



State Commissioning Strategy — YACWA Response

3 September 2021

Queries:

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1. Are there any other issues associated with commissioning that should be covered in the Strategy?

The issues canvassed in the Discussion Paper are positive and thoroughly canvas the breadth of work required in re-shaping our commissioning approach.

However, the finalised State Commissioning Strategy will require significantly more detail to provide a clear direction to the future of this work and assurance to the providers of services covered under the strategy. The Discussion Paper does not outline a clear roadmap towards a finalised strategy and implementation plan, which makes it difficult to assess which future touchpoints the providers of community services will have to ensure the final product is responsive to the needs and details of providers and delivery. It is critical that the development of clear actions under the Strategy is done in partnership with current and potential providers of community services.

Importantly, YACWA has identified two key issues which must be considered in the design of the State Commissioning Strategy.

Firstly, the State Commissioning Strategy must consider how commissioning approaches will support funders to apply a systems lens in procuring the right mix of services. Current commissioning approaches appear focused on the procurement of individual services, which limits the ability of commissioning agencies to actively procure in areas of need in the context of the wider system. One key example of this is in the Mental Health, Alcohol and Other Drug Services Plan 2015-2025¹, which outlined the clear need for additional investment in prevention and community-based services to match the needs of our current and future population. Unfortunately, in the last years investment in these areas has not matched the required investment defined in the Plan². The Commissioning Strategy should include actions to explore embedding a greater systems lens in the commissioning process/cycle to support appropriate investment, including the roles of the community services sector, the general community, and commissioners.

Secondly, the Strategy should identify and consider the enablers of successful service delivery as an issue for future commissioning approaches to retain, foster, or create. Commissioning is a means to an end in the delivery of appropriate and effective community services. Recommissioning and changes to commissioning approaches need to consider the long-term value built by existing approaches and retain this where possible. Many service providers that have been operating for years have developed significant networks, informal protocols, and relationships that enable them to operate effectively and maintain value for money. Feedback from YACWA members has indicated this is particularly important in the delivery of services by

¹ Mental Health Commission of Western Australia (2015). *Better Choices, Better Lives: The Western Australia Mental Health, Alcohol and Other Drug Services Plan 2015-2025*. Retrieved from: <https://www.mhc.wa.gov.au/about-us/strategic-direction/the-plan-2015-2025/>

² WA Association for Mental Health (2021). *WAAMH Response to State Budget: Mental Health*. Retrieved from: <https://waamh.org.au/news/waamh-response-to-state-budget-mental-health>

Aboriginal Community Controlled Organisations, which rely closely on community trust and relationships which are built over long periods of time. The future State Commissioning Strategy must ensure these relationships and protocols are valued and considered as part of the commissioning cycle, with adequate mechanisms for community engagement to ensure they are retained where appropriate.

2. How can commissioning approaches drive more integrated service delivery?

We need to clarify what the Discussion Paper means when it refers to 'integrated' service delivery, as this is often confused with 'one-stop-shop' approaches that involve the co-location of related but separate services to support individual access to a range of services that meet their needs. Within the youth sector, definitions of integrated service delivery will vary widely, and so the Strategy must set a clear and agreed definition of integration between government and community service providers. Importantly, this definition of integration should be applied and sought only when it is appropriate. While often integrated services are a positive, they are not the end goal in itself — the wellbeing of communities are. Seeking integrated service delivery should be sought based on appropriate community consultation to ensure an integrated approach will meet the outcomes sought.

Integrated service delivery also needs to account for service provision that impacts outcomes that cut across multiple Departments/Agencies, and provide clear responsibilities or mechanisms for joint funding approaches. By nature of working with young people, effective service delivery will often respond to needs that are the responsibility/remit of different State and Federal Government agencies. One example of this is in the delivery of a youth crisis service, which may be working with young people across Child Protection, Housing and Homelessness, and Youth Justice outcomes — often all with one client. Similarly, early intervention and prevention activities will often have impacts across multiple domains of wellbeing which may meet the outcomes sought by multiple agencies.

