Delivering quality care more efficiently inquiry

Questionnaire response 95

Name: UnitingCare Australia

Submission date: 6/06/2025

Participant background

1. For the purposes of this consultation, which of the following best describes you:

   I am an industry or advocacy organisation, professional association or peak body

2. Which of the following care sectors will your feedback relate to? Please select all that apply.

   Aged care; Disability; Early childhood education and care

3. What kind of care supports, services and programs do you have experience with, and in what jurisdictions?

   The participant did not respond to this question.

1. Reform of quality and safety regulation to support a more cohesive care economy

1. To what extent do differences in quality and safety regulation make it costly or complex to provide or access care services?

   Somewhat

2. What are the reasons for your answer?

   We support the notion that stronger, more integrated quality and safety regulations can drive human-centred productivity by reducing administrative burden while ensuring that best-practice care is upheld. A smarter regulatory approach could reduce administrative burdens, promote collaborative service models and improve care outcomes while maintaining safety standards.

   We note that “prioritising cross-jurisdictional harmonisation of standards and industry regulations that affect the not-for-profit sector” has also been embedded under Pillar 1 of the National Not-for-profit Sector Development Blueprint, auspiced by the Department of Social Services, and commend the inclusion of this critical focus area.

3. To what extent should quality and safety regulations be more aligned across the different care service sectors and jurisdictions?

   Somewhat

4. What are the reasons for your answer?

   As an example of the extent to which quality and safety regulations should be more aligned across the different care service sectors and jurisdictions, we highlight the currently fragmented worker screening system in use across the Care and Support Sector--regarding which, we feel regulatory inefficiencies currently hinder efficiency and sector responsiveness,

   Australia’s Care and Support Sector depends on rigorous worker screening to uphold safety and care quality, but fragmented processes across states create delays,

duplication and inefficiencies, hindering workforce entry and worsening skills shortages.

Currently, individuals seeking roles in aged care, disability services and other care sector roles must navigate multiple screening processes, varying eligibility criteria and jurisdiction-specific requirements, resulting in:
• delays in workforce onboarding, exacerbating critical staff shortages
• duplicated checks, requiring workers to undergo multiple assessments for different care settings
• inconsistent standards, creating gaps in safeguarding measures.

UnitingCare Australia recommends that introduction of a single, nationally integrated worker screening system implemented across the Care and Support Sector could be highly effective in:
• reducing delays, ensuring workers can transition between roles and jurisdictions quickly and easily, encouraging better workforce retention
• eliminating duplication, consolidating screening checks into a unified national register
• enhancing safeguarding, maintaining consistent and rigorous standards across all service types and locations.

This is just one example of how smart regulatory reforms could improve sector-wide productivity without compromising care quality.

2. Embed collaborative commissioning to increase the integration of care services

1. What is your experience with collaborative commissioning

UnitingCare Australia supports the view that collaborative commissioning can allow funding and service models to work more effectively together rather than competing or duplicating efforts, leading to better care outcomes and resource optimisation.

Through our network's experience, we observe that traditional commissioning models can often result in siloed services and policy responses, where stakeholders operate independently, often leading to duplication, inconsistent application of care standards, and missed opportunities for coordination and scalability of best practice models.

We believe that the Australian Government's Try, Test and Learn Fund provides an effective template for collaboratice commissioning models going forward.

The Try, Test and Learn (TTL) Fund, launched by the Australian Government in 2016 (now concluded), was designed to trial innovative approaches to reducing long-term welfare dependency. Using insights from the Australian Priority Investment Approach to Welfare, the fund supported 52 projects across two tranches between 2016 and 2018, testing new service models to improve employment and social outcomes for vulnerable Australians.

TTL demonstrated key elements of collaborative commissioning, bringing together government agencies, service providers, and research institutions to co-design and implement targeted interventions. The fund encouraged cross-sector collaboration, allowing stakeholders to trial new approaches, share insights, and refine service models based on real-world outcomes.

