



care DIGNITY
respect
change HOPE

The Best Results

Response to Study Report
Productivity Commission Inquiry into Human Services

Feb 2017

www.anglicare.asn.au

About Anglicare Australia

Anglicare Australia is a network of 36 independent local, state, national and international organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the Christian faith that every individual has intrinsic value. Our services are delivered to one in 26 Australians, in partnership with them, the communities in which they live, and other like-minded organisations in those areas. In all, over 13,000 staff and 9,000 volunteers work with over 940,000 vulnerable Australians every year delivering diverse services, in every region of Australia.

Anglicare Australia has as its Mission “to engage with all Australians to create communities of resilience, hope and justice”. Our first strategic goal charges us with reaching this by “influencing social and economic policy across Australia...informed by research and the practical experience of the Anglicare Australia network”.

Contact Person

Roland Manderson
Deputy Director
Anglicare Australia

Contents

About Anglicare Australia	2
Contact Person	2
Contents	3
Introductory Remarks	4
Responses to Requests for Information 2, 3 and 4	5
5 - Social Housing	9
6 - Family and Community Services	12
7 - Human Services in remote Indigenous communities.....	14
Conclusion	17
Attachment A Integrated Service Delivery, Anglicare Sydney.....	20

Introductory Remarks

Anglicare Australia appreciates this opportunity to engage with the second stage of the Productivity Commission's inquiry into human services.

Anglicare Australia has contested some of the broad parameters of this inquiry from the start. It appears to be established on the presumption that competition is by its nature a driver of efficiency; that efficiency is an inherently good thing in human services; that the innovation that comes with competition between businesses is of benefit to service users; and that it is appropriate to equate individual consumer choice with agency and wellbeing. These are not presumptions we accept.

In its study report, the Commission has affirmed its view of the service areas where increased competition or contestability could deliver greater user choice. Nothing in the report has led us to change our position. However, it would have helped if the Commission could have focussed on exploring the approaches and mechanisms that would best deliver increased agency and wellbeing for the people at the centre of the services, whether through greater collaboration and inclusivity or increased contestability.

In other words, while the challenges in delivering human services that Australia faces are significant, the Commission has not provided us with compelling evidence that increased competition or contestability would help to meet them.

In its contributions to the Productivity Commission study into the Not-for-Profit sector, Anglicare Australia proposed a number of more inclusive approaches to designing and delivering community services, such as intelligent commissioning. Given the Commission's interest in examples of approaches to introducing user-centric human services, in this document we discuss the effectiveness of the related co-commissioning and co-production approach. There is a considerable body of evidence to demonstrate that this approach gives the people at the centre of the service the dignity – indeed agency – of being a part of the design and implementation of their services rather than being consigned as passive consumers. This in turn leads to more sustainable outcomes from the services and greater value over all.

We include Anglicare Sydney's report and evaluation of an integrated service model it developed in the Liverpool area. Anglicare Sydney linked a number of services, funded by variously by different Commonwealth, state and philanthropic sources to provide a person centred wrap-around approach that could focus on the wellbeing of the person at the centre of the care, rather than the delivery of transactional services. The evaluation shows sustainable, positive outcomes for the people supported by this approach, and demonstrates that competition and contestability are not the key drivers of greater personalisation and informed user choice. [See attachment A]

We welcome the increasingly sophisticated discussion of the Government's stewardship of markets within this report. We are particularly interested in the analysis of the vocational education debacle which saw the emergence of a fly-by-night business model designed to prey on the most vulnerable job seekers at an exploding cost to government, and hence the general public. We note the Commission's focus on the (retrospective) need for stronger government oversight and regulation. We would argue that the reliance solely on regulation and oversight points to the inherent problem of for-profit operations being focussed on only

one facet of such significant investments, and not being held accountable for the social impact. We would urge the Commission to more deeply engage with the notion of government responsibility to invest in social value, as put to it by organisations such as Anglicare member Brotherhood of St Laurence (Wickramasinghe & Kimberley, 2016).

We note too that the Commission is careful to acknowledge the arguments that many in the Not-for-Profit Sector make about this wider social value in their work, and the cost to their communities and their customers if they are not sustainable in a more commercial, marketised, environment. It appears to us that in the end the Commission avoids the issue, arguing that these are “additional benefits” which should be considered by government when it *chooses* to have broader objectives. We would suggest the reverse: that government would need to have a compelling rationale for undermining the social value of community services if that were the price of moving towards a marketised approach.

In our Pre-Budget submission for 2017-2018 we point to growing evidence that wellbeing is linked strongly to what people can give, how they can support and connect with others, rather than only what they can make or consume themselves (Anglicare Australia, 2017). While it might be easier to count the cost of outputs or commodities rather than the impact on people’s wellbeing, that is not in itself a rationale for delivering human services in a form that diminishes rather than improves their quality of life.

Productivity Commission inquiries are a form of dialogue. The people and organisations being examined are given many opportunities to engage with the process. Anglicare Australia’s members have evidence and expertise gleaned from the delivery of a wide range of human services in communities across Australia over many years and it behoves us to draw on their insights in responding to the study and the direction the Commission is proposing.

In this instance we have asked our members for specific responses to questions raised in the study report. The people who work in the Anglicare network look to deliver the highest quality services they can, to work in close partnership with the people at the centre of those services, and to seek long-term solutions to the personal and the broader structural changes that as a society we face.

It must be clear we are not convinced that the terms of reference for this Inquiry have offered a lens that will help us see the best way to reform and evolve the human services that underpin our society over all. But we are happy to offer the insights that we have, as best we can. Accordingly we have provided content from members of our network relevant to the six areas the Commission has identified for greater analysis, in addition to some more systemic comments and examples regarding how government can better approach human services in this changing society.

Responses to Requests for Information 1, 2, 3 & 4

As the Commission notes, the genesis of this inquiry is in response to the Competition Policy Review’s recommendation that governments work to enshrine user choice at the core of human service delivery. We agree with this premise; however our contention remains that conflating this desired outcome with a preferred funding delivery model (greater competition and contestability), is fundamentally flawed. Further, the reductive framing of citizen agency and informed decision-making to one of ‘consumer choice’ obviates other

approaches that avoid the pitfalls associated with the increased individualisation of human services, such as inequity of access and delivery.

In regard to the first request for information, which is feedback on the characteristics the Commission proposes to be taken into account when designing reforms, Anglicare suggests they fall short. Many organisations in the community sector are mission based. Anglicare Australia members are no exception they do what they do (and in many cases what they have done for decades) because of a strong mission calling them to work with their communities towards outcomes that benefit and build individuals and communities. The items listed under Service Providers in Figure 1 of the paper are very much second order considerations for mission driven organisations like Anglicare Australia members.

Most organisations have some form of “decision tree” used to assist in determining whether to apply for funding (or indeed whether to self-fund a service). The top level question is – would providing this this service contribute to us achieving our mission? After that questions about whether it can be done in a way conducive to the organisation’s values and within the parameters of the funding body; and whether the organisation has something unique to offer the community in the provision of this service. Further down again come questions of whether the service is closely aligned to current organisational mix, or if not, whether it allows the organisation to develop into an area they have identified. However many of the characteristics listed in the issues paper are questions of “how” not “whether”.