The State Commissioning Strategy needs to account for this in its definition of integration, and support sophisticated funding and development approaches to ensure the sustainability of these services. There is often a focus in State Government strategy and policy on increased prevention and early intervention approaches as drivers of better outcomes for individuals and communities. To support this, the Strategy should provide clarity in how integration of this kind is designed, funded and procured across the multiple stakeholders involved. Commissioning approaches can support this by better enabling multi-agency approaches and providing mechanisms for collaboration between service providers *and* commissioners.

3. How can service users be most effectively engaged to design and prioritise services that meet their needs in the context of place and community?

YACWA is pleased to see the focus on empowering and engaging service users in the design and prioritisation of services to meet needs in the community. Co-design and empowerment

approaches are important and effective tools in improving the efficacy and appropriateness of services to meet the needs of individuals.

In supporting service users to be engaged in service design, it is important that appropriate resourcing and timeframes are provided to undertake this work effectively and at the appropriate touchpoints in the commissioning cycle — such as prior to tendering processes to ensure that what is purchased is relevant to local needs. This approach should also provide a clear definition of ‘place and community’, recognising that this will necessarily shift between sectors and service delivery models. For many young people, place and community may be geographical, or may refer to online communities, sub-populations, and family units. Successful commissioning must be clear in these definitions and appropriate to the outcomes being sought.

YACWA is pleased to see the acknowledgement of collective impact approaches within the Discussion Paper. YACWA has advocated for greater adoption of collective impact in community services in Western Australia for many years, particularly in applying learnings from the Communities for Children model to the youth sector. YACWA encourages the Strategy to further consider collective impact approaches as a method for empowering communities to be involved in service procurement and design, particularly in regards to regional areas.

Collective impact approaches are founded on long-term trust and relationship building in order to achieve impact. However, collective impact approaches in Western Australia have struggled to receive sustainable funding from State Government agencies in recent years. Many collective impact approaches work across outcomes that are the remit of multiple State Government agencies (see response to Question 2), which have muddied appropriate funding arrangements. YACWA is aware of a number of collective impact responses currently at risk of ceasing activities due to a lack of a clear funding responsibility and model from State Government agencies, including the Youth Partnership Project in Armadale and Olabud Doogethu in Halls Creek — both of which are addressing outcomes that are sought by the Department of Communities, the Department of Education, and the Department of Justice respectively. Future work to support collective impact approaches must develop sustainable funding mechanisms that draw from the lessons learned from existing and previous approaches, particularly in supporting long-term funding from the appropriate agency(ies).

4. How can the Strategy strengthen the involvement of Aboriginal people, organisations, and leadership in the planning, design, and delivery of services?

YACWA echoes the view put forward by WACOSS, recommending the State Commissioning Strategy aim to enable Aboriginal Community Controlled Organisations to secure and deliver community service contracts and tenders. This should include a fair and staged approach to improving ACCO capability in line with identified needs, alongside a commitment to increased funding for ACCO-delivered services in the human services sector.

Services for Aboriginal people should be designed by and with Aboriginal people in all instances. Importantly, this work will require appropriate timeframes and resourcing to support — both of

which must be acknowledged by the State Commissioning Strategy. This work should also occur early, working alongside the existing ACCO sector and Aboriginal communities to identify appropriate touchpoints for further community co-design and engagement.

5. How can government work with the sector to ensure services remain contemporary and are agile enough to meet the needs of service users?

Many service providers are currently undertaking extensive consultation and engagement work to support appropriate, efficient and effective service delivery that responds to the needs of service users. This may be unsustainable, and the Strategy should consider how resources can be allocated to support this engagement as part of the commissioning cycle — both prior to procurement, during, and at the end of funding periods to inform future procurement.

The role of peaks in the process of supporting contemporary and agile service delivery should be considered and supported within the SCS. Peaks are often relatively-neutral (in that we are not service-providers) but engaged organisations that can undertake active consultation and engagement work coupled with connections to contemporary research and emerging innovative practice. Peaks have unique expertise in co-design and can play a strong role in facilitating the voices of service users and communities in these processes, while also navigating fractious service relationships. YACWA has seen significant success in recent years supporting various State Government agencies to navigate reforms in complex service delivery environments, including extensive engagement with over 100 service providers both funded and unfunded for the Action Plan for At-Risk Youth, as well as the Young People's Priorities for Action from the Mental Health Commission.

Many service providers within the community services sector are working with old contracts that have not appropriately kept up with the changing costs of service delivery, particularly with regards to the impacts of the Equal Remuneration Order. For many providers, this has resulted in significant hardship on staff within services to deliver on KPIs with increasingly thin resourcing, with some service providers in extreme cases requested by funding agencies to scale back delivery in order to remain within current funding frameworks — an unpreferable option. Adequate funding to meet changing needs is a critical component of agile and appropriate service delivery, and the provision of appropriate long-term contracting arrangements should be prioritised for the community services sector. Long-term contracts also provide services opportunities to test, evaluate, and adapt to better respond to needs which will improve the overall quality of service delivery.

Importantly, however, old contracts must not be equated with 'out-of-date' service delivery, and caution should be exercised by contract managers and government agencies in this area. As mentioned above, many service providers have developed deep knowledge of the communities they support, how to provide value for money, and created informal networks and protocols that enable them to more effectively support clients. Older contracts and service agreements may also not reflect the changing nature and details of service provision itself, which may have changed and adapted to changing circumstances and community needs.

Contract managers and commissioners should exercise caution around older contracts and agreements to understand the true nature of the service that is being delivered and the lessons learned.

6. How can the sector ensure services are priced appropriately encompassing all costs for the service to support sustainability?

Appropriate pricing and sustainability are important for a robust community services sector, and require strong accountability mechanisms and review points to achieve. However, YACWA challenges the burden of appropriate pricing being placed solely on the community services sector in addressing this, particularly with inconsistent application or adherence to the Delivering Community Services in Partnership Policy.

Current commissioning approaches provide fixed amounts to respondents alongside clear service delivery requirements, which results in adaptive pricing to meet requirements within timeframes. Necessarily, this approach may not foster the most appropriate pricing to align with best practice service delivery and long-term sustainability, especially with time-limited agreements.

Similarly, repeated contract roll-overs or 12-month extensions have left many service providers with little opportunity to renegotiate funding agreements in new contexts and with changing community needs. With this in mind, it is YACWA's view that appropriate pricing and sustainability is a process that must be supported and enabled by commissioning approaches, which the State Commissioning Strategy should recognise.

Developing appropriate and clear timeframes for the review and renegotiation of service agreements and tenders can support sustainability and appropriate pricing by allowing service providers to work in partnership with the government to examine needs. This should be supported by clear processes and guidelines for safe discussions regarding funding and sustainability between service providers and funders. This is currently managed on an individual basis, and enabled by positive relationships with contract managers. Unfortunately, this is not a benefit shared by all providers, who risk positive relationships with funders by speaking up when things are not working. YACWA recommends that the Strategy consider the possible role of peaks in supporting these conversations through a systems lens as brokers to support solutions and navigate challenges.

7. How can commissioning support a focus on the longer-term needs of service users, as well as the immediate needs of those in crisis?

As above, commissioning processes need to include consideration of systems lenses in procuring the right mix of services, and provide clear value to the outcomes realised by early-intervention and prevention approaches. The value of early intervention and prevention activities can be difficult to measure, especially from a financial perspective and return-on-investment approach in this space.

The State Commissioning Strategy can take a lead role in providing impetus for commissioners to value and invest in long-term needs of service users, including through taking a systems approach to commissioning and engaging closely with social research. Social and community outcomes need to be valued within budgeting processes, and will require additional capability-building across government to recognise and understand their benefits. Recent research from projects such as 100 Families and Telethon Kids Institute's Looking Forward, Moving Forward provide valuable insights and data to support early intervention investment. Appropriate translation of emerging research into commissioning and workforce capability can support a rebalancing of our investment.

However, YACWA also notes that early intervention activities are well-known by all parties to represent greater value for money as well as more positive long-term outcomes for individuals and communities. This is seen clearly across government strategies, including the WA Youth Action Plan and numerous reforms in the Mental Health and Alcohol and Other Drugs sectors. Despite this, investment has not matched these commitments, with crisis funding continuing to dominate the vast majority of investment in mental health, child protection, youth justice, and more. It is clear, then, that investment to meet long-term needs is being driven by political processes and priorities, which poses a greater challenge for commissioning approaches to navigate.

