Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services
Submission 6

26-28 Forrest Ave, South Bunbury WA PO Box 6498, South Bunbury WA 6230 phone (08) 9729 9000 free call 1800 115 799 email info@accordwest.com.a



Service Centres 4/19 Davey Street Mandurah 6/89 Duchess Street Busselton

phone (08) 9534 7788 phone (08) 9752 2855

11 March 2015

The Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
CANBERRA ACT 2600

via Email: community.affairs.sen@aph.gov.au

**Dear Committee Members** 

RE: SENATE INQUIRY INTO THE IMPACT ON SERVICE QUALITY, EFFICIENCY AND SUSTAINABILITY OF RECENT COMMONWEALTH COMMUNITY SERVICE TENDERING PROCESSES BY DEPARTMENT OF SOCIAL SERVICES

We are writing to provide an on-the-ground reflection on the Department of Social Services' (DSS) recent tendering process. The impact for AccordWest has been on the people we seek to serve; our Board; and our staff. Ongoing delays and uncertainty have been problematic in trying to ensure we were able to retain key staff, whose contribution ensures quality service provision.

Agencies for South West Accommodation (ASWA) Inc. trading as AccordWest has been delivering essential support services for more than 30 years to some of the most at-risk families, couples and individuals living in the South West of Western Australia. In the 2013-14 financial year, AccordWest supported over 18,000 people. Our Organisation takes very seriously its responsibilities in the communities we serve, to ensure that service integration and cooperation at every level is a hallmark. Doing this requires a level of certainty and a clarity of process.

What was surprising was the manner in which the DSS Grants process unfolded. While we were fortunate to be re-funded, some aspects of our new funding parameters do not align with the Grant Application we originally submitted, nor with the location in which we are already delivering services.

From AccordWest's perspective, the lack of notice consultation about regional needs and service design was concerning. Timing limited the opportunity to integrate service capacity, along with delays in advising the outcomes or discussing the implications.

Page 1 of 2

The resulting impacts on our services and service users include:

- The loss of a staff member who was so concerned about their personal situation that they felt compelled to try to find alternative work. This, in turn, has made it very challenging for us to continue to deliver services at the levels we normally would;
- Being informed we were successful just two days before Christmas, without sufficient clarification. Consequently, staff who were told their jobs were safe had to be told later that we were not awarded services in the locations we applied for;
- The uncertainty for our Leadership Team and Board to plan or even explore options to best manage the transitional period;
- Our inability to convey <u>any</u> clear direction to people who use our services when they see staff
  resigning or looking for alternative employment because of the uncertainty. Many people we
  support are already marginalised and require a high level of trust and certainty to explore
  alternative options for overcoming their barriers;
- We devised our budgets for our Grants application based on where we currently have services and extensive infrastructure; but now will have to establish services in another area where we have no current service capacity. This will reduce our service capacity because of the new and costly overheads that were not factored into our application;
- We were concerned to learn that one of the Grants we applied for was awarded to an
  individual, local, for-profit provider with no community connection nor history of working
  collaboratively. This decision appears to be at-odds with the requirement to demonstrate our
  ability to provide service integration;
- Having both of our Financial Counselling and Emergency Relief funding cut to two years'
  duration, when the original tender document outlined that there would be five-year funding,
  has implications for the establishment of new infrastructure and capacity that will be required,
  while needing to factor in uncertainty;
- AccordWest has previously been strongly commended by DSS and other Federal and State Government agencies for its commitment to being a regional player offering accountable services; so from this perspective, AccordWest is questioning if due consideration was given to our proven capacity to deliver these services in the decision-making process;
- The people at AccordWest have always been willing to work with sector change. However, announcing the outcomes of Grants two days before Christmas was not an appropriate way to build service resilience.

The broader goals of the DSS and the final outcomes would appear to be a lost opportunity for the Federal Government. While AccordWest understands the inevitability of change, the processes and style of communication will leave our communities less resilient and perhaps more sceptical in a time of uncertainty. The final outcomes will reduce service effectiveness and increase service delivery costs; and we have been funded for an area in which we don't yet have infrastructure.

AccordWest questions the decision-making process, as better consultation with the State DSS office would have perhaps drawn a different and more sustainable outcome for regional services. While we see it is too late to change these Grant decisions, we encourage the Senate Inquiry to consider improvements to the process to ensure better outcomes for marginalised Australians, and especially for regional communities.

If there is an opportunity to discuss our concerns with the Committee, I would be pleased to do so.

This opportunity to express our concerns is highly valued.

Yours sincerely

Neil Hamilton Chief Executive Officer AccordWest