

**WACOSS PRE-BUDGET SUBMISSION
FOR THE WA STATE BUDGET 2017-18**



wacoss
WA COUNCIL of
SOCIAL SERVICE

Ways to make a difference

THE FUTURE IN OUR HANDS

**SMARTER
SERVICES**

**STRONGER
FAMILIES**

**RESILIENT
COMMUNITIES**



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ABOUT WACOSS

The Western Australian Council of Social Service is the leading peak organisation for the community services sector, representing approximately three hundred member organisations and affiliates, and the many organisations across the state involved in the provision of services to the community.

The Council is part of a national network consisting of the Australian Council of Social Service (ACOSS) and state and territory Councils of Social Service.

Our national coverage strengthens our capacity to represent state interests.

We speak with, and for, the 515,000 West Australians who regularly access community services each year, whose voices and interests

need to be brought to the attention of government, decision makers, media, business and the wider community.

The Council also works to strengthen the capacity of individuals, communities and organisations in the not-for-profit community services sector by providing training, consultancy and sector development activities.



OUR VISION: AN INCLUSIVE, JUST AND EQUITABLE SOCIETY

FOREWORD

The Council plays an important and unique role in the Western Australian community as a strong voice for social justice and wellbeing within a rigorous social policy framework.

The Council's annual Pre-Budget Submission is presented as a call to action from the State Government each year in shaping strategic policy and investment priorities for the State Budget.

The Future In Our Hands, the Council's submission for the 2017-18 State Budget, highlights three themes that are critical to delivering improved outcomes for the most disadvantaged and vulnerable within our community: smarter services, stronger families and resilient communities.

During tight economic times, while government agencies and community services are rationalising their expenditure more tightly than ever, there is a risk of retreating to what is perceived as 'core business.' Such a retreat can both undermine important gains that have been made in recent years in driving more collaborative and coordinated efforts, as well as widen gaps in the service landscape, resulting in more people falling through the cracks and missing out. Instead, we need to be co-designing and investing in smarter services that are better targeting those most in need, that integrate across agencies and portfolios to provide holistic solutions for families and communities, that are more responsive to individual needs and provide tailored wrap-around support to improve resilience and deliver transformative outcomes. Many of our services already demonstrate these features, but we must continue to strive to close existing gaps and overcome systemic barriers to deliver life-long outcomes.

In this tightening environment, with a global economy that is sluggish and increasingly resource limited, it is by supporting and engaging those most excluded from our economy and society that we can give the greatest boost to our productivity in the longer term

to can create the right kind of growth that will deliver for us all the best of possible futures. Currently, WA continues to face reduced revenue due to declining commodity prices, a contracting domestic economy and a low GST share. The contraction of our domestic economy has led to declining demand for labour, reduced population growth, growing unemployment and underemployment and low wage growth, especially for lower-income earners.

The consequence of our mixed economic performance, and the policy and taxation settings of State and Federal Governments, has resulted in growing levels of inequality and poverty across our State. Inequality not only harms us economically, it ultimately harms the social wellbeing of our community. It must be a priority for successive governments over the coming decade to reverse this trend. We must prioritise investment in growing diversified employment opportunities, underpinned by well-designed and accessible social services, to support those most excluded from our economy and community.

By enabling smarter services, supporting families to become stronger and building more resilient communities, we can create a society in which we all have a share. We invite you to join us in raising the voice of the Council to bring these priorities and recommendations to action.



Steve Joske CSC
President



Irina Cattalini
CEO

STRATEGIC POLICY RECOMMENDATIONS

SMARTER SERVICES

- 01 Develop guidelines and resources for cross-agency and **cross-disciplinary co-design**
- 02 Build the **culture and capability** of the public and community sectors to develop and implement place-based integrated service models
- 03 Pilot a **place-based pooled-budgeting** model to commission integrated early years, youth and family services in three trial sites
- 04 Develop **shared reporting** and accountability mechanisms for integrated service outcomes
- 05 Develop a framework and practice guidelines for **service integration** through place-based trials with Regional Managers Forums and District Leadership Groups
- 06 Implement the WA **Open Data** policy to ensure all data on community service provision and outcomes is easily accessible
- 07 Extend the **Partnership Forum Outcomes Framework** from its application in earlier intervention family support to provide a guiding and reporting framework across all human services

STRONGER FAMILIES

- 08 Use **data linkage** on risk factors to explore the costs and benefits of the timing and intensity of family support interventions to reduce Aboriginal child removal rates
- 09 Develop and resource an external child protection oversight process and an **independent child advocacy** support service in consultation with all stakeholders
- 10 Take a whole-of-government approach to **family and domestic violence** including a Ministerial responsibility, a Cabinet sub-committee, a senior leaders group and an independent expert advisory committee
- 11 Introduce a **Family and Domestic Violence Protection Order Act** and provide the training and resources required to ensure its effective application
- 12 Introduce **family and domestic violence provisions** to the *Residential Tenancies Act* that quickly and fairly change lease agreements to keep families safe and reduce the risk of homelessness

RESILIENT COMMUNITIES

- 13 End **the indefinite detention of mentally impaired accused** by reforming *The Criminal Law (Mentally Impaired Accused) Act 1996*
- 14 Ensure **continuity of mental health services** is maintained for Western Australians who are not eligible for similar support under the NDIS
- 15 Develop a **community housing** policy and growth strategy that provides greater strategic direction to enable specialisation, innovation and investment
- 16 Gradually replace property based **stamp duties** with a broad-based progressive land tax over ten years, with exemptions, deferral and concessions for low income earners
- 17 Commission an independent cross-government inquiry into the targeting, adequacy and impact of **social concessions** by the Economic Regulation Authority
- 18 Consolidate **community legal service funding** into a single, transparent program which procures services under the DCSP policy

BUDGET PRIORITIES

CHILDREN, YOUNG PEOPLE & FAMILIES

01	Improve access to secondary support services for families at risk and invest in the state-wide roll-out of Family Support Networks to provide one secondary service hub in each child protection district by 2020	\$4m
02	Fund the Earlier Intervention and Intensive Family Support strategy to reduce Aboriginal child removal rates	\$18m
03	Build the capacity of Aboriginal community controlled services to deliver therapeutic healing, intensive family support and child protection services	\$30m
04	Trial an intensive transitional support model for young people leaving state care	\$2m

HOUSING & HOMELESSNESS

05	Ensure that 27% of the dwellings delivered as part of the State Affordable Housing Strategy's 2020 target are public and community housing	\$250m
06	Secure long-term funding certainty for homeless services to enable the development of integrated service models that improve long-term outcomes for homeless people	\$20m
07	Co-design a shared assessment framework and tenancy support system in partnership with the community housing and service sector	\$15m

SUSTAINABLE SERVICES STATE-WIDE

08	Invest in regional community sector networks to provide the backbone support to collective impact projects in early childhood development, family support and youth at risk	\$6m
09	Fund the coordination of Early Years Networks to improve early childhood outcomes, and to support regional integrated service trials in the Pilbara	\$1m
10	Create an accessible, self-sustaining and up-to-date online directory of social services in Western Australia	\$2m
11	Develop an Aboriginal workforce development strategy that provides incentives and support to increase Aboriginal employment in human services contracts	\$20m
12	Sustain existing service delivery levels of community services by ensuring the cost of Equal Remuneration Order wage obligations is met	\$30m

COMPLEX NEEDS & ENTRENCHED DISADVANTAGE

13	Invest in expanded outreach and wrap-around service support as part of a more integrated response to family and domestic violence	\$10m
14	Commit funding for the operation of an Aboriginal residential rehabilitation service in the Southwest	\$5m
15	Increase availability and effectiveness of therapeutic services in the justice system , including needs assessment, data sharing and through-care	\$10m
16	Commit funding to <i>Better Choices Better Lives</i> the 10 Year Mental Health, Alcohol and Other Drug Services Plan	\$25m

FINANCIAL RESILIENCE

17	Increase funding for metropolitan financial counselling services and co-design an integrated financial counselling model for regional areas	\$4m
18	Trial a more flexible model of financial assistance for those in hardship that enables the prioritisation of where hardship grants are spent	\$2m
19	Fund Energy Consumers Australia to provide consumer representation and research in WA energy markets in transition to national market membership	\$1m
20	Introduce a 15% consumption tax on net wagering revenue of betting companies offering services in Western Australia and use proceeds to support financial counselling and addiction service for those harmed by online gambling	+\$10m

STRATEGIC POLICY RECOMMENDATIONS

The Council presents the following strategic opportunities, policy recommendations and reform directions that will deliver effective and empowering services and support in partnership for our community. This section discusses how we can best respond together to our current economic and political context to deliver the best outcomes for our community, particularly our most vulnerable.

These recommendations then provide the context for our budget priorities in the second half of this submission. This section describes how the redirection of resources can address priority areas of unmet need and achieve meaningful on-the-ground outcomes pivotal in securing wider changes to our service system to create better long-term outcomes.

SMARTER SERVICES, STRONGER FAMILIES, RESILIENT COMMUNITIES

The three themes of this submission capture the key strategic directions we believe are critical to delivering improved outcomes for the most disadvantaged and vulnerable within our community, particularly during tight economic times. We need smarter services to make a lasting difference – services that are better targeting those most in need, that integrate across agencies and portfolios to provide holistic solutions, and services that are more responsive to individual

needs and provide tailored wrap-around support to deliver transformative outcomes. Many of our services are already quite smart in some of these ways, but we are striving to bring it all together to close existing gaps and overcome systemic barriers to deliver life-long outcomes.

These services need to take a strengths-based approach to build on the capacity and aspirations of individuals and families to deliver meaningful outcomes. Families experiencing complex need and entrenched disadvantage are already strong in important ways, but we need to get behind them to make them stronger – especially in the face of inter-generational trauma. We need to recognise the critical role that stronger families can play as the primary source of support and care for those facing significant life challenges. Where families are dysfunctional and children at risk of harm or neglect, we need to put their needs first and focus on creating opportunities for them to thrive and achieve the best possible life

outcomes.

Community plays a critical role in assisting individuals and families to respond to and overcome life's challenges. Community and culture are key sources of strength and resilience for Aboriginal families seeking to overcome a history of exclusion and disadvantage. Our community has become more unequal in recent years, with increasing numbers left behind during the boom years, struggling to keep up with the cost of living and at increasing risk of financial hardship. We need to rethink how we prioritise

the policies and supports that provide the social safety net that we all rely on one way or another on our journey through life – to support and enhance the resilience of our most vulnerable. It is during times of constricted economic growth, both locally and internationally, that we need to reflect on how to use our the limited resources available to support and engage those most excluded from our economy and society, in order to create the best possible future.

SMARTER SERVICES

Service integration and place-based collective impact approaches are the focus of the current phase of reforms, embodied in the Regional Human Service Reforms (RHSR),¹ the Aboriginal Youth Service Investment Reforms (AYSIR)² and the Connecting Communities for Kids pilot in the Cockburn Kwinana region (CCK).³ All of these reforms are focused in areas where there is complex need and entrenched disadvantage, where comparatively small cohorts are accessing multiple services and supports but are still achieving poor outcomes. The assumption is that more integrated wrap-around services are needed to address the underlying causes of dysfunction and deliver transformative life outcomes.

