National Committee for Addiction Treatment

2014

ISSUES PAPER

More effective social services

Issues paper: Response to questions

Productivity Commission Inquiry into More Effective Social Services, 2014-2015

The National Committee for Addiction Treatment (NCAT) is the national voice of the addiction treatment sector. NCAT provides expert advice on treatment for alcohol, other drugs, and problem gambling.

The membership of NCAT reflects the work and diversity of the Addiction Treatment Sector in New Zealand. NCAT is a group of serviceleaders, educators, representative groups and electedindividuals who provide leadership to the alcohol and other drug (AOD) and problem gambling treatment sector and its stakeholders.

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NCAT wishes to make a response in regards to the selected questions below specifically in relation to the impact on the addictions treatment sector.

Q1. What are the most important social,economic and demographic trends that will change the social service landscape in NZ?

The population in general is ageing but so too is the workforce that supports it.
Already, the average age of the addictions treatment workforce is over 40 years. A mental health and addictions workforce census is due to be undertaken by Te Pou and Matua Raki in 2015 which will identify key workforce demographics and how these relate to the client base that they support.

It is hoped that this work will inform future workforce planning, however, it is already appreciated that an increase in the capacity of the Māori, Pasifika, Asian workforces as well as those working with youth will need to be targeted for further development in order to meet increasing numbers presenting from these groups of the population.

We believe that increased demand and complexity of presentation in services is a result of a failure to meet needs of clients sufficiently at an earlier point in their care.
Sufficiently resourcing effective earlier interventions in the life course of the person as well as their condition is critical. Provision of addiction interventions across the treatment continuum including management of chronic conditions for those that experience the severe effects of addiction is also paramount.

NCAT has estimated that over 150,000 people are in need of addiction interventions each year but there are only 38,000 funded DHB places.
The high level of demand for services is also occurring at a time of labour market shortage. Even if additional services were to be funded there is not an existing pool of trained and qualified workers on which to draw. It is essential that funding arrangement moving forwards allow for providers to support workforce planning and development in their organisations.

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Q1. (cont'd) What are the most important social,economic and demographic trends that will change the social service landscape in NZ?

New services and contracts need realistic timeframes and implementation periods to allow for induction and upskilling of staff.
A sector wide response to workforce challenges is required in order to develop a flexible and fit for purpose workforce who can transition between roles and services.

Q9. How successful have recent government initiatives been in improving commissioning and purchasing of social services?

The current system of contracting services is inefficient and leads to a fragmented system of care that is difficult for people to navigate.
The over-abundance of small contracts has resulted in a high overhead-value ratio as each entity competes for small pieces of the funding pie. Many organisations are managing numerous contracts with different reporting and monitoring frameworks for each contract. This creates and builds inefficiencies for both government and providers.

The lack of a funding framework as well as the high turnover of staff in funding roles means that there is a tendency to opt for contract roll overs rather than creating a clear vision of developing a system of care that is responsive to changing client needs.
It is hoped that the development of a commissioning and funding framework for mental health and addiction service provision via the Ministry of Health will result in clearer direction in purchasing decisions. The proposed‘tight-loose-tight’ approach which seeks to allow flexibility on the how to achieve the specified outcomes is a welcome development. This is likely to lead to more responsive services as consumer demand is able to drive service improvement.

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Q9 (cont'd). How successful have recent government initiatives been in improving commissioning and purchasing of social services?

We recognise that there are many social service providers and that larger organisations create scale and bring efficiencies.
At the same time we need to value the benefits that small providers bring, many are uniquely connected to the communities in which they work.

Finding and maintaining a balance between meeting these local needs for specific communities and associated costs should be part of the scope of a robust system of care.

We note that there have been several specifically funded projects and developments (including the Prime Minister's youth action plan, the suicide prevention plan and the methamphetamine action plan) which have been very successful.
These activities have been funded directly to the services that are involved therefore incur little bureaucracy, minimal double handling of contracts, direct input into deliverables and rapid reporting on progress. These have been notable in their efficiency to cut through the 'system' to achieve desired change.

The challenge is sustainability when the areas of attention are moved elsewhere so creating mechanisms which allow for good practice change to be more widely implemented on an ongoing basis would be desirable.

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Q13. Where and when have attempts at service integration been successful or unsuccessful?

The notion that service integration is a desired goal, in our opinion is based on faulty assumptions that efficiencies are created by cost sharing back-office functions and this will lead to better service provision.
The need for a range of services to be available to meet consumer demand is essential to meet the needs of tāngata whai ora. We believe that cost saving occurs when the right people are doing the right thing at the right time. This means taking a collaborative approach to service development. This recognises the independence of organisations and the contribution they all make to a comprehensive system of care.

The lack of a framework (such as collective impact modelled in the UK) to facilitate a more efficient way of working together has resulted in services being co- located and meeting more frequently but continuing to do operate largely independently.
Implementation of collective impact requires partners from the community, government and private sector to come together and systematically align their activities around clearly defined goals.

The five conditions for a successful collective impact initiative are as follows:

- Common agenda – participants have a shared vision for change
- Shared measurement – collecting data and measuring results consistently across all participants
- Mutually reinforcing activities – participant activity must be differentiated while still being coordinated through a mutually reinforcing plan of action
- Continuous communication – consistent and open communication across all participants to ensure trust, shared objectives and common motivation
- Backbone support organisation – a separate organisation with staff to be backbone of the entire initiative and co-ordinate all participants' efforts.

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Q13 (cont'd). Where and when have attempts at service integration been successful or unsuccessful?

Government needs to recognise the twin challenge of collaboration and competition for providers.
Providers are willing to collaborate yet doing this is often harder within a competitive funding model. Greater certainty about funding including contract length and price assists in getting on with the task of working together.

Q19 Are there examples of service delivery decisions that are best made locally? Or centrally? What are the consequences of not making decisions at the appropriate level?

The provision of nationally consistent standards and guidelines for service provision and local adaptions to respond to community needs are not mutually exclusive.
Currently, The Ministry of Health's policy of devolving every contracting decision to DHB'sresults in 20 different versions of the same service at different costs and variable quality. We support Platform Trust's submission. Increasing access to care and ensuring that service levels are consistent wherever you are in the country is critical to addressing AOD needs in our communities. Access to services should be based on need and not geography, whilst services may not be provided in all localities a pathway and access to these should be clear.

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Q20. Are there examples where government contracts restrict the ability of social service providers to innovate? Or where contracts are too specificresult in poor outcomes for clients?

Short term contracting (typically year to year) leads to short term compliance with contract deliverables and a focus on achieving the next contract.
There is little room for and no incentive to innovate in a sustainable way to achieve system wide change. Greater certainty is needed in the contracting environment with reduced levelsof bureaucracy and compliance, simplified auditingand reporting processes. Many large providers are audited numerous times against the same standards. The fact that each NGO provider is contracted via each DHB (some of whom have multiple contracts with different DHBs for the same service) mean that a significant amount of time and resource is given to contracting processes that would otherwise be spent on actual service delivery.

In addition, where one DHB signals a need to change or 'innovate' there is a challenge for services in continuing to meet this for that contract and maintain the status quo to meet the demands of others. This results in ad hoc redesign of services that fail to meet their potential in creating the level of change required.

Organisations require sufficient funding to develop and build their capacity and infrastructure to meet these requirements. As current contracts are solely based on specific outputs the focus of attention is to achieve those outputs and there is no capacity to allow for innovation unless they have been otherwise funded (e.g.: through PMDC projects as mentioned above).