However, the University of Queensland's evaluation of TTL highlighted critical challenges that must be addressed in future collaborative commissioning efforts:

• Clear governance and accountability – some projects lacked defined roles and responsibilities, leading to uncertainty in decision-making and resource allocation. Future models must ensure transparent governance structures to avoid inefficiencies.
• Sustained funding and scalability – While TTL provided short-term funding, many successful projects struggled to secure ongoing investment. Collaborative commissioning must include long-term funding mechanisms to support scaling and sustainability.
• Robust evaluation frameworks – The evaluation found gaps in data collection and performance tracking, making it difficult to assess long-term impact. Future initiatives should embed strong monitoring and evaluation processes to ensure continuous improvement.
• Time for co-design and coordination – Effective collaboration requires dedicated time and resources for relationship-building, model refinement, and ongoing coordination. Without this, projects risk being rushed or poorly integrated.

2. What are the benefits of pursuing greater collaborative commissioning?

By bringing together a variety of stakeholders to 'solve the same problem', we see significant potential for collaborative commissioning to:
• improve service integration, ensuring individuals receive coordinated, holistic support, rather than navigating disconnected systems.
• reduce inefficiencies, streamlining funding and contracting processes to eliminate duplication and administrative burdens.
• enhance responsiveness, allowing services to be tailored to local needs rather than imposed through rigid, top-down models.
• strengthen outcomes, shifting the focus from service volume to long-term wellbeing, prevention and sustainability.

3. What are the barriers to collaborative commissioning, and do you have any suggestions for solutions that would lead to better collaboration in the commissioning of care services?

While we consider collaborative service models to offer significant benefits, we highlight that there are challenges to navigate to ensure their effectiveness. In particular, key considerations with such models include ensuring clear roles, responsibilities and effective resource allocation across a complex and diverse stakeholder group.

Collaboration, if not carefully structured, can result in an opaque distribution of decision-making authority, leading to confusion over who is accountable for specific outcomes—this applies to both government and non-government stakeholders. We emphasise the importance of each party involved in a collaborative venture maintaining defined and transparent roles within the broader framework to prevent inefficiencies or unintended overlaps in service provision.

Additionally, we highlight that coordination is resource intensive. Effective collaboration requires dedicated funding, personnel and time to facilitate cross-sector engagement, relationship-building and ongoing model refinement. Without appropriate funding and resource allocation, there is a strong risk that coordination efforts will be rushed or insufficient, undermining the long-term sustainability of collaborative models. An effective

approach involves ensuring that:

• funding is allocated for coordination efforts specifically, including provision for dedicated project teams and administrative support.
• time is built into processes to allow for comprehensive co-design before implementation, ensuring services are structured around user needs rather than imposed from above, and enabling sufficient time for set up and preparedness before interactions with end users commences.
• ongoing facilitation is prioritised, recognising that collaboration is not a one-off event, but an evolving process requiring continuous alignment and adaptation.
To mitigate these potential challenges, collaborative commissioning efforts should be designed with built-in safeguards, ensuring clear governance, adequate resourcing and mechanisms for maintaining transparency across all participating entities.

3. A national framework to support government investment in prevention

1. What are the main barriers to governments investing in evidence-based prevention programs across the care economy?

UnitingCare Australia identifies resourcing limitations and the absence of comprehensive evidence and outcomes measurement as the two primary barriers to government investment in evidence-based prevention programs across the care economy. These barriers, however, form part of a broader circular issue—without sufficient upfront investment in promising initiatives, there is inadequate capacity to conduct rigorous evaluation and establish clear outcome measurements. Likewise, without embedded, well-funded evaluation frameworks within programs, governments lack the necessary evidence to justify further investment.

Breaking this cycle requires a deliberate commitment to funding not only the delivery of prevention programs but also the mechanisms that assess their impact. Effective prevention strategies demand dedicated investment in research, evaluation, and data collection from inception, ensuring that outcomes are systematically measured and reported. Without this integrated approach, governments will continue to face uncertainty regarding program efficacy, perpetuating hesitancy to allocate resources toward prevention efforts.

UnitingCare Australia urges a shift in approach—one that recognises the necessity of dual investment in both program delivery and evidence-building mechanisms. By prioritising both aspects, governments can move toward a more sustainable and effective care economy, where prevention programs are not only funded but also continually improved and expanded based on robust, measurable outcomes.

