

Outsourcing Community Service Delivery

Organisation: The Sydney Children's Hospitals Network

Name: Ms Elizabeth Koff

Position: Chief Executive

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The Sydney Children's
Hospitals Network
(Randwick and Westmead)

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The Hon. Kevin Anderson MP
Chair
Legislative Assembly
Legislative Assembly Committee on Community Services
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Dear Mr Anderson

Inquiry into Outsourcing Government Community Service Delivery

Thank you for your correspondence dated 6 March 2012.

The Sydney Children's Hospitals Network acknowledges the importance of reviewing the service delivery of Housing & Ageing, Disability and Home Care by the government, as these agencies provide services to the most vulnerable people in our community and it is the government's responsibility to ensure care for this population. Although there are obvious flaws with the existing structure we believe that the devolution has the capacity to hinder and not help and a better way forward may include supporting current organisations with additional resources to provide a better service.

a. State Government processes, outcomes and impacts of transferring housing, disability and home care services from Government to non-Government agencies.

Our major concern regard to transferring Housing & Ageing, Disability and Home Care services to non-Government agencies is its potential impact on equity - in terms of access to services and on quality of these services. There would need to be processes and funding guidelines to ensure that services are distributed geographically to meet needs and to ensure that the range and quality of services are comparable across geographical areas.

Currently there are the government services provided through Housing & Ageing, Disability and Home Care and well as non-government organisations providing services to this client group. However it is a resource depleted area, where demand for services far outweighs the supply of services to clients. Even with extra funding to non-government agencies, there is concern about how that demand can be met, the impact on this client group and the consequential pressure on other government agencies such as NSW Health to provide ongoing services (especially therapy services) to this client group.

We understand that these government agencies of Housing & Ageing, Disability and Home Care are already burdened by huge waiting lists and bureaucracies. However, there are also very committed and conscientious employees within this service and there are groups within the community that have ongoing supportive relationships with these agencies. Our concern would be about the impact of the clients of these agencies and that with the transfer clients would be lost to services. This is something that we have already experienced with the changes associated to child protection with the implementation of Keeping Them Safe.

The NSW National Disability Strategy Implementation Plan 2012-2014 has Ageing Disability and Home Care and Housing as the lead agencies in implementation of many of the key actions. The concern is how will the de-evolution of these agencies impact on the plan's implementation as the plan recognises support for "over sixteen per cent of the NSW population" (NSW NDS Implementation Plan 2012-2014: *Creating a more inclusive NSW*).

Finally, in the current climate we see that services are fragmented and it is becoming increasingly difficult for service users to access these services. There has been a huge growth in the investment in case management services, which often comes at the cost of funding for therapy services and other resources. If the pathway to services was easier, better connections between services and more adequate services (such as therapy or home care), there would be less need for case management.

b. The development of appropriate models to monitor and regulate service providers to ensure probity, accountability and funding mechanisms to provide quality assurance for clients

The concern with the development of appropriate models is establishing a functional model that is going to put the person and their needs first and to access a model that has been tried and tested in the past and shown to have better outcomes (i.e. Evidence based models).

The current system of better start funding has not been monitored or regulated in a model that has ensured equity of service for families. The autism population and more recently the expansion of diagnoses involved with better start funding has seen increased funding to families with no regulation of this through organisations.

Therapists and organisations have had the opportunity to charge families for services however there has been no monitoring of 'quality' of services being provided to families.

Despite funding being allocated to families the current model does not allow a central organization to lead the co-ordination of care for these children and families like current structures such as Health and ADHC. Segmenting all of these organizations runs the increased chance of causing further challenges for both families as well the hospital systems.

There too has been no published assessment of the effectiveness of the Better Start funding and whether or not it has increased access of services to families and children across all socio-economic and provided these families with a 'quality' service. This needs further exploration and assessment.

Another example of this is from the Keeping them Safe initiative, which has seen funding being delivered to Not for Profit Organisations to provide early intervention for children in child protection through the Brighter Futures program. From our experience, referrals can be made to these NGOs but there is no accountability to either the Family and Community Services or the referrer regarding service provision.

This will also have a huge impact on NSW Health services especially in relation to discharge planning. Current methods of referrals for home care and housing already take extensive time. To remove this responsibility from one central organization and outsource to a number of organizations will certainly lead to an increase in length of processing time for referrals, length of stay for patients and impact directly on discharge and discharge destinations.

