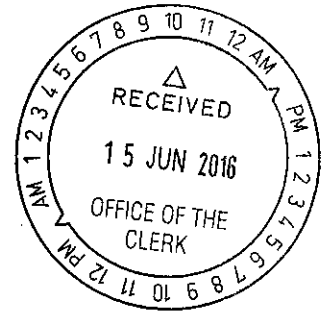




Minister for Innovation and Better Regulation
The Hon Victor Dominello MP

14 June 2016

Mr David Blunt
Clerk of the Parliaments
Parliament House
Macquarie Street
SYDNEY NSW 2000



Dear Mr Blunt

Please find the NSW Government response to Recommendations of the Standing Committee on Social Issues Parliamentary Inquiry into Service coordination in Communities with High Social Needs published on 11 December 2015 for tabling in the Legislative Council.

Yours sincerely

The Hon Victor Dominello MP
Minister for Innovation and Better Regulation

*Received at 10.25 am
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NSW Government response to Recommendations of the Parliamentary Inquiry into Service coordination in Communities with High Social Needs

Theme 1: Information sharing and data collection	
#	Proposed Government Response
Rec 1	<p>Recommendation That the NSW Government develop a website that details the human services provided by both the government and non-government sector within particular geographic areas, and the eligibility requirements for the service.</p> <p>Supported – work is already underway The Human Services Network (HSNet) is a cross sector initiative of the NSW Government. The website is administered by the Department of Family and Community Services. HSNet provides a comprehensive directory of over 65,000 support services across NSW covering health, disability, aged care, welfare, community, education, legal and housing. Users are able to search for a particular support service or range of services located near them or anywhere across NSW. HSNet displays detailed information for each service including opening hours, fees, requirements for eligibility and whether it is registered with the National Disability Insurance Scheme. The service is available to the public and there is no fee to use the service directory. For professionals in the human services and justice sector, HSNet also offers free membership with access to resources and tools to improve communication and collaboration in the delivery of services to communities in NSW. In addition to HSNet, data regarding the human services provided by government and NGOs is also available through the Human Services Data Hub (HSDH). The HSDH brings together data from the Department of Family and Community Services, the Department of Education, Transport for NSW, the Ministry of Health and the Department of Justice. The Hub also includes demographic data from the Australian Bureau of Statistics. The HSDH is administered by the Department of Finance, Services and Innovation. This data is publicly available on data.nsw.gov.au</p>
Rec 2	<p>Supported in principle The NSW Government strongly supports the principles of collaboration, planning and co-design and agrees that alignment of outcomes is an important factor in the delivery of effective services to</p>

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	<p>co-design and alignment of outcomes in human services programs delivered by government and non-government agencies.</p>	<p>communities by both government and non-government providers. While leadership from the executive levels of the public service is important, collaborative practice needs to occur at all levels of the public service.</p> <p>The NSW Public Sector Capability Framework, introduced in August 2013, describes the capabilities and associated behaviours that are expected of all NSW public sector employees, at every level and in every organisation. The Framework supports the achievement of this recommendation, particularly with regard to collaborative practice and effective planning.</p> <p>The Social Innovation Council (Council) was established in June 2015 as a strategic partnership between the NSW Government and non-government organisations (NGOs). Under its terms of reference, the Council works to boost innovation in the way human services are developed, delivered and measured. The Council is developing a whole-of-government human services outcomes framework. The Framework, which is currently at the draft stage, articulates the outcomes the Government is seeking to influence through funded services and sets out common themes and language for use across Government and the NGO sector. Relevant Premier's and State Priorities have been incorporated.</p> <p>The Framework will recognise the multidimensional approach needed to achieve real improvements and support and encourage collaboration between agencies. The Framework has been designed for agency use during program or contract development and management phases to demonstrate how each program or contract contributes to one or more of the Government's human services priorities.</p> <p>The appropriateness of using performance indicators to achieve the principles of collaboration, planning, co-design and alignment of outcomes requires further consideration by Government in the context of the Capability Framework, and the work of the Social Innovation Council. It may be more appropriate to augment existing KPIs to recognise collaboration and alignment of outcomes as critical factors for success, rather than introducing discrete indicators that measure collaborative performance.</p>
<p>Rec 3</p>	<p>That the NSW Government implement a requirement in human service funding contracts to collect and</p>	<p>Supported</p> <p>The NSW Government supports the introduction of standardised data collection and reporting</p>