The UnitingCare network strongly supports the position that prevention strategies reduce future demand for crisis-driven services, improving the quality and effectiveness of care, and facilitating sector sustainability over the longer term.

We suggest that the following elements should be considered for inclusion in a national framework for government investment in prevention:

• Clear investment principles – Establishing guidelines for funding decisions, ensuring prevention programs receive consistent, long-term support rather than short-term,

reactive funding.
• Outcome-based metrics – Measuring success through long-term benefits, such as reduced hospital admissions, improved well-being, and lower social service dependency, rather than immediate cost savings. We advocate that the Treasury's Measuring What Matters National Wellbeing Framework could underpin the outcomes measurement component of the framework.
• Cross-sector collaboration – Encouraging coordinated investment across health, aged care, disability, and social services, recognising that prevention benefits multiple sectors.
• Integrated funding mechanisms – Aligning state and federal funding to prevent fragmentation, ensuring efficient resource allocation and scalability of successful programs.
• Evidence-based policy design – Using data-driven insights to identify high-impact prevention strategies, ensuring investment is targeted and effective. Insights from the Australian Centre for Evaluation (ACE) should be embedded within the Framework. Further, initiatives considered for implementation in accordance with the framework should utilise the Centre's Evaluation Toolkit for New Policy Proposals.
• Community and workforce engagement – Involving service providers, frontline workers, and communities in shaping prevention priorities, ensuring local needs are met.

2. What are some examples of successful prevention programs (this could include discontinued programs)?

The UnitingCare network supports various prevention models that focus on early intervention and long-term positive outcomes. Examples include Foyer, Ruby's, and Newpin, each designed to address specific social challenges and provide targeted support. UnitingCare Australia would be happy to provide more information as necessary, however, a brief overview of these programs is provided below.

- Foyer – A youth housing model that provides young people with stable accommodation, education, and employment support to help them transition to independent living.
- Ruby's – A crisis accommodation program for young people experiencing family conflict, offering mediation and support to prevent homelessness.
- Newpin – A child restoration program that works intensively with parents to address personal and family challenges, aiming to reunite children with their families in a safe and supportive environment.

3. How can governments better support investment in prevention activities that have broad and long-term benefits for the Australian community?

At a principle level, UnitingCare Australia believes that a national framework for government investment in prevention is a worthwhile initiative, and should build on principles and insights derived from the Australian Priority Investment Approach to Welfare, which was introduced by the government to better understand long-term welfare dependency and enable early interventions.

This actuarial model used data-driven insights to predict future social security usage, identifying vulnerable groups and directing investment toward early support measures. Similarly, a prevention-focused framework in the Care and Support Sector could apply long-term forecasting and evidence-based policy design to ensure sustainable investment in preventative initiatives.

By embedding outcome-based metrics, cross-sector collaboration, and integrated

funding mechanisms, such a framework could reduce crisis-driven costs, strengthen service coordination and ensure consistent, long-term investment in prevention—rather than reactive, short-term funding cycles.

We strongly assert that a national framework be accompanied by a clear and sustainable funding strategy to ensure preventative initiatives are both adequately resourced and effectively prioritised. Without dedicated funding, prevention efforts risk being underdeveloped or inconsistently applied—and in some cases, may not proceed to implementation at all. Adequate funding is essential to ensure that such initiatives can deliver the long-term social and economic benefits they are designed to achieve.

Cover sheet: Supporting document #1

UnitingCare Australia

Submission to Productivity Commission Inquiry into Delivering Quality Care More Efficiently

JUNE 2025

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About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provision.

We are the largest network of social service providers in Australia, with over 55,000 staff and 17,000 volunteers, delivering 5.8 million interactions annually across 1,600 service locations in urban, rural and remote communities.

We focus on articulating, and meeting, the needs of people at all stages of life, and particularly those most vulnerable.

Introduction

UnitingCare Australia welcomes the opportunity to respond to the Productivity Commission's Inquiry into *Delivering Quality Care More Efficiently*. We commend the Productivity Commission for initiating this important process, and its commitment to exploring innovative approaches that can enhance care quality while improving sector sustainability.