8. How can data collection be comprehensive enough to evaluate services without being overly burdensome for service users, providers, and government?

Evaluation and data collection are critical to developing a robust and accountable community services sector. As such, they should be considered foundational elements of the commissioning cycle, with dedicated resourcing and adequate time frames to partner in undertaking them effectively. This is vital to maintain quality — ensuring evaluation is supported appropriately, facilitated by the right people with the right skills, and able to occur within the right time periods.

The role of independent evaluation should be considered as an option to support service providers and funders to have honest conversations about what is working and what isn't within existing service agreements and funding timelines. This could be supported by shared evaluation officers that work across portfolios/funding buckets to guide collection and data analysis early (e.g. from service design to delivery).

9. What enablers are most important for implementing new commissioning in WA and are there any other key enablers not listed here?

The views and values of service users in trialling and testing new approaches. We must consider that for service users, commissioning approaches are often the last thing on their minds — many are focused on meeting their needs and will be negatively impacted by a change to a more effective service approach. If we trial new approaches, users must be supported in this trial to

retain what works for them and see beneficial outcomes — not service disruption in favour of government and provider priorities.

Enablers:

- Trust between all parties — providing frameworks for service providers and government to have honest conversations and iterate service design to find effective solutions within funding frameworks and constraints.
- Certainty in service provision and access for vulnerable consumers, who can trust that their access to a service will remain smooth and uninterrupted irrespective of funding cycles.
- Consistency in approach and vision across departments/agencies, and between governments — this is especially important when considering broader system needs and re-balancing approaches (such as the need seen within Mental Health and Alcohol and Other Drugs).
- Flexibility in contracting for innovation, allowing organisations to trial new approaches without fear.

10. How can government and providers have brave conversations when things are not working?

These conversations remain difficult within the current commissioning environment, particularly with many service providers operating within tightly constrained and out-dated funding agreements. YACWA has heard from many service providers a significant fear in speaking out about service delivery difficulties with funders for fear of future funding implications and fracturing relationships.

Currently, relationship breakdowns and tensions are mediated by peak bodies and select groups within the State Government (such as the Funding and Contracting Services unit within the Department of Finance). While these approaches are preferable to relationship breakdowns, they remain *ad hoc*, and hamper agile responses and truly effective teamwork between providers and funders to achieve outcomes in difficult environments.

YACWA would like to see a focus within the State Commissioning Strategy on providing mechanisms for these difficult conversations to be had consistently across State Government departments and agencies. This may include a focus on cultural change to recognise that providers and funders are operating towards the same goals, as well as mechanisms for organisations to access independent mediation or support.

11. What capabilities do governments, providers, and service users require to implement this strategy?

In this, YACWA strongly echoes the position put forth by WACOSS in consultation with other peaks and community service organisations. There is a strong need to build capability and capability across government and the non-government sectors, particularly in community

engagement and co-design, service monitoring and evaluation, and trialling innovation in a positive commissioning culture.

However, we wish to clearly discuss the capabilities the Discussion Paper identifies as required by service users and participants. The Discussion Paper appears to place the burden of service user engagement in co-design back on service users themselves, identifying their required capability to come to the table and articulate their needs. YACWA strongly challenges this approach, and believes that it is service providers and government agencies that should enable service user participation through appropriate processes, adequate funding, reasonable timeframes, and engagement expertise. For many crisis services, the expectation of service users to be able to articulate their needs clearly and within externally-set processes and timeframes is unreasonable and unrealistic. Instead, service providers and government should provide service users with appropriate mechanisms for their voices to be heard.

Co-design is a delicate and time-consuming process, but one that creates excellent outcomes for all involved when done well. Service users, particularly young people, require support to engage in co-design activities, as they balance the existing pressures and stressors of their daily lives alongside their need for services, whatever they may be. In order to enable effective co-design and engagement, these skills must be fostered within government and the community services sector, as well as appropriately resourced.