



Delivering quality care more efficiently

Brotherhood of St. Laurence

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Summary

The Brotherhood of St. Laurence (BSL) welcomes the Productivity Commission's interim report on *Delivering quality care more efficiently*. BSL supports all draft recommendations.

BSL offers further recommendations below related to each interim recommendation and proposes additional recommendations to enhance productivity in two areas - systems navigation and simplification, and Formal Relational Contracting (FRC).

Comments on Selected Recommendations

Recommendation 1.1

Provider registration, audits, practice standards and a single regulator

BSL supports the recommendation to align regulation of the care economy to improve outcomes and minimise duplication and cost. BSL also supports the need for a consistent and best practice approach to Artificial Intelligence (AI) regulation as part of this wider regulatory alignment – BSL has made a submission to the 'Harnessing data and digital technology' pillar of this Productivity Commission Inquiry that provides further comment on AI.

In addition, BSL recommends that the Productivity Commission more explicitly reflect (in final recommendations) productivity-relevant findings and recommendations from the Royal Commission into Aged Care Quality and Safety and the related Aged Care Act 2024; the Royal Commission into Violence, Abuse, Neglect, and Exploitation of People with Disability (DRC); the NDIS Provider and

Worker Registration Taskforce (NDIS Taskforce); and measures to support child safety announced following the recent Education Ministers Meeting.

Recommendations:

1. A full cost-benefit analysis be undertaken to ensure a unified cross-sectoral system is more efficient and effective than mutual recognition of registration and audits.
2. Mapping of NDIS and Aged Care differences in registration and audit processes to inform a risk-proportionate approach (NDIS Taskforce recommendation 8, and the Aged Care Quality & Safety Commission's approach to the Strengthened Quality Standards under the new Act) and develop a clear definition of providers who require registration, designed in consultation with service users (NDIS Taskforce recommendation 1).
3. Include provisions for sharing risk-related information across disability and aged care sectors (DRC recommendation 10.28).
4. Determine how suitability will be assessed where there is no current approval/registration process.
5. Ensure that the recommended national screening clearance for care workers does not inadvertently delay implementation of other measures to promote child safety (for example, a National Educator Register, and national harmonisation of Working with Children Checks) arising from the recent Education Ministers Meeting¹ and Victorian Rapid Child Safety Review.²
6. Co-design streamlined practice standards and accreditation processes with relevant sectors and communities, considering overlap across common practice, processes and systems and retaining sector-specific requirements.
7. Streamline accreditation and performance frameworks to ensure simplified monitoring and reporting.
8. Ensure accreditation includes service user representation in the audit process and determination findings.
9. Ensure any alignment of restrictive practice and behaviour support plans supports greater understanding of rights for service users, clarity of roles and responsibilities for care workers and simplified authorisation and reporting.

¹ Australian Government Department of Education (2025), *Joint action on strengthening the safety and quality of early childhood education and care across Australia*. Available at: <https://www.education.gov.au/early-childhood/announcements/joint-action-child-safety>

² Victorian Government (2025), *Rapid Child Safety Review*. Available at: <https://www.vic.gov.au/rapid-child-safety-review>

Recommendation 2.1

Collaborative commissioning

BSL welcomes the recommendation for collaborative commissioning (CC) to reduce fragmentation, improve outcomes and generate efficiencies. CC can deliver significant productivity benefits in metropolitan areas, and also for regional and rural areas that experience thinner markets and greater gaps in service provision. To enhance the productivity impact of this recommendation, BSL also recommends additional reforms including:

- 10. Sustainable funding and local governance:** long-term sustainable government funding coupled with local governance of collaborative commissioning. This will improve the long-term quality of local service delivery by ensuring it is relevant to the needs of local communities – for example, by addressing gaps in service provision. Sustainable funding will ensure commissioning is not subject to efficiency losses due to ‘stops-and-starts’ in commissioning and associated service delivery (e.g. due to providers needing to scale-up and scale-down services as commissioning commences and ends).
- 11. Go beyond health:** explore the feasibility of extending the productivity gains from collaborative commissioning beyond health, to early childhood, Foundational Supports and aged care. This can support more coordinated service delivery and enable lessons from one sector to be applied in other sectors.

Recommendation 3.1

Prevention

BSL welcomes the recommended National Prevention Investment Framework to improve outcomes in the short-term (by enabling support before needs are more acute), and in the longer-term to reduce future need for care services and associated downstream costs. Investment in early prevention offers scope to both improve outcomes for service users and reduce personal, social and financial costs from delayed intervention. To support the effectiveness of this Framework, BSL also recommends:

- 12. Scope clarification and managing the risk of ‘displacing’ other funding:** the definition of prevention programs can be broad – for example, many early childhood programs support prevention and early intervention in setting up children for success later in life. It would be helpful for the framework to clarify the definition of programs best funded through the proposed mechanism. This would also reduce the risk that the prevention framework might displace other funding sources for core services that support prevention but are more appropriately funded through mainstream pathways.