While the Productivity Commission's proposals under consideration—including reforming quality and safety regulations, embedding collaborative commissioning and establishing a national framework for prevention—each offer potential to create more efficiency, our submission challenges the assumption that human services productivity can be measured using conventional metrics. We advocate instead for a 'human-centred productivity' approach, urging a reframing of discussions to reflect the sector's true complexity.

Our key argument is that traditional approaches to productivity—focused on maximising outputs per unit of input—fail to adequately account for the relational, individualised and complex nature of care work. Human services are built on time, trust and meaningful interactions, making cost-cutting or throughput-driven efficiency models inadequate and, in many cases, counterproductive. Rather, a human-centred approach to productivity enables a much more nuanced and holistic perspective—one that recognises that 'value' is derived not from delivering services faster or cheaper, but from achieving better short, medium and long-term outcomes, improved wellbeing, strengthened community participation and more effective care models.

This is not to say that we shouldn't seek operational and structural efficiencies where they genuinely exist—this remains an imperative for government and all stakeholders to ensure strong stewardship of limited resources, safeguarding their effective use.

Our position is rather that productivity in the Care and Support Sector should be the natural outcome of well-designed, high-quality services—not the primary goal.

We do support the notion that, when care is delivered effectively through thoughtful regulation, integrated service models and a strong focus on prevention, then efficiency likely follows—but prioritising productivity as an end in itself risks undermining the very principles that define quality care.

Furthermore, we note that the terms of this Productivity Commission Inquiry primarily focus on improving government administrative efficiencies within the care and support sector—a valuable objective in itself. However, this differs from the broader goal of assessing sector-wide productivity and exploring ways to measure and enhance it more effectively.

Noting these caveats, UnitingCare Australia presents the following insights on the specific proposals put forward by the Productivity Commission, ensuring that reform efforts align with a sustainable, human-centred vision for care and support service delivery into the future.

Reframing Care and Support Sector 'productivity'

Before addressing the specific proposals put forward by the Productivity Commission, it is essential to redefine what 'productivity' should mean in a human services context. UnitingCare Australia strongly advocates for the following considerations to guide the Productivity Commission's approach throughout the Inquiry process.

Limitations of traditional productivity metrics

Conventional economic measures define productivity as the ratio of inputs—such as labour hours and resources—to outputs, like the volume of services delivered. While this model effectively captures efficiency in sectors like manufacturing, construction and technology, it fails to reflect the complexity of the care economy, where service quality, relational interactions and individualised support are central to effectiveness.

The Productivity Commission has acknowledged these measurement challenges, noting in its report, *Productivity before and after COVID-19*, that the rise of the care economy—despite its vital role—has contributed to a decline in measured productivity. As explained in the report, this is largely due to difficulties in quantifying improvements in service quality and the reliance on production costs as a proxy for prices, which often understates the true gains made in care delivery. Furthermore, the sharp increase in hours worked without a corresponding rise in measurable output has led to a recorded decline in labour productivity.

The complex, relational nature of care and support work

Human services are fundamentally about interactions—between care workers and clients, communities and services. Quality, trust and emotionally supportive service delivery are central to the effectiveness of these services, but they are not easily quantifiable. An attempt to 'increase efficiency' by, for example, reducing client interaction times, relying too heavily on the introduction of automated processes, or scaling and structuring services in rigid ways, would compromise care outcomes—thereby undermining the intent of what services are established to achieve.

A shift to outcome-based measurement

Rather than focusing on throughput, the sector needs to evaluate success through outcomes—improved wellbeing, client independence, participation in society and better quality of life—indeed, the types of indicators captured through Treasury's *Measuring What Matters National Wellbeing Framework*. These long-term benefits are not easily measured by simple numerical productivity formulas but are essential to understanding the sector's contribution to society and the economy.

Policy implications and the risk of misguided productivity assumptions

We caution that efforts to impose traditional productivity models across the care and support economy may lead to cost-cutting strategies being prioritised—such as rationing support,

limiting face-to-face interaction, or overburdening workers. These strategies would undermine the very purpose and return on investment delivered through effective care and support.

