

## Submission by NSW Family Services Inc (FamS) to the Productivity Commission regarding the Contribution of the Not for Profit Sector

29 June 2009

Among a large number of competing priorities, I have been forced to spend less time on this submission than I would have liked to, but because of the huge amount of respect I have for the Commissioner, I wanted to respond to the opportunity.

I have reviewed the Submissions of Burnside, Matrix and LCSA. I will not go into the detail they have, but generally support their submissions.

### We recommend as follows:

1. That FBT advantage be granted to all not-for-profit services. At the moment there appears to be a lottery – some services are granted it, some get it after three tries, some don't get it at all – but they are all doing similar work under similar circumstances. Frankly, my capacity to offer this to my staff enables me to recruit and retain a small team of highly passionate and skilled people who could attract higher salaries elsewhere. But they are committed to the work of the non-Government sector and paying them above the award, with salary sacrifice and a flexible, family friendly environment (and a cat) adds value and stability.
2. That Results Based Accountability (RBA) - as developed by Mark Friedman of the Fiscal Policy Studies Institute (of Santa Fe, New Mexico, USA) - be adopted, but never adapted.

This model allows a disciplined way of thinking that enables even the smallest organisation (or the most junior staff member) to prove a contribution to a population result that they are passionate about

(in FamS' case

SAFE CHILDREN  
STRONG FAMILIES  
SUPPORTIVE COMMUNITIES)

and then improve the performance of their organisation by setting performance measures that ask three fundamental questions:

- 1 – How much did we do? (EFFORT)
- 2 – How well did we do it? (QUALITY)
- 3 – Is anybody better off? (EFFECT)

Can you imagine the power of this model for small/medium organisations that have in the past been asked to describe their busy-ness?

We have adopted it in FamS. It has proven a wonderful focus for us and demands that we strive to improve our work.

We have seen other people ADAPT the model (DoCS, Treasury, some large organisations) because they have an historical commitment to old styles of working (input, output, throughput, logic diagrams). Why change something simple, yet powerful, into something more complex, less useful?

We have been funded by DoCS to implement RBA throughout our membership, but the members have not been funded to do the necessary work. However, over 40 have implemented it to a greater or lesser degree. None of them have regretted it. The value of the work will become obvious over the next year or so.

3. Competitive tendering is a huge and unsuccessful burden on a complex and fund-starved sector. There are some obvious things to say:

- 3.1. Large organisations can employ staff to write good submissions.

- 3.2. They can't always do the work well. The Brighter Futures experience in NSW had some organisations winning tenders who had (a) no presence in the local area, or (b) no experience in working with families facing complex issues in a child protection environment, or (c) neither! There were ridiculous examples of Brighter Futures Lead Agencies opening a playgroup, not realising that there was one across the street – run by a Family Support Service.

There is history in the HACC and Families NSW service sector where funding decisions are prioritised at a local level. Again the RBA process of working in partnership would support this model.

4. That accountability processes be rationalised. Until FamS strongly protested, we had four service specifications from the same funder to cover \$400,000 funding. There are stories of many services having multiple reporting requirements to a number of funders and that is an administrative burden.

DoCS admitted that there was no process for aggregating or analysing the information contained in the multitude of reports they received.

If all services were reporting against agreed performance measures, aggregation, analysis and usefulness would be so much more likely.

## IN GENERAL:

The current “Keep Them Safe” plan is being commenced in NSW to respond to the recommendations of the Wood Report. There are large amounts of money being invested into out-of-home care and statutory child protection. The question that no-one can answer is: when all the changes are made to the legislation, the referral pathways and the Well Being Units, who will families be referred to? The 306 CSGP funded Family Support Services who haven’t had a funding increase for 16 years?? I don’t think so: they are already carrying waiting lists and facing another year of reducing services.

## FOR WANT OF A NAIL A KINGDOM WAS LOST

There has very lately been some acceptance that there is a gap in the plan and some family support services may have access to some funds put aside for “gaps”. There will, however, be a tender process put into place.

Sue Richards  
CEO

I attach for your information:

1. *Two-page RBA summary*
2. *FamS Report Card*
3. *Paper “The role of Family Support Services in Keeping NSW Children Safe”*
4. *“Making a difference” case studies*
5. *“The Worimi Kids” – A Report by Port Stephens Family Support Service*