

Discussion Paper: Proposed New Approach to National Integrated Government Services

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A new approach to programs for families and children

Introduction

Anchor welcomes the opportunity to provide input to the Government's proposed new approach to integrated government services. As a provider of child, youth, family, and homelessness support in Victoria, we see daily the compounding effects of disadvantage and the significant benefits that occur when investment is directed early, services are connected, and partnerships are built on relational approaches.

Our submission draws on our extensive service delivery experience, our commitment to evidence-informed practice, and our established evaluation capacity which demonstrates measurable outcomes for children, young people, and families. We also draw on current research, highlighting that effective child and family service reform should also consider the needs of children and young people already intersecting with non-care services such as Specialist Homelessness Services (SHS) for whom early targeted intervention has the potential to be transformative and reduce demand for acute services later in life. We particularly endorse reforms that prioritise early investment, reduce fragmentation, streamline funding, and improve accountability for outcomes.

Priority Investment: Invest early to improve family well-being & break cycles of disadvantage.

Anchor endorses the Government's intent to prioritise early investment to improve family well-being, disrupt entrenched cycles of disadvantage, and reduce avoidable demand for acute statutory systems, including Child Protection.

The intersection between Specialist Homelessness Services (SHS) and families and children provides a critical leverage point. Families presenting to homelessness services are not merely in housing crisis—they are at a pivotal moment where targeted, child-focused intervention can prevent lifelong consequences. Ignoring the well-being of children within SHS settings is a missed opportunity with predictable and well documented downstream costs.

Anchor's Therapeutic Worker Pilot Program Evaluation demonstrates this clearly. Children and young people who accompany their families while accessing SHS record, on average, a **24% improvement** across domains including school belonging, academic performance, friendships and networks, self-care skills, resilience, goal setting, and self-esteem. These domains are not peripheral—they are well-established determinants of lifelong wellbeing, educational attainment, and social participation. They are precisely the areas where early intervention yields the highest return on investment.

The evidence is unequivocal: **50% of adults experiencing homelessness first became homeless as children.** If we acknowledge prevention as critical, this group must be recognised as a priority cohort for early intervention—yet they remain largely invisible in current homelessness and family policy settings.

We urge the Government to consider expanding the key areas of interest to include children accompanying families in Specialist Homelessness Services. Once a child enters the homelessness system, uninterrupted access to education, community connections, and supportive networks becomes the decisive factor between long-term stability and lifelong disadvantage. Policy and funding mechanisms must reflect this reality.

Early investment is not simply beneficial—it is essential. The cost of inaction is already well-documented, and it will continue to compound unless children in SHS are recognised and supported as a core prevention cohort.

Connected, Co-Located, and Integrated Services

We strongly support the proposed shift toward connected, co-located, and integrated services. Children, young people, and families rarely present with needs confined to a single program area. Integrated practice:

- Helps remove the barriers to accessing services (practical, logistical and psychological),
- Allows faster response and better crisis resolution,
- Improves wellbeing and professional development opportunities for staff as they no longer feel that they are the holder of all the risk and outcome for clients and can learn from others such as via secondary consults,
- Improves data and system level sharing/coordination,
- Improves outcomes, not just on the primary reason for accessing a service

Anchor's experience demonstrates that integrated models are especially effective where homelessness intersects with family stress, disability, and educational disengagement. We encourage the Government to embed expectations that are appropriately resourced, for cross-system collaboration into its new service commissioning and accountability frameworks.

Integrated service design should also include shared protocols with schools, mental health services, and local ACCO co-ops to ensure culturally safe, trauma-informed, and equity-focused service pathways for priority cohorts.

Relational Contracting

Anchor welcomes the Department's commitment to relational contracting and its explicit shift toward outcomes rather than activity-based compliance. This is a critical evolution in commissioning—particularly in human services, where rigid activity metrics often distort practice, constrain innovation, and fail to capture sustainable change for children and families.

We strongly endorse a model that embeds clear governance, genuine flexibility, and a shared outcomes framework. However, for relational contracting to function as intended, outcomes must be **co-designed, measurable, and appropriately resourced**, with data-sharing and performance monitoring that strengthen—not burden—frontline practice. We appreciate that every organisation will have their own theory of change and are curious how these individual practices/goals will be supported within this new approach.

We also encourage the Department to prioritise outcomes that reflect real progress for families, including stability, safety, connection, and long-term wellbeing. These dimensions cannot be captured through activity

counts alone and require contracting models that accommodate iteration, learning, and adaptive delivery.