Effective outcomes for those with complex needs, entrenched disadvantage and a history of trauma will not be achieved within one department or portfolio alone, but require an integrated approach across our service system. Place-based collective impact models, cross-agency co-design processes and joint commissioning strategies can be challenging, time consuming and resource intensive, but are essential to achieve improved outcomes. We should not simply be pursuing

service integration or reform for its own sake, but actively targeting our efforts to where they will make the greatest difference for our most marginalised citizens. We need to be measuring the impact of these interventions so we can determine whether our efforts are proving cost-effective and demonstrating measurable longer term savings across our service system.

The Partnership Forum identified service integration and the development of a co-design toolkit as one of its strategic priorities for 2016. A number of agencies actively committed to using co-design processes as existing service contracts expire and are re-tendered. However, in the absence of clear principles and guidelines these processes have varied greatly in their scope and impact. For our combined efforts to prove effective in developing better integrated, more responsive and *smarter services* we need to develop and agree upon a shared set of co-design principles and practices under the DCSP that build upon the best the world has to offer.

To this end WACOSS actively engaged with the Department of the Premier and Cabinet, Department of Finance and the WA Peaks Forum

¹ Regional Services Reform Unit (2016) regionalservicesreform.wa.gov.au

² Department of the Premier and Cabinet (2015) *Aboriginal Youth Services Investment Reforms*

³ Connecting Community for Kids (2015) connectingcommunity.com.au

to jointly develop shared principles, guidelines and checklists for undertaking co-design. We have reviewed international literature of co-design and co-production and produced a discussion paper that will be the subject of a Partnership Forum workshop to agree a definition and common set of principles. Case studies undertaken by WACOSS, WAAMH, LinkWest, YACWA and NDS will inform the development of a co-design toolkit. While this work will deliver guidelines that enable WA departments to clearly set out the scope, timeline and steps for collaboratively re-designing services, more work is required to extend these tools to support cross-agency and cross-portfolio collaborative design processes needed to deliver of the RHSR, AYSIR and CCK reforms. There is significant additional complexity in the planning, management and governance of cross-government co-design processes that needs to be worked through by both public and community sectors.

01

Develop guidelines and resources for cross-agency and cross-disciplinary co-design

The areas where there is the greatest potential for a collaborative approach to service integration to deliver significant outcomes are the regional, youth and early year's reforms pursuing place-based collective impact models. While there is strong high-level commitment to these reform processes, and significant work has been underway to identify reform opportunities and to engage regional human service managers' forums and local community service providers – we have yet to see any significant progress in the joint commissioning of cross-disciplinary integrated service models.

Building on our experience to date and learning from the approaches trialled under the Connecting Communities for Kids pilot, there are arguably three things that need to happen to enable the joint commissioning of place-based integrated services. Firstly we need to build the capability of both public and community sectors so that contract managers and service coordinators have the capacity to deliver integrated services. This requires both the development of processes and procedures as well as a change of culture and practice in both sectors. Regional human service managers need clear direction and support from their departments that empowers them to make decisions if they are to effectively engage in these collaborative processes.

Secondly, we need to ensure there is a mechanism to allow the combining of resources across existing programs and departments to commission integrated services. The shift from accountability for individual program budgets with specified deliverables to a wider accountability for achieving strategic outcomes has been a critical component of the mechanism of government reforms in New Zealand. Within Government agencies this has enabled greater budgetary flexibility linked to increased accountability for achieving population and cohort outcomes and targets. There is clearly a role for Treasury in supporting and enabling a pooled budgeting and contracting model that supports place-based service integration, with clear reporting and due diligence.

Thirdly, we need a clear model of decision making and accountability for the joint commissioning process. This requires agreement of a shared outcomes framework against which services are commissioned, report and are measured and hence a shared reporting and accountability process. While there have been attempts in the past to achieve similar outcomes by identifying one particular government department as the

'lead agency' who then have responsibility for oversight through their existing accountability processes, this is unlikely to produce truly shared governance and the cross-disciplinary aspects of service integration tend to be subsumed. A more effective approach is to develop shared reporting and accountability frameworks where all agencies are responsible for reporting to Parliament for the delivery of shared outcomes against local and regional plans and targets.

02

Build the **culture and capability** of the public and community sectors to develop and implement place-based integrated service models

03

Pilot a **place-based pooled-budgeting** model to commission integrated early years, youth and family services in three trial sites

04

Develop **shared reporting and accountability mechanisms** for integrated service outcomes

A series of place-based collective impact trials should be undertaken as part of the regional reform agenda, with the joint commissioning of youth services in the Midwest region and Mirrabooka local area; early childhood education and care services in the Pilbara region and Cockburn/Kwinana local area; and intensive family support services in the West and East Kimberley regions. Oversight and support of these trials by the Regional Services Reform Unit (RSRU) and the Partnership Forum should enable the development and implementation of case studies that acknowledge the unique challenges of each locality that would then inform the creation of guidelines and resources to support joint commissioning processes.

05

Develop a framework and practice guidelines for **service integration** through place-based trials with Regional Managers Forums and District Leadership Groups

It is critical that these processes to co-design and jointly commission place-based integrated services have as their starting point a shared understanding of the problem being tackled, the cohort services are being designed for (and with), the extent and relative effectiveness of existing services, and the population outcomes being sought. This is where WA's commitment to and investment in its Open Data policy is critical to delivering impact, by ensuring access to relevant data and cross-agency data linkage to support *data-driven* co-design and commissioning.

There is significant national and international interest in the opportunities afforded by 'big data' and 'open data' to develop more effective and efficient community services. Better data sharing, data quality and analysis may provide opportunities to drive the design of more integrated and effective community services to deliver better long-term outcomes for vulnerable and at-risk groups within our community. Better data linkage together with more effective outcome frameworks can play a crucial role in driving more effective and better targeted community services – to deliver better life outcomes for vulnerable and disadvantaged people within our community and to reduce the growing cost of crisis and tertiary services.⁴

Data linkage can enable the public and community sectors in WA to better measure outcomes, demonstrate return on investment and understand risk factors to better target at-risk cohorts to enable earlier intervention strategies. There is significant public sector data on community need and service outcomes that include data generated as a result of the reporting requirements of contracted social services. As a result, WA has significant opportunity and potential to develop data linkage capacities that could provide transformative outcomes for the community. We are concerned however, that WA currently lacks shared capability and capacity across our public, research and community sectors to undertake the strategic analysis required to deliver on this potential. A collaborative approach that includes independent capacity within the community sector is needed to prove truly effective.

The joint Councils of Social Service Network recommendations on data availability and use include:

- *developing a centralised mechanism for data integration and dissemination to inform policy and program development and collaboration*
- *clear and consistent measurement of service outcomes, underpinned by a capacity-building strategy to enable the community services sector to engage in data sharing and analysis*
- *increased availability of local area data and improved collection of demographic information for disaggregation*
- *increasing consumer access to their own data, to empower them to make informed choices about services and care, with informed consent on data sharing*
- *investigating the benefits and risks of a shared consumer record*
- *investing in IT platforms that encourage information sharing between community agencies, and in building the capacity and expertise of the community sector in information sharing⁵*

06

Implement the WA Open Data policy to ensure all data on community service provision and outcomes is easily accessible

⁴ WACOSS (2016) Submission to the *Review of Data Linkage in Western Australia*

⁵ Joint COSS Network Submission (2016) *Inquiry into Data Availability and Use*, Productivity Commission, p 4

In the absence of common outcome frameworks within and across government agencies, much of this service and program level data is fragmented and incommensurate, as many community service providers implement their own data systems and use evaluation frameworks designed specifically for their service. Recent work in the early years has demonstrated the value of having a common framework for assessing developmental vulnerability, providing a foundation for implementing collective impact approaches and enabling a better understanding of the lifelong return on investment in early childhood education and care.⁶

Western Australia has some of the highest rates in the world of Aboriginal children being taken into care. The rate at which these numbers continue to increase is of significant concern. DCPFS is currently reforming its out of home care system, and has developed an *Earlier Intervention and Family Support Strategy*⁷ to support families at imminent risk of having a child taken into care. The Partnership Forum is developing an initial outcomes framework for this work. The Council has proposed that *Cultural Wellbeing* should be the overarching foundation for the framework and *Engagement & Governance* should be the underpinning foundation, as seen in the diagram below. We would like to see outcome measures developed for each of these outcome areas, including indicators of consumer direction, and Aboriginal community control. These could potentially include indicators of participation, capacity and service volume.

A community wellbeing framework that was recently developed by the Yawuru peoples of the Western Kimberley with the Bankwest Curtin Economics Centre⁸ provides a good template for community engagement in the development of measures of wellbeing, with a number of its

measures directly relevant to the Partnership Forum's Outcomes Framework.

The Council believes that the emerging structure of the Partnership Forum's Outcomes Framework, with its focus on the domains of cultural, social, family and community wellbeing; economic security; engagement; and governance is relevant and applicable across other areas of service integration and reform (including youth services and early childhood development and care). This framework needs to be further developed and adequately resourced to ensure it is effective, key data sources need to be identified and interlinked, and the lessons learned from the process documented so that it can be applied to and developed in other areas.

07

Extend the Partnership Forum Earlier Intervention Outcomes Framework from its application in family support to provide a guiding and reporting framework across all human services



⁶ Brotherhood of St Laurence (2015) *Breaking the Cycle of Disadvantage: Submission to the Education State Early Childhood Consultation*

⁷ Noting that in this case 'earlier' intervention refers to families at imminent risk of child removal and is in fact later than what we would usually consider 'early' intervention.

⁸ Bankwest Curtin Economics Centre (2016) *Community Wellbeing from the Ground Up: A Yawuru Example*. BCEC Research Report no. 3/16. Partners include the Centre for Aboriginal Economic Policy Research (ANU), Kimberley Institute, Yawuru, and Nagula Jarndu.

STRONGER FAMILIES

Stronger families can play a critical role as the primary source of support and care for those facing significant life challenges. A wrap-around and strengths-based approach to building the capacity and aspirations of families experiencing complex need and entrenched disadvantage can deliver transformational long-term outcomes for those most at risk.

There is currently a strong interest in “social investment” approaches at both Federal and State levels, based on the New Zealand model.⁹ Discussion of the complementarity between this model and the collaborative approach to service integration under the DCSP in WA was a key topic of discussion at the 2016 WACOSS Conference.¹⁰ The Commonwealth committed \$96m in the 2016 Federal Budget to a *Try, Test and Learn Fund*,¹¹ which supports data linkage pilot projects for priority at-risk groups. More recently, the Minister for Social Services announced an *Australian Priority Investment Approach to Welfare*¹² based on actuarial modelling of the projected lifetime welfare costs of key at-risk groups (including young carers, young parents and young students).

The community sector has some concerns about the manner in which the Federal government is looking to apply this analysis within a narrow and punitive approach to reducing welfare costs.¹³ Nevertheless these initiatives provide an opportunity for the public and community sectors in WA to demonstrate how a targeted early intervention model can produce better life outcomes for some of our most disadvantaged and vulnerable citizens.

