Submission on The Productivity Commission's issues paper

More effective social services

Submitted by:

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Thank you for the opportunity to present a submission on The Productivity Commission's issues paper pertaining to your social services inquiry.

We would like to speak to our submission.

Background

Who we are

This collaborative submission has been developed by WAVES Trust and Community Waitakere and draws upon input from a wide range of local social and community service providers. Collectively, our networks, clients, staff and governance, represent a key stakeholder group in the social services sector throughout West Auckland.

Our process

We came together locally to consider the Commission's intent to find and recommend measures that might improve the so-called efficiency and effectiveness of the social services system. We recognised this opportunity as an important one and a group of us met twice to follow a workshop process to debate the various questions and share experiences and evidence which speak to identifiable themes of the inquiry. Collated information from this initial gathering formed a draft submission which we circulated more widely with a call for further support and evidence from our local community of social service practitioners and professionals. Our final submission has been peer reviewed by many who share a keen interest in strengths-based, community-focussed approaches to appraising the social sector.

Our community

In West Auckland we face challenges of poverty, family violence, housing shortages and dis-engagement of significant numbers of people. We also have wonderful and hopeful examples of community action, we have committed and skilled staff in a wide range of agencies and a history of working well together to make a positive difference.

Significant social, economic and demographic trends in West Auckland include great ethnic diversity, including Maori and Pacific peoples and ongoing growth in Asian populations. We have significant populations of young people and high incidences of social and economic deprivation in areas.

Thriving, resilient and connected communities do not happen by accident. There is a need for thoughtful and intentional investment and the development of respectful relationships that are sustained over time. This is especially the case in our local communities that may have the least existing resources, and the highest level of need for a wide range of social support.

Our support for current thinking

We would like to indicate our support for the following relevant commentary:

– Communities Count 2 briefing paper, issued by ComVoices[1]. In the lead up the 2014 General Election, this commentary identified specific and emerging issues and policy challenges relating to the tangata whenua, community and voluntary sector. In particular, we support the following recommendations: social and economic inequality is reduced and not exacerbated through government strategy and resourcing; community and community organisations are invested in as genuine partners, both in the design and delivery of social services; the difference between purchasing social services and purchasing capital items is recognised; a fair a value-focused approach to procuring social services.

– Platform Trust's Fair Funding campaign which aims to re-establish an equitable funding system and stop the decline of the NGO system of community care[2]. In particular, we support the following position points: DHBs need to fund NGOs fairly so they can meet the true cost of delivering services, including fairly remunerating their staff; DHBs need to commit to increasing funding for NGO mental health and addiction service providers each year, in line with the CCP increase they receive from government; the compliance burden on NGOs engaging with multiple government agencies needs to be reduced.

– Sandra Grey and Charles Sedgwick's analysis of the role of the community and voluntary sector's democratic roles and responsibilities and the risks of the 'contract environment' dominating funding for social service providers[3]. In particular, Grey and Sedgwick highlight the way in which competitive funding models serve to incite fear amongst community organisations, impede collaboration and silence the diverse voices of community.

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[1] ComVoices. 2014. *Communities Count 2: ComVoices 2014 Pre-Election Briefing.* Available from http://comvoicesdotwordpressdotcom.files.wordpress.com/2014/04/communities-count-2-final-0804141.pdf
[2] Platform Trust. 2014. *Fair Funding*. Available from http://www.fairfunding.org.nz/
[3] Grey, Sandra & Charles Sedgwick. 2013. "The contract state and constrained democracy: The community and voluntary sector under threat. In *Policy Quarterly* vol 9(3): 3-10. Available from http://igps.victoria.ac.nz/publications/files/91e4d1ad9d7.pdf