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	<p>measure data on program outcomes.</p>	<p>mechanisms wherever possible, noting that the specific requirements of the service being implemented need to be taken into account and “one size fits all” approaches are not appropriate. The NSW Government recognises that building a robust evidence base is a critical component of improving the effectiveness of service delivery, particularly in the area of human services.</p> <p>As noted in the response to Recommendation 2, the Social Innovation Council is currently developing a whole-of-government outcomes framework for human services delivery. Individual NSW Government agencies are progressively introducing outcomes based funding agreements for the delivery of human services, which will include the collection and measurement of data on outcomes. Examples of this include:</p> <ul style="list-style-type: none"> • The introduction of outcomes based contracting for the delivery of Specialist Homelessness Services by the Department of Family and Community Services from 2017, with a target of a full move to outcomes-based contracts by 2020. • The ongoing implementation of the Safe Home for Life reforms, which will include the gradual introduction of outcomes-based measures in the contracting for foster care and residential care leading up to April 2017. • Under Partnerships for Health, NSW Health is currently transitioning from historical grant-based funding to more robust program outcomes-based funding models. Partnerships for Health will incorporate the collection and measurement of data on program outcomes into funding agreements. • The NSW Agency for Clinical Innovation is further developing NSW Health’s Patient Reported Measures (PRMs) to better reflect and respond to patient experience within NSW Health facilities. <p>It should be noted that agencies are supported in the collection of performance data by the GIPA Act, which requires NSW public sector agencies that have contracted private sector entities to provide services to the public to ensure that the contract provides for the agency to have an immediate right of access to prescribed information including information that relates directly to the performance of the services by the contractor (section 121(1)(a)).”</p>
<p>Rec 4</p>	<p>That the NSW Government include a process for community consultation at the design and evaluation stage that</p>	<p>Supported in principle</p> <p>NSW Government agencies already undertake community consultation as part of the design and</p>

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	<p>involves those who live in the targeted areas:</p> <ul style="list-style-type: none"> • for human service programs delivered by the government and • as part of funding agreements for non-government organisations contracted to deliver human services on behalf of the government. 	<p>evaluation of programs, and have processes in place to facilitate this consultation. Agencies' approaches recognise that people using services, or experiencing vulnerability, contribute greatly to the design of the service system and should be consulted at the earliest opportunity.</p> <p>It is considered that a process for community collaboration has greater potential to support the involvement of communities, including Aboriginal people, in genuine decision-making, including through existing processes such as Local Decision Making. Recommendation 4 will be referred to the Social Policy Senior Officers' Group for development.</p>
<p>Rec 5</p>	<p>That the NSW Government on at least an annual basis, and preferably more frequently, publish de-identified data, at both an aggregated and disaggregated level, from the Data Analytics Centre (DAC) similar to the approach taken by Community Indicators Victoria.</p>	<p>Supported</p> <p>The DAC will publish whole-of-government data for which it is custodian and consider the approach taken by Community Indicators Victoria on data that relates to community wellbeing.</p> <p>Agencies that provide data to the DAC will continue to be custodians of that data. Under the NSW Government Open Data Policy, agencies are required to prioritise high value data for release and consult with stakeholders as part of that process. All data released by the DAC will be in compliance with relevant privacy requirements. Publication of any data will need to be particularly sensitive to the vulnerability of the people and communities to which it relates.</p> <p>The <i>Data Sharing (Government Sector) Act 2015</i> facilitates government sector data sharing. The Act enables data analytics work to identify issues and solutions regarding government policy, program management and service delivery.</p>
<p>Rec 6</p>	<p>That the NSW Government investigate the ability of the data sets released from the Data Analytics Centre to be used for research and other purposes.</p>	<p>Supported</p> <p>The DAC has been established to conduct research and data analysis across the whole-of-government. As part of this, the DAC works closely with the research sector on its priority projects and related work. Data released by the DAC (and that released by agencies) is available for research and other purposes. NSW Government datasets are published on the NSW Open Data Portal (data.nsw.gov.au). The NSW Open Data Policy supports open licensing and encourages the re-use of data and information by the public and research community.</p>

