

**Public Service Legislation Bill
Governance and Administration Committee**

Te Ope Whakaora – The Salvation Army New Zealand Fiji Tonga and Samoa Territory Submission

Executive Summary:

1. The Salvation Army **supports** the vast majority of this Bill. We welcome these reforms as a good way to create a *modern, agile and adaptive Public Service*.¹ Additionally, we support the five key areas of the reforms and Bill. Our submission below will provide specific comments on these five key areas. The Salvation Army is engaging with this reform process and the current Bill primarily to advocate for the needs that our clients have when they engage with the frontlines of the public service. We have good relationships with different parts of the public sector. But on many occasions our clients and communities have informed us about the challenges they face with the public sector departments and public servants themselves. Hence, this submission is another opportunity to present a community or client voice to these discussions.
2. The Salvation Army engaged in the public consultation phase of the State Sector Review in 2018. The crux of our submission in 2018 was advocating for; better front line public services particularly for the clients we work with; supporting people to navigate through the often confusing bureaucracy in government departments; having a consumer-centric approach to developing public services; encouraging more joint projects and meaningful engagement with NGOs and community groups; and safeguarding against a top-heavy bureaucratic and inefficient public service.
3. Our responses in this submission to the Bill are not too dissimilar to the feedback above. Therefore, this is not a long submission. However, there are some specific responses we have to the main sections of this Bill. These include our submissions that the public service must remain apolitical, that greater connection to the community and NGOs is crucial to a modern public service and advocating for pay equity for a serially underfunded social services and NGO sector as compared to public servants.

Background:

4. The mission of The Salvation Army is to care for people, transform lives and reform society through God, in Christ and by the Holy Spirit's power.ⁱⁱ The Salvation Army is a Christian church and social services organisation that has worked in New Zealand for over one hundred and thirty years. It provides a wide range of practical social, community and faith-based services, particularly for those who are suffering, facing injustice or those who have been forgotten and marginalised by mainstream society.
 - a. The combined services of Te Ope Whakaora The Salvation Army provided support to around 120,000 people in 2018. Our social service includes Community Ministries (CM), Salvation Army Social Housing (SASH), and Addictions, Supportive Accommodation and Reintegration Services (ASARS).
 - b. These services included over 62,000 food parcels to more than 30,000 families and individuals, providing some 2,400 people with short- or long-term housing, nearly 7,000 families and individuals supported with social work or counselling, just over 17,000 addictions counselling sessions, more than 5,500 families and individuals helped with budgeting, other practical assistance to over 6,000 families and individuals, 6,500 hours of chaplaincy support, and some 9,000 victims, defendants and families supported at court.
5. This submission has been prepared by the Social Policy and Parliamentary Unit (SPPU) of The Salvation Army. The SPPU works towards the eradication of poverty by encouraging policies and practices that strengthen the social framework of New Zealand. This submission has been approved by Commissioner Mark Campbell, Territorial Commander of The Salvation Army's Aotearoa New Zealand Fiji Tonga and Samoa Territory.

6. A Unified Public Service

- a. We support the major changes in this section, particularly the desire to affirm a common purpose and adhere to a values-based approach and including specific Crown agents for these combined purposes. A values-based approach and/or framework is becoming increasingly popular for organisations in New Zealand. For The Salvation Army, the mission and values that govern and guide our service in New Zealand are open, explicit and readily shared to those who are seeking to understand our values. The figure below illustrates these values. While not or values-based approaches will align or agree on every aspect being discussed, we submit that an explicit reference to an organisation's values is a positive development in modern society. Aspirational and open values for the public service would provide a great platform for all public servants to develop an impactful spirit of service as they work with clients.



- b. We strongly advocate for a joined up public service. Many of those using our services regularly retell stories of bouncing between government departments to get help and struggling to navigate through this bureaucratic system. While we support the words in these documents that have great sounding terms like 'joined up' and 'unified public service', one of the true tests for this new modern public service will be to see how clients on the frontline manoeuvre through this system. The Whanau Ora navigating system is a good example of a values-based model that helps people face and move through this public service system.
- c. We submit that one of the core purposes of the public service should be to ensure that people and whanau receive the proper support, entitlements, guidance and

advice that they eligible to receive. We note that the State Services Commission (SSC) has efficiency as one of the core purposes of the public service. We understand this. But we submit that the public service should not push for efficiency and moving people through the system to the detriment of the client receiving the appropriate support they need for their situation. Efficiency should be sought as long as effectiveness, impact and right-fit for that situation are also met for the client.