Executive Summary

> *"Recognising that the needs of social service clients span the boundaries of its agencies, the government seeks a higher degree of inter-agency cooperation." (Issues Paper p3)*
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> *"The inquiry will examine (among other things):*
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> - *The strengths and weakness of current approaches to commissioning and purchasing social services*
> - *The lessons learnt from recent initiatives and new approaches, both in New Zealand and overseas*
> - *How to combine the expertise of public, not-for-profit and private sectors to tackle difficult social problems in new and innovative ways.*
> - *How to improve coordination within and between government agencies and service providers*
> - *How government actions influence the shape and long-term sustainability of the market for social services.*
> - *How agencies can build and maintain capability to support better outcomes from social Services" (Terms of Reference)*

The inquiry describes a number of high level outcomes that are sought by government and that the Commission will address. The outcomes that are sought are important and capture a number of key issues that, if positively addressed or responded to, would make a very significant contribution to better social outcomes – and more effective government spending.

However, the inquiry then asks a large number of very specific questions that are presumably intended (as a whole) to illuminate and provide answers to these. In addition to this 'detail' it is important to consider the overall approach and underlying principles that might inform the way in which government relates to the community sector. We have identified the following issues that in large measure reflect the Commission's own list above.

How to combine expertise across sectors

It is good to see recognition that responses to complex social problems requires everyone to be engaged. No single programme or 'intervention' will effect long lasting change in situations where there are multiple factors at play. The following factors will help enable this 'cross sector' approach.

Leadership

Leadership is required at all levels of the 'system' – political, bureaucratic and community. New Zealand is a small country and we underplay the significance of this in our approach to social policy. The key players in all sectors have a high level of formal and informal interaction and are often well

known to each other. We have a long tradition of all sectors being involved in social issues and we have expected government to play a leading role in responding to community needs. Traditionally government has been quite 'hands on'. Even if government is looking to the community sector to play an increasing role in delivery of services, there is a need for authentic leadership that 'owns' the issue and is prepared to convene key players and build commitment to change.

Relationships / Trust

If we are to work effectively across sectors there needs to be a high level of trust developed. This requires time and investment and a willingness to be open with each other – to share success and failures. There is currently a strong tension between competitive drivers both within and across sectors (including contracting processes) and the need for 'joined up' responses to complex social issues. There is a vast difference between being committed to social change as a community member or citizen, and being a 'delivery agent' seeking to provide a specified service as cheaply as possible.

Transparency

There is an ongoing challenge in information being easily and simply available to all those involved. When information is held 'exclusively' or disproportionately by one sector or agency it is a real barrier to good working relationships being established. Many government agencies still have a culture of keeping information close to themselves, rather than embracing an assumption of openness.

Long term thinking

It is not possible to work across sectors on a short term basis. There are inevitably 'costs' associated with the involvement of multiple participants, and for this to be effective these costs need to be incurred in the context of a long term commitment.

Clarity about role

Each participant in a 'cross sector' relationship needs to be clear about the role and contribution that they make.

Clarity of purpose

It is vital that when a 'cross sector' approach is undertaken there is a shared awareness, and agreement about what it is that is being 'changed'. Too often initiatives are started that are poorly defined and where the hard work of agreeing objectives is 'fudged'. It also requires a commitment to consult adequately with 'target' communities as well as those agencies delivering services.

Improved Coordination

Coordination is a vital ingredient, but one that is often either taken for granted or treated as an 'add on' that has no cost and is thus not resourced. The term 'coordination' itself occurs on a continuum ranging from sharing information and cooperating in the delivery of services to a full partnership and co-development process with shared accountability and measurement.

If coordination is to be taken seriously it needs to be invested in and a range of management disciplines need to be applied to it. There are approaches to this (e.g. Collective Impact) that hold potential but that have not been rigorously tested in New Zealand environments.

There is also a risk that communities can become disillusioned where the language of collaboration is used but not honoured by government agencies. A reputation of trust is hard won and easily lost, so a solid commitment to proven performers is an important part of a funder/agency relationship.