Using these as top order criteria will not achieve the development of outcomes that will assist individuals and communities.

Human services are an area of government policy where good social/community outcomes, not just individual outcomes, are promoted. The notion of a “social safety net” captures some of this belief – if you cut the net up into pieces owned by each individual it would no longer be able to catch those who are falling. Social capital is the same: breaking it up weakens its whole base.

In 2003 a Productivity Commission research report confirmed the wide-ranging benefits of social capital and recommended that governments take better account of its value in their policy development. While it acknowledged that social capital is hard to measure, the Commission made a strong case for governments to seek to harness and enhance social capital in their policy design and delivery. The report discussed how social capital was easily eroded by government policy, and hard for them to recreate or rebuild once undermined. The paper highlighted the value of social capital, finding that increased trust and social engagement generated a wide range of benefits, including:

- reducing the costs of conducting day-to-day affairs and of doing business;
- facilitating the spread of knowledge and innovation;
- promoting cooperative and/or socially-minded behaviour in situations where narrow self-interest alone does not generate good outcomes for society;
- individual benefits — people with good access to social capital tend to be more ‘hired, housed, healthy and happy’ than those without; and
- associated social spill-overs, such as lower health and welfare expenditures, and higher tax receipts

(Productivity Commission, 2003: xi)

These findings indicate that putting individual self-interest at the heart of policy design could lead to worse outcomes at a social level. Given the evidence that it is hard for governments to rebuild social capital once it has been eroded, there is a clear case to further examine the impact of strictly personalised models of human service delivery on social outcomes before any more policy reforms are introduced.

The Brotherhood of St Laurence recently published work on the nature and value of social capital in community aged care and the risks that the marketised service system now poses to it. *Networks of care: valuing social capital in community aged care services* (Wickramasinghe & Kimberley, 2016) identified the contribution of social capital, in the form of networks and links, to the resources and support that were available to community aged care providers and their clients. Social network analysis was used as a tool to map the links that each staff member had with external organisations such as health care services, government departments and recreational services. The mapping showed the extensive networks and links cultivated by staff used to coordinate services and leverage resources in order to achieve the best possible outcomes for clients. Drawing on social theory, the authors discuss how this collaboration will become difficult if provider organisations are competing with each other to attract and retain service users. The authors conclude that the “emphasis on marketization and individualised funding poses a risk to the quality and sustainability of these relationships and may threaten the interdependence in the current service system”.

The Brotherhood’s research highlights the extent and the value of social capital among community aged care service providers. It also indicates the potential cost of policies that erode this social capital among service providers. If insufficient bridging capital inhibits the flow of information and resources between community aged care providers, then what impact will policies that discourage social capital have on the collective resources of human services as a whole?

Rather than social capital being taken into account at the stage of funding allocation, it should be taken into account at the very beginning of policy design. If the policy risks undermining social capital in community services, it should be reconsidered. This reflects the role of government not just as a market steward, but as a creator of public value, a commissioner of human services.

Overseas examples

Throughout the issues paper the Productivity Commission seeks information in relation to the introduction of increased user choice; the costs and benefits of greater competition and contestability; the role of government in ensuring services are user-led and also support collaborative approaches; and what commissioning arrangements can produce the best results. However it is only in relation to remote Indigenous communities that the Commission substantively acknowledges there are alternative approaches, beginning with co-design, that can secure social capital as well as delivering greater personalisation of services and informed user choice.

We again urge the Commission to examine intelligent commissioning to support co-design and co-production of human services. There is a considerable body of work in the United Kingdom (UK) on co-production. For example we draw the Commission's attention to the 'Budgets and Beyond' project by the New Economics Foundation (NEF), which explicitly

examined how to maximise the benefits of personalisation without losing social capital and other serious risks concomitant with increased individualisation of services (Slay, 2012).

Many of these risks have been raised by our members in our previous submissions and include but are not limited to: the devolution of the philosophical framework for human services from social justice to consumerism; loss of career development and progression for professional staff in the sector; inappropriate devolution of risk to clients; immature and unrealistic market development expectations leading to restricted choice particularly in rural and remote areas; limited capacity of some clients without proper support to make informed choices particularly relating to complex needs; and the loss of critical community infrastructure including physical spaces if all funding is individualised.

Through extensive literature review, and data collection from citizens accessing services and professional service providers, NEF found that:

“Co-production offers a route away from a passive consumerist model of personalisation and towards one of active citizenship, equality, and mutual support. It mitigates the inherent inequality of a market based approach to services and narrow conceptions of how choice and control might be given to people as a natural by-product of holding a budget. It offers an opportunity to re-introduce the three quadrants of social capital, early intervention and prevention, and universal services into the practice of personalised services, as well as creating the conditions and structures through which people can exercise genuine choice and control.” (Slay, 2012: 41)

This mirrors the lived experience of Anglicare members and other sector providers where they have had the opportunity and funding flexibility to pursue co-design and co-production. Examples we have provided that demonstrate elements of co-design and co-production from our network include the work of The Brotherhood of St Laurence, Epic Assist, and to some degree, the integrated service delivery approaches of Anglicare Sydney and Tasmania. Anglicare members are also participating as lead agencies in Families for Children programs right across Australia. An initiative, initially, of the Howard government, Families for Children are co-designed and co-produced through their governance and implementation.

Co-production is also recognised by user-led organisations as a preferred method for service delivery. For example the Consumers of Mental Health Western Australian (2013) state that co-production is welcome and has the potential to achieve better outcomes through equal partnerships between users, service providers and government ; and The Council on the Ageing strongly supports co-production and provides case studies and resources on its website.

Given the Commission’s strong interest in evaluations of existing programs that increased user choice, and request for guidance on how to design evaluation systems for government, we recommend it seeks further information at a minimum on the examples we have provided.

Evaluations of co-production programs consistently highlight the need to move beyond the framing of consumerism to maximise the benefits of informed user choice and service personalisation. In short, such service delivery requires a philosophical approach towards government commissioning explicitly grounded in social justice and willing to resource its design and delivery, rather than assuming it will automatically result from switching funding models to individual budgets and greater marketisation of services.

We trust that the Productivity Commission will seriously pursue further information on co-design and co-production, and the commissioning philosophy underpinning them.

5 - Social Housing

In looking at social housing, Anglicare SA and St John's Youth Services have provided the following comments:

The Productivity Commission Study Report provides a welcome platform to consider National Sector Reform for the provision of social and affordable housing.

AnglicareSA is a Tier One Community Housing provider. It takes the view that the principles of contestability and user choice could work to the advantage of the customer if the reforms were outcome driven to the benefit of the most vulnerable and disadvantaged within our communities.

Importantly, AnglicareSA provides an integrated approach to housing and community services through the breadth its services offer and its collaborative relationships across the communities of which it is a part.

Request for information 5 – users at the heart of service delivery.