The initiative by DCPFS to develop earlier intervention strategies, when taken together with

a commitment to building the role of Aboriginal community controlled services in providing intensive family support and out of home care services, provides an important first step in reducing rates of children in care. More needs to be done however, to improve the targeting of intensive family support to enable services to intervene sooner and more effectively.

The key challenge is determining *how* early to intervene with *which* families to be most effective. On the one hand, there is the risk that if we are not intervening early enough there may be little services can do at that point to improve child safety and prevent removal. The later we intervene the more challenging and costly the support required may be. On the other hand, preventative service models can struggle to identify those most in need, delivering services based on limited resources to families who may be at less risk of child removal, while missing those most in need.

Data linkage and outcomes measurement are critical to enabling us to effectively target services and demonstrate the long-term savings to the State Budget of transformative wrap-around interventions. There is an emerging opportunity to link multi-agency state and federal data to enable a better understanding of risk factors and support a more targeted early intervention approach. To this end we recommend development of a pilot project that combines data linkage and the Earlier Intervention Outcomes Framework to develop intensive family support models delivered by Aboriginal community controlled services.

⁹ Treasury NZ, Kaitohutohu Kaupapa Rawa (2016) *Social Investment Program*

¹⁰ See 2016 WACOSS Conference “The Way Ahead – Leave No-one Behind”.

¹¹ Department of Social Services (2016) *Try, Test and Learn Fund*

¹² Department of Social Services (2016) *Australian Priority Investment Approach to Welfare*

¹³ See for instance: Cassandra Goldie (2016) ‘Unemployed people need money to live on. That’s a fact My Porter. Not hard to imagine’ *Guardian Australia*

08

Use data linkage on risk factors to explore the timing and intensity of family support interventions to reduce Aboriginal child removal rates.

CHILD PROTECTION ADVOCACY & COMPLAINTS

Children in out of home care have inevitably been the victims of significant abuse and or neglect. Placement in care often results in shared living with other traumatised children. The love, care and support provided by care givers is fundamental to how those children manage their transition into care, adapt and prepare for their future. It is important to acknowledge the dedication of those who become foster parents, care givers and staff in group homes and other care settings, including Aboriginal family carers and grand carers, and efforts across Aboriginal communities to connect children with culture, tradition, lore and language.

All children deserve to be safe, treated with dignity and respect and be nurtured and grow to their full potential. Unfortunately some children also experience abuse and neglect while in care in Western Australia. Urgent action is required to protect these children. There are two key elements that need to be addressed: the mechanism for systemic oversight of standards and monitoring within the out of home care system; and the process for supporting vulnerable

children to come forward with complaints about abuse and neglect. It is fair to say there is still debate across jurisdictions about the best way to tackle these two problems, but there is strong agreement on the need to do so and on the key principles that need to underlie any effective approach.¹⁴

The circumstances of children in care in WA are not unique. The Victorian Auditor General found evidence of a failure to ensure the safety of children in care, identifying the need for independent advocacy for individual children, saying: "the children in residential care often do not have families who can take on this role. They need someone who can listen to their concerns about what is happening to them and advocate on their behalf."¹⁵ The *Royal Commission into the Abuse of Young People in Detention* has included children in out of home care, asking: "What improvements could be made to the child protection system of the Northern Territory, including the identification of early intervention options and pathways for children at risk?"¹⁶ Victoria and New South Wales have both commissioned inquiries into Aboriginal children in out of home care. The *Royal Commission into Institutional Responses to Child Sexual Abuse*¹⁷ also identified that abuse in care is an ongoing problem and the 2015 Senate *Inquiry into Out of Home Care* recommended COAG implement nationally consistent independent complaint and review mechanisms for children in care.¹⁸

The Department for Child Protection and Family Services has an internal, tiered complaint process that includes an internal Advocate for Children in Care and a Complaint Management Unit.

¹⁴ For instance the Everybody's Business report recommends both a reportable conduct scheme for children in care and an advocacy and support service for children who have been abused or neglected (not necessarily in the formal care system). See *Everybody's Business: Joint Standing Committee on the Commissioner for Children and Young People*, Report no. 7, Parliament of Western Australia. June 2016

¹⁵ *Residential Care Services for Children*, Victorian Auditor General's Report, March 2014. Page vii.

¹⁶ Royal Commission into the Detention of Children in the Northern Territory (2016) 'Terms of Reference' <https://childdetentionnt.royalcommission.gov.au/About/Documents/RCDCNT-Terms-of-Reference.pdf>

¹⁷ Royal Commission into Institutional Responses to Child Sexual Abuse (2014) *Interim Report: Volume 1, Royal Commission into Institutional Responses to Child Sexual Abuse*, Commonwealth of Australia

¹⁸ Senate Community Affairs References Committee (2015) *Inquiry into Out of Home Care*, Recommendation 6, 10.24 p xvii

Children in care can also directly approach the Office of the Western Australian Ombudsman at any time during their engagement with the DCPFS complaints process. This year the Ombudsman commenced a major new visiting program to vulnerable groups of children and young people in the child protection system and invested in improving the accessibility of their complaints website.

The Commissioner for Children and Young People in WA is empowered by legislation to “*monitor the trends in complaints made by children and young people to government agencies*”¹⁹ and to initiate systemic inquiries, but is specifically precluded from investigating or dealing with individual complaints from children.²⁰ The Commissioner has released a report, in partnership with DCPFS and CREATE Foundation, based on consultations with young people in care about what works, what doesn’t work, and their ideas on what could be done to make the system for raising concerns and complaints better.²¹

Despite these important efforts, we know that existing processes are intimidating for children, particularly those with a background of trauma and little trust of authority. CREATE Foundation’s *2013 Report Card* identified that, of children in care who indicated they wanted to make a complaint, 28.7 percent subsequently decided against doing so because of concerns about possible negative outcomes, 10 percent were advised not to by another person, and 9.7 percent were worried the effect the complaint might have on others.²² CREATE recommends that:

“A well-functioning child protection system is underpinned by an independent, child and young person friendly, transparent, accessible, and responsive complaints mechanism...”²³

The Council recommends developing an appropriately resourced independent child advocacy and support service. While the WA Ombudsman now has responsibility for hearing individual complaints, many children may be unwilling to engage with the formal complaints system without the significant support of someone they trust. Consequently an independent community-based support service for children experiencing abuse or neglect, working in close partnership with existing child protection complaints processes and the statutory authority responsible for external oversight of the out of home care system is recommended.

09

Develop and resource an external child protection oversight process and an independent child advocacy support service in consultation with all stakeholders

SAFE SYSTEMS

In the last three years there have been 46 domestic homicides in WA. Many of these killings involved ongoing violence from a partner or ex-partner that was known to authorities, predictable and preventable. We all have a role to play in making our systems safer and reducing the high levels of violence against women and children within our community. The Council supports the #SafeSystemsWA campaign to use a collaborative and coordinated approach to prevent violence

¹⁹ Commissioner for Children and Young People Act 2006 Sect 19

²⁰ Commissioner for Children and Young People WA (2016) *Speaking Out About Raising Concerns in Care*

²¹ Commissioner for Children and Young People Act 2006 Sect 23

²² JJ McDowall (2013) *Experiencing Out-of-Home Care in Australia: The views of children and young people* (CREATE Report Card 2013), CREATE Foundation. Note the report does not include the views of children in WA

²³ CREATE Foundation (2015) *Complaints Mechanisms in Out-of-Home Care*

and ensure our justice system is safe, supportive and responsive to those most in need.

The Safe Systems campaign recommends designation of a Minister responsible for the prevention of violence against women, and establishment of a Cabinet committee, an independent advisory group and a senior officers group within the public service. The campaign also recommends that WA should introduce a *Family and Domestic Violence Protection Order Act* in line with the recommendations of the Law Reform Commission of WA and best practice in other jurisdictions²⁴ and that the WA Family and Domestic Violence Strategy should also be revised to better align with the National Plan.

Family violence is one of the leading causes of homelessness, and the WA Government should amend the *Residential Tenancies Act* in line with other jurisdictions, as outlined in the recommendations made by Tenancy WA.²⁵ These include an exclusion clause for persons protected or bound by a violence restraining order, enabling them to alter or terminate their interest in the tenancy. Also proposed are changes to enable the court to change who tenancies pertain to depending on circumstance, procedural protections for domestic violence related applications, and streamlined processes for changing locks.

A report from the WA Ombudsman examined 30 family and domestic violence fatalities over an 18 month period.²⁶ The investigation identified nine key principles that suggest a need for more flexible and responsive avenues for victims of domestic violence to access assistance. It found that victims' decisions about how they will resist violence and protect themselves may not always align with the expectations of state government and authorities, and yet when positive and consistent responses from departments and authorities occur, they can prevent and reduce further violence. The report puts forward 54 recommendations which recognise collaboration between government agencies as critical and

central to addressing family and domestic violence. To this end, collaborative approaches to reducing family violence should be made a priority for the Partnership Forum in 2017 and beyond.

10

Take a whole-of-government approach to **family and domestic violence** including a Ministerial responsibility, a Cabinet sub-committee, a senior leaders group and an independent expert advisory committee

11

Introduce a **Family and Domestic Violence Protection Order Act** and provide the training and resources required to ensure its effective application

12

Introduce **family and domestic violence provisions** to the *Residential Tenancies Act* that quickly and fairly change lease agreements to keep families safe and reduce the risk of homelessness

²⁴ Law Reform Commission of Western Australia (2014) *Enhancing Family and Domestic Violence Laws*

²⁵ Tenancy WA (2014) *Submission to Law Reform Commission of WA Inquiry into Enhancing Family and Domestic Violence Laws*

²⁶ Ombudsman Western Australia (2015) *Report on Investigation into issues associated with violence restraining orders and their relationship with family and domestic violence fatalities*

RESILIENT COMMUNITIES

Community can play a critical role in assisting individuals and families to overcome life's challenges, providing a source of strength and resilience. Growing inequality and further marginalisation and stigmatisation of disadvantaged groups in our community threatens our core Australian values of egalitarianism and 'a fair go', undermining our future harmony, prosperity and collective well-being. Reprioritising our social support systems can help us be better prepared for a rapidly changing world, with a more flexible and better educated workforce able to make the most of emerging opportunities in the technological service economy of the Twenty-first Century.

MENTAL HEALTH AND COMMUNITY WELL-BEING

The last decade has seen a dramatic shift in community awareness and understanding of the circumstances of people living with mental health issues in our community, and a fundamental shift in attitudes to treatment and care. There has been a significant move towards community-based services and recovery models, together with a focus on prevention and early intervention strategies. The stigma once associated with mental health problems has experienced a dramatic inter-generational shift, and our planning for future services and support systems could transform the lives of many of our most vulnerable.

Our legal system in Western Australia now needs to catch up with changing community attitudes and international human rights commitments, in line with other jurisdictions. The *Criminal Law (Mentally Impaired Accused) Act 1996* (the CLMIA Act) enables the legal administration, care and

disposition of people with a mental impairment in Western Australia who have been found either mentally unfit to stand trial or not guilty due to unsound mind.²⁷ There is significant community concern about the indefinite detention of people found to be mentally unfit, with many cases of individuals being incarcerated or having their liberty deprived for periods far in excess of the maximum sentence of the offence of which they are accused. The United Nations recently upheld Marlon Noble's case to be a significant abuse of his human rights, considering it a violation of article 15 of the Convention on the Rights of Persons with Disabilities and concluding the WA Government had an obligation to change the Act.