For a number of years various stakeholders in Waitakere participated in the Wellbeing Collaboration, which was seen as a benchmark for how community, local government and central government could tackle complex social issues through a collaborative process. Unfortunately, this initiative stalled following the amalgamation of Auckland's councils into the super city structure. However, we feel that this example might prove useful as a case study for the inquiry.

Long Term Sustainability

Building the 'long term sustainability' of the 'market for social services' is dependent on the existence of a community sector that is equipped and willing to engage in this market. It is important to remember that the community sector does not exist in order to deliver government services. The sector grows out of, and reflects the priorities and desires of diverse communities. There is clearly a reservoir of expertise and commitment (and resource in the form of voluntary contribution) in communities, but if this is not recognised and supported in its own right by society more generally, then this reservoir will continue to be degraded and will simply not be available to be engaged in social services or in responding to complex social issues. This means that government needs to take a broad investment approach to communities and community development, and not confine itself to a narrowly defined contracting approach.

Build capability

There has been some investment into building community sector capability by MSD over recent years. While this has been welcome there are ongoing needs at a community organisation level to ensure the ability of organisations to respond to specific requirements and opportunities. The area that remains problematic is the provision of some support for core organisational activities that enable groups to 'keep the doors open' and staff employed with some security.

If groups are largely dependent on a succession of short term contracts they often find that legitimate overhead costs are discounted. Groups with a long and valuable contribution are too often only one failed contract or grant application away from dissolution. In this sense capability in the sector is lost – almost by accident. The wisdom and experience held by organisations in different contractual relationships is a significant part of the social capital that helps our community thrive and effectively approach the issues at hand.

Short term contracts can raise expectations, and when these are not supported by sustainable funding, this can make it harder to tackle some of the complex and interconnected problems that communities face. An agency's credibility can be affected by such funding challenges which may be out of their control.

In the following sections we have attempted to address some of the questions posed by the issues paper. As responding fully to all of the questions posed by the paper was seen as impractical, we have identified key themes that best reflect where our thinking and discussion has been focussed and grouped our comments beneath the questions that were relevant to these themes.

Quotes and examples from workshop participants are included in the dark grey speech bubbles.

Organisational Culture

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

Q 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?*

Q26: *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?*

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

Q 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?*

Q 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?*

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

Why are community organisations contracted to provide services?

Community organisations hold a wealth of connections and local knowledge that mean they are well placed in offering support and advocacy for the people that they serve. However, such agencies are often not recognised as experts, nor consulted appropriately by government. Consultation also often happens too far down the track, when the scope and framework of work has already been decided. Our organisations report that as a result, the wrong questions are being asked. This can lead to agencies feeling as though consultation is undertaken only to 'tick the box' and that government is not genuine in their attempts to listen to the voice of community.

> **We find that if you contract to a community-based organisation you can achieve the reach, connection and trust in a different and quicker way. We are able to say to families, "we're your neighbour", rather than "we're Council or we're from X Ministry" and that makes a difference in the way people respond.**

The relationship between government and community

Contracts between government and community reflect an inherently unequal relationship. On the one hand NGOs possess a wealth of expertise and knowledge about both the strengths and the needs of their communities, and are therefore best placed to build trusting relationships and facilitate positive outcomes. On the other hand, government holds the purse strings and therefore the power over what services are delivered and by whom. This inevitably places barriers in front of meaningful partnership between government and community.

As mentioned above, there is a lack of recognition within government contracts of the day-to-day costs of running an agency that is well equipped to deliver quality services. It was also noted by our workshop participants that NGOs are consistently funded at lower rates than what is budgeted to deliver the same services through government agencies. This was also noted in the Platform Funding website.

There is an assumption from government that community agencies will deliver outcomes to their clients well beyond the scope of the contracts that they receive. And, for the most part, community organisations have always sought creative ways to deliver the best outcomes possible for all those who walk through their door, regardless of whether funding is available. However, providing this added value is becoming untenable for many organisations who have seen demand for services increase exponentially at the same time as government has tightened eligibility and reduced overall levels of funding. Agencies report reaching a tipping point where the current expectations of delivering "more for less" are unsustainable, and can lead to increased risk of poor outcomes for both staff and clients.