While community housing systems and processes have been government driven and focused on asset maintenance, tenant wellbeing is now their focus.

AnglicareSA has a clear customer-centric approach, using market research to understand what its customers are looking for and how they believe its services should be offered. This focus governs decision making from developing a new housing product to making a decision on a community event.

AnglicareSA's Customer First principles mean its housing business model is focused on meeting customers/tenants where they are in their lives and assisting them to transition along the housing continuum – which may be a positive move to increased independence or an important move to housing with higher support due to a crisis or significant setback.

The focus on tenants' wellbeing is fundamental to the impact of the model. AnglicareSA ensures tenancy workers are focused on understanding tenant needs and aspirations so links can be made with appropriate services. It becomes a relational rather than a transactional service.

Community Housing Providers (CHPs) generally also bring together networks of services to assist collective impact and capacity of individual customers/tenants. AnglicareSA in Elizabeth Grove, SA works together with local residents (not only social housing tenants), the council and other services to address community concerns. It employs community development officers to facilitate tenant advisory groups, hold community driven events and build tenant and resident links.

As demonstrated above, CHPs are well positioned to provide social and affordable housing and support services (as demonstrated by higher customer satisfaction rates). In the context

of contestability, the challenge is to commission for, and to measure, these broader social outcomes.

Request for Information 6. Increased user choice

The Choice Based Letting systems developed in the Netherlands and now in place across Britain (Mullins 2014) show the benefits of increased user choice where the supply of social housing is adequate and appropriate social protections are in place.

Without a focus on clear outcomes and an adequate supply of appropriate housing, the risk in Australia is that the added administration costs and support required by the most vulnerable to bid would increase the cost of housing administration, leading to tenants with less complex needs being preferred, and those most in need of assistance (such as homeless customers) deterred altogether.

Furthermore, the critical lack of housing in many regional and remote areas significantly reduces choice altogether.

In order to head down this path, Australia would need a national framework for social and affordable housing that provides clarity and consistency across all levels of government; incorporating eligibility criteria, funding structures, and independent regulation.

Request for Information 7. Supply constraints and a genuine choice of home.

Housing supply requires broad sector and market reforms. These are issues of national significance that need to be addressed by governments at all levels, working with industry and the not-for-profit sector. The notion that supply can be increased and households on low incomes provided with genuine choice by changing the rules that apply to service providers – without putting in place a comprehensive national plan to grow the supply of affordable housing – is both cruel and hollow.

Timely access to support and safe housing is paramount in times of crisis, and a secure home underpins participation and wellbeing for everyone. While eligibility criteria for community and social housing may benefit from review, while supply is inadequate the system remains flawed.

AnglicareSA's *Better Places Stronger Communities* transfer leveraged income from CRA with large scale management efficiencies in order to invest in maintenance, redevelopment planning, community connection and capacity building. The result has been some increase in supply and some genuine choice of home, reflected in customer satisfaction continuously over 90 percent.

The most significant impact on the ability of CHPs to increase supply would come through title transfer and low cost (government backed) finance. This would provide leverage and the ability to develop at acceptable risk levels and rates of return. It is not a question so much of contestability or competition, it is access to capital.

Request for Information 8 - Financial support

It is important to recognise the existing social housing system is profoundly underfunded. The discussion above explores some of the financial elements that are needed to grow an adequate supply of sustainable social housing.

Linking rents to a percentage of income is one of the most effective and equitable ways to apply rental charges. Given the cost of rentals for people living on low incomes is closely aligned with poverty, any change to this structure would need to be very carefully considered.

We note that the Commission's recent report on Government Services that 41 percent of CRA recipients are already in housing stress, but that without CRA, 68 percent of them would be. Proposed simplification and increases to Commonwealth Rent Assistance (CRA) would make an immediate difference to community housing providers and make renting in the private market more realistic and attractive for people should their circumstances improve.

Anglicare SA runs a rent to buy scheme where social housing tenants are supported into home ownership. Again the high cost and shortage of housing limits the scale of that scheme.

Request for Information 9 - selecting providers

One of the issues seen through this inquiry is the multidimensional complexity of social services. Social housing is a clear example. The recent tender process for Management Transfer in South Australia has focused on increasing tenant and community outcomes, however there is not the recognition or appropriate funding allocated for it to be undertaken in a significant and meaningful manner.

Size and efficiencies are important but should only be one consideration in a model that assesses and values wellbeing. It is simply not possible to provide a low cost service in remote communities or a one size fits all approach to social housing for people with a history of substance abuse, mental ill health or homelessness.

As in our discussion elsewhere in this paper, we point to the long term economic and social benefits that come from integrated services, place based initiatives, and the buy-in that comes from co-production and co-design. For example, it may be more cost effective to have one centralised office and infrequent tenant visits, but such a model does not lead to the same customer satisfaction and wellbeing as a local office with regular tenant visits together with alternative options for tenants to connect with the broader community as AnglicareSA provides in Elizabeth Grove with the increased participation, wellbeing, and social connection that comes with them, as its tenant feedback attests: <https://youtu.be/MG2PHFLacvo>.

Finally, Community Housing Providers across Australia argue that the National Regulatory System for Social Housing needs to be applied nationally (including Victoria and WA), applied universally to the sector (rather than to CHPs but not government housing providers). This will then enable sector data to be collated and used to inform policy, decision making and the selection of providers.

Request for information 10 – Implementation

Anglicare Australia notes that the “The Commission is seeking information on the factors that need to be considered when implementing reforms to increase competition,

contestability and user choice.” We remind the Commission that our goal is that people at the centre of the service gain greater agency and dignity through any changes to the approach. Increased competition and contestability *per se* is not in itself a helpful goal.

Sector reform will have broad implications and therefore it should involve all three levels of government; public, not for profit and private housing providers; regulatory bodies from the various states; tenants and tenant advisory groups.

Co-design and co-production, as discussed in other sections, is particularly pertinent when considering housing solutions for isolated and special need communities; and all systems should be designed to provide for continual input from tenants and residents.

6 - Family and Community Services

For these requests for information we have taken the lead from Anglicare Tasmania and Anglicare Sydney. However in the first instance with regard to Request for Information 31, we recommend that the Commission examine the submissions and findings of the Senate inquiry into the 2014 Commonwealth community service tendering processes. The open tender process was an example of where the department used a blunt instrument to increase competition for family and community services without proper consultation with the sector in its design. One member agency estimates that this four week process cost them approximately \$100,000 in dedicated IT support; staff including high level managers, researchers and finance people taken off their usual operations to work on tenders and review work; dedicated office space; and costs associated with staff working overtime.

In its final report, the Committee concluded that the tendering process was “poorly planned, hurriedly implemented, and resulted in a loss of services”; that it did not appear to have been equitable or transparent, with “an apparent inherent bias toward larger providers at the expense of local knowledge and expertise that smaller providers have developed in response to their clients' needs”; that the department failed to constructively engage with providers and peaks, undervaluing their experiences and expertise; and “damaged relationships between providers by pitting them against each other” (2015, 48). Contestability in this case came at huge costs which have yet to demonstrate any positive outcomes. Another major complaint about this process was that the department had failed to assess and find funding for areas of need before it opened up services to tender.

