you willing to meet with the Commission? Can you suggest other interested parties with whom the Commission should consult?**

**Response:**

- Blind Citizens NZ welcomes the opportunity to meet with the Productivity Commission. Ideally in conjunction with the Board's meeting the weekend of 7-8 March 2015. An initial request has been submitted.
- Meeting with the collective of DPOs may also be beneficial.