There is a whole series of principles that could be involved in government contracting that has never been involved in government contracting. The principles of partnership, the principles of collaboration. These are just words, but they have never been included in government contracts. These sorts of principles have to apply to both partners.

> **There is a lack of consistency in approach. It changes government to government, CE to CE and official on the ground to official on the ground. And this inconsistency is something that community agencies have live with. They are asking us a whole series of detailed questions, however at its core this is a systems issue, and until they change their systems, this inconsistency is likely to persist.**

Advocacy

Significant concern was raised that the role of advocacy is not well understood or supported by government, and, as raised in the recent Community Voices Survey of NGOs[4], many agencies are increasingly cautious about advocating for their communities due to the perceived risk of funding cuts from government. Advocacy is hugely important in communicating the needs of those who may not otherwise be heard, and a core tenet of democracy.

Advocacy can be as simple as telling the government what is (and what is not) working in programmes and services. The sector plays a key role *for* government in the way that we *show* government how and why different things work. NGOs can be conduits for information, by informing government messaging but also helping to disseminate information back to community.

> **Government will ask for our opinions and input when they want to (e.g. now, via submissions) and at other times, when we speak, our voice isn't welcome/we're seen as a nuisance.**

> **The best policy is the policy which is best informed. You need community knowledge and insight to enrich policy, and you cannot get this richness from policy personnel. Government must value this offer of ours.**

The role of volunteers in the provision of social services

Volunteers play an invaluable role in supporting organisations to deliver services to their communities. However, volunteer labour should not been seen as a replacement for a paid workforce with specialist expertise. There is some concern that organisations that rely heavily on volunteer labour are viewed favourably by government as a cheaper alternative to contracting organisations who employ staff for wages. Paid staff offer consistency, accountability, expertise and

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[4] ComVoices. 2014. *State of the Sector Survey: 2014 Snapshot.* Available from http://comvoicesdotwordpressdotcom.files.wordpress.com/2014/09/comvoices-state-of-the-sector-survey-summary1.pdf

institutional knowledge that is vital, particularly when working with people who present with complex needs.

Taking an investment approach to social service delivery

Workshop participants rejected the notion of an "investment approach" being applied to social service delivery. Social services exist to support people to participate fully in our society, and as such should not be considered on the basis of economic returns. In saying that, it is recognised that there is insufficient "investment" in what is occurring upstream. Raising the incomes of our poorest citizens and ensuring better access to primary health care as well as being more willing to use legislation as a tool for regulating particular industries such as alcohol would have significant returns by preventing costs arising from social harms related to poverty, poor housing and alcohol abuse.

Local solutions to local issues

It appears that there is increasing interest on the part of government as to whether innovative projects that have been developed in response to local needs are 'scalable' and 'replicable'. While place-based approaches can be extremely effective, there is a danger in attempting to parachute such approaches into other communities. For example, the Social Sector Trials were initially developed for discrete rural areas such as Tokoroa. When applied to significantly larger urban areas with permeable boundaries such as Ranui in Auckland, the trials have not been as effective.

The nature of contracts between government and community agencies

Q27: Which social services have improved as a result of contestability?

Q28: What are the characteristics of social services where contestability is most beneficial or detrimental to service provision?

Q30: Is there evidence that contestability is leading to worse outcomes by working against cooperation?

Q31: What measures would reduce the cost to service providers of participating in contestable processes?

Competitive funding models

Competitive funding models place significant barriers to collaboration, as agencies that are anxious about the long term prospects of their organisations may be reluctant to share information and models of best practice with others. It is noted that government is increasingly adopting the language of collaboration, for example in the new criteria for MSD's CIR round 3 funding. Good collaboration requires time and commitment from agencies, yet the costs associated with this are not yet recognised within contracts that are narrowly focussed on the delivery of services to clients.