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		<p>The DAC is focusing on a number of priority projects designed to improve understanding of the needs of communities, to inform improvements in service delivery. The first of these priority projects are looking at Transport modal use and Vocational education and training outcomes. Further projects are being actively considered by the Government for 2016/17, including a project relating to vulnerable families and children.</p> <p>Information about priority projects will progressively be made available on the Data Analytics Centre website (https://www.finance.nsw.gov.au/ict/nsw-data-analytics-centre) as they are initiated.</p> <p>The DAC is developing a protocol on managing data products created by cross agency projects.</p>
Theme 2: Privacy		
<p># Rec 7</p>	<p>Recommendation That the Privacy Commissioner develop guidelines for both government and non-government organisations on appropriate information handling and information sharing, including information on how organisations can meet their obligations under the privacy framework when contracted to deliver services on behalf of the NSW Government.</p>	<p>Proposed Government Response Supported in principle</p> <p>The NSW Government recognises the need for clear guidance regarding appropriate use and handling of information, particularly personal and health information, under the privacy framework. This work is becoming increasingly important with the growing reliance on NGOs to deliver services, particularly in the Human Services. This is particularly important with regard to small NGO providers delivering services, which may not have had the degree of exposure to privacy obligations.</p> <p>The Privacy Commissioner's statutory functions provide the authority develop the requisite guidelines required to address gaps in privacy understanding by both public and private sector organisations including NGOs.</p> <p>There are also a number of entities and multi-agency bodies that have an existing role in addressing barriers and improving governance for sharing of information (where that information is not regulated under the privacy framework), and consideration will need to be given to how to best coordinate the development of any guidance.</p> <p>Requires further consideration</p>
<p>Rec 8</p>	<p>That the NSW Government:</p> <ul style="list-style-type: none"> • establish the Privacy 	

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	<p>Commissioner as a central point of coordination with other bodies within the privacy field, both within New South Wales and federally</p> <ul style="list-style-type: none"> • fund the Privacy Commissioner to assist in the development, implementation, training and oversight of adherence to the guidelines proposed in Recommendation 7 	<p>The NSW Government agrees that there is merit in establishing a central point of coordination with other bodies in the privacy field. As noted in response to Recommendation 7, consideration will need to be given to how best to coordinate the development of guidance for agencies and NGOs. Any additional resourcing required by the Privacy Commissioner to take on this coordination and oversight role will be considered in this context.</p>
Rec 9	<p>That the NSW Government require the Secretaries of all government agencies involved in the delivery of human services to enter into memorandums of understanding on information sharing practices.</p>	<p>Supported in part</p> <p>The NSW Government recognises the need to improve information sharing between agencies, and the role of formal instruments, such as Memoranda of Understanding (MoU), in achieving effective levels of information sharing. A number of individual agencies presently have MoUs in place relating to information sharing; however the NSW Government acknowledges that this is not consistent practice across all clusters.</p> <p>The Government does have some concern about the proliferation of “soft law” instruments across a complex issue such as the sharing of sensitive information. MoUs are most effective where they are supported by operational measures that simplify information sharing. This requires a focus on how information will be shared, including through information systems, in addition to authorising what information may be shared.</p> <p>In due course, the Government will examine the necessity and desirability of mandating MoUs across all clusters, and the most appropriate approach to achieving these objectives.</p>
Theme 3: Funding environment		
#	Recommendation	Proposed Government Response
Rec 10	That the NSW Government undertake	Supported