To ensure productivity enhances, rather than compromises, care outcomes, we advocate that a new sector-specific approach be adopted—one that moves beyond rigid efficiency metrics and instead recognises the value of relational, human-centred care.

A new care sector productivity framework

To achieve this, we strongly support the development of a Care and Support Sector Productivity Framework that would:

- **Embed alternative metrics** – introduce qualitative and outcome-based measures, including service user feedback, workforce satisfaction and preventative care effectiveness, to ensure productivity supports better care, not just higher service volume.
- **Strengthen user-centred and workforce-informed contributions** – ensure clients, service recipients and frontline workers help to shape productivity benchmarks, fostering a co-designed approach where possible and appropriate.
- **Align policy and funding mechanisms** – structure policies so that funding is targeted, coordinated and responsive, supporting integrated service delivery, continuous improvement, sustainability and long-term outcomes.

We advocate that by reframing productivity through a tailored, outcome-driven framework, the sector can reduce inefficiencies while safeguarding care quality, ensuring that efficiency efforts strengthen service delivery rather than diminish its impact.

Delivering quality care more efficiently

Building on this overarching position, we offer the following insights regarding the proposals put forward for consideration by the Productivity Commission.

Proposal 1: Reforming quality and safety regulation for a more cohesive care economy

We support the notion that stronger, more integrated quality and safety regulations can drive human-centred productivity by reducing administrative burden while ensuring that best-practice care is upheld. A smarter regulatory approach could reduce administrative burdens, promote collaborative service models and improve care outcomes while maintaining safety standards.

We note that "prioritising cross-jurisdictional harmonisation of standards and industry regulations that affect the not-for-profit sector" has also been embedded under Pillar 1 of the *National Not-for-profit Sector Development Blueprint*, auspiced by the Department of Social Services, and commend the inclusion of this critical focus area.

An example of where regulatory inefficiencies currently hinder efficiency and sector responsiveness relates to the fragmented worker screening system currently in use across the Care and Support Sector, explored through the case study below.

CASE STUDY

Streamlining worker screening processes across the Care and Support Sector

Australia's Care and Support Sector depends on rigorous worker screening to uphold safety and care quality, but fragmented processes across states create delays, duplication and inefficiencies, hindering workforce entry and worsening skills shortages.

Currently, individuals seeking roles in aged care, disability services and other care sector roles must navigate multiple screening processes, varying eligibility criteria and jurisdiction-specific requirements, resulting in:

- delays in workforce onboarding, exacerbating critical staff shortages
- duplicated checks, requiring workers to undergo multiple assessments for different care settings
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UnitingCare Australia recommends that introduction of a single, nationally integrated worker screening system implemented across the Care and Support Sector could be highly effective in:

- reducing delays, ensuring workers can transition between roles and jurisdictions quickly and easily, encouraging better workforce retention
- eliminating duplication, consolidating screening checks into a unified national register
- enhancing safeguarding, maintaining consistent and rigorous standards across all service types and locations.

This is just one example of how smart regulatory reforms could improve sector-wide productivity without compromising care quality.

Proposal 2: Embedding collaborative commissioning to integrate care services

UnitingCare Australia supports the view that collaborative commissioning can allow funding and service models to work more effectively together rather than competing or duplicating efforts, leading to better care outcomes and resource optimisation.

Through our network's experience, we observe that traditional commissioning models can often result in siloed services and policy responses, where stakeholders operate independently, often leading to duplication, inconsistent application of care standards, and missed opportunities for coordination and scalability of best practice models.

By bringing together a variety of stakeholders to 'solve the same problem', we see significant potential for collaborative commissioning to:

- improve service integration, ensuring individuals receive coordinated, holistic support, rather than navigating disconnected systems.
- reduce inefficiencies, streamlining funding and contracting processes to eliminate duplication and administrative burdens.
- enhance responsiveness, allowing services to be tailored to local needs rather than imposed through rigid, top-down models.
- strengthen outcomes, shifting the focus from service volume to long-term wellbeing, prevention and sustainability.