In its current form, the CLMIA Act undermines the progressive mental health and disability reforms implemented by the Western Australian Government and community services sector. A commitment was made to reform the Act at the last election, which now seems highly unlikely to be before and progress through the Parliament prior to the 2017 Election. A reformed Act needs to ensure sufficient support and appropriate legal counselling to minimise the need to be found unfit, and provide a declared place for those with a mental illness who are detained under the Act. It is crucial that support is provided to all mental impaired accused to facilitate release and to ensure that when released that support is sufficient to ensure public safety while their lives are not unnecessarily restricted. The capacity of the Mental Health Advocacy Service needs to be increased so it can cover mental impaired accused in prison, who also need to be able to access appropriate mental health and disability support services. Existing interventions such as Disability Justice Coordinators and Disability Justice Clinicians need to be safeguarded to ensure they

²⁷ Under the CLMIA Act, 'mental impairment' means intellectual disability, mental illness, brain damage or senility. *Criminal Law (Mentally Impaired Accused) Act 1996*, Section 8 http://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtitle_228_homepage.html

13

End the indefinite detention of mentally impaired accused by reforming *The Criminal Law (Mentally Impaired Accused) Act 1996*

continue post the transition to the NDIS.

The introduction of the National Disability Insurance Scheme (NDIS) and within it the inclusion of people with severe and persistent psychosocial disability has been welcomed by the community. NDIS is allowing a level of individualised funding to be made available to eligible people with mental illness who previously have not been directly funded in this way, enabling them to direct and secure their own supports with a greater level of certainty and control.

Some existing mental health programs are transitioning into the NDIS, such as the Personal Helpers and Mentors service. The Council is concerned about the potential impact on people with mental illness, their families and carers in WA as it is highly likely there will be significant numbers of people currently receiving mental health services who will not be eligible under the new scheme. While people currently eligible for State funded transitioning services who are not eligible for NDIS, can retain those services in WA, it is unclear how long this will remain the case. Other jurisdictions (such as South Australia) have transitioned most of their existing mental health service funding across to NDIS causing significant community concern about those who may no longer receive support, such as those living with episodic conditions.

14

Ensure continuity of mental health services is maintained for Western Australians who are not eligible for support under the NDIS

A COMMUNITY HOUSING GROWTH STRATEGY

Community housing serves a crucial role across the state in the provision of stable housing and support for those transitioning out of homelessness as part of the social housing mix. In particular, it contributes to social development through the community's engagement in and with not-for-profit housing associations, provides flexible options that meet a diversity of needs, encourages innovation, and designs and secures joint ventures between public and private investors.²⁸

The community housing sector needs greater clarity to enable it to plan, invest, partner and innovate. In order for this role to be undertaken effectively and in line with the Government's housing and homelessness aspirations, it is essential that a clear community housing and growth strategy is developed. A shared direction and longer term strategic priorities need to be developed in partnership with the community housing sector to drive planning and investment decisions.

Such a strategy should be developed with the clear intention of increasing the capacity of Aboriginal community controlled organisations. The Victorian Government is gradually transferring 1448 properties from the Director of Housing to Aboriginal Housing Victoria, an Indigenous

²⁸Tony Eardley & Saul Flaxman (2012) 'The role of community housing organisations in meeting the housing and support needs of people who are homeless' *Australian Housing and Urban Research Institute*, Positioning Paper No. 147, p 26

community housing provider, in order to advance self-determination for Aboriginal people.²⁹ Stock transfers could become a key component of the Southwest Native Title Settlement, with capacity building support provided to develop effective Noongar community housing services in partnership with established community housing providers.

15

Develop a **community housing policy and growth strategy that provides greater strategic direction to enable specialisation, innovation and investment**

STAMP DUTY AND LAND TAX

Reforming land tax and removing stamp duty from the State's tax mix, would both improve the efficiency of the tax system and increase the revenue raising capacity of the tax base.³⁰

Stamp duty is a highly inefficient tax, which distorts behaviour and decision-making by discouraging the sale of property.³¹ A broad-based land tax, on the other hand, is one of the most efficient taxes. Unlike capital and labour, land is immobile and taxes on it do not affect supply or distort decision-making.³² A broad-based land tax model would provide a consistent and highly predictable source of revenue, unlike stamp duty returns which are both unpredictable and highly influenced by economic cycles.

To benefit from land taxes efficiencies, however, the WA land tax regime needs to be broadened to include owner-occupied housing. The exemption for owner-occupied housing is profoundly regressive, benefiting those in the top income quintile by almost \$2000, and those in the lowest income quintile by only \$400.³³ Even without a progressive rate scale, removing this exemption would disproportionately affect the top income quintile,³⁴ which would be a positive social and economic outcome.

The progressive rate scales should be based on the value of each property, rather than on aggregate holdings. By removing aggregation from WA's current land tax system, these reforms would enable an increase in rental affordability by creating the right conditions for institutional investment in private rental housing. Institutional investment introduces economies of scale, which would contribute to a reduction in rents.

A reformed land tax system would need to be sophisticated enough to include concessions, deferrals and exemptions for low income groups, such as pension and other income support recipients who are 'asset rich and income poor'.

16

Gradually **replace property-based stamp duties with a broad-based progressive land tax over ten years, with exemptions, deferrals and concessions for low income earners**

²⁹ Martin Foley MP (2016) Media Release: *Landmark Moment for Indigenous Housing*

³⁰ Australia's Future Tax System Review Panel (2010) *Australia's Future Tax System*, Final Report, Chapter C: Land And Resources Taxes, C2. Land Tax And Conveyance Stamp Duty. C2-4 Directions For Reform

³¹ Ibid.

³² Ibid.

³³ John Daley and Brendan Coats (2015) *Property Taxes*, Grattan Institute, p 16

³⁴ Ibid. p 25

SOCIAL CONCESSIONS

Western Australian needs a system of concessions that ensures those on low and fixed incomes or facing specific disadvantages are adequately compensated to enable their economic and social participation. We currently have a wide range of concessions which are poorly targeted and lack clearly defined outcomes. At the same time, the adequacy of these concessions for our most vulnerable has continued to erode, as living costs have risen faster than incomes for those in the lower quintiles.

Western Australia spent an estimated \$2.76 billion on social concessions in 2015-16 and is projected to spend over \$2.69 billion in 2016-17.³⁵

More than half of our concessions are provided to seniors, with many delivered through the WA Seniors Card with no means testing. With the proportion of people aged over 65 projected to rise from 15% to nearly 20% by 2034/35,³⁶ and increasing risks of financial hardship among aged pensioners, there is a strong social and economic case for a principled approach to concessions reform. A principle-based approach would see only those concessions that deal with participation, and inclusion extended to all, with those seeking to address financial disadvantage only directed toward those most in need.

The management of concessions across government remains “highly dispersed and imposes high costs on government” in a way that “undermines financial transparency and sustainability.”³⁷ Senior’s concessions continue to provide inadequate support to pensioners facing

financial hardship while significant resources continue to be directed to many who are not in need.³⁸

The Council believes that there remains a significant opportunity to deliver a win-win outcome through an independent whole-of-government review of social concessions, with a smaller number of simpler, clearer and better targeted concessions reducing administrative costs to government. The immediate savings from better targeting can be used to improve adequacy for those at risk of financial hardship, and the longer term gains of tighter eligibility accrue to government in the form of reduced forward expenditure.

We recommend that the Economic Regulation Authority be directed to conduct an independent public inquiry into state social concessions and report on options for reform.³⁹ The terms of reference should direct it to consider the extent to which our concessions system provides adequate and equitable support across our community. It should evaluate the extent to which concessions have clear and appropriate objectives; review their design against best practice principles of adequacy, equity, adaptability and transparency; review their implementation against best practice principles of accessibility, cost effective delivery, accountability and review; and compare against best practice in other jurisdictions.⁴⁰

³⁵ *WA Budget 2016-17*, BP3 p 260. The total estimate of \$2.6 billion in State public sector social concession in 2015-16 includes \$1.7 billion in operating subsidies for electricity, water and public transport services.

³⁶ Department of Treasury (2015) *2015 Intergenerational Report: Australia in 2055*, Commonwealth of Australia, p 12

³⁷ The EAC recommended streamlining concessions, better targeting to those in need, and consolidating administration to a single point in government. Department of Premier and Cabinet (2009) *Putting the Public First: Partnering with the Community and Business to Deliver Outcomes*, Economic Audit Committee report

³⁸ Eligibility for the WA Seniors Card continues to rise by 8 - 10,000 per year, with an estimated 297,000 eligible in 2014-15. *WA Budget 2015-16*, BP3, p 272

³⁹ This inquiry would be within the existing capacity of the ERA, hence the costs indicated are sunk costs in maintaining the ERAs capability plus some community consultations expenses.

⁴⁰ QCOSS (2014) *Energising Concession policy in Australia: Best practice principles for energy concessions*. Council on the Ageing (WA) (2014) *Submission to the Community Development and Justice Standing Committee's Inquiry into Policy Implications of an Ageing Community*. WACOSS, (2014) *Consumer research and representation in Western Australian electricity, gas and water markets*.

17

Commission an independent cross-government inquiry into the targeting, adequacy and impact of **social concessions** by the Economic Regulation Authority

COMMUNITY LEGAL CENTRES

Community Legal Centres play a critical role in ensuring access to justice for low income and vulnerable people and in reducing the longer term costs of our legal system. Unresolved legal issues can cause significant social, financial and health problems (including mental health). Greater investment in programs that provide people with the information and advice they need at an early stage can prevent problems from getting worse, help keep people out of court and reduce the risk of unnecessary financial hardship. On this basis, the Productivity Commission recommended a \$200 million national increase in legal service funding in 2014. Instead these services now face a 32% cut in funding via the National Partnership Agreement on Legal Assistance Services on 1 July 2017, following a 7% cut in State funding in the 2015/16 WA Budget.

Tenancy advice and education services (TAES) are also facing a 25% cut in funding as of January 2017. Funding for this service is provided by the Department of Commerce from the interest earned on residential tenancy bonds paid to the Bond Administrator. Continued low interest rates have reduced the funding available from this source which will profoundly impact on access and continuation of services. Funding for

Aboriginal tenant advocacy has previously been cut on the basis that TAES provides the same services, meaning that a significant service gap is at risk of opening up.

The funding of CLCs is complicated, unpredictable and lacks transparency, with funding coming from a range of sources including public purpose and legal contribution trusts. There is no clear rationale for why these community services have been excluded from the application of the DCSP and the shift to outcome-based service contracts (especially considering they were included in component 1 funding in 2012) or why there is no separate budget line item or reporting mechanism for community legal assistance in the WA Budget. Given the commencement of a new National Partnership Agreement on 1 July 2015 which saw all Commonwealth CLC assistance distributed through the WA Government, this is an ideal opportunity to consolidate existing programs and funding allocation processes to create a single, legal assistance program with transparent and predictable funding allocated on the basis of identified legal need. This would improve the sustainability of legal service provision, support service planning and continuous improvement, and reduce the unnecessary reporting burden. Funding through the new program should be increased in line with the Productivity Commission recommendations.

