Social Services Investment Framework

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Great state. Great opportunity.
Foreword

The Queensland Government invests in social services to support all Queenslanders, particularly the most vulnerable and disadvantaged in our community.

Over the last decade, social services have increasingly touched the lives of many Queenslanders. As indicated in the independent Queensland Commission of Audit report, the grant management practices across the sector have lacked structure and accountability, preventing effective evaluation of programs. This Government recognises that things must change.

In its commitment to deliver a whole-of-Government approach to social services investment, the Government is transforming the way it manages its investment in social services to ensure improved frontline service delivery and sustainable outcomes for Queenslanders.

The Social Services Investment Framework responds to feedback from the social service sector for greater transparency around investment and a reduction in red tape. Alongside other reforms of this Government, the Framework will ensure that the best possible outcomes are achieved with the funding available.

The Framework’s aim is to provide Government agencies and social service organisations with an overarching guide for why and how Government invests in social services.

The Framework sets the foundation to guide both Government and the social service sector through a suite of reforms which aim to make the administration of funding more efficient, transparent and accountable, and to deliver sustainable services for identified needs.

The reforms will take time to implement, but I know that with the support of all parties – Government and the sector alike – the Social Services Investment Framework will drive a generational shift in how we support the vulnerable members of our community.

Hon Tim Nicholls MP
Treasurer and Minister for Trade
Chair, Social Services Cabinet Committee
Introduction

Social services address physical or social disadvantage and promote the health, wellbeing and quality of life of individuals, families and communities. They support people for the duration of their need while building independence, self-reliance and resilience; empowering individuals to participate in, and contribute to, the community.

Social services build the skills of Queenslanders, as well as support vulnerable Queenslanders to get back on their feet, whether through education and health services or through crisis support such as homelessness and child protection services.

Social service needs are diverse and often complex — they range from the individual to the wider community level, from metropolitan to rural and remote regions, and across different socio-economic groups, cultures and generations.

The Queensland Government invests in social services to support all members of our community, particularly the most vulnerable. Social services are provided to break down the barriers to social and economic participation and to ensure a base level of support is available to all Queenslanders. This means strengthening social connectedness, building capacity and capability, and improving productivity.

In addition to providing support to Queenslanders, Government’s investment in social services has a significant impact on the economic landscape. In 2012-13, 12 per cent of the Queensland workforce were working in the health care and social services industry, making it the largest employer in Queensland.

The National Disability Insurance Scheme and the implementation of the Carmody Inquiry recommendations, as well as significant demographic changes such as the ageing population, will result in further growth and change in this sector. Over the next five years, it is projected that demand for social services will result in the national social service sector, of which Queensland is a major contributor, accounting for more than one fifth of total employment growth (an increase of 177,800 or 13 per cent).

Government decisions on when, how and where to invest in social services must therefore be made wisely to ensure scarce resources are allocated to the right services, at the right time and in the right way. To ensure this happens the Social Services Investment Framework was designed to assist in guiding rigorous, consistent and transparent investment decisions that deliver positive outcomes for all Queenslanders.
Framework Overview

The Social Services Investment Framework sets out the principles for why and how Government will invest in social services. It provides the foundation of a program of reform (the Social Services Reform Program) which will transform the way Government manages its investment in social services into the future.

The Framework’s development has been driven by:

- calls from the social service sector for Government to be transparent about its approach to investment
- a range of recommendations in the Queensland Commission of Audit report including changes to the way Government manages grants
- Government’s commitment to provide value for money social services to the Queensland community
- Government’s commitment to develop a strong and sustainable social service sector.

The Framework has also been developed to ensure Government invests in services that are responsive to the needs of Queenslanders, involve the efficient and effective allocation of public resources and align available funding with Government priorities.

Effective social services investment is about investing, innovating and planning for the future. It recognises that issues are often complex and entrenched and outcomes may take many years to achieve. Through a focus on prevention and early intervention, individuals, families and communities are assisted earlier to reduce long-term harms and disruption to their lives, as well as avoid higher intensity and costly interventions.

Crisis support is provided to those most in need to assist them to rebuild and take greater control of their lives and re-engage with their community. Effective social services expenditure is a future-oriented investment in our community.

The Social Services Investment Framework reflects this shift to an investment view of social services expenditure.

The Framework encourages investment in evidence based programs that deliver better outcomes for individuals, families and communities. It promotes flexibility in Government’s investment to deliver the most appropriate response given local and individual circumstances.