Potential challenges with collaborative commissioning

While we consider collaborative service models to offer significant benefits, we highlight that there are challenges to navigate to ensure their effectiveness. In particular, key considerations with such models include ensuring clear roles, responsibilities and effective resource allocation across a complex and diverse stakeholder group.

Collaboration, if not carefully structured, can result in an opaque distribution of decision-making authority, leading to confusion over who is accountable for specific outcomes—this applies to both government and non-government stakeholders. We emphasise the importance of each party involved in a collaborative venture maintaining defined and transparent roles within the broader framework to prevent inefficiencies or unintended overlaps in service provision.

Additionally, we highlight that coordination is resource intensive. Effective collaboration requires dedicated funding, personnel and time to facilitate cross-sector engagement, relationship-building and ongoing model refinement. Without appropriate funding and resource allocation, there is a strong risk that coordination efforts will be rushed or insufficient, undermining the long-term sustainability of collaborative models. An effective approach involves ensuring that:

- funding is allocated for coordination efforts specifically, including provision for dedicated project teams and administrative support.
- time is built into processes to allow for comprehensive co-design *before* implementation, ensuring services are structured around user needs rather than imposed from above, and enabling sufficient time for set up and preparedness before interactions with end users commences.
- ongoing facilitation is prioritised, recognising that collaboration is not a one-off event, but an evolving process requiring continuous alignment and adaptation.

To mitigate these potential challenges, collaborative commissioning efforts should be designed with built-in safeguards, ensuring clear governance, adequate resourcing and mechanisms for maintaining transparency across all participating entities.

Through the case study below, we highlight the Australian Government's *Try, Test and Learn Fund* as a practical example of collaborative commissioning principles in action, observing lessons learnt through this model that should inform future endeavours.

CASE STUDY

Lessons from the *Try, Test and Learn Fund* for collaborative commissioning

The *Try, Test and Learn (TTL) Fund*, launched by the Australian Government in 2016 (now concluded), was designed to trial innovative approaches to reducing long-term welfare dependency. Using insights from the Australian Priority Investment Approach to Welfare, the fund supported 52 projects across two tranches between 2016 and 2018, testing new service models to improve employment and social outcomes for vulnerable Australians.

TTL demonstrated key elements of collaborative commissioning, bringing together government agencies, service providers, and research institutions to co-design and implement targeted interventions. The fund encouraged cross-sector collaboration, allowing stakeholders to trial new approaches, share insights, and refine service models based on real-world outcomes.

However, the *University of Queensland's evaluation of TTL* highlighted **critical challenges** that must be addressed in future collaborative commissioning efforts:

- **Clear governance and accountability** – some projects lacked defined roles and responsibilities, leading to uncertainty in decision-making and resource allocation. Future models must ensure transparent governance structures to avoid inefficiencies.
- **Sustained funding and scalability** – While TTL provided short-term funding, many successful projects struggled to secure ongoing investment. Collaborative commissioning must include long-term funding mechanisms to support scaling and sustainability.
- **Robust evaluation frameworks** – The evaluation found gaps in data collection and performance tracking, making it difficult to assess long-term impact. Future initiatives should embed strong monitoring and evaluation processes to ensure continuous improvement.
- **Time for co-design and coordination** – Effective collaboration requires dedicated time and resources for relationship-building, model refinement, and ongoing coordination. Without this, projects risk being rushed or poorly integrated.

Proposal 3: A national framework for government investment in prevention

The UnitingCare network strongly supports the position that prevention strategies reduce future demand for crisis-driven services, improving the quality and effectiveness of care, and facilitating sector sustainability over the longer term.