18

Consolidate **community legal service funding** into a single, transparent program which procures services under the DCSP policy

CHILDREN, YOUNG PEOPLE AND FAMILIES

Children and young people are our investment in the future. Since family plays the critical role in their development and support, stronger families are crucial to creating better communities.

FAMILY SUPPORT NETWORKS

Family Support Networks (FSNs) are a partnership between the Department for Child Protection and Family Support and the community services sector to provide important secondary services in Western Australia. FSNs have been established in Armadale, Mirrabooka, Fremantle and the Mid-West (Geraldton).

Secondary family support services promote the stable functioning of families and the safety and development of vulnerable children and young people. Secondary services play a vital role in supporting these children as they focus on improving life outcomes, and building capacity and resilience. Where possible, these services work with families who do not meet the threshold for statutory intervention, but are at risk of doing so.

Secondary family support services promote the stable functioning of families and the safety and development of vulnerable children and young people.

The Council supports FSNs and their expansion across WA to meet the target of one secondary service hub in each child protection district by 2020. We also welcome the commitment by DCPFS to conduct a review of FSNs in order to ensure that outcomes for children and families are being achieved.⁴¹ More data on the comparative efficacy of FSNs would be useful in identifying effective approaches and gaps to support roll-out of a consistent practice framework across the networks and enable continuous improvement. Improving accessibility to key at risk groups such as Aboriginal families is a priority for future improvement that would be enhanced by a culture and practice of sharing and collaboration across Networks and their component secondary services. The review may also highlight opportunities for streamlining of administrative practices to reduce the burden of reporting and facilitate more timely responses.

The Council also welcomes the move to consolidate partnerships between FSNs and District Leadership Groups and to ensure Aboriginal Community Controlled Organisations

⁴¹ Department for Child Protection and Family Support (2016) *Building Safe and Strong Families: Earlier Intervention and Family Support Strategy*, Discussion Paper

(ACCOs) play a role in the delivery of FSNs.⁴² As FSNs are expanded, the engagement of ACCOs in the delivery of services will be critical. DCPFS have stated their intention to increase the presence and capacity of ACCOs delivering family support and out of home care services,⁴³ particularly in relation to the implementation of the Earlier Intervention and Family Support Strategy.⁴⁴ Trials for family-based brokerage funding through FSNs are an important next step that may enable a more flexible and timely response to individual family needs including childcare, therapy and practical assistance.⁴⁵

More effective secondary service design can be achieved through coordination between secondary services and intensive services to achieve earlier and better cross-referrals. Secondary support services could play a critical role in reducing the number of children taken in into care, if they are properly resourced and effectively targeted to reach those children and families most at risk.

01

Improve access to secondary support services for families at risk and invest in the state-wide roll-out of **Family Support Networks** to deliver a hub in each district by 2020

Cost \$4m

INTENSIVE FAMILY SUPPORT

In September 2016, following consultations with the community service sector, DCPFS released *Building Safe and Strong Families: Earlier Intervention and Family Support Strategy*.⁴⁶

The strategy recognises the importance of aligning systems that are culturally competent, focused on shared outcomes and actively seek to keep more children at home safely with their families. With Aboriginal children representing 53% of children in out of home care in Western Australia⁴⁷ it is expected that Aboriginal families will be a significant proportion of those targeted for intensive family support.

The Council is concerned, however, that the State Government has yet to announce its commitment to fund the implementation of the strategy. Given the costs of keeping children in care are very high, while the life outcomes for those children are on the whole very poor, funding for the strategy should be a major priority.

The Council notes that the strategy is targeted at supporting children and their families who are at very high risk or on the cusp of being taken into care (see following infographic). Despite the reference to 'earlier' intervention, support is in fact targeted much later than what would normally be considered an early intervention strategy (i.e. the red and blue cohorts rather than the purple).

⁴² Ibid, p 10

⁴³ Department for Child Protection and Family Support (2016) *Earlier Intervention and Family Support Strategy*, Themes and Issues Paper, p 9

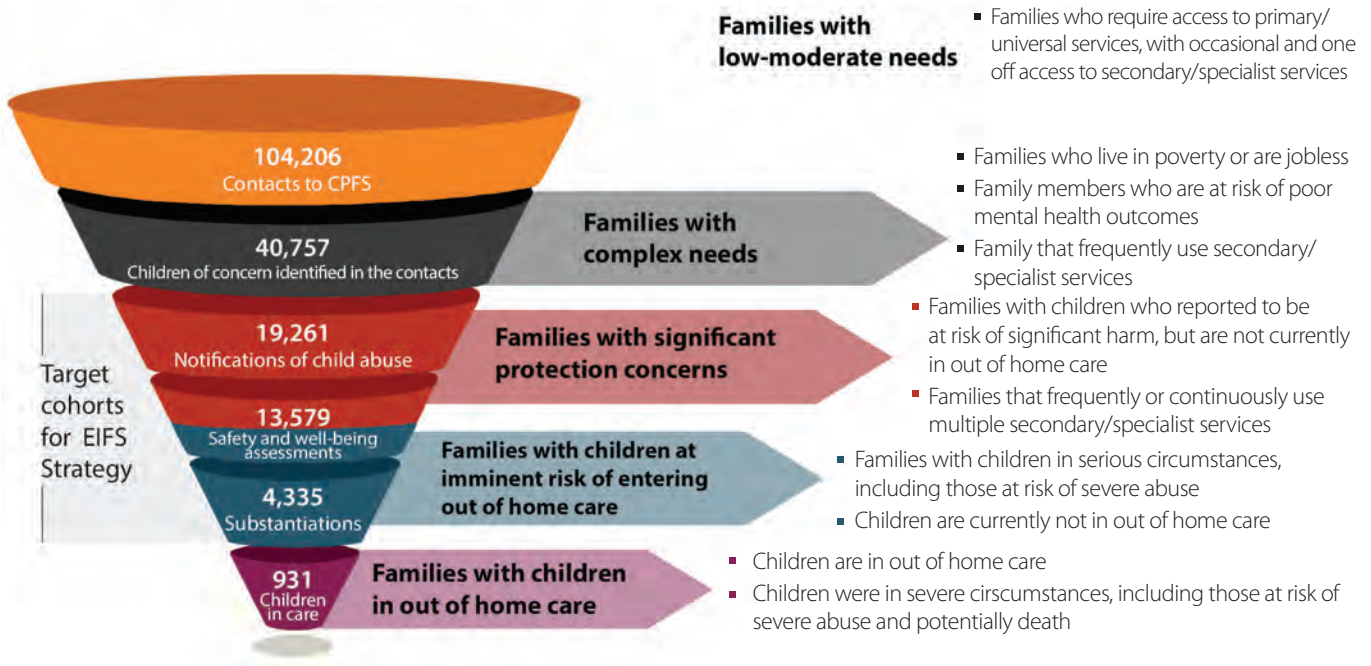
⁴⁴ Discussion Paper

⁴⁵ Themes and Issues Paper, p 7

⁴⁶ Ibid.

⁴⁷ Ibid. p 12

Target group for Earlier Intervention and Family Support Strategy



Source: Department of Child Protection and Family Support. Building Safe and Strong Families: Earlier Intervention and Family Support Strategy. September 2016. Page 5.⁴⁸

While the Council supports the development and implementation of the strategy, we strongly encourage the WA Government to develop a genuinely early intervention strategy.⁴⁹

02

Fund the **Earlier Intervention and Intensive Family Support** strategy to reduce Aboriginal child removal rates.

Cost \$18m

ABORIGINAL COMMUNITY-CONTROLLED SERVICES

The number of Aboriginal children in care continues to grow, completely out of proportion to the population. As of June 2016, the overall number of children in care was 4,658, with 53 per cent of those children Aboriginal.⁵⁰ While efforts to reduce the growth of children in care have seen the number of non-Aboriginal children coming into care stabilising, these efforts are not proving successful for Aboriginal children.

The number of Aboriginal children in care continues to grow, completely out of proportion to the population

⁴⁸ Note the numbers in this graphic refers to 2015-16 intake (i.e. annual figures) not total numbers of children in the system.

⁴⁹ See Strategic Policy Recommendation 8, page 13 of this submission

⁵⁰ Department for Child Protection and Family Support, *Annual Report 2015-16*, p 34

Number of Aboriginal Children in Care



Source: Department for Child Protection and Family Support, Annual Report 2015-16, p 34

There is a growing body of evidence that stronger engagement by ACCOs in delivering services to their communities is paying dividends and that quality and purposeful practice by ACCO agencies and their workers who are supporting families is building strength, resilience and capacity in children, families and communities.⁵¹

Aboriginal wellbeing is grounded in culture, lore, kinship connections, relationships, belonging and community. “Connections to family and community, to the land, to culture and traditions, are all fundamental to how (Aboriginal people) feel about themselves, and their sense of a good life.”⁵²

The success of ACCOs is grounded in their ability to provide services that emphasise connectedness through relationships with family, community and country; health and material wellbeing underpinned by resilience and strong spirit; and self-determination, including freedom from stigma and discrimination.⁵³

These approaches are inherently culturally specific and demonstrate why Aboriginal Community Controlled Organisations are best placed to deliver therapeutic healing, intensive family support and child protection services. ACCOs

operating in partnership with DCPFS, with a mandate to support families and children and adequate resources to build the capacity of their workforce can make a real difference.

03

Build the capacity of **Aboriginal community controlled services** to deliver therapeutic healing, intensive family support and child protection services

Cost \$30m

YOUNG PEOPLE LEAVING CARE

While the number of young people leaving State care each year is relatively small, these young people often have high levels of contact across government agencies, including police and justice, mental health, alcohol and other drug

⁵¹ Clare Tilbury (2015) *Moving to Prevention research report: Intensive Family Support Services for Aboriginal and Torres Strait Islander children*, SNAICC and Griffith University.

⁵² Bankwest Curtin Economic Centre (2016) *Community Wellbeing from the Ground Up: A Yawuru Example*. p 8

⁵³ Ibid.

services, and welfare support, as well as poor long-term prospects.⁵⁴

The lack of after-care support means a significant proportion of young people leaving care experience homelessness. A recent survey of young people experiencing homelessness found that nearly two-thirds of those surveyed (63 per cent) had been placed in some form of out-of-home care by the time they turned 18 years old.⁵⁵

The State has a direct responsibility to support young people transitioning from state care and commencing their journey into adulthood. As set out in the UN Convention on the Rights of a Child, young people have the right to an adequate standard of living, including nutritious food, clothing and housing; the highest attainable standard of physical and mental health and education; to be safe and free from violence.

Young people leaving state care often lack the informal network of families, friends and other social supports that can otherwise keep them safe or assist them in times of need. Children in care would benefit from targeted, intentional and practical assistance to build a network of informal supports around them well before they leave care, to support them to transition to adulthood. Children with additional challenges such as those with disabilities, chronic health including mental health concerns or those with other specialised needs such as those from non-English speaking backgrounds require particular support when transitioning from care.