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

Appropriate integration among service providers in rural and regional areas that ensure adequate service supply and delivery will be more challenging if outsourcing occurs. The outsourcing of some services has already been trialled within ADHC and DoCS. It has made the coordination and regulation of services for families difficult and inefficient in many cases, for example;

- Instead of liaising with one or two key service providers, families, professionals, and the community are required to liaise with multiple providers with varying eligibility criteria, different levels of service provision etc. The same service provider in different geographical locations can be quite different.
- Changes in eligibility criteria and the services provided by smaller organisations can occur without notification or consultation that would (or should) occur between government organisations like Health and ADHC. Even if informed, it is not possible to keep track of changes among multiple service providers (e.g. Life Start, Better Start, Pathways, Brighter Futures etc). We waste time updating our own records of all the outsourced providers, criteria, service type/level, staff contacts/names.
- A piecemeal approach to service delivery makes it harder to establish working relationships with other service providers and to coordinate care for families. Time and money are wasted in liaison with multiple services and also in the replication of mini-bureaucracies within services.
- The providers of these outsourced services can be unsure of future funding which makes long term planning difficult. Some services are unsustainable and close down.
- Therapists and workers in these smaller organisations often are less supported by senior staff, less well supervised.
- These issues would be magnified if the outsourcing of government community services was to occur on a wider scale across multiple departments.

d. Capability frameworks ensuring that community agencies are not overly burdened by regulatory constraints

While we would agree that it is important that community agencies are not overly burdened by regulatory constraints we are also concerned that the consumers of these services are some of the most isolated, vulnerable and disenfranchised members of the community. Therefore safeguards to ensure that services do not discriminate against or not exploit this population are essential. Regulations should be in place to guarantee that there are standards about 'who' is able to provide certain services. For instance with the Early Start Diagnosis Program we have seen a sharp increase in the numbers of professionals in private practice providing services to children with a diagnosis of autism without any accountability regarding their level of expertise or experience in this very specialised area. Families are often in a very desperate situation coping with their child's condition and even the best informed families can have difficulties being able to discriminate in what they should be looking for in a treating professional. Therefore we envision that there would also need to be an independent system for complaints and appeals so that consumers do not fear reprisals. If outsourcing made the process more transparent then such a move would be welcomed, but there also needs to be systems to guarantee regulation and accountability.

As previously discussed, in the current environment, we see that there is a definite 'post-code lottery' where certain clients in certain geographical areas have better access to services and resources. An important aspect of regulatory constraints would be to ensure consistency between services to ensure there is equitable access for all.

e. Enhanced capacity building and social integration in the delivery of services by local providers

The concern around this point relates to clarifying the purpose of the 'social integration'. Is this of benefit to families and/or organizations and networking/streamlining of services.

In the UK, there has been some experience that outsourcing means that services are more accessible and have better local knowledge and local referral networks and not so burdened by bureaucracy so they are able to react more quickly to service demand. However, this depends on funding. We also acknowledge that some of the non-government agencies which cater to a specific group of people, such as the Cerebral Palsy Alliance, are much respected in the community and already have good governance models and processes. With an increase in government support, these agencies may be better placed to provide more equal and timely access to services for a greater number of people. However this organisation has existed for some time so will new organisations be able to replicate this relationship with the community and develop the knowledge as quickly as required by outsourcing timelines.

One aim is to enhance a model of 'self-empowerment' for families. This will be more challenging when there is a splintering of services. This has the capacity to lead to increased change and confusion for families with an end result of increased reliance on hospital staff.

The other question here is how this will be assessed and what are the outcome measures being suggested to monitor whether or not the capacity building and integration by local providers has been achieved? If there is a perceived need that it's not currently occurring what is it about current practices that are not working?

f. Future employment trends, expectations and pay equity for women employed in the non-Government sector

The non-Government sector offers less job security and at times lower rates and less regulated pay. Would we see that women would drop further in pay scales. In the long term these career options may become even less and less attractive.

g. Incentives for private philanthropy in the funding of community services

Our main concern regarding the provision of services by private philanthropy funding in the community is the impact this can have on the sustainability of services. It is well recognised that the 'business of charities' is a highly competitive arena where charity organisations are employing more and more marketing and public relations personal to try and gain the edge in donations from the community. Therefore will quality of care be compromised in the race to acquire wealth from government and philanthropic sources? Funding also needs to be mapped to the level and complexity of the service provided and this is challenging with uncertain funding sources. Also from experience with the current fundraising models, what appeals to donors with may not be where funding is most required.

h. The use of technology to improve service delivery and increase cost effectiveness

Ensuring each smaller, service provider has adequate technology, training, and the support required for its maintenance would not be cost effective. Technology does not make someone a better therapist, administrator, or case manager. Nor does the presence of technology necessarily make someone more efficient. Technology should be used where evidence based practise supports its use, and in conjunction with staff training and supervision.

i. A comparison of the management and delivery of similar services in other jurisdictions

There are already examples where government services have been outsourced to NGOs (e.g. Autism services, Disability services more generally). The Inquiry into Outsourcing Service Delivery should objectively evaluate the success for families of this approach.

Any other related matters

There are problems within government departments providing community services that urgently and strongly need addressing. It may seem easier to devolve to NGOs than deal with the problems of these large organisations, but this would be a mistake for the service users. Instead, the Inquiry could look at what works well in the NGO sector and incorporate these practises into the government sector, while maintaining the strengths of the government sector. Fragmentation of service is a big problem already in the community services sector for this vulnerable population.

Yours sincerely

Elizabeth Koff
Chief Executive

Date: