

# **Submission to the Legislative Council Inquiry into Service Co-ordination in communities with high social needs**

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**14 August 2015**

**Council of Social Service of NSW (NCOSS)  
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## **About NCOSS**

The Council of Social Service of NSW (NCOSS) is a peak body for the not-for-profit community sector in New South Wales. NCOSS provides independent and informed policy advice, and plays a key coordination and leadership role for the sector. We work on behalf of disadvantaged people and communities towards achieving social justice in NSW.

## **Introduction**

NCOSS welcomes the opportunity to provide input into the Legislative Council's Inquiry into Service coordination in communities with high social needs. This submission will provide input to the Inquiry's Terms of reference (a) and (b) and use a case study to demonstrate how funding uncertainty could minimise the potential for the Community Sector to work effectively with Government to deliver against the Government's agenda for the inclusion of people with disability in NSW.

## **Summary of recommendations**

### ***Recommendation 1***

That NSW Health, work with Community and Commonwealth stakeholders to develop clear information pathways for clients concerning their transport options, including in clinical and community settings.

### ***Recommendation 2***

That NSW Health undertake a needs assessment for all non-emergency health transport services in NSW and actively consider:

- a. the potential benefits gained by contracting health transport services for ambulant patients to a properly resourced community transport sector; and
- b. a further increase in funding to community transport providers to meet the growing need for non-emergency health transport services.

### ***Recommendation 3***

Government consider alternatives to competitive tender processes for situations where analysis suggests this method may impact negatively on collaborative service delivery.

### ***Recommendation 4***

A weighting should be given to effective organisations that have a strong track record in service provision that works for the people it serves. This is particularly important in disability, family, domestic violence, aged care and health services.

### ***Recommendation 5***

A weighting should also be given to an organisation's knowledge, relationship and understanding of their community.

### ***Recommendation 6***

The identification of successful tenders should take account of an organisation's demonstrated cultural sensitivity, and ability to respond to the diverse needs of the community.

### **Recommendation 7**

The Privacy Commissioner produces guidance on the transfer of client records for organisations that are closing or transferring a service to another organisation. This guidance should be promoted and distributed broadly.

### **Recommendation 8**

The NSW Government establishes a \$5 million pa Disability Inclusion Fund that sits within the Department of Premier and Cabinet to foster a whole of Government approach to disability inclusion.

- **(a) the extent to which government and non-government service providers are identifying the needs of clients and providing a coordinated response which ensures access to services both within and outside of their particular area of responsibility**

Strong partnerships between the Community Sector and Government are currently working to identify gaps, reduce duplication and ensure service delivery is efficient and effective. Some examples of this at work include:

#### **The NSW Health Advisory Committee (NGOAC)**

The NGOAC is a forum that allows the two-way flow of information between the NSW Government and NGO health related services. The focus is particularly aligned with the *Partnership for Health* reforms that have a range of aims including aligning NGO health services closely with the priorities of NSW Health.<sup>1</sup>

NGOAC provides an environment where best practice can be highlighted to strengthen the capacity of all involved in health service delivery to respond to people's ongoing and emerging needs. It also acts as a forum where issues can be worked through, barriers to access addressed and the potential for duplication can be reduced to ensure value for money.

NCOSS believes that that strong partnerships between Government and the Community Sector promotes a range of benefits for users of health services. Bringing senior staff together allows a strategic, collaborative focus to hone in on innovative solutions and the allocation of resources that have the best chance of success to provide responsive integrated care.

#### **Social Housing Development Fund**

NCOSS has a long history advocating for those who are vulnerable and disadvantaged. To this day, the provision of affordable, accessible housing with security of tenure remains a priority for NCOSS and its members. As well as the obvious need for shelter, housing is a key issue because having a place to live empowers a person to engage in a range of activities that can improve their situations. These include employment, education and training as well

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<sup>1</sup> NSW Government, Health, *Working with NGOs and other partners*, website, <<http://www.health.nsw.gov.au/business/partners/Pages/default.aspx>>.

as a place to access aged care or disability services. Social and affordable housing also empowers long term responses to crisis situations, such as homelessness and escape from domestic and family violence.

In the words of one of our members,

[without housing] '*people are stuck in crisis and can only stay in survival mode.*'<sup>2</sup>

In efforts to realise a fundamental shift, NCOSS has been working with a range of partners (including non-traditional partners) to push for greater access to social and affordable housing for vulnerable people and those on low incomes. NCOSS has signed an MOU with the NSW Government and Infrastructure Partnerships Australia to develop the Social Housing Fund. This work is being underpinned by Government's commitment to make funds available to invest in this life-changing infrastructure.

The pooling of expertise from community housing providers, peak community and industry bodies is being channelled through in a collaborative process that is considering innovative options for the provision of social and affordable housing.

The knowledge held by the Sector coupled with NCOSS' broad overview and in-house social policy expertise have allowed the group to identify multiple advantages from the provision of housing for high-needs communities. For example, a focus on the provision of accessible housing and universal design will see this new infrastructure play a contributing role in enabling people to access services in the home as they age in place without the need for expensive retro-fitting. A focus on older women has also come from growing evidence that many women are increasingly vulnerable to homelessness as they age.

Multi-use properties will also be responsive to the needs of people with disability. This has compounding positive benefits of encouraging independence and inclusion of people with disability and reducing segregation through the provision of disability-specific housing, rather than housing that can easily accommodate a range of occupier requirements. In the era of the National Disability Insurance Scheme (NDIS) and greater inclusion for people with disability as outlined in the *Disability Inclusion Act (NSW)* these considerations are important enablers.

**(b) barriers to the effective coordination of services, including lack of client awareness of services and any legislative provisions such as privacy law**

One of the key strengths of the Community Sector is its ability to recognise and respond to need both in geographical areas and in relation to specific issues. In many cases, the application of creative and agile approaches makes the most of relatively low levels of funding to tackle broad-reaching social issues or service gaps.

Well-developed referral networks and collaborative approaches are integral to the Sector's ability to meet the needs of people in need of services and/or support. These connections allow the sector to usefully identify areas of unmet need and areas for systemic reform that, if tackled, can deliver more effective services for people in NSW.

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<sup>2</sup> Response from participant at NCOSS Pre-Budget Submission Consultation, July 2015.

However, there are barriers that even the strongest sector cannot overcome. The following section discusses these barriers and suggests some alternatives to minimise their affects.

### **Non-Emergency Health and Community Transport**

Meeting need in communities for non-emergency health transport can be made more difficult by a range of factors. These include chronic underfunding, growing demand, restrictive funding eligibility criteria and a lack of knowledge about the system.

The effect this is having on people in NSW is highlighted in *Staying Alive: Transport to treatment for people living with a chronic disease*<sup>3</sup>, produced by NCOSS and the Community Transport Organisation (CTO) March 2015. Briefly, the report revealed that:

- 77% of respondents in dialysis units, and 81% of respondents in cancer centres, reported that their patients experienced some level of difficulty accessing transport to and from treatment; and
- the greatest burden of unmet non-emergency transport needs was borne by older people (77%) people on low incomes (74%), people living in rural and regional areas (66%), people with a disability (44%), Aboriginal and Torres Strait Islander people (29%), and people from culturally diverse backgrounds (21%).

Despite the various forms of non-emergency health transport assistance available in NSW, including Community Transport and NSW Ambulance Green Fleet, the system as a whole is complex, poorly coordinated, and difficult to navigate.

Community transport has historically played an important role in providing transport assistance to people who do not have access to private transport or other public transport services. Yet community transport's ability to provide services to people experiencing transport disadvantage is limited by the eligibility criteria applied to the programs through which services are funded, and by inadequate levels of funding.

Effective treatment for both cancer and kidney failure frequently involves regular attendance at a hospital or clinic over a sustained period of time, and meeting the transport needs associated with this type of treatment can be difficult. Services that have limited capacity to meet demand for assistance with non-emergency transport, for example, may be able to accommodate occasional requests for assistance such as an annual trip to a specialist, but they are unable to commit the resources required in order to meet requests frequent and ongoing treatment.

In 2013-14, although 30 per cent of Community Transport trips were health-related, only 3 per cent of community transport funding came from NSW Health.<sup>4</sup> In the same period, the Home and Community Care (HACC) program – accounted for 75% of community transport providers' annual funding<sup>5</sup> to provide transport services to frail older people and younger

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<sup>3</sup> NCOSS and Community Transport NSW Inc, 2015, *Staying Alive: Transport to treatment for people living with a chronic disease*, p 4. Available at <http://www.ncoss.org.au/images/2015healthtransportreportfinal.pdf>.

<sup>4</sup> Community Transport Organisation (CTO) 2014, Annual & Financial Report: 2013-2014, Community Transport Organisation (CTO) p 25.

<sup>5</sup> Ibid.

people with disability living at home. These roles were often hampered by attempts to meet the growing and more immediate need for health transport.

HACC services for people over the age of 65 are being incorporated into the Commonwealth Home Support Programme (CHSP). A review of Community Transport undertaken to inform the development of CHSP found that increasing demand for non-emergency medical transport was having a negative impact on the availability of transport to support other aspects of the activities of daily living.<sup>6</sup> The subsequent Key Directions for the Commonwealth Home Support Programme Discussion Paper therefore proposes focusing on community transport's role in enabling older people to access the community and suggests that transport for non-emergency medical purposes (for example, outpatient services such as oncology), should sit outside the scope of the Programme.<sup>7</sup>

While NCOSS recognises and supports the intent behind this proposal, we are concerned that should these changes occur in the absence of an agreement between the State and the Commonwealth government about responsibility for health transport they will exacerbate what is already a major service gap.

NCOSS appreciates the additional four year investment of \$13 million announced by the NSW Government to enhance the Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS)<sup>8</sup>, and the additional \$12 for community transport. Even with additional investment, there is a need to establish whether the system is capable of providing access to a range of people with diverse needs still needs to be established.

NCOSS also believes a scoping of all Community and Health transport in NSW should be undertaken to understand and respond to resource shortfalls—especially for those with chronic conditions that require longer treatments at regular intervals. Once completed, this scoping and the response could be used to communicate the raft of transport options available.

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***Recommendation 2***

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- b. a further increase in funding to community transport providers to meet the growing need for non-emergency health transport services.

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<sup>6</sup> Verso Consulting (2014). National Review of Community Transport under the Commonwealth HACC Program: Final Report. Sydney: Verso Consulting.

<sup>7</sup> Department of Social Services (2014). Key Directions for the Commonwealth Home Support Programme Discussion Paper. Canberra: Commonwealth of Australia.

<sup>8</sup> NSW Government, NSW Budget Paper 3, Budget Estimates, Chapter 5, p 4.

### **The impact of current procurement processes on service co-ordination**

Competitive tendering and project-based funding are increasingly used as a funding model in the Community Services Sector. These models can run counter to the collaborative nature of the Sector, threatening to undermine relationships and service sustainability. As a result, local knowledge that can guide effective and targeted responses to community's needs is lost and people's access to appropriate services can be diminished.

NCOSS is currently engaged in a conversation with our sector about building a stronger partnership with government. We are visiting communities across NSW to talk with community sector organisations about how government reform, contracting, regulation and other funding processes impact on their capacity to collaborate and provide quality services. The results of this consultation will form the basis of further recommendations to government later this year. Measures outlined in the recommendations will improve our sector's capacity to work together and with government to provide the services that people experiencing poverty and disadvantage need.

This section draws on some of the work already undertaken, and surveys undertaken or commissioned by NCOSS, as well as anecdotal evidence, to explore how procurement arrangements could better support effective service coordination.

### **Trust in reform processes**

The experience of NCOSS members demonstrates the trust and collaborative practices that are key positives of the Sector have been undermined by competitive tendering processes. These positives flourished in the absence of competition and have allowed the Sector to enhance its ability to respond to people's needs while maximising the value of scarce funding. This is particularly noticeable when services collaborate to respond to a person in crisis.

Conversely, competition has led to distrust and a reticence to share information or collaborate. There may be positives to competitive tendering. However, NCOSS believes there should be a full and thorough cost-benefit analysis of this approach to assess whether the overall result pays dividends — both economically and socially.

### **Focus on survival**

Competitive tender processes force organisations to protect their position and support their own sustainability, taking the focus away from their clients and the needs of their community. This was highlighted as a concern by many organisations in the 2015 *State of the Sector Report* commissioned by NCOSS, as the following quotes demonstrate:

*[We want to survive] 'for the benefit of our community and our clients. The fact that all we can focus on is mere survival means that there is little scope for expansion, planning etc...all we can do is try to survive for another year.'*<sup>9</sup>

### **Local knowledge and relationships lost**

It is important that local knowledge and expertise be valued and respected in procurement processes. This includes providing a weighting for:

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<sup>9</sup> Cortis, N., & Blaxland, M. (2015). "The State of the Community Service Sector in New South Wales 2015" (SPRC Report 07/2015). Sydney: Social Policy Research Centre, UNSW Australia, p51.

- a proven track record within the community;
- an understanding of the culture of a community;
- knowledge of hidden need;
- the trust that people have in a service
- existing relationships that enable person-centred responses; and
- the ability to respond to those isolated by distance, lack of transport or barriers specific to that community.

Where a new operator is perceived as being imposed, it can impact on relationships between clients and the new service and others working in this space. As a result, effective collaboration can be stymied—minimising service responsiveness.

### **Process inaccessible**

While NCOSS considers that competitive funding and procurement processes often run counter to the objective of fostering collaboration and ensuring that service delivery meets the needs of people and communities, we understand that there are limited circumstances where a competitive process is the best option. In those instances, we note that inaccessible procurement processes act as barriers to effective local service coordination by privileging private sector and large, well resourced organisations. To minimise potential barriers:

1. processes should be well advertised and accessible to all possible applicants;
2. criteria must be transparent and clearly and consistently communicated; and
3. timeframes should be fair and reasonable.

Accessibility of procurement processes also requires clear documents and contracts written in plain English. Additionally, it is important that information sessions have clear, consistent messaging, as seen in the response in the Sector Development Survey:

*“If we could be given information as soon as possible as to how the new funding arrangements are going to be handled. So many organisations are 'crystal balling'. This is costly and time consuming and we are losing time that could be spent developing our organisations to meet funding requirements.”<sup>10</sup>*

### **What NCOSS wants to see**

NCOSS believes that basing decisions solely on a tender process biases the process to organisations that can afford a tender writer. The process should investigate whether the quality of their tender is reflected in the quality of the service. The following recommendations would take account of the benefits of local knowledge and minimise barriers to effective service coordination.

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<sup>10</sup> NCOSS, (2013), “NCOSS Sector Development Survey Report 2013”, Sydney, a17



**Recommendation 3**

Government consider alternatives to competitive tender processes for situations where analysis suggests this method may impact negatively on collaborative service delivery.

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**Funding and contract issues****Real costs not covered**

The 2015 *State of the Sector Report* reinforces that organisations believe that funding does not cover the full costs of service delivery. Project funding often fails to take into account the infrastructure that enables project activities. This, coupled with the increasing absence of core funding, often result in operational deficits. These deficits impact on an organisation's long-term sustainability and reduce capacity to provide:

- fair wages for skilled staff at the appropriate level and qualifications (including increases following the Equal Remuneration Decision and indexation);
- training / professional development, and cover for staff attending training;
- volunteer management;
- administration, HR management and IT; and
- any other reasonable costs that are necessary to run an effective service which meets the needs of clients.

In relation to training, a recent report from the Centre of Social Impact, *Learning for Purpose* found that each dollar spent on training leads to a return of \$6, and 52% of workers in not-for-profit organisations had not accessed a training opportunity in the previous 12 months<sup>11</sup>. The lack of training is a barrier to developing innovation which would drive effective service delivery and coordination.

**Uncertainty of funding environment**

The uncertain funding environment acts as a barrier to coordinated service delivery and responsiveness. The 2015 *State of the Sector Report* revealed that:

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<sup>11</sup> Wenzel, R (2015) "Learning for Purpose: Researching the Social Return on Education and Training in the Australian Not-for Profit Sector" Centre for Social Impact, The University Of Western Australia, Perth; available at <https://drive.google.com/file/d/0B1--xR9XdxCEZ0IRaGZ1S1BHT2c/view>

- more than half (53%) of organisations stated that funding contracts are not long enough to achieve outcomes; and
- 58.1% of organisations stated they received insufficient notice of whether funding would be renewed.<sup>12</sup>

Furthermore, payments to organisations are required to be timely and must not place an organisation at risk of acting whilst insolvent.

### **Funding and procurement processes need to allow for flexibility**

Tightly specified funding criteria can curtail the efforts of organisations to flexibly respond to need. Flexibility allows organisations to align resources with community priorities — increasing responsiveness.<sup>13</sup>

Activity-based funding tends to be prescriptive. The need to meet strictly deliver against outputs can discourage innovation and agile service delivery. Funding that recognises the value of flexibility can assist services to respond to emerging needs of people—particularly in times of reform.

In addition, it is important that organisations be supported to adapt to reforms. The trend towards awarding contracts to partnerships and other forms of consortia in the competitive tendering environment serves as a useful example.

Formal collaboration is not just a legal process; it also includes merging of organisational cultures and therefore can require significant change management processes and must be supported by a strong communications strategy, strong governance and leadership.

### **Privacy issues**

Under the *Privacy and Personal Information Protection Act 1998 (NSW)* there is a requirement that personal information will continue to be held securely, kept no longer than necessary and disposed of appropriately. Personal information should also be protected from unauthorised access, use, modification or disclosure.

Presently, there does not appear to be any guidance for organisations that are closing or transferring a service to another organisation where client consent to transfer client files cannot be obtained.

NCOSS recommends this issue should be considered by the Privacy Commissioner. To protect the rights of vulnerable and disadvantaged people, guidance that aligns with Privacy legislation is needed. This guidance must then be promoted and distributed broadly to organisations facing this situation.

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<sup>12</sup> Cortis, N., & Blaxland, M. (2015). "The State of the Community Service Sector in New South Wales 2015" (SPRC Report 07/2015). Sydney: Social Policy Research Centre, UNSW Australia, p 51.

<sup>13</sup> Bugg-Levine, A. and Sullivan, K (2015) "Improving Corporate-Nonprofit Partnerships" *Social Innovation Review*, July 2015, online at [http://ssir.org/articles/entry/improving\\_corporate\\_nonprofit\\_partnerships](http://ssir.org/articles/entry/improving_corporate_nonprofit_partnerships)

**Recommendation 7**

The Privacy Commissioner produces guidance on the transfer of client records for organisations that are closing or transferring a service to another organisation.

This guidance should be promoted and distributed broadly.

**NSW Disability Inclusion Fund - a vision for coordinated service**

NCOSS has a vision for coordinated independent services for people with disability in NSW.

Presently, the NSW Government provides approximately \$10.25 million to fund independent disability advocacy, representation and information services.

Services generally receive the bulk of their funding from Family and Community Services and have certainty of funding until 30 June 2016. The three year funding agreement provided this year includes a mechanism by which state funding can be withdrawn as disability funding transitions over to the Commonwealth Government. The two key funding streams will be related to the NDIS Information, Linkages and Capacity Building (ILC) Framework and the National Disability Advocacy Program (NDAP).

NSW-based disability organisations have been integral partners in the design and development of major disability reforms. For example, many organisations have provided submissions to the draft NDIS Quality and Safeguards Framework. As part of this process, it has been acknowledged that disability advocates who are independent of the service system play a key role in helping people with disability understand their rights, how changes affect them and how to access complaint handling mechanisms where the need arises.

Similarly, representative organisations and those providing independent information have been integral in assisting the NSW Government roll out the NDIS in the Nepean Blue Mountains area in record time following a commitment to do so in the NSW Election of March this year.

Disability organisations are a ready resource for Government to tap into when undertaking disability reforms and the implementation of new programs. Their existence allows Government access to knowledge about diversity in the community (whether cultural, disability specific, location related or other) and the opportunity to work collaboratively to ensure barriers to accessing to services and information about options are minimised.

In addition to the NDIS being implemented, the NSW Disability Inclusion Plan has recently been released. The Inclusion Plan aims to meet objectives in key areas:

- the development of positive community attitudes and behaviours towards people with disability;
- the creation of more liveable communities for people with disability;
- the achievement of a higher rate of meaningful employment participation by people with disability through inclusive employment practices;
- more equitable access to mainstream services for people with disability through better systems and processes.

While core funding of disability organisations previously allowed state-based disability advocacy organisations to work with Government on a range of activities, the transition of funding to the Commonwealth is likely to see the responsiveness of these organisations greatly reduced if indeed they are successful in attracting future funding. NCOSS is concerned that state-focussed inclusion activities will not be funded by the Commonwealth as the focus is largely on disability services and specific outcomes related to the NDIS. There is also no assurance that these activities will fit the criteria of Commonwealth programs as they produce NSW-specific outcomes.

Additionally, funding for the Australia-wide NDAP program is only approximately \$4 million more than the investment NSW is making currently. This means a rationalisation of services is highly likely and will correspond with a time of large-scale reforms, the exit of NSW Government provided disability services and a defined place within NSW Government that holds knowledge of the disability community and sector.

To meet ongoing need in the disability community, NCOSS is seeking the establishment of a \$5 million pa Disability Inclusion Fund. The Fund will be a mechanism to resource and fund community organisations with disability expertise and representative capacity to deliver inclusion and participation outcomes across all NSW Government portfolios. It will also be a critical contributor to the implementation of the NSW Government's disability inclusion agenda.

NCOSS considers that the fund will help generate action to help meet the objectives outlined in the NSW Disability Inclusion Plan.

An example of a NSW-focused inclusion activity that also displays the benefits of service coordination is the Criminal Justice Support Project run by the Intellectual Disability Rights Service (IDRS) currently funded by FACS at a cost of approximately \$600k per annum. This service supports over 500 people per year, delivering more than 1400 supports in police stations and court proceedings. CJSN enhances its 8.6 FTEs with over 100 volunteers to provide a 7 day a week/ 24 hour a day service. It assists people with intellectual disability turn up for court dates, comply with diversion orders, understand how to comply with AVOs and avoid traumatic custodial sentences that are unlikely to have deterrent or rehabilitative effects. NSW Government benefits through reduced adjournments and a reduction of costs related to recidivism such as legal fees, court and custodial costs.

The introduction of a NSW Disability Inclusion Fund that sits within the Department of Premier and Cabinet could drive a whole of Government approach to disability inclusion and be a stand out model for service coordination.

Activities funded should foster close partnerships with Government agencies and should contribute to agencies meeting KPIs outlined in their Disability Inclusion Action Plans. Activities should also be aimed at improving access to mainstream services delivered by the NSW Government, such as Education, Health, Justice, Child Protection, Domestic Violence and others. It is also expected that the Fund will facilitate inclusion and participation opportunities at pre-planning stages to minimise the need for retro-active steps and risk management strategies.

This Fund is a necessary addition to funding provided under NDIS and the National Disability Advocacy Program (NDAP), as it is aimed primarily at working proactively to make mainstream NSW state government and state government funded services work for all people with disability—whether or not they are eligible for the NDIS.

NCOSS recognises that the investment in the NDIS will make a real difference to people with disability. That said, a key focus on disability services without action to make the broader environment inclusive will seriously reduce the capacity for substantial benefits to people with disability. NCOSS believes the Fund can position NSW to be a leader in disability inclusion and enrich the community through greater participation of people with disability—both socially and economically.

***Recommendation 8***

The NSW Government establishes a \$5 million pa Disability Inclusion Fund that sits within the Department of Premier and Cabinet to foster a whole of Government approach to disability inclusion.