An intensive transitional support model is required to reduce the fragmentation, lack of coordination and ensure continuity of care across our fragmented youth services sector in order to provide better life outcomes for these children and young adults.⁵⁶ Transitional support for children leaving care could significantly reduce

the longer term costs for government of crisis and tertiary services. As the majority of these costs are likely to be born on a state level, this makes children leaving care an appropriate cohort to trial for a cost-benefit analysis of an intensive wrap-around intervention program providing transitional support.

Transitional support for children leaving care could significantly reduce the longer term costs for government of crisis and tertiary services

In 2016 DCPFS established indicators for the measurement of outcomes for children leaving care,⁵⁷ consistent with the advice from the Community Affairs References Committee *Inquiry into Out of Home Care* in 2015.⁵⁸

This data will enable the success of an intervention program to be judged analytically and effectively, in order to provide the best possible system for children leaving care in our state.

04

Trial an intensive transitional support model for young people leaving state care

Cost \$2m

⁵⁴ Dr A Osborn & Dr L Bromfield (2007) *Young People Leaving Care*, Australian Institute of Family Studies, Research Brief no7

⁵⁵ Paul Flatau et al (2015) *The Cost of Youth Homelessness in Australia Study*, Snapshot Report 1, p 8

⁵⁶ WACOSS, *Pre-Budget Submission 2016/17*, p 19

⁵⁷ DCPFS Building a Better Future, *Out of Home Care Reform in Western Australia*, April 2016.

⁵⁸ Community Affairs References Committee *Inquiry into Out of Home Care*, Section 4.95, p 104

HOUSING AND HOMELESSNESS

The importance of safe and secure shelter cannot be overstated. It is a fundamental building block for improving a person's wellbeing and is essential for people to be able to participate fully, both socially and economically, in our community.

Despite falls in median rental prices and a high rental vacancy rate, safe and secure housing remains out of reach for many of the Western Australian population.

By providing safe and secure housing, we not only provide people with the capacity to achieve better life outcomes (which is more than enough reason in and of itself), but through those better life outcomes the need for other services is significantly reduced, thus delivering significant savings to the state.

A recent study found that the provision of public housing for National Partnership Agreement on Homelessness (NPAH) program participants, as well as those entering public housing through priority housing, was associated with a reduction in both the proportion using health services, as well as the frequency and duration of use. This decrease, according to the study, potentially saves the Western Australian health care system

\$16.4 million a year.⁵⁹

With 18,530 people on the public housing waiting list, for an average of 153 weeks or nearly three years before being housed,⁶⁰ it is clear that the current supply is insufficient. Western Australia is falling behind other states in its density of social housing in comparison to its population. There are approximately 16 social housing dwellings per 1000 people in Western Australia, placing WA sixth lowest in the nation and behind the Australian-wide 18 per 1000 people.⁶¹

Western Australia has seen a steady decline in public housing dwellings since 2012, dropping from 36,749 to 36,403.⁶² While this can in part be explained by asset transfers to the community housing sector, Productivity Commission report figures indicate that total social housing growth in Western Australia has been relatively flat, with community housing stock in 2015 over 700 dwellings lower than it was in 2011.⁶³

⁵⁹ Lisa Wood et al (2016) 'What are the health, social and economic benefits of providing public housing support to formerly homeless people?', *AHURI Final Report No 265*, Australian Housing and Urban Research Institute, p 2

⁶⁰ WA Housing Authority (2016) *Annual Report 2015-16*, p 60

⁶¹ Figures calculated from those in the Productivity Commission (2016) 'Volume G: Housing and Homelessness', *Report on Government Services* and ABS (2015) *3101.0 – Australian Demographic Statistics, Dec 2015*

⁶² WA Housing Authority (2016) p 214

⁶³ Productivity Commission (2016) Table 17A.3, p 2

The Housing Authority has taken commendable steps to address the supply of affordable housing. The State Affordable Housing Strategy in 2010 committed the Authority to build 20,000 affordable homes by 2020. It achieved this target in 2015 and endorsed a minimum target of 30,000 by 2020.

While 27% of the first 20,000 dwellings built were social housing, this was not a net increase of 5,400 dwellings due to the amount of public housing retired or sold off during this period. As part of the Strategy, the Social Housing Investment Package is to provide 1,000 additional social housing dwellings by June 2017. This has not, however, prevented the continued decline in public housing stock, with 241 fewer public housing dwellings in 2015/16 than in 2014/15.⁶⁴

The Council calls for a commitment that a net increase of 2,700 public and community housing dwellings is delivered by 2020 (or 27% of all new dwellings delivered as part of the State Affordable Housing Strategy), maintaining the rate of new social housing dwellings set between 2010 and 2015. It is crucial that any commitment to deliver new social housing is in addition to that which is necessary to maintain current stock levels.

It is crucial that any commitment to deliver new social housing is in addition to that which is necessary to maintain current stock levels.

Providing social housing in areas in close proximity to employment opportunities, services and transport is also crucial. State land development projects being undertaken by the Metropolitan Redevelopment Authority, LandCorp and even the Housing Authority with its 'Connected Living' initiative, have focused on providing affordable housing opportunities near public transport, but 'affordable' is not enough.

The 'Affordable' housing opportunities offered through mechanisms such as the Housing Authority's Shared Equity scheme remain out of reach for those in the lowest income quintile, if not also for those in the second lowest.

13.5 hectares of development space has been created through the Perth City Link project – right in the heart of the city – with no clear commitment that any of the affordable housing dwellings developed will be social housing.⁶⁵ This is clearly a missed opportunity. It is poor urban and social policy to create spaces that exclude those who are earning the lowest incomes. Affordable housing targets should be maintained, but they must not be in the place of or to the exclusion of explicit social housing targets.

05

Ensure that 27% of the dwellings delivered as part of the State Affordable Housing Strategy's 2020 target are **public and community housing**

Cost \$250m

HOMELESSNESS

Homelessness leaves those experiencing it disconnected from family, friends and their community, and with a lack of control over their environment.⁶⁶ This creates significant barriers to participating meaningfully in society, contributing to our economy and to achieving better life outcomes. Every night in WA, there are estimated to be around 9,592 people who are experiencing homelessness, which is 42.8 people per 10,000.⁶⁷

⁶⁴ WA Housing Authority (2016) p 214

⁶⁵ Metropolitan Redevelopment Authority (2016) 'Perth City Link' www.mra.wa.gov.au

⁶⁶ Australian Human Rights Commission (2008) *Homelessness is a Human Rights Issue*

⁶⁷ Homelessness Australia (2014) 'Homelessness in Western Australia' www.homelessnessaustralia.org.au

In 2014-15, there were 17,387 unassisted requests for homelessness services in Western Australia – nearly 48 per day.⁶⁸ Of those who were able to receive assistance, 62 people per day were not having all of their identified needs met.⁶⁹ The most common reason for that being agencies having no available accommodation, with more than 24 requests for service per day not being met as a result.⁷⁰

The lack of funding and certainty makes it significantly more difficult for service providers to develop safe and appropriate services that are specialised or better integrated with other services and supports (such as family support, mental health and AOD services, employment services, etc.) For homelessness services to be able to develop innovative service models that provide integrated wrap-around services for specific disadvantaged cohorts, it is essential that they are provided with 5 year minimum funding agreements.

Western Australia and the Commonwealth signed NPAH in 2009, focused on early intervention and prevention, a better integrated system, and breaking the cycle of homelessness.⁷¹ The NPAH has twice been extended, first for one year then for two from June 2015 to June 2017.

The AHURI research report on NPAH program participants, found that the average cost of providing support under the NPAH programs is approximately \$6,462 per person per year – less than half of the \$13,273 per person per year potential health cost offsets.⁷² The relationship between homelessness and mental and physical health is bi-directional and compounding, with one precipitating or increasing the risk of the other.⁷³ As a result, by providing these kinds of

homelessness services, it is possible to free up resources in the health system and drive down its costs.

Different cohorts facing homelessness, such as LGBTIQ+, people with disabilities, and people experiencing mental health issues, need a flexible system that provides the specialised services that are appropriate and safe for their situations. Though there is very limited data on LGBTIQ+ people experiencing homelessness, estimates suggest they are overrepresented among those experiencing homelessness. They not only face violence, discrimination and harassment in the community, but may also experience it from homelessness service providers. This can be seen in instances of trans women being refused access to women-only accommodation or trans men from men-only accommodation.⁷⁴ An integrated service system that is able to provide the specific services needed by different cohorts needs a robust and consistent stream of funding. Without it, the focus will consistently be on more general services in order to maximise the number of people who can be supported with the limited resources and time available.

The Council calls for the State Government to commit \$20 million in homeless services funding, to be matched by the Commonwealth.

The Department for Child Protection and Family Support's 2016 Homelessness in Western Australia strategy paper states that a long-term strategic homelessness plan will be developed with input from all stakeholders.⁷⁵ Though a strategic plan is essential, it is the provision of funding in the present that is most pressing.

If service providers are to address the deep

⁶⁸ Australian Institute of Health and Welfare (2015) *Specialist homelessness services 2014-15* Table WA UNMET.1

⁶⁹ Ibid, Table WA UNMET.4

⁷⁰ Ibid, Table WA UNMET.7

⁷¹ Council on Federal Financial Relations (2014) 'Western Australia Project Plan' *National Partnership Agreement on Homelessness*, http://www.federalfinancialrelations.gov.au/content/npa/housing/national-partnership/past/homelessness_2014_WA.pdf

⁷² Lisa Wood et al (2016) p. 2

⁷³ Lisa Wood et al (2016) p. 12

⁷⁴ Australian Human Rights Commission (2012) *Violence, Harassment and Bullying and Homelessness* p 7

⁷⁵ Department for Child Protection and Family Support (2016) *Homelessness in Western Australia*

systemic causes of homelessness and develop services, then they need to have certainty that programs they invest in developing and their organisation itself will be able to survive beyond one or two years. With NPAH programs not only providing essential support for those experiencing homelessness, but also having a significant impact on reducing the demand on the state's health services, it is clear that providing long-term funding certainty for homelessness services will have a profoundly positive impact on our community.

06

Secure long-term funding certainty for homeless services to enable the development of integrated service models that improve long-term outcomes for homeless people

Cost \$20m

TENANCY SUPPORT

Getting people into social housing is one thing. Ensuring that they can sustain that tenancy is another. Not all social housing tenants require specialist support, but we need a flexible system that provides support for those that do, regardless of what housing type they are in. Providing support for those entering, in and transitioning out of social housing not only improves outcomes for that person, but reduces pressures on and the costs of the public system.

The reduction in demand for health services as a result of the provision of public housing,

discussed earlier, is seen with those who are able to sustain their tenancy for a year, with the reduction strongest for those able to sustain tenancies between one and four years (which may suggest four years is the period it takes to re-establish health and stability).⁷⁶

Key to ensuring that a tenancy is sustained is ensuring that the tenant has the access to housing that is appropriate for their situation and is provided with access to the services that they need.

These supports need to be available from point of first contact to beyond the point where the tenant is transitioning out of social housing. The public housing system is not providing this currently, which means tenants are more at risk of losing their tenancies than they would be otherwise.