The lessons for the Commission are that major reforms to government commissioning of family and community services should not be rushed in either design or implementation; they need to be based on evidence to support the intended outcomes, must draw on the expertise and experience in the sector, particularly to support genuine sector collaboration and co-design with government and service users; and must ensure fair resourcing so that smaller organisations, often with irreplaceable specific expertise, can compete.

Anglicare Tasmania has offered some other guiding principles for any changes to family and community services, which we detailed in our previous submission. These include broadening the concept and definition of equity used by the Commission and applying it to the six areas the Commission is considering for competition and contestability.

Anglicare Tasmania also commented:

“We support many elements of the commissioning cycle flagged by the Productivity Commission. In particular:

- Identifying policy objectives and commissioning to outcomes that meet those;
- Engaging consumers and providers in needs analysis and co-designing services to meet those needs; and
- Evaluating outcomes.

We feel that the Productivity Commission’s outcomes could be delivered through a whole of government commissioning framework that incorporates these elements and principles. This would provide a robust framework for achieving these outcomes through contestability. Further to ensure no service gaps, governments at all levels need to align community outcomes and funding. This cannot be left to a market to do.”

Anglicare Australia reminds the Commission that such a principled approach requires sustained commitment from governments and other funding partners. The disastrous inefficiency and disruption of the community services tendering process discussed above, and the simultaneous failure of government to follow its own processes in the tendering of the Indigenous Advancement program (as the Australian Audit Office found) point to the vulnerability of ambitious partnerships such as this to highly pressured political decision making.

Anglicare Sydney has provided a comprehensive evaluation of integrated service delivery in Sydney. It demonstrates how as family and community service providers they have reoriented their systems to put user needs at the heart of delivery, including supporting clients with complex needs.

The Integrated Services Delivery (ISD) model at Anglicare South West Community Care (Liverpool & Sadleir) provides a single entry point for vulnerable and at risk families. Regardless of entry point the client will be holistically case managed across all appropriate programs and services. In contrast to a traditional siloed diverse-program model, the ISD model offers an integrated approach to addressing disadvantage. Following a comprehensive assessment with a family support worker, clients have speedy access to other programs and services provided through South West Community Care.

In the ISD model, relevant information about a client’s practical needs is shared across all five Anglicare programs in SW Community Care via a process of internal referrals. The five ISD program areas are:

- *Family Support* – counselling, advocacy, case work and referrals-Sadleir office
- *Emergency Relief (ER)* – support for payment of utilities through EAPA, food parcels and food cards, clothing and assistance with moving house-Liverpool office.
- *No Interest Loan Scheme (NILS)*-Liverpool office
- *Financial Counselling* – including advocacy and support for dealing with credit card and debt issues-Liverpool office
- *Step Up* – facilitating loans for low income households-Liverpool office

Anglicare Sydney undertook an evaluation of the ISD model in 2014 with clients using program services, and again in 2016 with clients who had exited the program. In the first

stage evaluation, clients overwhelmingly reported that staff had helped them beyond their first presenting issue, which is a key goal of the ISD program. Further, the large majority of clients reported improved interpersonal connections for themselves and their children.

The follow-up evaluation of the ISD program in 2016 of clients who had exited the program provided evidence that former clients maintained or improved their outcomes including continuing to meet personal goals; increased confidence; knowing how to address issues; and applying skills learnt through the program including knowing how to seek further help. Clients were able to point to significant changes both for themselves and their children as a result of having been involved with the ISD program.

Staff have observed that while there are some positive, reassuring results here, it is hard for families to 'break the cycle'; pointing to a need for more integrated service and for support over longer periods of time. Particular goals require more time working with families and cannot be achieved in the short-term. But having a period of support gives clients meaningful choice, information and a sense of control, helping them to make some changes needed to achieve better outcomes. Anglicare Sydney's full evaluation of their ISD model can be found in Attachment A.

This comprehensive case study reinforces Anglicare Tasmania's feedback regarding the principles and commissioning methodology for family and community services, and the findings of the inquiry into the 2014 Commonwealth community service tendering processes.

7 - Human Services in remote Indigenous communities

The issue of market failure

We welcome the Commission's interest in co-design and place-based initiatives for the delivery of human services in remote Indigenous communities. We trust this will form into recognition of the limits and failures of marketisation for some communities. We also hope that our discussion helps to broaden the Commission's understanding of choice in Aboriginal and Torres Strait Islander communities to recognise that ultimately real choice must come through self-determination.

In providing examples of the critical importance of co-design and place-based services to rural and remote Indigenous communities, we have taken our lead from Anglicare NT and Anglicare WA.

As was discussed in our response to the Commission's Preliminary Findings Report, place based and co-design approaches are essential to overcome the challenges of facilitating meaningful choice in the provision of services to Aboriginal and Torres Strait Islander communities. Place-based and co-design models for service assessment, design and commissioning have the potential to improve the effectiveness of human services provision in these communities; can guide approaches to improving the type and mix of services provided; and ultimately support far better outcomes through local control.

The first step in local decision-making is community involvement in determining the type and mix of services needed. There is great diversity between Aboriginal communities and the communities themselves are best placed to account for that diversity and identify what services are needed and how they could be best delivered. It should not be assumed that every community needs the same type of services.

Currently, the commissioning process is onerous and requires considerable research, collating of information, resources, and skill. Many small community-led Aboriginal organisations do not have the capacity for this, or want to channel their resources away from service provision time to the community. Discussing this issue, Anglicare WA said:

One way this could be overcome is through the process recently adopted by WAPHA (Western Australia Primary Health Alliance) allowing organisations to submit EOIs in the first instance and then work on co designing suitable programs or interventions that meet the outcomes required for the funding and the community.

Reinforcing the need to take local issues into account in the design of services, on housing Anglicare WA argued that consultation with local communities about what type of housing they actually want is important. This involves decisions such as the materials used in the construction of the house, the type of housing built (eg. flat, townhouse, individual dwelling or community) as well as its design features (large bedrooms and open plan living areas have been identified as important features).

Additionally services need to be designed with enough flexibility to take into account local issues and family needs. Anglicare WA are aware of cases where domestic violence, family feuding, and proximity to culturally significant areas have been rejected as legitimate reasons for someone to refuse a property, negating a person's lived experience and leaving them vulnerable by increasing the barriers to obtaining meaningful services.

Flexibility has been identified as a major factor in successful service design. Part of this is recognising the barriers someone might face in asking for help, such as the requirement to attend a particular place or office:

Having outreach services where workers are provided all the means to run and function their service in the community, where the consumer feels comfortable safe and secure, is the BEST way to do service delivery. This may be in the person's home, under a tree, in their favourite coffee shop or park (Anglicare WA).

Community elders and leaders should also be involved in the commissioning of the service as well as deciding who should be employed by the agency to deliver the program. There is a high degree of community frustration about the regular changes to service delivery and the high turnaround of staff. The loss of trust in providers is also damaging because it reduces the invested interest in new community initiatives.