Another way in which contestability can lead to poor outcomes is that it inevitably favours larger organisations over smaller ones. Smaller organisations provide specialist knowledge as well as particular cultural competencies (e.g. kaupapa Maori), and therefore play an important role in the mix of service delivery, however it is difficult for such agencies to compete on price. Where they can compete it is often through paying staff lower salaries, making it difficult to attract and retain staff with high levels of expertise.

The procurement method being used by government seems to value a process where community providers need to put together extremely well presented proposals. Larger organisations that have the resources can afford to use proposal writers and documents can tend to look like marketing publications. This puts smaller organisations at a distinct disadvantage and while they may be an excellent social service provider, they may not have the resources to produce such high calibre documents.

It would also appear that the method for rating the proposal document does not take into account the community contribution that organisations are making outside of the specific service being provided. When larger organisations; for profit organisations or organisations from overseas win these contracts, they are often unable to provide the range of community based wrap around supports that the smaller organisation may have provided. This is then a huge loss to the community. When a smaller organisation loses one of its contracts it will also often mean that due to financial implications they have to reduce the number of services that they can offer to the community and this is often not accounted for in the procurement process.

Valuing the role of umbrella organisations

One of the ways in which some of these challenges can be overcome is through the support of backbone network agencies including WAVES Trust, a family violence network agency, as well as organisations such as Community Waitakere. However, these organisations are finding it increasingly difficult to secure funding from government, as there has been a narrowing of focus in funding to 'front line agencies'. These organisations provide a crucial point of connection between agencies, and are effective because they are not seen as competitors.

Innovation and Risk

Q20:   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?

Q33:   What changes to commissioning and contracting could encourage improved services and outcomes where contestability is not currently delivering such improvements?

Q45:   What have been the benefits of government initiatives to streamline purchasing processes across agencies? Where could government make further improvements?

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

Whilst seeking to improve the way that services are designed and delivered is important, there are a number of significant barriers to being 'innovative' for community organisations:

Lack of capacity within community organisations

Community organisations do not have adequate capacity to invest in the required research, development and evaluation required to design and implement effective and innovative solutions to what are complex social issues.

Where funding is sourced from the philanthropic sector, who may more readily recognise and support innovation, such funding is frequently on a 'project by project' basis and overheads, including staff wages and rent, are explicitly excluded from funding criteria.

Lack of appetite for risk

There is little room in contracts for 'trial and error' both with regards to funding and with regards to appetite for risk. Government is by nature risk averse, as the political implications of funding programmes that cannot be proved to be effective are significant. Community organisations are well placed to see how things work at the grassroots level, and to see where different approaches might be more effective in addressing local needs.

The community sector cannot be expected to carry the risks inherent in innovation in order to achieve government stated outcomes. Given the anxiety over sustainable funding for many organisations, the willingness to commit scarce resources to new ways of working is understandably low. Anxiety created by competitive funding models is likely to stifle attempts at innovation in service design and delivery, as the costs of 'getting it wrong' are significant, particularly in a total outcomes focused contracting manner. Innovation is an essential quality to encourage that can lead to some excellent emergent design solutions to tough social problems. A

balance between service delivery and innovative exploration should be encouraged in contracts.

Expectation of 'quick wins' and short term measureable outcomes

There is an expectation for 'quick wins' driven by short electoral cycles. The issue is, as discussed elsewhere in this submission, that the causes of some social issues are complex and multi-factoral, and outcomes from innovative solutions may only be seen some years down the track. Government needs to be prepared to commit long term to new initiatives to ensure that we can get a real sense of what is effective.

Focus on 'innovation' comes at the cost of consistency

Some agencies present at the consultation workshop commented that a constant drive for innovation sometimes came at the cost of high quality and consistency in delivery. Agencies are often expected to divert resources into the latest project rather than focusing on delivering core services using models of best practice.