- d. In our *State of Our Communities 2018* report, we conducted community-based interviews in Kaitaia, Whangarei, Manurewa, New Plymouth, Hornby and Timaru.ⁱⁱⁱ When asked about the concerns they have for their local communities, the locals across these communities talked at length about social issues (e.g. methamphetamine, other drugs, gangs etc.), the lack of mental health services, a shortage of local youth programmes and services and also the challenges in accessing and connecting with the services that local and central government provide. Through our various social services, we become aware of how complicated and multi-layered the picture is for our clients as they engage with the public service. But when other non-public service organisations are considered, then it becomes clearer to see the real complexity for people as they navigate through life.

- e. The *Demonstrating the complexities of being poor – an empathy tool* report from the Auckland City Mission captures this complexity well, particularly for those in material poverty.^{iv} One of the main goals of this project was to *explore the lived realities of families living in poverty, their experiences and their interactions with agencies*. To help illustrate this complexity with the public service and other organisations, the Auckland City Mission included a case study about Charlotte and her whanau and their engagement with various bodies. The figure below depicts how significant and difficult these engagements can be for people and whanau like Charlotte's. The major number of government agencies (or the public service) people and whanau like Charlotte interact with is noteworthy.

Service Agency Landscape

Charlotte spends a lot of time and energy negotiating the service landscape in order to meet her needs. Telling her story of neediness over and over to agents is a particularly disempowering experience for her. Meeting particular requirements to get assistance and spending time and effort getting around to appointments conspire to keep Charlotte in a mindset that is focused on solving immediate crises rather than future planning.



- f. We support the five key principles and five main values affirmed in the SSC documents. We also support the process that happens when someone is in breach of these values. However, we are acutely aware that value systems do not always align for and amongst people and organisations. For example, we would be concerned that public servants with a faith or religious background are not discriminated unfairly in their employment in the public service if their personal values do not align with values and interpretation of these values in the public service.
- g. Finally, in this section, we submit there needs to be a greater focus on a client or consumer-centric approach for the public service. We advocated for this in our 2018 submission. Some possible aspects of this approach could include designing public services with clients themselves, and also working alongside NGOs that have real experience in engaging face-to-face with clients to develop services. At different times, The Salvation Army has used forms of a client-centred approach such as client surveys, research reports (e.g. *State of Our Communities*) and workshops to help inform both the way we run our services and the issues that shape our public advocacy. In the development of this Government's Homeless Action Plan by the Ministry of Housing and Urban Development in 2019, we welcomed the inclusion of

engaging with those with lived experience of homelessness or serious housing-related stress. This kind of community co-design of policy and services are the types of client or consumer-centric approaches that can help make this a truly *modern, agile and adaptive public service*. These kinds of approaches must be safe, meaningful and fairly remunerated for the members of the community (or the NGO) that supports this kind of client-centred policy or programme development. The Salvation Army has consistently called for the Government to both adequately fund, and for community organisation to also be acknowledged and remunerated for providing advice, client stories and community insights to public servants in the same way that contractors and consultants are.

7. Te Ao Tūmatanui—Strengthening the Māori Crown Relationship

- a. The Salvation Army is very supportive of these aspects of the Bill. The provision of continuing current requirements for the public sector to use employment processes to increase Maori involvement in the public service is very positive. We submit that strengthening this relationship can come from both changes in employment processes, as well as from including Maori-centred client or user information into how public services are designed and implemented similar to our discussion for client-centred approaches in the previous section.
- b. We are an organisation that is continuing through our own bicultural journey. Consequently, we are aware of the challenges of this journey, particularly the fundamental tangata whenua and tangata Tiriti relationship and interactions. Again, we endorse the sentiments of these reforms. However, as with all things, the impact of these reforms will be measured in the real life impacts from these changes.
- c. We submit that there are good lessons that the public sector can learn from NGOs, community groups and iwi groups about how to strengthen the relationship between Maori and the Crown. In the past, The Salvation Army has called for more joint projects between the NGO and public service that go beyond a normal contract for services. A possible area of joint interaction that could strengthen this relationship could be joint projects between the public service and Maori organisations on issues such as client experiences in the regions, or cultural competency upskilling for public servants. Another possible area could be secondments of key Maori staff from the NGO sector for specific time periods into public sector agencies, and also vice versa with public servants seconded to Maori organisations.

8. Employment and Workforce

- a. We are supportive of the amendments in this section. This area of reform is primarily an internal one for the public service.