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	<p>a review of the competitive tendering process for human services that:</p> <ul style="list-style-type: none"> examines best practice models in other jurisdictions, particularly those that facilitate co-design, collaboration and joint tendering, and includes consultation with non-government service providers. 	<p>The NSW Government has publically stated its support for strategic commissioning as an effective way to drive greater outcomes for the people of NSW by improving value for money, service quality, innovation, accountability and transparency. The NSW Government is committed to the regular review of contracting and tender arrangements to ensure that they make it easier for the non-government sector to do business with the Government. Consultation with NGOs providing human services is essential to ensure that services are aligned with demand and need, and to maintain a commitment to collaborative practice.</p> <p>The Social Innovation Council was established to drive reform in human service delivery through partnership between government and the non-government sector. The Council is currently considering an NGO Engagement Strategy which would inform any review of the competitive tendering process and how best to undertake consultation with non-government service providers.</p> <p>The recommended review of competitive tendering processes in Human Services will be referred to the Social Innovation Council, taking into consideration the work program of the Council, and relevant evaluation projects being undertaken, or recently completed, by both FACs and NSW Health. Any review of competitive tendering will be led by the Department of Finance, Service and Innovation (DFSI), as procurement policy rests with the Department.</p>
<p>Rec 11</p>	<p>That the NSW Government increase funding periods to a minimum of five years for human service providers, with the opportunity for an extension beyond this time.</p>	<p>Not supported</p> <p>The NSW Government does not support the introduction of a minimum term for funding agreements.</p> <p>A mandated 'minimum' term would unnecessarily constrain government contracting, especially for services that are untested and when trialling new approaches in a reform environment. A shorter-term funding period allows quality assurance through shorter-term evaluation, and allows for greater flexibility to respond to changing priorities.</p> <p>It is also important to note that funding agreements with providers are often determined by the terms and timing of budget forwards estimates. Furthermore, where agreements are linked to Commonwealth National Partnership agreements, it is frequently not possible to guarantee funding over longer timeframes.</p>

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<p>Rec 12</p>	<p>That the NSW Government allow longer lead-times in tender preparation to encourage joint tenders from human service providers.</p>	<p>Supported in principle</p> <p>The NSW Government supports the principle of allowing longer lead times in tender processes. This acknowledges the complexity of the services sought and the time needed to identify, and establish, value compatible service delivery partners. This approach also recognises the differing levels of capacity amongst NGOs to participate in Government tender processes. The Government notes, however, that the operational requirements of individual services may require shorter time frames for tender processes, to ensure continuity of service provision.</p> <p>The Social Innovation Council is developing a NGO Engagement Strategy that outlines principles for good engagement. This includes high level principles regarding forward planning industry engagements to generate greater interest in, and ensure providers are available to deliver, government contracting opportunities.</p> <p>NSW Procurement provides a platform to support the sourcing process, agencies decide on timeframes, service provider engagement and collaboration. The Agency Accreditation Scheme allows agencies to undertake different levels of goods and services procurement according to established capability. NSW Procurement has published a suggested approach for agencies to follow. The Government will work across clusters involved in the delivery of human services to ensure that NSW agencies have guidelines in place for working with NGO service providers.</p>
<p>Rec 13</p>	<p>That the NSW Government:</p> <ul style="list-style-type: none"> • mandate that a percentage of the value of human service contracts is targeted to undertake service coordination, and • develop a key performance indicator to measure coordination and collaboration. 	<p>Supported in part, requires further consideration</p> <p>The NSW Government does not support mandating a percentage of the value of human services contracts to undertake service coordination. The Government supports contractual flexibility to encourage providers to prioritise service coordination, as well as support the differing levels of service coordination required by individual contracts or projects. Further consideration is required to identify ways in which coordination and collaboration as an enabler of better outcomes can be measured, in a manner which drives greater take up of collaboration. This work will be referred to the Social Innovation Council to consider.</p> <p>The Government notes that an alternative or transitional approach could be augmenting existing</p>