> It would just be good for a change to be able to focus on getting the basics right, without constantly being asked to do things in new and different ways. Sometimes it seems that the implication from government is that because we have still got poor outcomes in xxx that agencies should be doing something differently – rather than asking ourselves what are the conditions present in society that create these social problems? The predominant focus of funding is in crisis intervention, not prevention.

Accountability & Measurement

> *Q41:*   *Which types of services have outcomes that are practical to observe and can be reliably attributed to the service?*
>
> *Q42:*   *Are there examples of outcome-based contracts? How successful have these been?*
>
> *Q43:*   *What is the best way to specify, measure and manage the performance of services where outcomes are not easy to observe or to attribute?*
>
> *Q44:*   *Do government agencies and service providers collect the data required to make informed judgements about the effectiveness of programmes? How could data collection and analysis be improved?*
>
> *Q 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?*
>
> *Q 49:*   *How can data be more effectively used in the development of social service programmes? What types of services would benefit most?*
>
> *Q 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?*
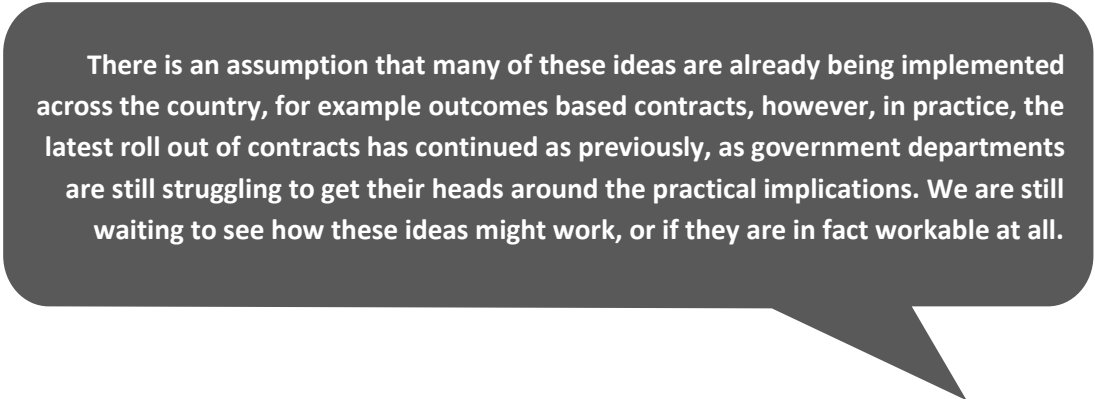
Obtaining accurate information to enable a comprehensive evidential basis for the services that we provide is crucial in ensuring that what we deliver makes a measureable difference in peoples' lives. However, there are a number of challenges in relying solely on that which can be easily measured.

Multiple sources of data

One of the difficulties in using data is that relevant data for services is often spread across a number of sources including different government departments and NGOs. For example, when looking at family violence statistics, relevant data exists within Police, Justice, Corrections, Health, and Social Development databases, as well as numerous NGOs including Women's Refuge. This makes it difficult to see the full picture. Furthermore, the way in which data is collated is not always consistent, meaning that it can be difficult to measure long term trends.

Difficulty in attributing outcomes to specific services

It can be difficult to attribute outcomes to the delivery of discrete services, i.e. lower unemployment may be more to do with economic factors rather than a specific service delivered. For complex social problems including family violence it is very difficult to measure outcomes, and population level change may only be seen years down the track. This is something that has clearly posed challenges for both community and government agencies.

> **There is an assumption that many of these ideas are already being implemented across the country, for example outcomes based contracts, however, in practice, the latest roll out of contracts has continued as previously, as government departments are still struggling to get their heads around the practical implications. We are still waiting to see how these ideas might work, or if they are in fact workable at all.**

There also needs to be a balance between quantitative and qualitative data when establishing whether or not various forms of social services are effective. Anecdotal evidence including peoples' stories can be powerful and a far better indication of the impact that a particular service may have had on their levels of wellbeing than simply looking at numbers.