Anchor welcomes the opportunity to participate in further design of the relational contracting model and to provide practical guidance on how outcomes-focused partnerships can be implemented effectively across the service system.

Benefits of a Single Funding Stream

We support the proposal for a single funding stream, recognising that the current fragmented landscape often creates administrative burden and restricts flexibility, innovation, and collaboration.

While Anchor acknowledges the organic tug-of-war between standardised funding models and the need for flexible, client-centred solutions, standardisation ultimately offers only a baseline level of service, and it can often fail to meet the needs of clients, especially those with complex, intersecting challenges (such as concurrent mental health challenges, substance use issues, and housing instability). To truly address this web of complex issues, services require dynamic adaptability and ground agility to offer a wide range of interventions within an appropriate time frame. A single funding stream would allow providers to respond to community needs rather than programmatic constraints.

Additionally, for smaller service providers, a commitment to long-term sustainable quality outcomes over caseload quantity presents a financial burden that volume-based funding models fail to address. Unlike larger providers, smaller organisations cannot afford to spread core overhead costs across a large number of clients. Often, the primary costs associated with sustainable quality interventions is highly skilled and expert practitioners that are required to support individuals with complex needs. This expertise is essential for achieving sustainable outcomes and provides clients with long-term, reliable, and consistent support that they require. Securing a stable, multi-year flexible funding base allows services adopting such an approach to ensure not only client stability, continuity and build trusting, long-lasting relationships for sustainable outcomes, but also provides for a strong non-service backbone in operational, research and systems costs.

Responding to Community Need: Beyond Locational Disadvantage

Anchor strongly supports the Government's recognition that funded agencies must be empowered to respond to *actual* community need rather than rely on locational disadvantage alone.

Current approaches underutilise one of the most sensitive and immediate indicators of emerging vulnerability: **Specialist Homelessness Services (SHS) data**. As the Specialist Homelessness Crisis Response Service for Melbourne's outer east, Anchor works with a significant volume of families each year. At any point, more than 100 children are residing in transitional housing with their parents yet receive no structured support. This cohort is at acute risk—disengaging from school, losing connection to peers and extended family, and cascading into deeper disadvantage.

Ignoring this data significantly weakens the State's understanding of real-time community distress. SHS providers are often the first services to detect early signs of family instability, well before statutory thresholds are reached. Their insights should not be treated as supplementary; they should be formally embedded into community needs assessments, planning frameworks, and investment logic.

We support government efforts to invest in early intervention and prevention, but encourage a move to focus beyond static geographic indicators and recognise the dynamic, frontline intelligence held within SHS. Without this shift, Victoria will continue to miss critical windows for prevention, leaving vulnerable children and families to fall through the cracks of an outdated assessment model.

Outcomes Framework

Anchor supports the Government's intention to strengthen outcomes measurement.

A volume-focused funding model creates an undesirable incentive for organisations to prioritise quantity over quality. This can lead to a "revolving door" of service provision. By shifting away from a case processing approach, we eliminate the tendency to priority-manage "immediate crises" rather than deep diving into individuals' complex, underlying issues contributing to every unique person's vulnerability. Beyond direct impact on clients, the volume-based funding model contributes to other systemic issues, including the risk of "cherry-picking" cases, where prioritising clients with simpler or "known" problems that can be de-escalated quickly may occur, leaving the most vulnerable individuals with multiple, complex needs without the intensive, long-term support they require.

Anchor understands that traditional funding models provide objective output metrics when demonstrating public value, as measuring long-term, sustainable outcomes are inherently more complex, costly, and time-consuming. To that end, services should be incentivised to be forward thinking by committing to a well-researched Outcomes & Impact Framework (refer to Anchor's Outcomes & Impact Framework) that, when combined with explicitly designed programs with clear Theory of Change and evaluation matrices, to deliver on longer-term sustainable outcomes, optimises client time with service delivery providers and enables the funnelling of these outcomes to pre-determined, measurable metrics.

We would welcome the opportunity to share our framework with the Department as a potential reference point for broader system-level design.

Conclusion

Anchor supports the Government's vision for a more integrated, flexible, and outcomes-driven service system. Our experience and program evaluations demonstrate the value of early investment, particularly for clients with complex needs. We offer our evaluation data, frameworks, and practical insights to assist in shaping reforms that will strengthen support for vulnerable children, young people, and families. We appreciate the Department's leadership in pursuing this innovative approach and look forward to future opportunities to collaborate.