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		KPIs to recognise collaboration and alignment of outcomes as critical factors for success, rather than introducing discrete indicators that measure collaborative performance.
Theme 4: Best practice principles		
#	Recommendation	Proposed Government Response
Rec 14	That the NSW Government establish One Place Service Centres in communities with high social needs across New South Wales, with a particular focus on Brewarrina, Claymore, Lightning Ridge, Walgett, Wilcannia and Windale, the locations identified by the Dropping off the Edge 2015 report as experiencing complex, concentrated and persistent disadvantage.	<p>Supported in principle, will require further consideration</p> <p>The inaugural One Place Service Centre was launched in Coniston in June 2015. The centre will contribute to greater service coordination in that location, and is a model for potential other sites, particularly in areas of high social need.</p> <p>The location and design of any future One Place Service System needs to be carefully considered, to ensure it reduces duplication and does not simply add an additional layer to the existing service system.</p> <p>Consideration of how a centre will interact with existing services, as well as with the broader community is also a key factor. In these locations, it may be more appropriate to adopt a community-driven model for service coordination that differs from the One Place approach.</p> <p>Many of the locations listed in this recommendation have large Aboriginal communities. In keeping with the approach embodied in the OCHRE plan for Aboriginal Affairs, in locations with larger Aboriginal populations, extensive community consultation will be required before a decision is made to establish One Place Service Centres.</p> <p>The locations identified in the Committee's report will be part of any future consideration of the location and suitability of One Place Service Centres.</p>
Rec 15	That the NSW Government evaluate the co-design approach being pursued on the Central Coast, with a view to utilising co-design in other geographic areas across New South Wales.	<p>Supported</p> <p>The Government will undertake a review, co-ordinated by DPC, of the co-design model on the Central Coast, which will feed into a broader consideration of how it could be best used in other areas across NSW.</p>

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		<p>As noted in the NSW Government submission to the Inquiry, co-design approaches are also being implemented by FACS in other districts, for example Western Sydney, Nepean and Blue Mountains, and within FACS' Head Office. A review of these initiatives will also be considered as part of this process.</p> <p>The NSW Government is engaged in other co-design initiatives in the delivery of human services, notably current work underway with the Murdi Paaki Regional Assembly in the State's Far West. This work is also being subjected to rigorous review and evaluation, which will help inform other proposed projects in other parts of the State.</p>
<p>Rec 16</p>	<p>That the NSW Government engage in collaborative planning and funding allocation for all specific geographic areas that have communities with high social needs.</p>	<p>Supported in principle</p> <p>The NSW Government supports the use of collaborative approaches to planning and funding in the delivery of human services, particularly in communities with high social needs. The Government will need to work across a range of agencies to determine the most effective and appropriate approach, taking into account the characteristics and needs of specific communities, as well as existing Government initiatives.</p> <p>The NSW Government has committed to exploring place based funding solutions in a number of human services spaces, such as through Local Decision Making (LDM) in Aboriginal Communities (including a number identified in the <i>Dropping off the Edge</i> Report). To be consistent with the principles underpinning LDM, engagement and shared decision-making with Aboriginal community governance bodies in the design of human services will be necessary.</p> <p>The NSW Government is actively considering local governance and funding options for responding to complex social issues and will take the Inquiry recommendations into account.</p> <p>Additionally, the National Disability Insurance Scheme (NDIS) provides an opportunity to address existing service gaps and refresh the interface between NSW services to promote inclusive practice. To support the NDIS governance arrangements in NSW, Operational Working Groups will be established over time to streamline the interface between NSW Cluster Agency district structures and the NDIA Regions/Networks. The Operational Working Groups will address operational,</p>

