

# Submission

Submission to the  
Legislative Assembly  
Committee on Investment,  
Industry and Regional  
Development's Inquiry into  
government service delivery  
standards in regional NSW

February 2026

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# About Mission Australia

Mission Australia is a national Christian charity that has been standing alongside Australians in need since 1859. In NSW and the ACT in 2024-25, we supported 50,874 children, young people, adults and families to secure safe homes, strengthen their relationships and improve their wellbeing and independence through 41 specialist homelessness services, 30 children and family services, 13 community development services and 99 employment, education and training services. Together, we're building hope and possibility for all.

## Executive summary

Mission Australia welcomes the opportunity to provide input into the Legislative Assembly Committee on Investment, Industry and Regional Development's Inquiry into government service delivery standards in regional NSW. We deliver a range of services to communities in regional NSW in the areas of homelessness, housing, community development, domestic and family violence, children and families, employment, education and training, mental health and alcohol and other drugs.

Our recommendations are based on rich data from our services, the experiences of our practitioners and the voices of people with a lived experience. This information tells us that regional services are doing their very best to deliver high quality support every day, but still struggle to meet the depth and breadth of need in the communities they serve. This is often because of systemic constraints such as short-term contracting and grant agreement terms, a mismatch between community needs and resourcing models, and duplicative regulatory requirements. This information also tells us that these difficulties can be overcome by reorienting funding and service delivery models towards collaborative, joined up approaches that put regional community members at the heart of evidence-informed solutions, backed by strong support structures for services and service users. In combination and with long-term commitment, these changes can give regional NSW communities the foundation they need to flourish.

## Summary of recommendations

### Prioritise the implementation of formal relational contracting

- Prioritise where appropriate the implementation of formal relational contracting to provide long-term stability and sustainability for complex human services and the people they serve

### Provide longer grant agreement terms

- Implement contract durations of at least seven years for most programs and 10 years for place-based programs in communities with persistent and entrenched disadvantage or in remote Aboriginal and Torres Strait Islander communities

## Invest in place-based work to strengthen regional communities

- Fund and participate in community-led, place-based initiatives that empower regional communities to make their own decisions about service involvement and delivery

## Fund the full cost of service delivery

- Fund the full cost of service delivery, including infrastructure, management and administration costs, and appropriate indexation
- Actively involve CSOs in determining the full cost of service delivery to ensure arrangements are realistic, transparent and evidence-informed
- Schedule opportunities prior to the beginning and during the life of contracts for government and CSOs to assess appropriate resource allocation, including changing costs over time

## Embed robust monitoring, evaluation and learning frameworks into service delivery contracts to ensure appropriate and accurate outcomes measurement

- Commit to long-term investment for evaluation across the life cycle of place-based work, including capability indicators and mapping social capital across communities
- Co-design methods to measure and evaluate outcomes
- Build MEL cycles into program design from the outset and include explicit and adequate provision for data collection, analysis and sharing activities in grant funding

## Facilitate the consistent application of sector standards in different geographic locations

- Sector standards should be consistent, but their application should be realistic and based on principles of either flexibility or equity
- Enhance support structures for regional services by considering ways to effectively and sustainably improve workforce capacity, retention and uplift and investing in the development of local referral networks so that there are alternative pathways and wraparound supports for service users
- Specifically consider workforce retention issues in commissioning and recommissioning processes

## Support national recommendations to improve efficiency

- The NSW Government should support Federal government efforts to develop cross-sectoral provider registration and audits for aged care, veterans' care and National Disability Insurance Scheme services and the development of a national worker screening check

# Performance measurement and accountability mechanisms for the delivery of government services that are outsourced to third-party providers

## Prioritise the implementation of formal relational contracting

Relational contracting is an alternative way of commissioning services that specifies mutual goals and establishes governance structures to keep each parties' expectations and interests aligned over the long term. It is a legally enforceable contract that is designed from the outset to cultivate trust and collaboration. It is especially useful in highly complex funding relationships where unforeseeable events may occur,<sup>1</sup> and in addressing complex social challenges such as family support, homelessness, and community development. Relational contracts typically have two parts.<sup>1</sup> Part A includes agreed values, guiding principles, and governance arrangements and Part B contains required outcomes, target groups, and delivery timelines. A relational contracting approach moves beyond rigid, compliance-driven models to foster flexibility, trust, and shared accountability. In practice, this means:

- Adaptive responses to changing community needs
- Innovation and continuous improvement in service delivery
- Strong partnerships that build local capability and resilience
- Shared purpose and outcomes guiding decision-making
- Agreed behavioural expectations to underpin trust and transparency
- Collaborative governance structures for joint oversight and problem-solving
- Transparency and information sharing, enabling evidence-based decisions
- Shared risk and flexibility, with mechanisms to adjust as circumstances evolve
- Outcomes-focused performance, rather than output compliance
- System stewardship, recognising the relationship as part of a broader ecosystem

Relational contracting is used in a range of different public and private sector contexts and, when done well, appears to demonstrate significant advantages over transactional procurement and contracting processes including greater responsiveness, flexibility and stability, and reduced costs through de-emphasising competition and limited short-term contract churn.<sup>2</sup> Federal government departments are interested in relational contracting approaches, as seen in the proposal to trial relational contracting suggested by the Federal Department of Social Services as part of its discussion paper on a new approach to programs for families and children<sup>3</sup> and the Productivity Commission's recommendations that governments establish stronger joint governance arrangements, enable more flexible funding and provide dedicated funding based on outcomes.<sup>4</sup>

Mission Australia strongly supports the adoption of a relational contracting approach within social service delivery. As a member of The Possibility Partnership ([thepossibilitypartnership.org.au](http://thepossibilitypartnership.org.au)), we are committed to collaborative, relational ways of working with governments, partners, communities and those we serve to promote equity, trust, accountability and continuous improvement. Our experience with relational contracting principles as a member of South Australia's Toward Home Alliance ([towardhome.org.au](http://towardhome.org.au)) has been wholly positive and reinforces our strong belief that the application of formal relational contracting should be considered throughout the community services sector, given its unique ability to effectively address complex social challenges such as family support, homelessness and community development.

### Recommendation

- Prioritise where appropriate the implementation of formal relational contracting to provide long-term stability and sustainability for complex human services and the people they serve

## Provide longer grant agreement terms

Mission Australia supports a shift to long-term funding contracts (minimum seven years for most programs and 10 years for place-based programs in communities with persistent and entrenched disadvantage or remote Aboriginal and Torres Strait Islander communities) with appropriate indexation to more effectively support organisations to develop and deliver services for individuals, families and communities experiencing disadvantage.

The current short-term funding environment is detrimental to service delivery. Shorter contract lengths and the sustainability issues they create have been identified by both the Productivity Commission<sup>4</sup> and the Australian community sector as a key issue across jurisdictions.<sup>5</sup> They are a major impediment to hiring and retaining qualified staff and disrupt continuity of care for clients. Short-term contracts are highly inefficient, with avoidable waste of taxpayer funds in high frequency contract “churn” incurred by both government agencies and providers. Many contracts have outcome requirements or expectations that are simply impossible to achieve in a one- or two-year term.

In combination, government contracting practices constrain service provider ability to deliver as effectively as they could, which in turn has negative impacts for communities, service users and government. These issues can be felt most acutely in regional and remote areas, where services are already limited by factors such as geography (e.g. distance), infrastructure (e.g. internet access and mobile phone reception) and government funding decisions: research commissioned by the National Rural Health Alliance in 2023 found a \$6.55 billion annual deficit in health funding for rural Australian communities, equating to almost \$850 per person each year, compared to urban Australians.<sup>6</sup> The aforementioned impacts are felt in terms of:

- lack of staff continuity
- reduced quality of service planning; a focus on short-term outcomes rather than prevention or longer-term outcomes

- inability to achieve long-term policy objectives
- poorer quality community relationships
- additional transitional costs and administrative burden for providers
- significant workforce management challenges
- limited ability to develop innovative practices

The most important impact is the first-listed. Staff members will, understandably, leave a service once its end date approaches to move to longer-term, more stable employment. The lack of continuity of individual staff members damages trust with the people they support and causes instability for people needing services. Mission Australia’s service users consistently tell us that trusting relationships with staff are vital to a positive service experience. Long-term stable contracts, which encourage staff to stay, are an essential component of good service delivery.