Training and employing local people would rebuild trust and increase a service's benefit to the community. It is important that community members from different kin groups are trained in order to make the local services culturally appropriate. Having local staff who speak the language and can provide culturally appropriate resources and avenues of sharing information will help ensure that service users are equipped to make informed choices (Request for information 35). Longer contracts are also necessary in the commissioning process to improve the continuity of services.

Finally, the local community must be consulted in the development of the reporting requirements. Knowledge of the community will improve the quality of indicators and allow for increased opportunity to reflect success from a strength base and not a deficit.

We also wish to remind the Commission that there are evaluations of existing programs available that demonstrate how a “market economy” approach will fail to treat the true barriers to genuine choice and better services in remote Aboriginal communities.

As Anglicare NT’s Terry Cleary wrote in our response to the Commission’s Preliminary Findings Report, for many in remote communities the greatest barrier to genuine and meaningful choice is market failure. In communities where workforce and infrastructure isn’t supported by the mining industry (for example) the cost of running the services, small populations, and the challenges in recruiting and retaining staff make market solutions aimed at creating more consumer choice ineffective. In these cases, those who aren’t engaged in the market economy are left with little or no service choice at all.

Being trapped on welfare means a steady loss of agency. Anglicare Australia explored this issue in our response to the Disability Employment Services paper late last year, where we argued that the Department’s commitment to keeping the compulsory and narrowly focused mutual obligation requirements contradicted the principles of consumer-directed care that the reform was supposed to achieve.

Evaluating the failure of the CDP program, which has replaced constructive employment and community development (CDEP), is instructional. Co-design and client agency were lost when the CDP transferred control from local community groups to the Department of Prime Minister and Cabinet, dismantling “emerging and often quite remarkable forms of plural Indigenous economy that have been carefully incubated over many years” (Altman, 2016:4). In evaluating the loss of the CDEP, Altman in *Job creation and income support in remote Indigenous Australia: moving forward with a better system* concluded:

In my view, the abolition of CDEP is a central plank of an overarching strategy to eliminate any nonstandard form of Indigenous economy and integrate all Indigenous Australians into market capitalism, irrespective of the human cost. This strategy is accelerating under CDP as the Turnbull Government continues a project of supposed improvement, seeking to close statistical gaps even as policy decisions see employment gaps widening and Indigenous people defined as unemployed becoming more deeply impoverished.

The discontinuation of the CDEP and loss of local control for the CDP has also led to worse outcomes for income recipients. There is very little evidence that Work for the Dole improves someone’s chances of employment (Fowkes, 2016: 19), and there is a strong argument that the CDP has been more effective at penalising participants for breaching inflexible attendance requirements than actually engaging them in work (Altman, 2016: 5). This is a clear example of where government ignored positive outcomes reported at a local level and insisted on installing a market based, one-size-fits-all program that failed to achieve outcomes for users (Request for Information 33).

The detrimental effects of these reforms highlight the point that reform needs to be underpinned by evaluation. We urge the Productivity Commission to look at the evidence in this case as well as in the human services more broadly, so that any recommendations made to the government can be based on initiatives that will result in best outcomes.

Conclusion

The furphy of choice

Our essential concern is that the idea of choice as a tool of empowerment and force for improved quality is a thin one.

And so the suggestion that people have a real choice of GP fails to acknowledge it is a choice based on convenience/location and availability (waiting list for new patients) and cost (bulk bill or not), and for many people that is no choice at all. Real choice is not easily facilitated beyond another patient's recommendation. Many people probably have similar level of choice when it comes to community housing providers, where they choose by location if they are lucky or, more likely, by the length of waiting list.

This goes to a general point that choice in this report is too often based on shopping models where the consumer has a low risk and low cost of switching. In that context, only the "weaknesses" of consumers are considered, not the complexity of the service type. We need to consider how much information is available against the level of risk in the service type (full time care for someone with a disability is clearly a higher risk situation than visiting a community centre).

The integrated service model implemented by Anglicare Sydney challenges the notion that people do best by choosing between for individual services or products. It is through close relationship with a comprehensive service and the interdependence which comes with that, which gives rise to the best outcomes in terms of theirs (and others') wellbeing.

And a close look at the circumstances of remote Indigenous communities makes it very clear that there is not the culture, scale nor income for a consumer market in human services. Nor is this situation limited solely to remote Indigenous communities. Anglicare Tasmania has made the same points based on evidence for small and comparatively remote rural Tasmanian communities. On the other hand our analysis shows us that a place-based approach to co-production offers the most in terms of social benefits and individual wellbeing. Individual choice, where it is meaningful, is not about service purchasing, it is about participating in the service design and delivery.

Avoiding the question of funding

A perennially more competitive system won't deliver higher quality services nor, in the end, lower the cost of providing them.

The underlying issue is one of adequate funding. It is easy to criticise those of us who bring to the public debate a reminder that inadequate funding results in low quality services and unsustainable services. But our argument is not that additional funding will solve all problems. It is that we need to recognise the value of inclusive human services human services, and what it costs to ensure they meet our needs and ambitions.

Too much of the obsession with funding models hides a primary desire to cut costs rather than to deliver services as effectively as possible. We look forward to seeing how much the Commission invests in:

- Learning how best to measure the social and personal outcomes of human services, which in our view should underwrite their design and delivery, and
- Reflecting the concern we – and many others – have that a failure to properly fund these services has long-term costs for us all.

END

References

Anglicare Australia 2017, *Pre-Budget Submission 2016-17*. Available

from: <http://www.anglicare.asn.au/docs/default-source/default-document-library/anglicare-australia-pre-budget-submission.pdf?sfvrsn=4>

Anglicare Australia 2016, *Letter to the Productivity Commission regarding the public inquiry into the increased application of competition, contestability and informed user choice to human services*.

Available from: <http://www.anglicare.asn.au/docs/default-source/default-document-library/letter-to-productivity-commission-re-issues-paper-on-competition-and-informed-user-choice.pdf?sfvrsn=10>

Anglicare Australia. 2016, *Beyond the Individual: Exploring the Context of Improved Outcomes in Human Services*. Available from: <https://www.anglicare-nt.org.au/wordpress/wp-content/uploads/2016/11/Anglicare-Australia-Response-to-Productivity-Commission-Preliminary-Findings-10112016.pdf>

Available from: <https://www.anglicare-nt.org.au/wordpress/wp-content/uploads/2016/11/Anglicare-Australia-Response-to-Productivity-Commission-Preliminary-Findings-10112016.pdf>

Anglicare Australia 2016, *Response to the New Disability Employment Services from 2018 Discussion Paper*. Available from: <https://engage.dss.gov.au/wp-content/uploads/2016/12/Response-to-the-New-Disability-Employment-Services-from-2018-Discussion-Paper.pdf>

Available from: <https://engage.dss.gov.au/wp-content/uploads/2016/12/Response-to-the-New-Disability-Employment-Services-from-2018-Discussion-Paper.pdf>

Altman, Jon 2016, *A most egregious transition: CDEP to CDP* in K Jordan and L Fowkes 'Job creation and income support in remote Indigenous Australia: Moving forward with a better system'. ANU Centre for Aboriginal Economic Policy Research Topical Issue Paper No 2/2016.