- 13. Collaboration:** manage the framework collaboratively across departments and levels of government to maximise scope for interventions that benefit multiple cohorts of service users, including capacity building to measure long-term impacts and links to Australia's national wellbeing framework. This will help enable funding to be used in the most efficient way for different local communities and improve the quality of prevention activities by identifying investments that can deliver benefits across portfolios.
- 14. Strengths-based:** avoid deficit-focused language. For example, in the interim report, language such as "high-risk teenage mothers" can imply mothers themselves are "high-risk", rather than acknowledging systemic factors and structural barriers that increase risk. Investing in people's capacity and addressing systemic barriers is more effective than framing around individual deficits. The framework should use language and an approach consistent with Advantaged Thinking or a strengths-based approach.³

Additional recommendation – systems complexity

In addition to the draft recommendations, BSL also recommends that the Australian Government invest in simplifying systems across human services. The complexity faced by service users as they navigate existing systems reduces their ability to access the right services, at the right time, in an efficient way. This complexity imposes unnecessary costs on both service users and government. Costs for service users include wasted time that could be allocated to other valuable activities (including education and training, job search and caring responsibilities), and well-being costs including stress and uncertainty where system processes, timelines and outcomes are ambiguous or opaque. Costs for government include higher-than-necessary staffing and related costs to collect repeated and duplicate information from service users, identify and correct errors, manage delays, and excessive administrative burden. These costs can be reduced by:

- 15. Investing in navigation support:** in the short to medium term, BSL recommends the Australian Government address system complexity through increased navigation support for service users. The development of system specific 'navigator' roles, that help users 'find their way' around and between systems, has been proposed or created in almost every major human services system. However, introducing of multiple system-specific navigators risks creating overlapping and duplicate roles, reinforcing existing siloes in service systems and creating more administrative burden for individuals and families. To improve productivity and outcomes in the human services systems, government should test and invest in a 'life-stage' navigator model (as opposed to siloed system navigators). A life-stage navigator works with a person or family to access multiple services and systems through

³ For more information on Advantaged Thinking please see this overview: <https://assets.bsl.org.au/assets/AT-Overview-V3-1.02.24-2.pdf>

different life stages to get them the right support at the right time, rather than a single service or system.⁴

- 16. Fundamental system simplification:** in the longer term, BSL recommends the Australian Government engage in more fundamental system redesign to reduce underlying complexity (and associated costs). Reviewing and redesigning complex systems can reduce costs and improve outcomes for both service users and government. Reducing underlying system complexity can be seen as a human-services parallel to reducing red-tape across the business sector. Reviews and redesign of systems should draw on the lived experience of service users to ensure planned changes translate to practical gains.

Additional recommendation – Formal Relational Contracting

Recommendation

- 17. Formal relational contracting (FRC):** As a complement to collaborative commissioning, BSL recommends the final PC report examine the productivity gains that can flow from FRC:

- Collaborative commissioning can be understood as cooperation between buyers (commissioners) to better serve complementary or overlapping groups of service users.
- Formal relational contracting can be understood as more flexible and collaborative contracts between buyers (commissioners) and service providers, in contrast to more traditional transactional or rigid contracts.

Instead of trying to anticipate all contingencies in advance, FRC builds a governance framework and principles to guide ongoing collaboration between purchasers and providers, in pursuit of better – higher quality - service delivery for the benefit of service users.⁵ FRC allows for shared learning by buyer and provider, adjustment and adaptation in response to change in the service landscape, and ultimately allows for more flexible and effective delivery in a complex human services landscape.

The practical design by the Australian Government of a framework for FRC will benefit from engagement with bodies including the Australian National Audit Office (ANAO) and the Australian Competition and Consumer Commission (ACCC) to ensure consistency with probity, accountability, transparency and competition policy.

⁴ For more information on system navigation, please see BSL's submission to the Economic Roundtable: https://library.bsl.org.au/bsljspui/bitstream/1/13595/1/BSL_subm_ERS_Navigators_July2025.pdf

⁵ For more information on relational contracting, please see work by Professor Mark Considine and colleagues here: https://figshare.unimelb.edu.au/articles/report/Formal_Relational_Contracts_and_the_Commissioning_of_Complex_Public_Services/28544528; and also BSL's submission to the Economic Reform Roundtable: https://library.bsl.org.au/bsljspui/bitstream/1/13596/1/BSL_subm_ERS_RelationalContracting_July2025.pdf

BSL also considers that FRC can be trialled before introducing collaborative commissioning, noting that models for FRC already exists internationally, can be implemented more quickly, and can inform governance structures relevant to both CC and FRC. This is also reflected in the Centre for Policy Development's paper *Productivity with Purpose* which recommends combining the two approaches to maximise quality and efficiency gains.⁶

BSL also supports the submission to this PC Inquiry prepared by the University of Melbourne titled 'Collaborative Commissioning and Formal Relational Contracting – what's the difference and what are the likely benefits?'.

⁶ Centre for Policy Development (2025), *Productivity with purpose: Clear pathways to a more equitable future*. Available at: <https://cpd.org.au/work/productivity-with-purpose/#:~:text=Productivity%20with%20Purpose%20is%20a,communities%2C%20and%20more%20leisure%20time.>