Similarly, standard contract durations or extension durations of any less than three years are very difficult to manage, with implications for workforce stability and retention, longer-term planning and investment by community service organisations (CSOs), and the ability to achieve outcomes in the provision of services to individuals and communities with complex needs. Funders also incur costs and administrative burden associated with continual tendering or extension processes.

Repeated short-term contract extensions are an even greater challenge than initial short-term contracts. This is a common experience across the community sector, often due to delays in procurement processes or review/evaluation processes that extend past a contractual end date, and is extremely detrimental to service and workforce stability. It is now common to see programs primarily operating on short-term extensions after the base contract has expired.

*“Where a request for tender is released, it is often a two-to-three year contract, but we are seeing an increase in existing contracts being rolled over year after year on a 12 month basis. We are seeing a lot of contracts on continual extensions for 12 months at a time, which has the same impact on staffing.”*

***Service Manager, national CSO***

## **Recommendation**

- Implement contract durations of at least seven years for most programs and 10 years for place-based programs in communities with persistent and entrenched disadvantage or in remote Aboriginal and Torres Strait Islander communities

## Invest in place-based work to strengthen regional communities

Place-based work is “a collaborative, long-term approach to build thriving communities delivered in a defined geographic location. This approach is ideally characterised by partnering and shared design, shared stewardship, and shared accountability for outcomes and impacts.”<sup>7</sup> Place approaches can be:

- **Place-focused initiatives** that use geography to target or coordinate services or funds
- **Place-based community-led ways of working**, which are collaborative, long-term, and focused on building community strengths and capacities to solve persistent and complex disadvantage

Place-based work involves sharing decision-making between governments, services and community members and building communities’ own strengths so people can turn to each other for support rather than to the formal service system. It privileges community voice, action and leadership in creating solutions, shifting power from institutions towards local communities in the process.

Place-based work is particularly needed in regional areas because although Australia spends around \$104 billion per year on community services<sup>8</sup> severe, complex and multilayered disadvantage persists in a small number of communities.<sup>9</sup> For example, the 2021 Dropping off the Edge report<sup>10</sup> finds that:

- Disadvantage is concentrated in a small number of NSW communities, with 13% of locations accounting for 55% of the most disadvantaged rank positions across all social, economic, health, educational and environmental indicators
- 37 of the 40 most disadvantaged areas are located outside Sydney
- A small number of communities have experienced persistent, entrenched disadvantage on multiple fronts. Nine of the top 10 most disadvantaged areas in NSW were also ranked highly disadvantaged in 2015, and eight of the top 10 were also ranked highly disadvantaged in 2007
- The most common forms of severe disadvantage in places ranking highly on indicators of disadvantage were intergenerational unemployment, family violence and young people leaving school early, without engaging in subsequent employment or learning

There is already significant investment in many communities experiencing disadvantage, but most often its delivery is fragmented, siloed and not in areas that the community wants. Better (flexible, more creative) design and delivery of existing funds is needed, which must happen in partnership with community organisations and community representatives, including Aboriginal and Torres Strait Islander peoples and organisations. Co-designed solutions are vital in regional areas because regional people are best placed to know their community’s particular needs, the solutions that would best suit the community and its services and how to secure local ownership, agency and continuity of successfully implemented models. They are also needed to ensure that outcomes set for those funds genuinely reflect the needs of the community. Investment in co-designed solutions to address regional needs should be accompanied by seven to 10 year funding cycles, with long-term commitments provided upfront and appropriate evaluation points along the way.

In addition to co-design, place-based community work thrives when the following characteristics are present:<sup>11</sup>

- Learning from Aboriginal and Torres Strait Islander approaches
- Community leadership and power
- Collaboration
- Community readiness and trust
- Succession and sustainability
- Capability focus
- Systems leadership
- Good governance
- Data to inform action and reflection
- Evaluation and outcomes measurement

Place-based community-led work can produce early signs of change, such as agency, hope and faster local responses to issues, and better health, social and justice outcomes, as illustrated in the case study below and elsewhere.<sup>12</sup>

### Case study: Justice reinvestment programs

Justice reinvestment is a data-driven approach to improve public safety managed by not-for profit organisations. It aims to reduce corrections and related criminal justice spending, and reinvest savings in strategies that can reduce crime and strengthen communities.