It promotes a streamlined model for Government investment incorporating a range of investment types from small grants, service procurement and alternative investment (including in-kind support and social financing), through to individualised funding. It supports a consistent approach in the management of funding including procurement, administration and reporting (both outcomes and financial) and encourages a greater focus on driving performance improvement in service delivery.

The Framework also seeks to enhance Government investment by encouraging community and private sector investment in social outcomes alongside Government investment.

Ultimately, greater collaboration across sectors, an increased focus on outputs and outcomes, greater flexibility in investment and a consistent approach to funding arrangements will reduce the administrative burden on the social service sector.

To achieve this vision operationally and to translate it into practical impacts on frontline service delivery will take time. To support this, the Queensland Government has implemented a Social Services Reform Program to develop whole-of-Government tools and mechanisms to implement the Framework, such as the development of a standard suite of social service contracts. Individual agencies are also adopting reform programs to embed the principles in their everyday work. For example, Queensland Health’s Blueprint for better healthcare in Queensland endorses “health boards and local people (be) involved in making local decisions in the best interests of the community”.
Government’s Reform Agenda

As outlined in A Plan – Better Services for Queenslanders, Government seeks to “provide more services to Queenslanders and improve the quality of those services”. This Framework, together with A Plan – Better Services for Queenslanders, the Government Queensland’s Renewal Program, the Queensland Procurement Policy and the Queensland Government Contestability Framework, will set the context for how the Queensland Government invests in social services. Concepts within the Financial Accountability Act 2009 will also be applied by agencies when making investment decisions.

The Framework and the Social Services Reform Program are an integral part of the Government’s overall renewal program as outlined in Figure 2 (over page).
Social Services Investment Framework

Figure 2 – Whole-of-Government priorities and the Social Services Investment Framework

**Government priorities**

- Better value-for-money outcomes and customers first: Focus on delivering better value-for-money service outcomes for Queenslanders
- Reducing the regulatory burden and improving accountability: Improving transparency and accountability of public monies, reducing red tape, and looking at whole-of-Government approaches where appropriate
- Contestability: Encourage innovation and achieving the best solution at the best price for Queenslanders
- Becoming an enabler: Ensuring the best access, quality, and timeliness of services irrespective of who provides those services

**Whole-of-Government Renewal Programs**


**Social Services Reform Program Vision**

Sustainable, outcomes–focused services that address identified community needs

Efficient administration of funding arrangements

Transparent and accountable use of public monies

**Social Services Reform Program Overarching aim**

Transform the way Government manages its investment in social services to drive improvements in frontline service delivery and achieve sustainable and better outcomes for Queenslanders. In conjunction with other key Government programs and reform agendas, the Social Services Reform Program will ensure that the best possible outcomes are achieved with the funding available

**Social Services Reform Program Key objectives**

- Provide a better way to do business
- Support a stronger, more sustainable and robust social services sector
- Achieve better outcomes for Queenslanders

**What it will mean for the sector**

- Adopting a consistent approach to managing social services funding across government will: reduce duplication; reduce red tape; streamline doing business with the Queensland Government; and simplify processes making it easier for the sector to deliver services
- Providing greater clarity on the outcomes Government is seeking, progressively linking funding to these outcomes, and supporting development of the market and industry will: create greater service delivery flexibility for service providers; and create innovation opportunities for service providers
- Introducing greater accountability and transparency will: ensure funding is invested in the greatest areas of community need; free up time so providers can focus on frontline service delivery; and encourage flexibility and innovation so services can be more responsive to community needs

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Principles for how we invest

Set out on the following pages are the Queensland Government’s whole-of-Government principles for why and how it invests in social services.

The principles will inform the development of Government policies, practices and tools. This includes agency-specific investment policies, such as the Department of Communities, Child Safety and Disability Services’ Investing in Queenslanders Social and human services investment blueprint, and whole-of-Government programs such as the Social Services Reform Program.

Through application of the Framework principles the Government will provide a better way to do business with the sector, support a stronger more sustainable and robust social service sector and achieve better outcomes for Queenslanders.
Customers first
- know our customers in order to design outcomes-focused services around the needs of individuals, families and communities
- deliver what matters by identifying what works, for whom and in what circumstances
- take a holistic approach to service delivery, addressing need while seeking to build resilience and self-reliance, balancing the provision of support with personal responsibility and mutual obligation
- deliver services in a way that is seamless, simple and empowering for customers, and most appropriate to individual and local circumstances.