Need for transparency

The use of 'evidence' is not purely objective, but can serve to further particular political agendas. There needs to be transparency around who is conducting measurement/evaluation and defining outcomes. Is it government or is it community? Are they agreed, and are community organisations adequately funded to do this work? Many contracts do not currently provide funding that is earmarked for evaluation.

Models of commissioning and provision:

Q4: *What contribution do social enterprises make to providing social services and improving social outcomes in New Zealand?*

Q5: *What are the opportunities for, or barriers to, social-services partnerships between private business, not-for-profit social service providers and government?*

Q9: *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?*

Q10: *Are there innovations in commissioning and contracting in New Zealand that the Commission should explore? What lessons could the Commission draw from these innovations?*

Q11: *What other international examples of innovative approaches to social service commissioning and provision are worth examining to draw lessons for New Zealand?*

Q15: *Which social services are best suited to client-directed budgets? What would be the benefit of client-directed budgets over existing models of service delivery? What steps would move the service in this direction?*

Q16: *Which social services do not lend themselves to client-directed budgets? What risks do client-directed budgets create? How could these risks be managed?*

Q22: *What is the experience of providers and purchasing agencies with high-trust contracts? Under What circumstances are more relational contracts likely to be successful or unsuccessful? Why?*

Commissioning

Workshop participants had mixed views about alternative forms of commissioning and purchasing of social services. Commissioning was seen as useful in enabling decisions to be made closer to the communities delivering and receiving services. However, it was also noted that the scope of such agencies needed to be considered carefully. For example, it was noted that it is highly unlikely that the current commissioning structure in place for Whanau Ora can truly reflect and respond to local needs given that the area covered by each agency is so large (e.g. one agency for the whole of the North Island).

It is also possible for umbrella organisations to fulfil the role of commissioning agents, as some currently act as fund holders for smaller organisations who may not have the capacity to negotiate directly with government, but whom provide valuable services to their communities.

> *A lot of our work wouldn't be possible if we didn't have an umbrella group to negotiate directly with the likes of Ministry of Social Development and Ministry of Business and Innovation. And we have a number of umbrella groups supporting and enabling our work. Central government wouldn't resource a community organisation of our scale. I haven't got the resources; the overheads or the time.*

Client Directed Budgets

There was concern that funding models that attach funding to individuals is risky. While this has worked very successfully for some families where it has been trialled (i.e. in disability support services), other families may not be equipped to act on their own behalf when brokering for services. There is also concern that such a model might serve to further inhibit cooperation and collaboration between agencies as competition for "customers" is intensified. Agencies may end up needing to spend more money on attracting customers, i.e. advertising, in order to remain competitive – money that could be better spent elsewhere.

High Trust Contracts

High Trust Contracts were seen as a good idea, however the experiences of those agencies who had signed these suggests that in practice they were not functional.

> *When it started it was incredibly flexible, however 18 months down the track it has evolved to becoming something that is instead incredibly rigid. For example when it started out the contract stipulated that over three years you had to achieve x outcomes, whereas that changed to stipulating that you had to achieve x outcomes per year without reference to what had happened the previous year or what was forecast for the coming period. In essence it evolved from a High Trust contract to an ordinary contract, with the only difference being that we were paid upfront rather than quarterly.*

Cultural competence

Q3: *What role do iwi play in the funding and provision of social services and what further role could they play?*

Q7: *What capabilities and services are Mäori providers better able to provide?*

Q17: *What examples are there of contract specifications that make culturally appropriate delivery easy or more difficult?*

Q36: *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?*

Q37: *How well do government agencies take account of the decision-making processes of different cultures when working with providers?*

Q39: *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?*

Q40: *How well do commissioning processes take account of the Treaty of Waitangi? Are there examples of agencies doing this well (or not so well)?*

The role of Maori organisations in the provision of social services

There is absolutely a role for iwi (and other Maori stakeholder groups including urban Maori authorities) in the provision of social services, however we question the extent to which Maori should be expected to also fund provision of services that every citizen is entitled to receive. Where iwi choose to spend monies received as part of the Treaty settlement process is rightly their concern; there should be no expectation from government that iwi deplete their asset base providing services to their people, particularly where the impacts of colonisation have resulted in stark inequality of outcomes and a resulting higher need for social service delivery.