Australian Senate Community Affairs Committee 2015, *Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services*. Government printer, Canberra.

Consumers of Mental Health Western Australia, 2013, Policy Brief and Position Statement: Co-Production. Available from: http://www.comhwa.org.au/wp-content/uploads/2013/02/CoMHWACoProduction_DRAFT0506015.pdf

The Council on the Ageing, "Co-Production - Home Care Today". *Home Care Today*. Available from: <https://homecareday.org.au/provider/consumer-engagement/co-production>

Fowkes, Lisa 2016, *Impact of CDP on income support of participants* in K Jordan and L Fowkes 'Job creation and income support in remote Indigenous Australia: Moving forward with a better system'. ANU Centre for Aboriginal Economic Policy Research Topical Issue Paper No 2/2016

Mullins, D. (2014) *North Yorkshire Home Choice evaluation*. York: Joseph Rowntree Foundation.

Productivity Commission 2003, *Social Capital: Reviewing the Concept and its Policy Implications*, Research Paper, AusInfo, Canberra.

Slay, J 2012, *Budgets and Beyond Resources*. Available

from: <http://www.thinklocalactpersonal.org.uk/Latest/Budgets-and-Beyond/>

Slay, J 2011, *Budgets and Beyond: Interim Report A review of the literature on personalisation and a framework for understanding co-production in the 'Budgets and Beyond' project*, New Economics Foundation and Social Care Institute of Excellence, London, UK.

Wickramasinghe, S & Kimberley, H 2016, *Networks of care: valuing social capital in community aged care services*, Brotherhood of St Laurence, Fitzroy, Vic.

Attachment A - Integrated Service delivery – support for the Productivity Commission Inquiry into Human Services – Anglicare Sydney.

In 2010 Anglicare Sydney began a process of integrating a number of its core services in Liverpool in order to generate more sustainable outcomes for clients accessing Emergency Relief, Family Support Services, NILS, Financial Counselling and Step Up. This process was underpinned by a rigorous evaluation since it was a pilot program.

THE CONTEXT

In 2010 the Regional Manager for ANGLICARE South West Community Care faced the challenge of five different programs, operating across two sites, Liverpool and Sadleir, and which were seen to be working in ‘silos’ or separate streams responding to the same client population; disadvantaged families and individuals living in the Liverpool Local Government Area. The service model was based on multiple entry and re-entry points, regarded as inefficient for both clients and the organisation. It was apparent that vulnerable families could end up in a cycle of entry, exit and re-entry requiring multiple intakes and assessments across co-located service teams.

Joining up these service streams was an evidence-informed decision inspired by the work of Australian Professor Dorothy Scott. Scott (2008) argues that holistic and integrated service models are better equipped to identify and meet the needs of vulnerable families with multiple and complex needs in order to reduce risk factors such as poor-parent child attachment and social isolation. Other researchers and advocates in Australia argue that collaboration across diverse programs is particularly effective for vulnerable and at risk families; where families have multiple and complex problems, integrative and collaborative practices such as having a social worker in an emergency relief setting can provide timely and more seamless access to the full range of services these families need (McDonald & Rosier 2011). However, the difficulty of building working relationships across diverse-program teams when executing and establishing integrated service delivery is also recognised in the literature, possibly contributing to a dearth of available evidence describing the outcomes of mature integration models in diverse-agency community care settings (Broadhead et al. 2008; Anning 2001).

The concept of integrated service delivery (ISD) had been under consideration for some time in ANGLICARE due to a normative inclination in the organisation toward holistic service provision. Anglicare’s Social Policy Research Unit was actively involved throughout the ISD planning and early implementation phases, helping the yet-to-be integrated teams clarify their shared purpose and hoped-for results.

THE MODEL (2010-2017)

The Integrated Services Delivery (ISD) model at ANGLICARE South West Community Care (Liverpool & Sadleir) provides a single entry point for vulnerable and at risk families. Regardless of entry point the client will be holistically case managed across all appropriate programs and services. In contrast to a traditional siloed diverse-program model, the ISD model offers an integrated approach to addressing disadvantage. Following a comprehensive assessment with a family support worker, clients have speedy access to other programs and services provided through South West Community Care.

In the ISD model, relevant information about a client's practical needs is shared across all five ANGLICARE programs in SW Community Care via a process of internal referrals. The five ISD program areas are:

- *Family Support* – counselling, advocacy, case work and referrals- Sadleir office
- *Emergency Relief (ER)* – support for payment of utilities through EAPA, food parcels and food cards, clothing and assistance with moving house- Liverpool office.
- *No Interest Loan Scheme (NILS)* – Liverpool office
- *Financial Counselling* – including advocacy and support for dealing with credit card and debt issues – Liverpool office
- *Step Up* – facilitating loans for low income households – Liverpool office

THE FIRST STAGE EVALUATION (2014)

Results indicated that clients were overwhelmingly positive about the assistance they had received from ANGLICARE. Notably, 96 percent of clients (48 people) agreed that staff helped them beyond their first presenting issue, which is a key goal of the ISD program. Clients were also very positive about the progress made during appointments and the respectful nature of staff (96% agreement with both measures). The two measures related to social connections were slightly more reserved but still very positive: clients reported improved interpersonal connections for themselves (88%) and their children (73%).

Table 1: Client opinions about ANGLICARE S-W Community care

	Strongly disagree	Tend to disagree	Neutral/ mixed feelings	Tend to agree	Strongly agree	Total
Staff help me beyond the first problem I raise with them	2%	0%	2%	12%	84%	100%
I leave the appointment feeling I have got somewhere	2%	0%	2%	24%	72%	100%
Anglicare helps me feel connected with others	2%	0%	10%	22%	65%	100%
My kids are more connected with playgroup/pre-school/school since being helped by Anglicare	0%	2%	25%	16%	57%	100%
Staff speak respectfully to each other and outside workers	2%	0%	2%	12%	84%	100%

Client surveys invited respondents to retrospectively assess changes in: personal stress, awareness of options, ability to cope, parenting confidence level, and hopefulness. Assessing these survey results is important to help determine whether desirable outcomes are in fact being achieved. The responses to these questions are summarised in Table 2.

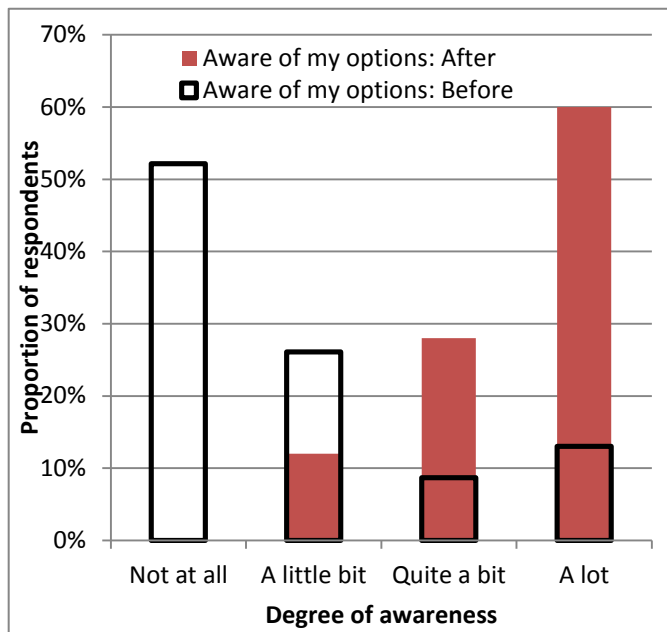
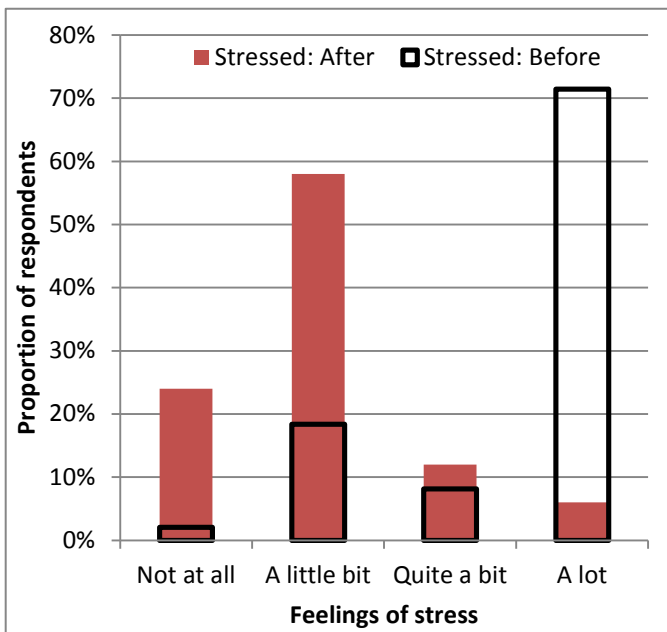
Table 2: Client feelings before and after receiving ANGLICARE services

Data item		Not at all	A little bit	Quite a bit	A lot
Stressed	Before	2%	18%	8%	71%
	After	24%	58%	12%	6%
Aware of my options	Before	52%	26%	9%	13%
	After	0%	12%	28%	60%
Able to cope if problems arise	Before	28%	51%	13%	9%
	After	2%	14%	33%	51%
Confident about parenting	Before	9%	39%	24%	28%
	After	2%	4%	30%	64%
Hopeful about the future	Before	19%	43%	9%	23%
	After	4%	6%	20%	68%

These results were very encouraging. Paired sample t-tests reveal significant improvement across all five items tested, indicating that respondents experienced the ANGLICARE Family Support team as having made an important contribution to their wellbeing. Figures 1 and 2 illustrate the changes in two of these data items – before and after feelings of stress and awareness of options.

Figure 1: Feelings of stress (before and after), ANGLICARE South West Community Care

Figure 2: Awareness of options (before and after), ANGLICARE South West Community



Prior to receiving a service, 71 percent of respondents indicated that they were stressed ‘a lot’. This reduced to only 6 percent afterwards. In contrast, the proportion of clients experiencing no stress increased from 2 to 24 percent. These findings provide evidence that a reduction in stress and anxiety are effective outcomes from the ISD service model.

Results also show a strong improvement in client awareness of options. Prior to contacting Anglicare, the majority of respondents (52%) indicated that they were 'not at all' aware of the options that were available to them. After accessing services, all clients had at least some awareness of their options, with the majority describing their current level of awareness as 'a lot' (increased from 13 to 60%). This is another encouraging result and corresponds with the attainment of the desired service outcome "increased self-help literacy -knowledge and skill".

Another positive finding was the large increase in parenting confidence levels. Following participation in Anglicare FS-ISD services, two-thirds of clients (64%) reported having 'a lot' of confidence with parenting (increased from 28% prior to participation). Overall, these findings confirm a positive client assessment of the value of the ISD program.

Changes for Parents

In order to ascertain the main benefits arising from participation in the Family Support-ISD model, two open-ended questions were asked of client survey respondents. These questions focussed on the most important changes that (1) clients and (2) their children had experienced. The responses have been subject to content analysis, in order to identify the main ideas and connections between ideas in client responses.

Improved parenting and family management: This was the most common idea mentioned by clients. Improved parenting was mentioned alongside all of the other main themes, including improved confidence, reduction in stress, being supported, being informed and establishing a stable household. One parent identified a three-way link between becoming informed, improving parenting and gaining self-esteem with the comment, "[I have] *improved self esteem as a parent - I feel as if I have better skills*".

Support / not feeling alone: feeling a greater sense of belonging was a frequently mentioned benefit of Family Support-ISD service provision, as identified by 11 respondents. Clients often highlighted the emotional benefits of having someone to talk to about their difficulties, such as gaining "*a friend to talk to*" or in saying '*I don't feel alone anymore*'. One respondent said she had enrolled in a TAFE course as a result of the program, indicating the greater social participation that can come from the program.

Reduced stress: the reduction of stress and anxiety was a common benefit identified by clients. Getting help with bills and other financial assistance was connected as contributors to the reduction of stress.

Improved confidence and self esteem: improvement in confidence and self esteem were also key changes. One client identified an improved confidence in dealing with service providers and agencies, which is so important for self-advocacy – "*I've learned to drop a few barriers in receiving help where I should be asking from, not afraid to share personal information*".

Learning and becoming better informed: gaining information was another important benefit of the program. Gaining skills and knowledge was mentioned either as an end in itself, or as a step toward other benefits. Knowledge and skills gained often related to parenting or life skills: '*learning things we didn't know, learning strategies to deal with children's behaviour*'. An omission from client comments was gaining financial and tenancy literacy. Several clients mentioned the value of getting a '*housing transfer*' or getting '*financial assistance*', however no one mentioned gaining know-how in housing and budgeting as an important change. This result may simply reflect the interests of the client cohort surveyed. However, it may indicate gaps in service provision.

Benefits for children

The second open-ended question asked clients to rate the most important change that participation in Family Support-ISD has had for their children. There were six main ideas that emerged here.

Stability/ Safety: Many short answer responses about the most important change for children cohered around the theme stability and safety. Improved familial relationships, developing routine and providing a “safe place” for children were mentioned. One parent stated that *“home life was a lot happier and easier for my children and my daughter now has her own bed”* – indicating the link between material support and improved stability for children.

Positive parenting / happier home life: Comments indicated a conceptual link between improved wellbeing of parents and better child outcomes. Many parents mentioned that as a result of the reduction in their own stress, they had greater presence of mind to support their children. Improved parent wellbeing was often mentioned alongside the improvement of child indicators such as improved school participation, stability and safety, improved familial relationships and making friends/socialising. One parent commented *“I feel more stable emotionally and can be a better parent”*, while another said, *“I’m supported and that makes them [the children] happier”*.