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		<p>planning, administrative, program and service delivery events at a local level.</p> <p>NSW, the National Disability Insurance Agency and the Commonwealth are currently working together to develop Mainstream Interface Working Arrangements to ensure national consistency in relation to the intersections between the NDIS and mainstream service agencies in line with agreed roles and responsibilities. Client pathways will reflect how people interact locally with the NDIS and other services in NSW.</p> <p>Alongside NDIS readiness activity, the Disability Inclusion Action Plans developed by each Cluster under the NSW Disability Inclusion Plan aim to embed inclusion and provide a seamless pathway through the service system for people with disability, focusing on the four areas of:</p> <ol style="list-style-type: none"> a) Developing positive community attitudes and behaviours b) Creating liveable communities c) Supporting access to meaningful employment d) Improving access to mainstream services through better systems and processes.
<p>Rec 17</p>	<p>That the NSW Government:</p> <ul style="list-style-type: none"> • provide an additional five years of funding to the Maranguka Initiative, Bourke • provide an additional five years of funding to The Hive, Mount Druitt • nominate an additional five areas of high social needs in New South Wales to trial The Hive approach to service coordination, including in Claymore and in three regional and rural areas. 	<p>Further consideration required</p> <p>The NSW Government supports the implementation of place based responses to social issues, and the growth of the NGO sector and the wider community as partners in the delivery of human services. Support for the Maranguka Initiative and The Hive model in Mount Druitt has been provided by individual agencies across Government in varying forms</p> <p>Allocation of funding to specific organisations or initiatives, such as those identified in this recommendation, will need to be undertaken through normal processes for consideration of additional funding. This will require evaluation of individual initiatives and a transparent process for the identification of additional locations. Decisions regarding ongoing support for programs will need to be undertaken in the context of agency and cluster priorities.</p> <p>Decisions regarding funding for additional locations for The Hive approach will also require community consultation in order to be in keeping with the Government's commitment to place-based solutions, as well as collaborative planning, funding allocation, and competitive tendering processes. It is highly desirable to consider these on a case by case basis. This will ensure that the collaboration</p>

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Rec 18	That the NSW Government support the establishment of a national Centre for Community Strengthening and Program Evaluation, together with linked state and territory counterparts.	<p>model suits the needs of local communities and will be effective.</p> <p>Requires further consideration</p> <p>The NSW Government acknowledges the potential for a National Centre for Community Strengthening and Program Evaluation to augment the existing evidence base and linking researchers and practitioners. NSW also supports a more consistent approach to program and outcomes evaluation at a national level in principle, as this would improve decision making about the allocation of resources, particularly by the Commonwealth.</p> <p>NSW notes that there are risks in uncritically conflating community strengthening with needs-based service delivery and service coordination. Community strengthening has a different focus from needs-based service delivery to individuals and families.</p> <p>Further information is necessary before the Government could offer support for such an initiative, particularly given the current focus on reform of the relationship between the Commonwealth and the States in the human services areas. It is unclear how this kind of centre would be implemented or resourced, how it would achieve its objectives, and how it would differ from existing initiatives, such as the Australian Institute of Health and Welfare, and the Australian Commission on Safety and Quality in Health Care. NSW also needs to consider how such an initiative could improve services in across the State.</p>
Rec 19	That the NSW Government establish a state-based Centre for Community Strengthening and Program Evaluation, with the centre empowered to allocate funding for service coordination to backbone organisations.	<p>Further consideration required</p> <p>As noted in response to Recommendation 18, the NSW Government supports the principle of a consistent approach to service coordination and program and outcomes evaluation.</p> <p>Further information and analysis is necessary before Government could support this recommendation. It is important that funding for service coordination, or a coordination body or centre, is not at the expense of frontline services, and does not duplicate existing agency initiatives. More information is necessary regarding the role, structure and objectives of the Centre, and how it would interact with existing agency initiatives and resources. Community input into the design, mandate and establishment of the Centre would be essential.</p>

Attachment A

NSW Government response to Recommendations of the Parliamentary Inquiry into Service coordination in Communities with High Social Needs

		<p>The Government notes that it has in place a number of initiatives which provide overarching guidance for evaluation practices across Government, including an Evaluation Community of Practice (through the Department of Premier and Cabinet) and the Centre for Program Evaluation in NSW Treasury.</p>
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