Community housing organisations conduct a full assessment of tenancy history, risk factors and support needs at the point of application. This enables early intervention for those who need support with their tenancies, improving outcomes for the tenant and reducing costs longer term.

By partnering with the community housing sector, the Housing Authority would be able to develop a shared assessment framework and joint waitlist that could be used to determine at the beginning who are the tenants for whom the public housing system and its current level of support is appropriate and effective.

Key to ensuring that a tenancy is sustained is ensuring that the tenant has the access to housing that is appropriate for their situation and is provided with access to the services that they need.

⁷⁶ Lisa Wood et al (2016) p. 5

For those for whom that level of support is insufficient, a targeted and integrated housing support system, co-designed with the community housing sector, would enable the provision of the intensive and specialist support they may require to transition into and stabilise their tenancy.

As the community housing sector already uses their own needs-assessment frameworks to assess the needs of potential tenants and has established relationships with other service areas, incorporating these systems and expertise into a shared framework and support system is crucial to its success.

An example of this model in practice can be seen with the Tasmanian Government’s Housing Connect.⁷⁷ It functions as a one-stop shop for all housing and homelessness assistance and support needs. It provides access to public and community housing, private rental assistant, emergency accommodation and support services. A core component to the success of Housing Connect is a common assessment framework and shared database. This enables front door staff to undertake assessments, case planning and referrals to support services.

Housing Connect is delivered in partnership with community organisations for government, creating a more coordinated and integrated model that supports long-term stable housing outcomes.

07

Co-design a shared assessment framework and tenancy support system in partnership with the community housing and service sector

Cost \$15m

⁷⁷ Housing Tasmania, ‘Housing Connect’, https://www.dhhs.tas.gov.au/housing/housing_connect

SUSTAINABLE SERVICES STATE-WIDE

As a comparatively small population dispersed across a large, old and rugged landscape, Western Australia faces significant challenges in delivering services and creating sustainable economies for our regional and remote communities.

Attempts at regional service reforms have in the past been typified by a lack of consistency and continuity, contradictory approaches between state and federal levels and across portfolios, and by the imposition of top-down solutions that fit poorly at a local level. Western Australia's remote Aboriginal communities include some impressive success stories and examples of community resilience in the face of extremely challenging circumstances – including the legacy of dispossession and child removal policies, decades of maladministration and neglect, and the impacts on family and culture of untreated chronic illness, mental health, alcohol and other drug problems, family violence and child abuse. For many communities that lack an economic resource base, have generally poor levels of educational achievement, few options for employment and struggle to bridge the gap between cultural life and the expectations of our mainstream economy, the prospects for achieving a sustainable economy seem daunting.

The Council believes the way forward needs

to be a strength-based, bottom-up approach that engages with communities to help them improve individual, family and community well-being to develop and meet their aspirations for a healthy and sustainable community. The success of such an approach is likely to depend on local initiatives and leadership, learning by doing, peer-support, on putting time and resources in to back where we see vision and commitment, and sharing success stories between communities. The Regional Services Reform Unit are consulting with regional and remote communities and speaking the language of place-based, child and family-centred services that create stronger communities. We cannot underestimate the challenge of implementing a bottom-up community development approach within the structures, lines of accountability and top-down culture of our public service. The Resilient Families, Strong Communities Roadmap, released in July 2016, expresses many of these contradictions. The ability of the public and community sectors to enable place-based reforms

to deliver more effective and efficient services has been hampered by the fear and uncertainty engendered by the political dialogue about community closures.

The regional human services, early years and youth initiatives are arguably the most critical and challenging component of the Delivering Community Services in Partnership (DCSP) reforms. Western Australia has the potential to demonstrate national and international leadership in the development of integrated services, but we cannot underestimate the challenge of making this work effectively. Regional community services can and should play a critical role in the planning and co-design of more effective service delivery models in regional and remote locations. Regional services, however, also face significant challenges in developing and retaining local expertise, and may lack the capacity to engage sufficiently to contribute meaningfully to regional planning and reform. Further, the mechanisms and opportunities for this engagement aren't always clear, and regional development processes and initiatives have in the past overlooked social needs and community service planning. Strategic Regional Advisory Councils and District Leadership Groups are now co-opting members from the local community services sector, but in the absence of clear regional networks or mechanisms for consultation and engagement, they are not likely to be able to adequately represent local or regional services as a whole.

The patchiness of service funding and the additional costs of regional and remote service delivery mean that the coordination of services, sharing of intelligence and alignment of activities (for instance outreach or travel to remote communities) can deliver significant benefits and return on investment over and above that of better service coordination in metropolitan areas. The Council has advocated for a number of years

Regional community services can and should play a critical role in the planning and co-design of more effective service delivery models in regional and remote locations.

for the need to create and resource community sector networks to participate in regional planning, and contribute to the analysis of local needs, programs, policies and service gaps.

Successive changes to Federal and State regional service funding policy have resulted in a significant shake-up of regional services, with a shift to fewer and larger service contracts covering greater population and geographic spread, and a loss of local sector capacity with no clear improvement in community outcomes. There is a risk these changes have hollowed-out our regional capacity and centralised service management to Perth at a time in which we need local leadership and expertise to enable place-based service integration.

A partnership between a regional managers' group coordinator and a regional community services network coordinator who share responsibility for cross-sectoral consultation and planning may be the most effective model for delivering successful place-based initiatives. Both public and community sectors need to be enabled and resourced to undertake this work over and above their existing roles and responsibilities. The provision of some shared secretariat support to support networking and communication and logistic support to coordinate consultation, planning and governance will also be critical.

08

Invest in **regional community sector networks** to provide the backbone function for collective impact projects in early child development, family support and youth at risk

Cost \$6m

CONNECTING EARLY YEARS NETWORKS

The first years of life are critical time in a child’s development, and investment in the early years has been shown to deliver the most significant returns in outcomes across the life-course.⁷⁸ The Roadmap rightly identifies investment in early childhood development and care as a priority in improving long-term outcomes for Aboriginal communities.⁷⁹

During the last eighteen months, a partnership between WACOSS, DLGC, Lotterywest and the

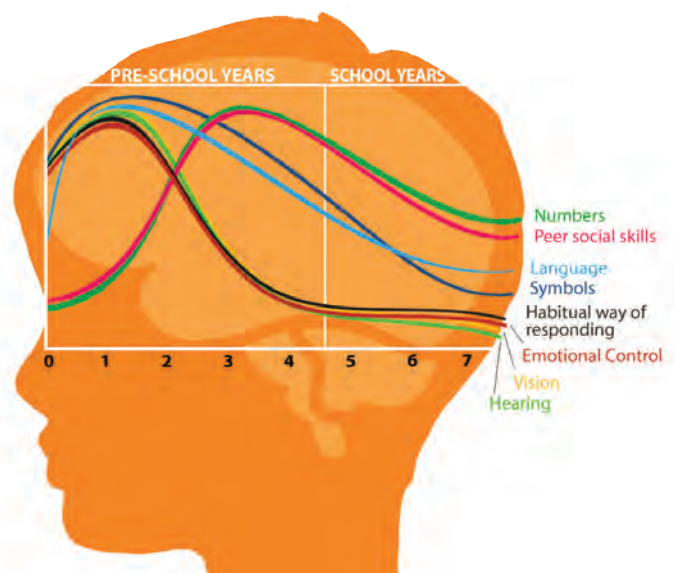
Woodside Development Fund, has developed a pilot project called the Connecting Early Years Networks initiative to trial a model of backbone-support to Early Years Networks (EYNs) across Western Australia. The program has built the capacity and sustainability of existing networks and supported the development of emerging ones, up-skilling them in key areas to improve their effectiveness, assist their engagement with disadvantaged and hard to reach young children and families of our community.

With six months of funding remaining, the pilot program has demonstrated its effectiveness and proven the value of this approach, but the sustainability and effectiveness of many regional Early Years Networks remains in doubt. More work needs to be done to address developmental vulnerability in regional and remote areas, and an engaged and effective network of local networks can play a critical role in disseminating research and practice improvement to early childhood education and care professionals across Western Australia. The Council recommends a cross-government partnership including Local Government and Communities, Education and Health to fund an ongoing network support service.⁸⁰

Why are the Early Years a smart investment?

A child’s first years have a **PROFOUND IMPACT ON THE REST OF THEIR LIFE.**

During these first years, **“WINDOWS OF OPPORTUNITY”** open wide and investments into children are optimised



Source: Office of the Early Years (2016) British Columbia

⁷⁸ Dr Tim Moore (2016) *Early Childhood and Long Term Development: the importance of the Early Years*, Australian Research Alliance for Children and Youth, Centre for Community Child Health

⁷⁹ Regional Services Reform Unit (2016) *Resilient Families, Strong Communities*, p 12

⁸⁰ We recommend the service is put out to tender rather than delivered by WACOSS on an ongoing basis, and co-located in the Parenting Centre for Excellence.

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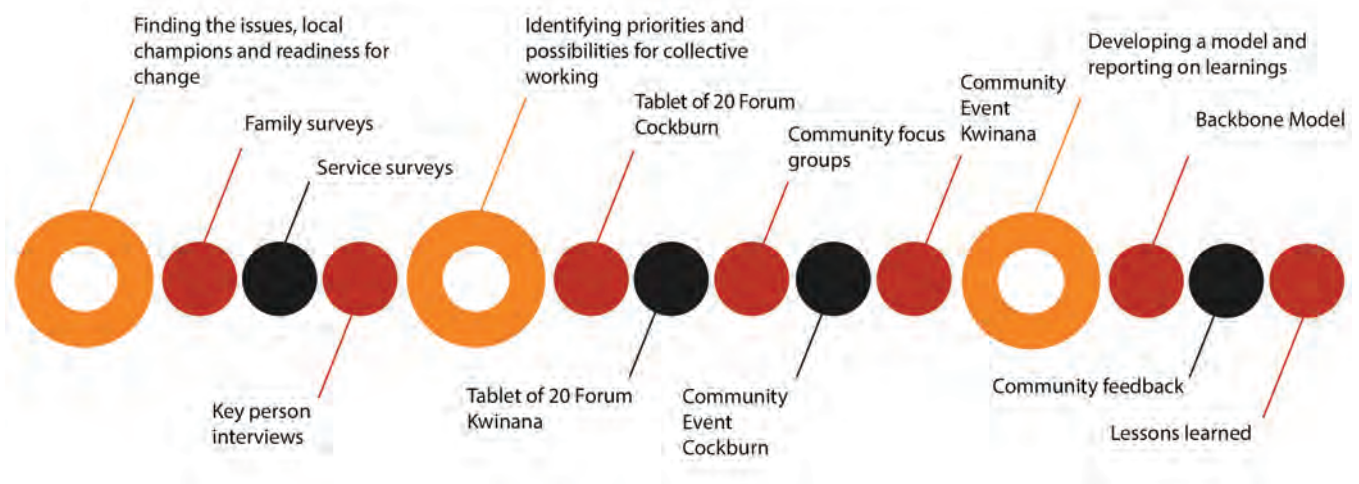
service.