School and learning: Improved participation in school was mentioned frequently. One parent provided a clear link between improved parenting, school and relationships with peers: *“they are thriving at school - social behaviour. My son always used to draw with dark colours, now he uses bright colours (after counselling). I used to get angry at the children, there is less of that”*.

Children remaining in the home: Several mentioned that upon entry to the program they were in danger of losing custody of their children. Retaining care of their children was an important benefit for these clients. One parent indicated the positive role modelling demonstrated by Family Support staff, and now she can *“set an example for my daughter”*.

Making friends and socialising: Another important benefit for children indicated was having a greater opportunity to build positive friendships with other children, in other words, improved social inclusion.. One parent mentioned that the most important benefit for her children was *“interacting with other children and attending camp / school holiday activities”* learned about through the program.

Referrals to services: Referral to appropriate services to meet children’s physical and mental health needs was also regarded as an important activity.

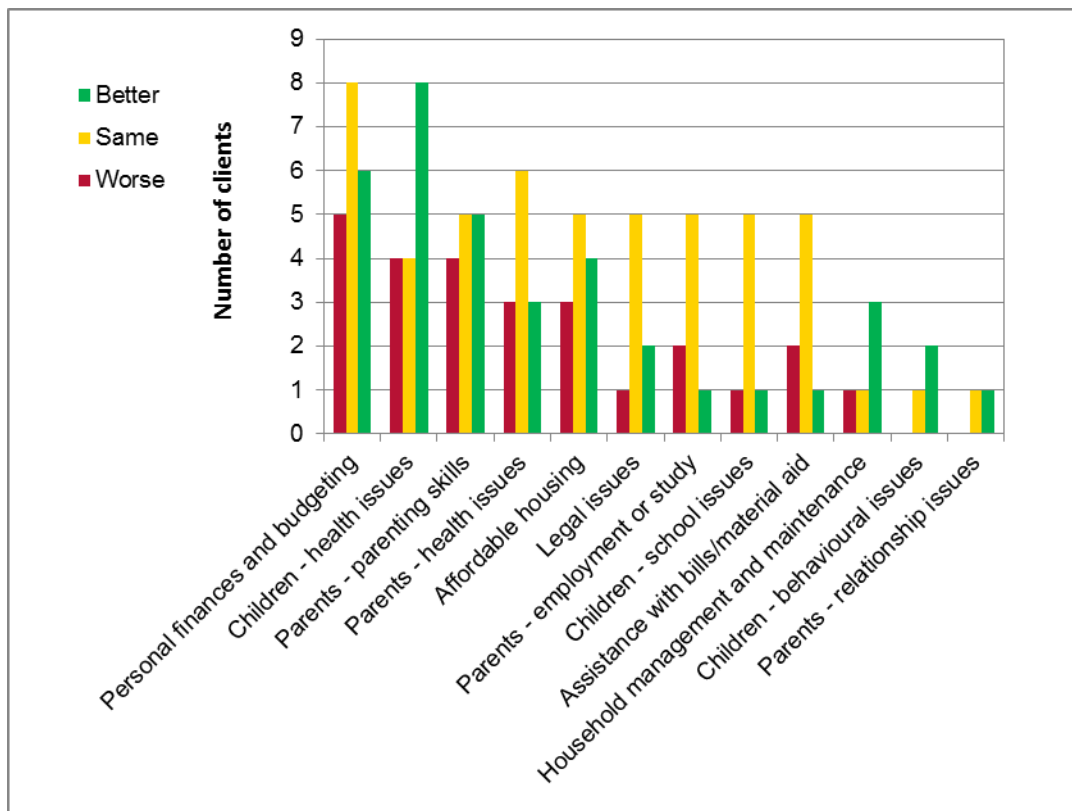
THE SECOND STAGE EVALUATION (2016)

An important question is whether the benefits of the ISD program were sustained for clients once they had left the program. Therefore an interview schedule was designed in 2016 to obtain follow-up data from the same clients who had completed client evaluation surveys. It provided comparisons where possible with the evaluation surveys the same clients had completed while with the program. The following provides a summary of those findings.

a. Goal attainment

For most clients, their situation in relation to each goal after exiting the program tended to stay the same or improve. However there was some variation depending upon the issue. As shown in Figure 3, clients were most likely to see improvement in relation to children’s health issues since leaving Anglicare. Improvement was also more often seen in personal finance/budgeting and parenting skills.

Figure 3: Number of Clients Achieving Different Goal Types Better, the Same or Worse Since Leaving Anglicare¹



¹Survey responses which were left blank or “Can’t say” were excluded from the sample.

b) Well being

Client wellbeing was matched across five domains and the results provided in Table 2 suggest that the ISD program not only made positive contributions at the time to the five aspects of client well-being, as seen by comparing ‘Before’ responses and ‘Just after’ responses but that these gains have largely been preserved – although there was some erosion in relation to stress, ability to cope and confidence around parenting.

Table 2: Clients' Stress, Confidence and Hopefulness: Comparison of Evaluation Surveys and Follow-Up Surveys¹

	Time	Not at all	A little bit	Quite a bit	A lot
Are you stressed?	Before	4%	20%	0%	76%
	Just after	24%	60%	8%	8%
	Now	20%	28%	16%	36%
Are you aware of your options for getting help?	Before	54%	25%	13%	8%
	Just after	0%	16%	24%	60%
	Now	8%	17%	21%	54%
Are you able to cope if problems arise?	Before	42%	33%	13%	13%
	Just after	4%	16%	32%	48%
	Now	4%	24%	44%	28%
Are you confident about parenting?	Before	13%	42%	17%	29%
	Just after	0%	4%	32%	64%
	Now	0%	16%	44%	40%
Are you hopeful about the future?	Before	26%	43%	9%	22%
	Just after	4%	8%	25%	63%
	Now	9%	22%	9%	61%

¹Only clients from the matched sample were included in these results. Responses of "Don't know" or "Unsure/can't remember" and blank responses were excluded from this analysis.

c) Conclusion

This follow-up evaluation of the ISD program at Anglicare Liverpool/Sadleir provides evidence that former clients have maintained or improved their outcomes in the period since leaving Anglicare's program. There were many instances where goals were being achieved in an ongoing way in the years since leaving the program and evidence of increased confidence, of knowing how to address issues, of applying what they had learned at Anglicare and of seeking further help with issues. There was evidence that most clients remain hopeful about the future and remain confident in their parenting ability. Clients were able to point to significant changes both for themselves and their children as a result of having been involved with Anglicare. At the same time, some former clients have also seen their circumstances worsen, perhaps beyond their ability to cope.

Staff have observed that while there are some positive reassuring results here, it is hard for families to 'break the cycle', pointing to a need for more integrated service and for support over longer periods of time. Particular goals require more time working with families and cannot be achieved in the short-term. But having a period of support gives clients choice, information and a sense of control, helping them to make some changes needed to achieve better outcomes.