Justice reinvestment diverts a portion of the funds spent on incarceration to communities where there is a high concentration of young offenders. The money that would have been spent on custodial services is diverted into early intervention, crime prevention and diversionary programs that address the causes of crime in these communities, creating savings in the criminal justice system which can be tracked and reinvested in communities.

KPMG's impact assessment of Bourke's Maranguka Justice Reinvestment Project<sup>13</sup> indicated that its first year of program delivery produced a 23% reduction in domestic and family violence, a 31% increase in Year 12 student retention, a 38% reduction in charges across the top five youth offence categories and, for adults, a 42% reduction in days spent in custody.<sup>64</sup> The changes were estimated to result in a gross impact of \$3.1 million (with operational costs of \$0.6 million), of which 66% related to the justice system. KPMG concluded that the Maranguka Justice Reinvestment Project had a number of promising criteria for success compared to other crime prevention programs, and that the data driven and community led approach had the potential to address underlying causes of crime.

Separate to place-based community-led initiatives, many place-sensitive, community-informed but government-led programs support individuals and families within communities, e.g. Communities for Children funded by the Federal Department of Social Services. Its hub-and-spoke model works well in Mission Australia's experience, building constructive partnerships between organisations with different

skills and resources to support and work alongside with the local community. The place and community focus of these kinds of programs is valuable and should be incorporated into the design of all programs.

### Recommendation

- Fund and participate in community-led, place-based initiatives that empower regional communities to make their own decisions about service involvement and delivery

## Options to improve monitoring, evaluation and reporting of the delivery of government and publicly-funded services, with reference to the social justice and community sector and regional NSW

### Fund the full cost of service delivery

Mission Australia advocates that government funding for supported budget initiatives must meet the full and fair cost of delivery. This advocacy is informed by the *Not-for-profit sector development blueprint*<sup>14</sup> and the 'Paying what it takes' initiative run by Philanthropy Australia, in conjunction with Social Ventures Australia and the Centre for Social Impact, supported by the Paul Ramsey Foundation and The Origin Foundation ([philanthropy.org.au](http://philanthropy.org.au)). CSOs must be resourced appropriately if we are serious about delivering quality services that improve outcomes for the people we serve.

Government funders typically and rightly require CSOs to meet core governance contractual requirements such as finance, auditing, essential HR functions, legal, IT security, WHS, risk management, procurement and property, compliance. Government funders are increasingly including a range of other important requirements in contracts, such as:

- **Increased regulatory and accreditation compliance and Quality Assurance systems.** For example, as a national organisation, Mission Australia is subject to 13 accreditation standards and nine auditing bodies across our service delivery functions, and we must manage worker screening processes within multiple jurisdictions (e.g. national checks for aged care, NDIS, veteran's care and early childhood education and care sectors, and State/Territory-based Working with Children Checks/Working with Vulnerable People checks). We are required to comply with over 300 pieces of legislation and regulation, which necessitates dedicated teams and positions for quality and safeguarding. In the last three years our Risk and Assurance Team has grown from seven to 10 FTE, and we need to regularly outsource to boost our internal auditing capacity. In addition, Mission Australia employs many people who work in more than one jurisdiction which involves unique local processes for many worker screening checks,

including: assessing the risk a prospective or current worker poses; names for checks; age requirements; validity periods; application and renewal rules; application time; processing time; and payment provision and processing

- **Redundancies and service closure costs:** These are necessary in a grants-based funding environment where contracts are usually of three-to-five-years' duration but the maximum period in Australia for a maximum term contract is two years. This necessitates providers allowing for redundancies where contracts are not renewed
- **Employment of staff members with living/lived experience:** Staff members who reflect the diversity of the communities in which we work are a vital part of our workforce. Associated costs can include staff members with cultural backgrounds requiring flexible working hours to accommodate cultural activities. For example, for First Nations staff members, respecting Sorry Business time usually requires backfilling of roles while maintaining financial support for the staff member
- **Employment of staff members in remote areas:** Extra funding is required to meet the costs of staff accommodation, travel, pay allowances and leave provisions for staff in remote areas. This is required to ensure availability of appropriate expertise especially clinical staff, noting the current and predicted ongoing skills shortage. Best practice is for staff to move to the area to better understand community needs, rather than being engaged on a fly-in-fly-out basis, but this does carry extra cost, as does the additional remuneration required to attract quality and qualified staff to remote locations
- **Technology costs:** Funders are increasingly expecting highly prescribed evidence-based practice, evaluations, impact or outcomes measurement and data collection. In particular, contractual requirements for comprehensive client and service data collection are requiring CSOs to invest heavily in sophisticated CRMs/client information systems
- Costs specifically associated with **increased cybersecurity risks:** Small business and most other industry groups can access significant incentives and support programs for cybersecurity, but these are not available to CSOs
- Costs associated with **sub-contracting arrangements:** Where sub-contracting arrangements are in place, both organisations (prime- and sub-contractor) need to cater for overheads, resulting in the net overhead for service delivery being higher. Where funding favours a partnership model with a smaller organisation, the smaller sub-contractor often does not have an efficient overhead base, requiring the prime contractor to augment governance, compliance and other functions, thus adding further costs

Mission Australia acknowledges the importance of these requirements, but they must be resourced as genuine components of delivering a quality service. However, funders' program budgets typically limit what can be included as a direct cost of delivering the service, and almost always exclude the costs of meeting these new or increased requirements. This failure to accommodate the increase in costs incurred due to funder requirements or expectations can significantly undermine a CSO's viability and/or compromise service quality for people in need. Similarly, CSOs bear increased costs around wage

growth, which generally are not being met by increased funding levels or adequate indexation in contracts. Contracts that do not reflect real CPI increases throughout their periods reduce the real value of the grant during its term, dilute actual service delivery outcomes or make it impossible to deliver activities such as evaluations. In the long run, the accumulation of such unfunded costs can force the closure of smaller CSOs, changing the shape of the CSO “market.”

Mission Australia and many other organisations are not rich in assets; we cannot cross-subsidise program funding shortfalls with revenue from land holdings. We are fortunate to have access to generous donations which allow us some limited ability to meet these extra costs, but many CSOs do not have access to professional fundraising capabilities like ours. Every donation dollar is leveraged back to meet the costs that government does not fund including enabling supports for our programs such as data analysis, innovation and practice quality initiatives. We do not bid for government tenders with markedly unviable funding levels; apart from anything else, this signals to governments that those levels are achievable when this is not the case.

Mission Australia has found we cannot compete for some tenders due to unviable financial requirements. Some government funding bodies, routinely and substantially under-price their tenders. For example, in our experience some Primary Health Networks (PHNs) have set an “overhead” level at 10%, although this is inconsistently applied, with some PHNs indicating they are seeking to shift this further down to 8%. Under these circumstances, no organisation could deliver its program with quality and meeting all contractual requirements without cross-subsidisation.

Our experiences are supported by findings that CSOs incur average indirect costs equal to 33% of total costs, with a significant proportion believing that funders are unwilling to fund more than 20% of indirect costs (and often substantially less) and therefore underreporting them.<sup>15</sup> These arrangements mean that there is no ability for CSOs to invest, because all resources are poured into constantly catching up and barely covering costs. In practice, Mission Australia like many organisations can only allocate a proportion of overheads to be competitive in winning tenders – never to fully recover the costs of running services.

Many reports and reviews have identified this issue and noted both the problems associated with chronic underfunding (e.g. reduced efficiency, effectiveness, ability to meet contractual targets and job quality, and organisational and sector unsustainability) and the benefits of funding both the direct and indirect costs of service delivery (e.g. better service delivery and outcomes, improved workforce quality and retention, and increased capacity to adapt and innovate).<sup>14</sup> Paying what it takes will be particularly important where government funds innovations such as formal relational contracting, and should involve conversations between funders, providers and others (including evidence-holders and potential service users/people with living/lived experience) at the start of program design processes that establish whether the proposed funding amount is sufficient to meet intended outcomes.

## Recommendations

- Fund the full cost of service delivery, including infrastructure, management and administration costs, and appropriate indexation

- Actively involve CSOs in determining the full cost of service delivery to ensure arrangements are realistic, transparent and evidence-informed
- Schedule opportunities prior to the beginning and during the life of contracts for government and CSOs to assess appropriate resource allocation, including changing costs over time

## Embed robust monitoring, evaluation and learning frameworks into service delivery contracts to ensure appropriate and accurate outcomes measurement

To effectively measure progress in community development, a tailored and phased Monitoring, Evaluation and Learning (MEL) strategy is essential. This strategy should capture short- and medium-term outcomes, which are critical precursors to long-term population-level results that often take years to materialise. We also need innovative ways to assess how well Australian communities are building and sustaining the foundations for effective place-based work. Evaluation should not only demonstrate outcomes and impact but also serve as a tool for ongoing learning and continuous improvement.

Mission Australia is committed to using evidence and insights, including rich data from our services, the experiences of our practitioners and the voices of people with a lived experience, to find out what is working well and where our services may need to improve. Ultimately, we want to ensure we deliver the best possible services to the people and communities we serve.

Over the last few years, we have established an integrated approach to evidence and insights. This has included trying, testing and learning how we can effectively and efficiently scale an Evidence to Action process as part of building a strong Monitoring, Evaluation and Learning (MEL) system (see Figure 1).

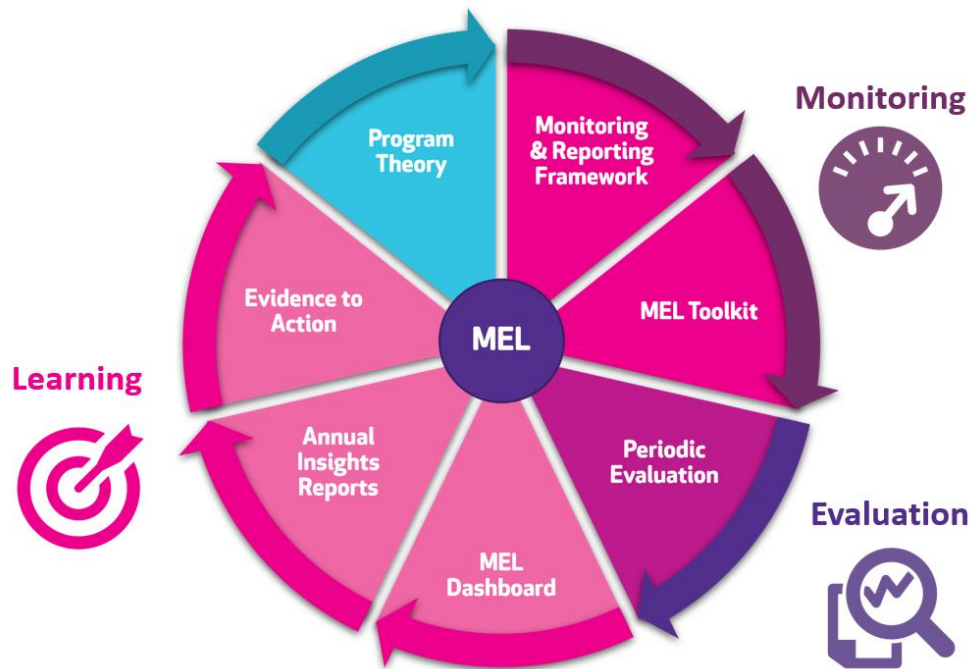


Figure 1. Mission Australia’s approach to monitoring, learning and evaluation.

Mission Australia uses MEL to:

- **Measure our impact** by supporting services to collect outcomes data through our organisational Impact Measurement program and use the insights to strengthen practice
- **Drive excellence** through Monitoring and Reporting Frameworks and rapid program reviews to identify critical success factors and ways to improve operational efficiency and effectiveness
- **Build an evidence base** through rigorous periodic evaluations that support strategic decisions and drive investment where we can have the biggest impact
- **Spark action** by sharing evidence across the organisation, through near time access to data, documented Evidence to Action cycles and supporting our social policy and advocacy efforts

Mission Australia has developed MEL cycles and associated Theories of Change for a range of our key services. Our MEL approach involves three separate yet interrelated activities.

The first component is monitoring, which involves routine data collection from services, including:

- **Headline data:** KPIs to monitor implementation and outcomes
- **Monitoring & Reporting Framework:** Theory of Change, key questions, criteria, indicators, and data sources
- **MEL Toolkit:** Suite of tools to report against the framework. Including minimum data and optional tools

The second component is evaluation. It differs from monitoring in the sense that it provides a periodic in-depth analysis of a program to both assess how it is working and make a judgement about its merit, worth or value.

