



Submission on:
Productivity Commission – More Effective Social Services Draft Report

24 June 1015

Background

Inclusive NZ, Inc (formerly NZ Federation of Vocational and Support Services) is an umbrella association for organisations that provide employment and inclusion/participation services for disabled people. We have 70 member organisations throughout New Zealand. Most are contracted to provide services by the Ministry of Social Development (through Work and Income), the Ministry of Health, ACC and the Ministry of Education. Our members are actively involved in the Enabling Good Lives demonstrations in Christchurch and Waikato and have had experience of tendering for contracts for Work and Income Employment Services.

We provided a submission in response to the Issues Paper, which outlined what we understand to be the issues, challenges and opportunities for creating more effective social services. We met with members of the Commission on 23 June, along with our colleagues from NZ Disability Support Network and Workbridge. This submission summarises the main points that we made in this meeting.

1. We agree with the observations that the Draft Report makes about the current political and contracting environment that social services are operating in.
2. We acknowledge the report's finding that data collection and evaluation practices are not a strength of our current system. However, this does not mean that the system is under-performing. It just means that we do not have system-wide evidence that documents what is working and what is not. We are much more likely to notice and focus on those areas where improvements are clearly needed and we take for granted those areas that are performing well. The draft report should acknowledge that:
 - Many community service organisations have a clear understanding of what is working in terms of their practice and the results they are achieving. However, they seldom have ways of feeding this 'up' to inform government funding agencies.
 - Government agencies only see what they contract and fund. There are a wide variety of initiatives that communities and community organisations self-fund and that contribute to the effectiveness of the social service system. This is frequently the space in which innovations are occurring and this work goes largely unrecognised.

3. The report does not adequately discuss the impact on the system of under-investment in social services over a long period of time. Most Inclusive NZ members providing Employment, Participation and Inclusion services have not had a funding increase for 8-10 years. During this time overheads have continued to increase and providers have been attempting to respond to disabled people's requests for more personalised services. Their ability to respond effectively is hampered by a contributory funding model that does not adequately support 'group' or centre-based services let alone a personalised approach.

It is of concern to us that government ministers and agencies often make comments about the underperformance of a system that they are not prepared to invest in. They will frequently fund pilots and trials that have limited impact in favour of properly investing in core services.

4. An example of this lack of meaningful investment are the Enabling Good Lives Demonstrations. The intention of Enabling Good Lives is good and the interagency approach is also one that we support. However, the demonstrations are expected to be cost neutral and outcomes need to be achieved within existing funding. To date no funding has been made available to support providers to undertake the transformational change processes many require to respond to the new environment. This is particularly challenging in the Christchurch environment where providers are also coping with the costs and trauma associated with rebuilding after the earthquakes. There has also been a lack of proper understanding and investigation of how the skills and infrastructure of the provider community can be used to support the goals of Enabling Good Lives. Providers have been working towards a facilitated, person-driven approach for some years now but the expectation from the demonstrations seems still to confine them to providing 'day programmes'.

5. The draft report provides a robust discussion of the investment approach. While this approach makes sense in theory we do not believe we yet understand its implications in practice, i.e. within Work and Income. The only focus for the investment approach seems to be the fiscally driven one of reducing Future Welfare Liability. Little evidence has been made available about its impact on the social and economic well-being of people who have moved 'off benefit'. We are concerned that, as has been experienced in other OECD countries, this approach can cause a 'balloon effect'. People may be moving off benefit because they have been stood down for failing drug tests or not meeting their work obligations rather than moving into employment. They then appear in other parts of the system seeking support, e.g. drug and alcohol services, health services etc.

Again, as with Enabling Good Lives, we are concerned that the specialist skills of disability employment services are not being fully utilised by Work and Income. Our members' experience is that Work and Income is moving into this space itself, rather than collaborating and connecting with the existing NGO infrastructure.

6. An area that the draft report could consider in more depth is the concept of co-design. This can be defined as a structured approach to harnessing the best ideas from the people who will ultimately use and deliver the service. The disability sector is developing a growing understanding of how this can work in a meaningful way. The Disability Employment Forum is an example of an NGO initiative that is working well using a co-design and system-wide approach. We have attached the DEF Strategic Goals with this submission, for your information.

Supporting Documents:

- DEF Strategy 15 Overview

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