- b. The Salvation Army advocated above for joint projects between the NGO and public service sectors. While we make these suggestions, we acknowledge that a critical issue to try and address before any joint ventures like this could be done is the pay inequity between the public service and NGOs. This is most evident when looking at social workers in NGOs and those in the public service. Social workers in Oranga Tamariki are paid 18-20% more than social workers in the NGO sector.^v This disparity led to two pay equity claims by social services providers in August 2019.
- c. The fundamental reason for this inequity is the inadequate funding by Government of the social services sector. The Social Services Providers Aotearoa report *The Social Services System: The Funding Gap and how to bridge it* found the government is underfunding social service providers delivering services that are essential to the wellbeing of New Zealand children, families, whānau and communities by an estimated \$630 million a year.^{vi} This pay inequity between NGO versus government social workers has resulted in reports from social service agencies that retaining staff is becoming more difficult because they are seeking or leaving for significantly higher paid jobs in the public service.^{vii} This in turn puts at risk the various services and programmes that these agencies run in and for the community. We support greater and impactful collaborations between the NGO or social services sector and the public service. In our view, this would help reform and modernise the public sector. But critical 'elephant-in-the-room' issues like the pay inequity between the two sectors must be addressed and remedied to develop a well-functioning civil society in our nation.

9. Leadership of the Public Service

- a. The Salvation Army understands the rationale around these specific reforms. Again, this is a very internally focussed set of reforms. Our sincere hope is that these changes do not lead to a top-heavy public service that the wider public has to deal with. For many of our clients, the public service can be hard to understand and navigate through. Strong leadership is important. But there is yet another agency being formed (Public Service Commission) with their own staff and hierarchy that the NGOs and the public have to try and understand in order to get the best outcomes for our clients. We recommend that these relatively highly paid CE's (the average salary package paid to public service chief executives in 2019 was \$478,000^{viii}) and senior leaders do some sort of work with a social service provider to understand the 'other side' of the work. This might be in a joint project, a leadership swap with an NGO senior leader, or even a formal secondment as discussed earlier. We submit this would help inform and strengthen the public service's leaders understanding about the issues directly relevant to what their staff are working with. Again, this would modernise and make the public service much more adaptable and agile.

10. Organisations of the Public Service

- a. We have already affirmed our view of joint NGO-public service projects that are meaningful, impactful and fairly remunerated in the sections above. Our only comment here is that we hope that the new interdepartmental executive boards and joint operational arrangement projects are not another layer of invisible bureaucracy. Connected to this is The Salvation Army's experience that often when these joint public service arrangements are formed, they regularly seek engagement, information, stories, clients and data from NGOs and social service agencies. This can be a positive development for the NGOs. But it can also be an extremely taxing and resource intensive exercise for NGOs, especially when these government departments are not paying NGOs for this consultancy or advice. For example, in one week in August 2019, the Social Policy and Parliamentary Unit of The Salvation Army was contacted at different times by four different parts or sections of a single Crown Agency. We were being contacted for interviews, access to clients and/or stories, and responses to various government discussion papers or positions. We contend that NGOs want to engage in these processes. But the Government does not fully comprehend the limited financial and staff resource NGOs have to contribute to this important public sector work.

11. The Public Service in the Regions

- a. The Salvation Army welcomes these changes in this section about the public service in the regions. We note that these reforms are not in the legislation but focussed more on culture and systems changes within the public service sector. There is a Cabinet mandate for this which is positive. Our contention is that the importance of public services and service delivery in the regions might be better enshrined in this Bill similar to the way the Maori-Crown relationship and employment provisions or sections have been codified. Although New Zealand is becoming increasingly urbanised, the flow and transience of many of those we work with means that the public service in the regions are critical to overall wellbeing for many people and whanau. As recently as January 2020, The Salvation Army has noted an increased flow of whanau from regions back into the Auckland region because of poverty, housing and other social issues.^{ix} Public service delivery is a major factor here. Therefore, amendments around integrating public services and supporting regional offices in the regions are vital so that whanau can get help in those areas, and also be supported if they are coming through the major urban centres.

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- i <https://ssc.govt.nz/our-work/reforms/more-information/?e5920=5923-factsheet-1-overview-of-the-proposals>, page 1.
- ii <https://www.salvationarmy.org.nz/church-community/resources>
- iii <https://www.salvationarmy.org.nz/article/state-our-communities-report-2018>
- iv <https://www.aucklandcitymission.org.nz/wp-content/uploads/2015/12/Demonstrating-the-Complexities-of-Being-Poor-An-Empathy-Tool.pdf>
- v <https://www.sspa.org.nz/information/310-social-workers-and-pay-equity>
- vi https://www.sspa.org.nz/images/Social_Service_System_-_The_Funding_Gap_and_How_to_Bridge_It_-_FULL_REPORT_FINAL.pdf
- vii <https://www.rnz.co.nz/news/national/394050/ngos-struggle-to-retain-social-workers-after-oranga-tamariki-pay-rise>
- viii <https://ssc.govt.nz/resources/pay-for-public-service-chief-executives-decreases/>
- ix <https://www.stuff.co.nz/business/118778437/benefits-now-worth-less-than-after-they-were-cut-by-mother-of-all-budgets-in-1991-salvation-army-says>