The third component is learning. Mission Australia is committed to learning – we believe this is the most important part of the MEL cycle. Our approach to learning is why successful insights are used to inform service delivery, policy, advocacy and systems change. In 2021, we commenced our Evidence to Action approach which aims to:

- Investigate ways to use data and insights widely through regular reflection, learning and action
- Support front-line staff, program managers and leadership to identify program changes, areas for improvement or opportunities to scale
- Systematically document and monitor changes using data
- Share learnings and best practice across the organisation and the broader sector through Evidence to Action Case Studies, an example of which follows

## Case study: The Family Preservation Program (FPP)

The Family Preservation Program (FPP) provides interventions to strengthen and keep families safely together by reducing risks so they can experience healthy and positive development. Mission Australia delivers FPP across a range of regional NSW locations.

In 2022 Mission Australia undertook a program review to assess the extent to which our FPP services aligned to the vision for the future state of family preservation in NSW.

Positive outcomes included reaching priority families, the delivery of FPP's core service components and the responsiveness of services to the needs of Aboriginal and Torres Strait Islander families.

However, on average families engaged with the program for less than the expected 12–18 months and families who exited early were more likely to be high needs and/or families experiencing family and domestic violence (FDV). This was an important insight as families who were engaged for longer were more likely to achieve their goals.

In response to the review, FPP undertook a phased Evidence to Action process. This included data presentations and workshops with FPP leadership teams and frontline staff to share practice and identify key actions at a programmatic level. Service-level workshops were also facilitated to develop local action plans. A range of initiatives and actions were identified and implemented to increase the engagement of families, including:

- Employing a Program Specialist to build the confidence and capacity of FPP teams
- Increasing the classification of case management roles to match more intensive service delivery
- Developing a range of practice resources, training and coaching to provide services with a common evidence-based approach to working with families-based approach to working with families

Each service also implemented local Evidence to Action plans informed by local data trends and context. Some service examples included:

- Upskilling staff to ensure that evidence-based parenting programs are delivered to increase parenting skills-based parenting programs are delivered to increase parenting skills
- Increasing referrals to mental health services to link families to therapeutic supports
- Celebrating small and large achievements with families through individualised support plans
- Linking men to male staff from other services to provide more support to families experiencing DFV

We can see the measurable impact of these changes in the data. Families on average are now engaged in the program for longer and a higher proportion have achieved their case plan goals. The largest improvements across all key change indicators were for high needs families and families

experiencing FDV. Families also reported improvements across all personal wellbeing domains when comparing entry to exit ratings.

## Recommendations

- Commit to long-term investment for evaluation across the life cycle of place-based work, including capability indicators and mapping social capital across communities
- Co-design methods to measure and evaluate outcomes
- Build MEL cycles into program design from the outset and include explicit and adequate provision for data collection, analysis and sharing activities in grant funding

# Differences in government service delivery standards between metropolitan and regional areas

## Facilitate the consistent application of sector standards in different geographic locations

When assessing differences in service delivery between metropolitan and regional areas, it is Mission Australia's belief that sector standards are not the issue; rather, it is how they are applied, given how well services are resourced in these very different areas, that contribute to observed differences. Sector standards should be consistent, but their application should be realistic and based on either:

- Flexibility, such that there is understanding and accommodation of the factors that affect service delivery capacity in regional areas, and therefore their ability to meet sector standards, or
- Equity, such that regional services are paired with appropriate support and funding to meet sector standards and achieve set outcomes for those they serve

In addition to the changes and recommendations to service delivery described above (e.g. paying what it takes, adopting formal relational contracting), other ways to narrow the service delivery gap between metropolitan and regional areas relate to enhancing support structures for regional services. For example, it is important to consider how to effectively and sustainably improve workforce capacity, retention and uplift. Rather than simply providing more funding to attract staff to regional areas for the duration of a service delivery contract, the NSW government could consider how to build in provisions for appropriate staff supervision and training, and better financial modelling for caseloads in contracts, so that staff are incentivised to stay for longer and their risk of mental health difficulties such as vicarious trauma and burnout are reduced. Workforce capacity could be increased by:

- Prioritising the recruitment of students from regional/remote areas (particularly Aboriginal people from local communities) and providing them with training and placements in regional areas
- Integrating rural-specific curriculum and placements into training programs
- Identifying and expanding successful models of local training and employment pathways
- Using hub-and-spoke models, where specialists provide remote consultation where there are geographic or workforce challenges, while generalists manage cases locally
- Expanding the appropriate use of telehealth, while ensuring there are links to local support
- Implement group programs to improve efficiency and access
- Consider the development of pathways for allied health assistants, supported by clear governance frameworks (including referral processes, appropriate role tailoring and supervision arrangements)

Another option for improving support structures for regional services involves investing in the development of local referral networks so that there are alternative pathways and wraparound supports for service users, or better access to specialist care, should also be considered as a way to help regional services meet sector standards. Geographic location and lack of access to essential services and support systems are important contributors to entrenched disadvantage,<sup>9</sup> so non-existent or underfunded services or infrastructure (such as housing or hospitals) paired with poorly integrated care<sup>4</sup> can only worsen outcomes for individuals, families and communities. Conversely, joined up services working together to support and empower service users can improve people's circumstances and create the stability and opportunity needed to thrive.

### **Case study: Warren paediatric care**

For the last 16 months, Little Wings has been working directly with the community of Warren, Central Western NSW as part of a team determined to create a sustainable paediatric clinic to address the growing waiting lists for local children with serious physical and psychological concerns. Mission Australia co-locates at the clinic as a soft entry approach to referrals into early childhood and/or family services within the area.

Before 2025, the last paediatrician visited the region in 2017, and with the closest local hospital at capacity, nearly 50 children have been waiting in desperate need of a diagnosis and treatment. The Little Wings program is helping to bring essential healthcare services to the regions and ensure the voices of regional families are heard and actioned. February 2025 saw the first monthly clinic for Warren, which is a program that is currently set to run for 12 months in hope of addressing the local medical needs for children and families.

The Warren Royal Flying Doctors Service Clinic have also joined this initiative, inviting services to work collaboratively and empowering the families to spearhead their own journey. This has

supported Mission Australia and other services to work closely with families, building connections and the capacity of the local children and families.

## Recommendations

- Sector standards should be consistent, but their application should be realistic and based on principles of either flexibility or equity
- Enhance support structures for regional services by considering ways to effectively and sustainably improve workforce capacity, retention and uplift and investing in the development of local referral networks so that there are alternative pathways and wraparound supports for service users
- Specifically consider workforce retention issues in commissioning and recommissioning processes

# The need to develop or reform legislative frameworks to deliver, monitor and review government service delivery standards

## Support national recommendations to improve efficiency

In line with recommendations in the Productivity Commission's recent *Delivering quality care more efficiently Final Report*,<sup>4</sup> Mission Australia strongly supports the development of cross-sectoral provider registration and audits for aged care, veterans' care and National Disability Insurance Scheme services and the development of a national worker screening check<sup>16</sup> and believes all State and Territory governments should do the same. We welcome the program of work agreed in August 2025 by the Standing Council of Attorneys-General to deliver a national approach and address systemic gaps in WWCCs and WWVP checks, such as implementing mutual national recognition of negative WWCC and WWVP decisions (including negative notices, suspensions and interim bars), but believe this collaboration should extend to reforming the entire system to make it more robust, efficient and practical.

Moving to a more streamlined set of systems would improve service users' safety by reducing opportunities for unsuitable individuals to move between jurisdictions or sectors undetected, and improve consistency and portability for workers. It would also substantially relieve the regulatory and administrative burden placed on providers and workers, freeing up more time and resources to focus on service delivery.

*“Getting these settings right will improve workers’ mobility, better safeguard care users and reduce duplicative paperwork, saving workers and providers about \$1.8 billion over 10 years once fully implemented, equivalent to over 21 million care hours. A single worker screening check will save care workers – 75% of whom are women – about \$88 million a year. This includes the time value of approximately 419,000 hours a year that workers spend on duplicative paperwork.”*

***Productivity Commission, p. 1.<sup>4</sup>***

Governments would also benefit from these efficiencies, as they would not have to operate and maintain multiple regulatory regimes and agencies;<sup>4</sup> reducing costs in these areas could increase the funding available for service delivery in regional areas, or be invested in enhancing support structures for regional services as described in the previous section.

### **Recommendation**

- The NSW Government should support Federal government efforts to develop cross-sectoral provider registration and audits for aged care, veterans’ care and National Disability Insurance Scheme services and the development of a national worker screening check

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