PeakCare
Queensland Inc.

Submission to the

Productivity Commission's Issues Paper

Human services: Identifying sectors for reform

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Part One:
INTRODUCTION

In April 2016, Mr Scott Morrison MP, Treasurer, requested the Productivity Commission to undertake an inquiry into Australia's human services, including health, education and community services. The terms of reference state that the inquiry is to "focus on innovative ways to improve outcomes through introducing the principles of competition and informed user choice whilst maintaining or improving quality of service". An issues paper, *Human Services: Identifying sectors for reform*, was released in June 2016. It asserts the Australian Government's commitment to working in partnership with the state and territory governments and non-government services so that "all Australians can access timely, affordable and high quality human services, which are appropriate to their needs, and are developed in a cost effective manner".

The first stage of the inquiry is to identify services that are suited to the introduction of greater competition, contestability and user choice. An approach to identifying services best suited to reform is proposed.

PeakCare welcomes the opportunity to make a submission in response to the issues paper.

Part Two:
ABOUT PEAKCARE AND THIS SUBMISSION

PeakCare is a peak body for child and family services in Queensland. Across Queensland, PeakCare has 61 members, which are a mix of small, medium and large, local and statewide, mainstream and Aboriginal and Torres Strait Islander non-government organisations that provide generic, family support, child protection and out-of-home care services (e.g. foster and kinship care, residential care) to children and young people who are at risk of entry to or in the statutory child protection system, their parents and other family members. In addition, PeakCare's membership includes a network of 26 individual members and other entities supportive of PeakCare's policy platform about the safety and wellbeing of children and young people, and the support of their families and communities.

The children, young people and families with whom PeakCare members work are often in receipt of services, provided on a one-off, short or long term basis, from a number of human service and / or other agencies ideally working cooperatively to assess child and family needs, plan and implement interventions, and work with the family to enable them to care safely for their children. There are over 9,000 children and young people living away from their parents in out-of-home care in Queensland and over 40% of these children are Aboriginal and Torres Strait Islander children. It is estimated that around a third of the children have disabilities. This is also the case for their parents and includes those with cognitive disabilities. Many of the families have experienced poverty and housing instability. They are often wary of the 'welfare' and government, resistant to intrusion into family life, and have or are experiencing periodic or ongoing problematic substance use, mental ill-

health, domestic and family violence, and contact with the youth or criminal justice systems. The children, young people, their parents and other family members who would benefit from (largely involuntary) statutory and (largely voluntary) non-statutory child protection and family support services are consequently some of the most challenging for government and non-government agencies to keep engaged *especially* when there is a disconnect in policy direction, program design and implementation, procurement, and service provision with the core objectives of the right provider providing the right service, when and for as long as needed.

PeakCare's interest in this issue is therefore multi-layered. Concerns are held about the application of competition, contestability and user choice in the areas of child protection, family support and related services to children, young people and families *because* these clients experience vulnerabilities on a short or long term basis, undermining their capacity and consistency in being able to access 'user choice'. As the Productivity Commission would be aware, reform strategies in this area - *National Framework for Protecting Australia's Children 2009 – 2020* and the associated third action plan and the *Royal Commission into Institutional Responses to Child Sexual Abuse* - have been at pains to navigate the eight jurisdictional-specific approaches to protecting children and young people across Australia and the intersect with Commonwealth government responsibilities in both universal and intensive services.

PeakCare notes that the mix of therapeutic, educational and practical interventions required by families in contact with child protection and family support requires a mix of highly skilled, qualified and experienced workers yet jurisdictional approaches to funding are at odds with this critical input to quality services. Already, government approaches to procuring community services embed a reluctance to resource infrastructure and enabling processes such as networking, collaboration, training, partnerships between organisations, evaluation and review.

While on the surface, the inclination might be to promote competition, contestability and user choice in this area, a range of factors and potential unintentional impacts can be anticipated.

Part Three:
FEEDBACK IN RESPONSE TO THE ISSUES PAPER

This submission now turns to offering observations and feedback in response to particular issues raised for discussion in the issues paper

1. ## Defining human services, the role of government, and the attributes of human services

The issues paper defines 'human services' and is of course inclusive of child protection, family support and related community sectors. The paper states that government directly and indirectly (i.e. through funding) provides human services, and that non-government organisations are increasingly providing human services. Some of the diversity within the non-government sector is

described. Not stated yet relevant to this discussion is the extent to which not-for-profit, community-based agencies have to seek out and / or utilise their own financial resources to supplement what is in effect government's under-funding and under-recognition of, for example, evaluation and review, and fostering evidence-informed innovation in program and service design and delivery. The use of volunteers (which in itself requires recruitment, coordination and management infrastructure) to oversee organisations (but which embodies the concept of community or constituent ownership) and to deliver services is also under-stated given these costs are rarely considered as legitimate by funders yet are subject to extensive regulatory regimes. The disparity in the remuneration of workers in non-government organisations and government agencies undertaking work requiring the same skills, experience and / or qualifications, and the same responsibilities and accountabilities is another aspect that could be further undermined

PeakCare concurs with the statement that "The way the services are funded influences the way providers deliver their services" (page 4) largely because governments define, in the name of public accountability and a stated shift to purchasing 'client outcomes', what they are prepared (or not) to purchase from non-government agencies and are consequently very prescriptive in procurement documentation, program descriptions, contractual arrangements, and regulatory regimes.

