

# Productivity Commission Inquiry into the Social and Economic Benefits of Improving Mental Health

## Submission from the Community Services Industry Alliance

5 April 2019

### Organisational background

The Community Services Industry Alliance (CSIA) aims to increase the capacity and viability of community service organisations and secure a prosperous future for the community services industry.

CSIA's Foundation Members are organisations delivering human and social services across a wide range of areas including health, aged care, disability services, child protection services, housing and homelessness and more.

CSIA's founders embedded a set of objectives in our constitution. They are:

- I. promoting the profile, value and contribution of the Community Services Industry to position it as an influential, active and respected contributor to social and economic planning and policy development for the benefit of the Australian public; and
- II. building an innovative, productive, sustainable and connected Community Services Industry including developing the economic and business capacity of organisations engaged in delivering community services for the benefit of community service clients and the broader Australian public.

More about CSIA is available [here](#).

### Comments

Our submission responds to the issues paper section 4. *Framework to enhance mental health and improve participation and workforce contribution*, and within that broadly to the design of the approach to investment and outcomes measurement. Our response is based on concepts CSIA has been developing since 2016 on investment reform in community services, and we submit the concepts for the Commission's consideration in relation to the following areas of the terms of reference for the Inquiry:

- *assess whether the current investment in mental health is delivering value for money and the best outcomes for individuals, their families, society and the economy;*
- *develop a framework to measure and report the outcomes of mental health policies and investment on participation, productivity and economic growth over the long term.*

CSIA supports the goal of person-centred, wrap-around mental health care delivered in a stepped arrangement, underpinned by strategy, policy and funding alignment. The question of how to shift the current fragmented and siloed system towards a more integrated one focused on delivering improved

social and economic participation is at the heart of recent work by CSIA and its community services industry partners in “commissioning for outcomes”. This is a way government and the community services industry can work alongside service users to create lasting change and to allocate resources based on the needs and outcomes in a service area. The approach is strategic, seeking to design, resource and deliver services based on clearly defined outcomes, responding appropriately to individual and community needs. CSIA’s report [\*Commissioning for Outcomes: An Industry-Led Approach\*](#), released in May 2018, specifically addresses the need to change human services investment models to provide wrap-around services that meet user needs.

The concept of commissioning refers to the process of ensuring better alignment between policy, resource distribution, needs of service users and outcomes. The concept can be usefully applied to understand key economic and social drivers fundamentally affecting community services in recent years:

- The growth of third party providers of services (along with a reduction of the role government plays in service delivery) has led to the creation of a complex and disparate social service marketplace that is competitive, often difficult to navigate, and activity focussed rather than outcomes focussed. Commissioning is often seen as a way to manage this increasingly disparate market.
- There has been an increasing emphasis across the policy landscape on consumer and end-user engagement, and the growth of ‘choice and control’ in social services spaces such as disability and aged care signals a shift towards service users having a much greater influence on service development. Commissioning is seen as a way to directly engage and involve service users and consumers in the policy and investment cycle.
- Increased data, changing demographics, a more informed and aware constituency and evidence of the connection between so many social issues has resulted in the need for responses to address increasingly complex policy and practice challenges. Commissioning is seen as a way to approach such challenges both systematically and systemically.
- Competing demand for investment and the growth of both need and investment over time has led to calls for greater efficiency in how social service dollars are spent and better metrics for measuring value in relation to spend. Commissioning is seen as a way to increase both efficiency and effectiveness, linking investments directly to the delivery of outcomes.”<sup>1</sup>

The report looks at commissioning through a community services lens and sets out the following elements and aims for commissioning:

- Outcomes focus: Focusing on agreed-upon outcomes that are measurable and link the achievement of these outcomes to investment.
- Strategic investment and value for money: adopting strategic approaches to resource allocation decisions, application of performance incentives and risk sharing.
- Evidence and data – what works and what’s needed: The design and investment informed by data about needs and evidence about what works best to address needs.
- People and place centred: A greater focus on service users and developing person and place-centred models for service delivery.

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<sup>1</sup> CSIA (Community Services Industry Alliance) 2018, *Commissioning for Outcomes: An Industry-Led Approach*. Brisbane. <https://csialtd.com.au/u/lib/cms/csia-commissioning-report-may-2018.pdf>

- Collaboration and integration: A focus on better coordination and integration of service pathways towards outcomes.
- Improvement and innovation: structuring investment to better enhance quality improvement and innovation.

With these elements in mind, a model of “system excellence” was designed to help stakeholders to prepare for commissioning. The focus is on industry and government working together to get the best results. The report sets out six key readiness spaces through which the community services industry can prepare for commissioning:

- Industry leadership: Designing and developing commissioning for outcomes
- Quality services: Increasing the quality and effectiveness of services, including outcome tracking
- Engaging service users: Enhancing person-centred approaches and service user engagement
- Collaboration: Building stronger relationships towards collaboration and integration between organisations
- Value: Defining the value of community services better
- Evidence: Alignment and framing evidence about what works

The report sets out four readiness spaces for government: market stewardship and regulation; legislative and policy framework; commissioning framework; and resources oversight and payment system. Finally, two spaces of joint readiness support the collaborative approach: the outcomes model framework and the testing approaches.

During 2018 and 2019, CSIA has been working with government and community services industry partners to apply the Commissioning for Outcomes concept in practice, to refine the model and process for collaborative investment reform with a focus on better outcomes for service users. While project outcomes are not able to be made public at this stage, to date the concept has been applied in specialist homelessness services, intensive foster care and wrap-around support in early childhood.

The results of these projects have been used to further refine and detail the model, building our knowledge base about how to bring a range of stakeholders together around investment reform and move towards wraparound services that deliver better outcomes for people. We would welcome the opportunity to discuss this work in more detail should it be useful to the Commission.

Thank you for the opportunity to comment. Please feel free to contact me should you wish for any further information.

Sincerely,

Belinda Drew  
CEO