

**Submission**  
**No 82**

## **Outsourcing Community Service Delivery**

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## **Inquiry Into Outsourcing Community Service Delivery**

The extent, to which the process of devolution and outsourcing of housing, disability and home care services from the Government to the Non-Government sector is managed, depends upon effective probity and accountability mechanisms being in place and these mechanisms being appropriately monitored. Models of service delivery that ensure optimal outcomes for all rely on a number of processes that are in need of both maintenance and further development to remain effective.

As per the inquiries Terms of Reference, these include:

- a) **State Government processes, outcomes and impacts of transferring housing, disability and home care services from Government to Non-Government agencies.** Effective and transparent processes relating to transferring services from Government to Non-Government providers include – EOIs, Open Tenders, Selective Tenders and Specific Requests to identified NGO providers. In ensuring transparency and probity this system is effective. The major downside to the competitive tendering process is the barriers that are put up within the community between individual organisations around knowledge and intellectual property, which has a negative impact on seamless service provision within the community. The major positive outcome is the services are provided by decentralised local providers who have the knowledge and understanding of the local community and there is a degree of local ownership of the program by the local community. This takes service provision away from the big Government City Centric model and vests it within the local community. Transition for service recipients, new providers, staff and communities must be managed in a way that engenders a smooth transition, with mechanisms in place that ensure this.
- b) **The development of appropriate models to monitor and regulate service providers to ensure probity, accountability and funding mechanisms to provide quality assurance for all clients.** All service providers within the Non-Government sector must become quality assured through a third party auditing program that ensures accountability and a system of continuous improvement. Such accreditation must sit within the National Quality Framework guidelines. Funding and Training, needs to be provided to the NGO sector to target and ensure uniformity of knowledge and timely implementation of these quality programs and compliance schedules. Operational Service Standards must be adopted across all areas of service provision. These must be regularly monitored.
- c) **The development of appropriate levels of integration among service providers in rural and regional areas to ensure adequate levels of supply and delivery of services.** The devolution process must take care to avoid duplication of services within communities. There needs to be appropriate recognition of 'best practice' in all areas of service provision. Local 'peak groups' of providers need to be developed/facilitated and encouraged to work together to facilitate seamless, wrap around, holistic service provision that diminishes 'silos' and engenders open, cost effective service delivery. Encouraging Consortiums via the funding

models will enhance cooperative working relationships amongst community service providers.

- d) **Capability frameworks ensuring that community agencies are not overly burdened by regulatory constraints.** There needs to be more and ongoing funding and training to the NGO sector to develop and assist with capacity building and knowledge base development. Service provision needs to follow industry/government developed guidelines/standards. Such guidelines/standards need to be developed in cooperation, with input from all stakeholders and the industry must have ownership of these standards/guidelines. Regulatory requirements must be clearly defined and enunciated, as well as being very clearly articulated. Wherever possible such requirements should operate as broadly as possible across as many service areas as possible to avoid unnecessary duplications and they should be backed up with clear examples of 'best practice' evidence.
- e) **Enhanced capacity building and social integration in the delivery of services by local providers.** Funding models need to be cognisant of the geographic circumstances within which the service is being delivered and the funding dollars must reflect this. (eg rural and remote services have a greater cost component relating to travel; urban services have a greater cost component relating to rentals). Focus must be applied to NGO capacity building via funding and training. The sharing of knowledge from within the relevant Government Department needs to flow freely. This may include such activities as mentoring, advisory roles and the utilisation of Government Department staff by actually employing them in the NGO sector. Local community advisory committees should be developed in a way that allows them to have an active role in decision making and service delivery as well as genuine community ownership of programs.
- f) **Future employment trends, expectations and pay equity for women employed in the non – Government sector.** Equal Employment Opportunity must not only be adhered to across the sector; practice must be reflective of policy. Legislative support from the Government for fair pay within the NGO sector; not just across gender but also equity across other industries/sectors. This can only be effectively achieved through industrial relations reform and improved pay scales for the NGO sector. Funding models must change with regard to funding availability, so that they allow for and encourage rates of remuneration that enhance and lift the skill set throughout the sector and ensure that this improved skill set is maintained and retained, through appropriate remuneration across the sector.
- g) **Incentives for private philanthropy in the funding of community services.** The social conscience of the community as a whole needs to be developed and encouraged. This could include the development of social awareness through changing/developing the mindset around the concept of philanthropy. It could also include the public encouragement and acknowledgement of sponsorship for community based programs. Consideration could also be given to a dollar for dollar arrangement between Government and community/business. Change to community attitudes can also be guided and moulded via the taxation system.
- h) **The use of technology to improve service delivery and increase cost effectiveness.** The Non-Government sector must embrace the technological advances (eg NBN, video conferencing) as they are rolled out and the Government needs to provide support via the program funding mechanisms to ensure this happens. Financial and training supports need to be available to the industry, funded by the Government, to support NGO's to better utilise technology – in particular in rural and remote service delivery across large geographic

distances. Commonly utilised IT based compliance and acquittal programs with associated service provider training are fundamental.

- i) **A comparison of the management and delivery of similar services in other jurisdictions.** Determine, publicise and utilise 'best practice' wherever and whenever it is identified. Support and encouragement must be given to implement 'best practice' through incentives to do so and positive recognition of it, whenever it is identified. 'Best practice' must be supported and developed through effective and meaningful 3<sup>rd</sup> party audits based within an effective quality framework. Support for organisations to provide feedback and papers at conferences and forums. Government sponsorship for such activities.
- j) **Any other related matters.** Publicly acknowledge NGO's that are doing an effective job, providing a good service and delivering cost effective outcomes to the identified target group/s. Such acknowledgement may include awards etc., but should also include recognition through such things as preferred provider status.