Partnership
- collaborate between and across Government agencies, the social service sector, the private sector and the community to identify needs and develop integrated, outcomes-focused solutions
- focus on maximising the value of contributed funding, pooled resources and expertise
- work across organisations and sectors to drive the development and implementation of innovative solutions.

Transparency
- be transparent about the full scope of decision making, including need identification, the basis for funding decisions, contracting requirements, and program outputs and outcomes
- acknowledge when Government is making a contribution towards the cost of services, and when it is fully funding services
- be transparent around how funding is used, including Government and the sector annually publishing details of Chief Executive Officer remuneration, and other key financial details.

Contestability
- test the market to ensure it is providing the public with the best possible solution for the best possible outcomes at the best possible price
- balance the need to plan services on a long-term basis, with sufficient incentives to bring about continuous improvements in performance
- encourage more efficient and more innovative service delivery
- understand the market, its capability and capacity, and adapt market based approaches accordingly.
Value for money
- assess whether overall objectives and outcomes (short and long term) will be met
- assess cost-related factors including up-front price, whole-of-life costs and transaction costs
- assess non-cost factors such as fit for purpose, quality and sustainability
- seek the most appropriate strategies to ensure delivery of the best outcomes by assessing value against cost.

Balanced investment
- ensure appropriate investment across the continuum of universal, secondary and tertiary services
- focus on prevention and early intervention services
- re-balance investment based on changing need, demands and priorities, which may involve a re-prioritisation of funding to new services or a reduction or modification of existing services
- manage risk appropriately, such as funding higher risk investments to test new approaches and innovations.

Proportionality
- ensure management and administrative arrangements meet the necessary accountability requirements while being proportionate to the investment
- align reporting and compliance arrangements in proportion to the related accountability and risk levels
- ensure a fair allocation of resources at an individual level, relative to the needs of others, and across Queensland, depending on the size, mix and needs of the population.

Accountability
- develop and monitor clear and measurable objectives, evaluate the effectiveness of initiatives, and develop responsible exit strategies and funding contingencies
- develop and assign responsibility for short, medium and long-term measures of success
- reward good performance and address poor performance
- ensure the highest standards of financial management are met, to ensure finite financial resources are directed to meeting Government priorities and community need on a sustainable basis
- ensure the sector understands and meets the terms and conditions of contracting arrangements, including complying with relevant advocacy clauses.
Approach for how we invest: the Framework in action

When applying the Framework principles to social services investment and the implementation of social services programs there are a number of key issues and decision points that need to be taken into consideration (see Figure 3).

These issues are scalable, that is – depending on the size, complexity, risk and maturity of an investment – they should be adjusted accordingly. In addition, the approach used will be dependent on whether it is a new investment or if a current investment is being re-designed or re-prioritised.

![Figure 3: Approach for how we invest](image-url)

- Assess need against demand management options
- Consider if there are existing services, community need, and community and market capability.

- Design a potential response
  - Develop potential response options collaboratively between Government agencies, the social service sector, the private sector and the community.
- Understand the market
  - Research and test the market to identify opportunities and constraints and understand capability and capacity, as well as ability to manage risk.
- Determine if this is a role for Government
- Go to market
- Prepare to go to market
- Negotiate and award contract
  - Assess tenders against value for money criteria and capacity to deliver against stated objectives. Reporting and compliance arrangements are in proportion to the related accountability and risk levels.
- Manage contract
  - Actively monitor and review contracts throughout the life of the contract. Performance will be monitored against key performance indicators.
- Evaluate investment
  - Performance is evaluated against the stated objectives, outputs and outcomes of the investment. An evidence base of what works will inform future investment.
- Develop key performance indicators to measure achievement against stated objectives, outputs and outcomes. Minimise administrative burden by using standardised practices, tools and documentation where possible.
- Take into account availability of resources across all sectors and allow the flexibility for integrated service delivery and innovative funding models.
Call to action

The successful implementation of this Framework will take commitment from the Government and the social service sector alike. It involves a shift in the way the sectors work together and within themselves, and embraces new ways of doing things.

The Framework alone will not achieve the vision and aim set out in this document. It will only be through the practical application of the Framework’s principles in the work of public servants and social service sector employees that they will be achieved.

Ultimately, this will result in changes that will progressively make a tangible difference to the way we invest in and deliver services to Queenslanders.

If you have any thoughts or feedback on the Framework, please contact us on: SSRProgram@treasury.qld.gov.au or telephone (07) 3035 1826

Endnotes

8 Department of Communities Child Safety and Disability Services, 2013, Investing in Queenslanders Social and human services blueprint 2014-19 (not yet released)