We suggest that the following elements should be considered for inclusion in a national framework for government investment in prevention:

- **Clear investment principles** – Establishing guidelines for funding decisions, ensuring prevention programs receive consistent, long-term support rather than short-term, reactive funding.
- **Outcome-based metrics** – Measuring success through long-term benefits, such as reduced hospital admissions, improved well-being, and lower social service dependency, rather than immediate cost savings. We advocate that the Treasury's *Measuring What Matters National Wellbeing Framework* could underpin the outcomes measurement component of the framework.
- **Cross-sector collaboration** – Encouraging coordinated investment across health, aged care, disability, and social services, recognising that prevention benefits multiple sectors.
- **Integrated funding mechanisms** – Aligning state and federal funding to prevent fragmentation, ensuring efficient resource allocation and scalability of successful programs.
- **Evidence-based policy design** – Using data-driven insights to identify high-impact prevention strategies, ensuring investment is targeted and effective. Insights from the Australian Centre for Evaluation (ACE) should be embedded within the Framework. Further, initiatives considered for implementation in accordance with the framework should utilise the Centre's *Evaluation Toolkit for New Policy Proposals*.
- **Community and workforce engagement** – Involving service providers, frontline workers, and communities in shaping prevention priorities, ensuring local needs are met.

Aligning with the *Australian Priority Investment Approach to Welfare* model

UnitingCare Australia further advocates that a national framework for government investment in prevention should build on principles and insights derived from the *Australian Priority Investment Approach to Welfare*, which was introduced by the government to better understand long-term welfare dependency and enable early interventions.

This actuarial model used data-driven insights to predict future social security usage, identifying vulnerable groups and directing investment toward early support measures. Similarly, a prevention-focused framework in the Care and Support Sector could apply long-term forecasting and evidence-based policy design to ensure sustainable investment in preventative initiatives.

By embedding outcome-based metrics, cross-sector collaboration, and integrated funding mechanisms, such a framework could reduce crisis-driven costs, strengthen service coordination and ensure consistent, long-term investment in prevention—rather than reactive, short-term funding cycles.

Enabling Framework implementation through adequate resourcing

We strongly assert that a national framework be accompanied by a clear and sustainable funding strategy to ensure preventative initiatives are both adequately resourced and effectively prioritised. Without dedicated funding, prevention efforts risk being underdeveloped or inconsistently applied—and in some cases, may not proceed to implementation at all. Adequate funding is essential to ensure that such initiatives can deliver the long-term social and economic benefits they are designed to achieve.

Other considerations

Revisiting the 2018 Productivity Commission Inquiry into Human Services

As our submission has highlighted, improving efficiency within the care and support sector requires a thoughtful, evidence-based approach. In this context, we feel it is important to recognise the significant work previously undertaken by the Productivity Commission in its *2018 Inquiry into Human Services*, which considered many of the same issues now being revisited.

We note that, while that Inquiry produced a set of well-founded recommendations aimed at strengthening service delivery and sector-wide productivity, the work did not conclude with a formal government response. As a result, many of its insights and recommendations remain underutilised.

We take this opportunity to encourage the Productivity Commission to review and incorporate the findings of the 2018 Inquiry into the current discussion. In our view, several of its proposals remain highly relevant and, if implemented, could offer practical solutions to improving productivity.

Key recommendations that we feel warrant renewed attention include:

- **Developing frameworks to measure service providers' contributions to service user outcomes** – ensuring that performance data informs service planning, provider selection, contract management and ongoing improvements.
- **Publishing a rolling schedule of upcoming tenders** – allowing service providers adequate time to prepare competitive and well-structured responses, fostering efficiency and innovation.
- **Increasing default contract terms to seven years with enhanced safeguards** – striking a better balance between funding continuity for service providers and periodic contestability, reducing administrative burdens and improving service stability.
- **Providing payments to service providers that reflect the efficient cost of service provision** – ensuring financial sustainability while incentivising productivity improvements.

We believe that these recommendations align closely with the objectives of the current Inquiry and offer practical mechanisms to achieve greater efficiency in the contemporary context.

Conclusion

Realising meaningful productivity in the Care and Support Sector requires a shift from conventional efficiency metrics to an outcome-driven approach that prioritises quality care, collaboration, and prevention. Smarter regulation, integrated service models, and targeted investment in early intervention will strengthen sector sustainability while delivering long-term benefits for individuals, families, and communities.

UnitingCare Australia is committed to advocating for reform to ensure that human-centred productivity is embedded as a foundation for better care and support outcomes.

We look forward to continuing our engagement with the Productivity Commission around the important issues raised through this Inquiry process, ensuring policy decisions reflect the real needs of the Care and Support Sector and those it serves.