PeakCare is generally supportive of the attributes – quality, equity, efficiency, accountability and responsiveness – identified as important in human services. However in the context of child protection and family support where the safety and wellbeing of children and the support of their family and community are paramount, the attributes are in need of additional detail and commentary. Their meaning is undermined by current disparate approaches and the extent of both over-representation and under-representation in access to and use of human services, both of which make it difficult to be positive about this sector being well suited to increased competition, contestability and user choice. The issues paper proposes that the goal of policy reform would be to improve in all of the attributes, while and by placing more emphasis on individual users (page 6).

The attribute of 'equity' is most in need of a more nuanced commentary to reflect equitable access, rather than 'everyone' having access to the 'same' service. The paper acknowledges that additional resources may be required to provide the same services in remote areas. However, not only is access per se an issue but the services themselves need to be accessible and are likely to be purposefully different to match client characteristics within the localities in which the services are being provided. Children and families in contact with the child protection system need access to a range and mix of one-off, intermittent or ongoing generic / universal services, specialist and tertiary / statutory services. Cultural and language background, geographic location, and identified and assessed needs are factors that must shape the ways that child protection services are offered. Equitable access is key to addressing the under-representation of Aboriginal and Torres Strait Islander children and families in universal services and their over-representation in tertiary and statutory services. This has implications, for example, for community participation in the design and delivery of services and interventions, and procurement processes; which organisations are best placed to deliver the services (eg. Aboriginal and Torres Strait Islander community-controlled agencies); and partnerships with government and other non-government agencies.

In respect to the attribute of 'quality', and indeed the other attributes, concerns are held about the impact of increasing for-profit providers of non-statutory child protection and family support services. In other jurisdictions, such as the United Kingdom, for-profit providers are restricted in the types of children's services that they can provide. Here, concerns are held about creating profit at the expense of direct service provision; under-valuing and under-remunerating the skills, qualifications and experience of workers needed to undertake this skilled work; and paring back staff training, support and supervision which are foundational to quality service provision.

2.   Benefits and costs of competition, contestability and user choice

The issues paper seeks views about which services might be suited to the application of competition principles. While on the surface the emphasis on user choice, albeit *informed* user choice, is laudable, there is a range of factors that mitigate such an approach in the provision of child protection and family support. As stated above, there is a mix of voluntary and involuntary clients which elevates the significance of the attributes of human services. Although service demand may be higher in some geographic areas than others, there is still a need to offer universal, specialist and tertiary services across metropolitan, regional, rural and remote areas. Children and families who would benefit from services often do not have equitable access to the right service for as long as needed from the right provider. Rather than looking to increase(d) competition in too small a market, program design and implementation are at issue with an emphasis on integrated, non-stigmatising approaches. Self-evidently, there would not be a need for the services unless families were experiencing vulnerabilities that were impacting their ability to consistently care safely for their children. Together these mean that their choice is undermined as is their capacity to make an informed choice. Of concern also is that determining the 'winner' of a procurement competition is too easily reduced to explicitly or implicitly depicting the cost as 'value for money' and 'value-adds'. Examples of competitive procurement processes that do not necessarily deliver satisfactory outcomes for clients include:

- a provider that has no existing footprint in the geographic area
- a provider without an established relationship with the community, which would point to community-control and community access to governance mechanisms
- a provider that is new to delivering the types of services, which could point to inadvertent mission drift and / or inexperience in operationalising and delivering the types of services to be provided
- a provider that does not prioritise equitable access by Aboriginal and Torres Strait Islander children and families, or children and families from culturally and linguistically diverse backgrounds

An assertion is made about the criticality of user-oriented information and is defined as services providing information on an accurate, timely, cost effective and reliable basis to individual users (page 9). Another way of looking at service providers empowering and working in collaborative partnerships with individual clients is for governments and providers to design and implement

quality services that are relevant and tailored to meet individual client needs, and provided in engaging, timely and culturally relevant ways, rather than offering a particular suite of individually or group delivered interventions.

3. The Commission's approach and factors influencing the benefits of increasing competition, contestability and user choice

The issues paper sets out an approach to identifying services best suited to increasing competition, contestability and user choice. Notwithstanding the views expressed above, PeakCare generally concurs with the proposed framework for identifying services. Potential costs to users, government and providers are included. The framework however assumes that the required spread, equity and access to the right provider and service, when needed and for the time required exists.

In addition to factors associated with user characteristics (pages 13/14), another influencing factor is the eligibility requirements that government specifies in contractual arrangements (eg. children and families subject to statutory child protection intervention, or not), which has the effect of arbitrarily distinguishing between prospective clients when the nature of the services to be provided are essentially the same. In respect to government stewardship and transparent tender selection processes (page 18), an area for improvement, particularly in child protection and family support, is better assessment of tenderer's assertions of their capacity to design and deliver culturally relevant and competent services to Aboriginal and Torres Strait Islander children and families, and children and families from culturally and linguistically diverse backgrounds, and their partnerships with culturally-specific organisations.

As stated earlier, Australia has eight different child protection systems. Children and young people are entitled to receive the same standard of care irrespective of geographic location. The National Framework for Protecting Australia's Children is a platform for considering increased standardisation across approaches to regulatory frameworks.

Part Four:
CONCLUSION

Preventing harm to children and young people; ensuring their safety, social, educational, health and emotional needs; and enabling and supporting their parents, families, and communities to care safely for them are the hallmark of a society that values and cares for its children. PeakCare is of the view that improvements to the design, procurement, delivery and review of child protection and family support services sectors across Australia and better approaches to partnerships between government and non-government services do not require increased competition, contestability and user choice.

PeakCare appreciates the opportunity to make this submission.