Building and maintaining cultural competency within mainstream organisations

Ensuring a diversity of social service providers, including kaupapa Maori services, is important in ensuring better outcomes for some groups, however, this does not absolve mainstream organisations whether government agencies or NGOs from also building and maintaining high levels of cultural competence within their organisations. For example many Maori may choose to use mainstream services over Maori providers for a number of reasons, including limited access to such services in all areas. Institutional racism remains a significant area of concern.

Whanau Ora

Workshop participants commented that they were keen to know more about how to engage with the Whanau Ora approach, including potentially accessing funding, in order to continue to develop their capacity to deliver appropriate services to their Maori clients and whanau.

> Over many years our agency has invested huge amounts of scarce resource into developing culturally appropriate services to effectively support our diverse communities. We have developed a reputation as being responsive and effective and therefore have individuals and whanau consistently approach us for support. These folk know there are culturally specific support agencies within their community that are accessible, but due to past experiences and/or personal recommendation, they choose to engage with us. We do what we can but are limited by resource allocation issues. We would like equal access to Whanau Ora funding to offer a more complete and effective service provision, to our Maori clients and whanau by our professional Maori practitioners. We experience difficulty in gaining information as to how to go about applying for this funding, which we have been told is available to all. This is not our experience.

Conclusion

> **Nowhere in the document is community development mentioned. And yet we know as practitioners that if you are going to get progress on the ground as communities, you actually have to work on community development principles.**

This submission brings together the responses and thinking of a wide range of West Auckland community organisations. In the discussions that informed this submission the level of agreement and shared concerns across the sector was very apparent. The experience of disparate community groups both in terms of size and areas of work was largely similar, particularly in terms of the relationships underpinning contracts for service with a range of government organisations.

There are a number of concluding comments that we would like to make:

Community organisations do not exist primarily as contracting delivery organisations for government

They do, of course offer a valuable contribution in this space, and can work in ways that core government agencies, or private 'for profit' entities cannot. However, there is often a tension between the aspirations and priorities of community groups and government agencies. This tension needs to be navigated with open and respectful processes of engagement.

We should focus on citizens not customers

Narrowly conceived contracting arrangements have a tendency to frame the recipients of services as 'customers'. This assumes that recipients have a choice and some ability to influence the nature of the service they receive. Community groups generally prefer to operate on the basis that we are working with our fellow citizens that are needing support or are accessing a specific service as part of a broader collection of public services. We are all entitled to this support, depending on our circumstances. This is a collective undertaking where our community is organising its resources to support those who require it at any given time.

Community organisations have a role as advocates

Community organisations traditionally have an important role to speak for those who may not otherwise be heard and whose experience may not otherwise influence policy or practice. This role needs to be valued and not seen as a threat.

What is the 'theory of change'?

Much of government contracting for social services appears to exist in a vacuum. It would be valuable for there to be explicit discussion and thinking about how it is envisaged that positive social change will occur (at an outcome level) through specific interventions. This would provide a clearer focus on the important connections between sectors and the way this impacts at a family or community level.

What is the role of local government?

There is no discussion, or visibility of any role for local government as part of this Inquiry. Local government (particularly in Auckland) makes a crucial contribution to community development and 'placemaking' at all levels. If we are to progress our collective responses to difficult 'social' challenges, local government needs to form part of our thinking at every level. Community and social infrastructure is far more influenced by local government than by social service delivery. It is this community context that will either improve or degrade the environment in which social issues emerge.

Thank you for the opportunity to contribute to this inquiry. We would welcome the opportunity to engage with you in person to explore further the points we have raised.

Nga mihi nui ki a koutou katoa,

WAVES Trust & Community Waitakere