Connecting Communities for Kids serves as a strong example for a place-based integrated service. This initiative has applied a collective impact model to early childhood education and care in the Cockburn Kwinana local government areas for the last eighteen months. While the project is still in its early stages and is yet to deliver all its outcomes, there is much that has been learned about community engagement, program design and governance that can assist the development of regional trials.

One of the important learnings from the CCK model has been the importance of investing in strong horizontal and vertical governance structures. The model includes support from the Partnership Forum via the Joint Commissioning Committee, comprising senior State Government and community representatives. A Joint Leadership Team also provides an inclusive horizontal governance structure that engages community members, government and non-government providers, practitioners and volunteers with responsibility for local service delivery who are 'in place' in Kwinana and Cockburn.

The CCK initiative is predicated on the

Connecting Community for Kids: Community Engagement Process Map



Source: Connecting Communities for Kids Engagement Map

development of a “Roadmap for Change” founded on what parents, families and community members want for their community. Careful attention is paid to those things that parents believe will improve the lives and circumstances of their children. Service providers from the early years then work in partnership with the community to bring about the changes sought.

Work is also now underway on regional planning for early childhood education and care services in the Pilbara, seeking to improve outcomes in communities with some of the highest rates of developmental vulnerability in our country. This presents a great opportunity to trial a collective impact model in a challenging environment, building on the learnings of the Cockburn Kwinana trials and leveraging the commitment to early childhood development in the Regional Reform Roadmap.

The Council recommends developing an integrated model of support that combines the Regional Roadmap priority of improving regional early childhood development outcomes⁸¹ with the whole-of-government coordination role of the Centre for Parenting Excellence⁸² and the capacity of the Early Years Networks, to pilot one or two projects as part of the Pilbara Early Years Strategy.

09

Fund the coordination of Early Years Networks to improve state-wide outcomes, and support an integrated early childhood services trial in the Pilbara

Cost \$2m

REGIONAL SERVICE DIRECTORY

Better information on population or cohort coverage and service outcomes is critical to both improve service access and to enable service planning and evaluation. The Council has consistently raised concerns about the lack of information on service location and coverage and the misalignment of the reporting boundaries across government agencies and contracts.

Recent service mapping undertaken by the Regional Services Reform Unit in the Kimberley and Pilbara is an essential first step in building a common whole of government service directory and reporting framework.

At least six government agencies regularly produce their own service directories, which are restricted in scope and updated on an irregular basis. Current structures are resource intensive and slow to respond to dramatic shifts in funding policy and changes in service provision. Due to their limited and fragmented nature, they do not deliver the kind of effective access and referral service that would be available through a more comprehensive, interactive and up to date service.

The Council recommends a cross-government co-design process to develop and agree upon the structure, categories and parameters of a shared regional community service reporting framework going forward. New programs and services would then commence reporting against these shared protocols and boundaries, with existing contracts and initiatives transitioning over time and metropolitan services could be added.

The Council has recently developed a simple, intuitive and accessible interactive directory for emergency relief services that enables service providers to take control of updating their own data.

Building on this system it is possible to provide a comprehensive, self-sustaining accessible and

⁸¹ Regional Services Reform Unit (2016) *Resilient Families, Strong Communities*, p 6

⁸² Department for Local Government and Communities (2016) 'State Government Budget', <https://www.dlhc.wa.gov.au/AboutUs/Pages/State-Government-budget.aspx>

up-to-date online directory of the social services to support professional referrers, individuals and families to navigate our complex service system. The use of this online technology can both improve the accuracy, currency and credibility of the information publicly available and facilitate a more informed, collaborative and connected social service sector. Mapping support services to develop a complete picture of where services are will also assist in identifying service gaps, facilitate integrated service planning, and play a critical role in disaster response and recovery.

10

Create an accessible, self-sustaining and up-to-date online directory of social services in Western Australia

Cost \$2m

ABORIGINAL WORKFORCE DEVELOPMENT

There are two critical enablers to achieving better life outcomes that the regional reforms need to address to ensure they have a significant impact on the gap in life outcomes and economic participation of Aboriginal families and communities: they need to develop more sustainable and resilient economies in regional and remote towns and Aboriginal communities; and they need to create more responsive, accessible and appropriate services that effectively engage with Aboriginal families to produce transformative outcomes. Both of these outcomes will require a planned, strategic and

sustained strategy to develop a skilled Aboriginal workforce and build and support sustainable Aboriginal organisations and businesses. Where those businesses already exist the new regional reform procurement policy should provide a constructive income stream.

The Regional Reform Roadmap highlights the importance of workforce development, and identifies private industry as the main driver of regional economic activity, along with suggestions that there may be opportunities to increase public sector employment, and to include employment outcomes in tenders for public infrastructure. More recent presentations by the RSRU have indicated that a regional Aboriginal employment package is being developed, which will include a public sector workforce, government contracting initiatives, procurement from Aboriginal businesses, and some form of Aboriginal workforce development strategy.

Given the ongoing and projected growth of the service and caring economy, high levels of community need for services and support, and the critical role that Aboriginal community-controlled services are likely to play in improving access and engagement to deliver better health and life outcomes for Aboriginal families, there is a strong argument for a greater focus on Aboriginal employment in health, education and community services.⁸³

Mission-driven not-for-profit community service organisations are well-placed to play a critical role in the development of a skilled and caring Aboriginal workforce. They will be willing and motivated to employ and train local Aboriginal workers, but many regional providers may lack the capacity and resources to do so effectively. A combination of contracting requirements, additional incentives, and training support is likely to deliver the most effective outcomes

⁸³ Noting health has shown some leadership, with both WA Health and WA Country Health recently developing workforce development strategies. See *WA Health Aboriginal Workforce Strategy 2014-2024* and *WACHS Aboriginal Employment Strategy 2014-2018*.

– with contracts over a certain size having some minimum employment and training requirements, additional resources made available to leverage increased employment outcomes, and some targeted support to ensure Aboriginal workers are work-ready, have access to additional training where necessary and their supervisors have access to appropriate information and assistance.

Mission-driven not-for-profit community service organisations are well-placed to play a critical role in the development of a skilled and caring Aboriginal workforce

In addition to supporting and encouraging the development of Aboriginal workers, larger community service contracts should include provisions and resources to enable the development of local community-controlled services. There is a clear trend within human service provision towards fewer contracts with larger organisations, which is assumed to reduce the administrative burden of contract management within government, reduce the potential duplication or overlap between service providers, and improve service efficiency. This trend, however, works against the interests of smaller local services, potentially making it difficult to develop a local workforce or increase perceived ownership and local responsiveness of services. Mainstream service providers may be well-placed to play a critical role in the development of local community controlled services, potentially through developing operational models whereby they may continue to provide backbone support or oversight in finance, governance, service reporting and HR.

11

Develop an **Aboriginal workforce development strategy** that provides incentives and support to increase Aboriginal employment in human services contracts

Cost \$20m

FAIR WAGES AND SUSTAINABLE SERVICES

The partnership between the community and public sectors faces a significant challenge to our combined capacity to deliver fair and effective community services during tight economic times, as a result of the emerging gap between scheduled award wage increases, reduced indexation and tightening service funding.

The 2012 Fair Work Commission equal remuneration order (ERO) for the Social, Community, Home Care and Disability Services Award, mandated pay increases for social and community service workers of between 23% and 45% above Award rates over an eight year period to December 2020.

The decision applies to social and community service workers, crisis accommodation workers and home care workers (disability); but not to family day care workers or home care workers (aged care). The definition of social and community service employees includes employees in administration and other corporate service roles.

These increases are in addition to the Fair Work annual national wage case decision which applies

to Modern Awards from 1 July each year.

The award applies to thousands of people across WA. Similar award increases were also subsequently awarded by the WA Industrial Relations Commission to community workers who come under the State SACS Award in 2013 to align with the FWC decision.

The ERO was achieved following a sustained campaign by unions and the community services sector in order to address the inequity in remuneration between sector and government employees, with gender having played a significant role in the creation of the gap.⁸⁴ Government cuts to funding and changes to the indexation formula, however, mean that the implementation of the awarded pay rises risks being at the cost of the services the sector exists to deliver. In previous years, award pay increases were able to be absorbed by service providers under the old NGHSS Indexation formula at a time when the economy was still growing, coming off the back of the DCSP component 1 and 2 service funding increases. The 15 to 25% funding increases from the State Government aided in addressing historical funding shortfalls. This was insufficient, however, to cover projected increases of up to 45% over 8 years.

Many organisations who were paying above award wages as a result of DCSP are now reaching a tipping point, as the increases of the last four years have absorbed this 15%.⁸⁵ From December 2015, many employers will have to increase pay rates by 5% to 7% a year for some salary levels to comply with the ERO, while most service contract indexation remains under 2%.

The implementation of the DCSP was intended to cause a shift to outcome-based contracting and to services tendering 'the true cost' of service delivery – either by tendering the cost of a fixed

level of service delivery (where outcomes are specified), or tendering the level of service to be delivered for a fixed service cost. However, the extent to which community service providers and government contract managers fully appreciate the implications of the ERO and have an adequate understanding of how to cost it into longer term contracts remains unclear. Steps are now being taken to ensure that the need to cost in the ERO is made explicit in new tenders and contracts,⁸⁶ but the Council remains concerned that a significant number of organisations may have committed to longer term service contracts without understanding the need to cost in the growing gap between indexation and wages.

The sector now faces an untenable reality of having to cut services to those in need, to be able to pay fair and just wages. This is a perverse outcome for the concerted efforts to address gender equity for our staff.

The impacts of the ERO increases will impact quite differently on different service models and types, with more person-intensive or highly skilled services, weekend, 24/7 and residential services most likely to see a significant increase in salary costs ahead of existing funding levels.

More work is needed to understand how different sectors and service types will be impacted and the extent to which different programs and contracts

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⁸⁴ *Equal Remuneration Case* [2012] FWAFB 5184

⁸⁵ The last four years the increases have been 2.5% in 2015, 3.0% in 2014, 2.6% in 2013 and 2.9% in 2012.

⁸⁶ The Department of Finance now includes a clause in the Government Procurement Community Services Request templates that prompts not-for-profit organisations to ensure the final price in their offer accurately reflects the cost of wage increases required by the Order. *Partnership Forum Papers*, Item 2.2, September 2016.

are taking into account the true and rising cost of service delivery. The Partnership Forum is taking this issue seriously and Department of Finance are working with the community sector to get a better appreciation of its implications for contracting across the human services sector and put in place mitigation strategies. The Council and Community Employers WA, with the support of Lotterywest and the Curtin Not-for-Profit Initiative, are surveying the sector and undertaking further modeling work to demonstrate the extent of the problem.. The Council recommends that Treasury and Finance work with the sector in order to respond to this issue and make provision in the 2017-18 Budget to maintain service levels in those critical areas of service delivery that will be adversely affected.

It is clear that to maintain service levels and community outcomes in key areas of need we must take a partnership approach to this shared problem. Service providers need to ensure they are properly costing the true cost of service delivery to allow for wage increases in service tenders and investigate appropriate structural changes to reduce costs and maintain service levels – without compromising workplace rights or service quality. Service funders need to ensure that service commissioning and procurement processes make allowance for the increasing cost of service delivery, understanding the ERO implications of the skill levels and service hours required by their program model. And finally, Treasury needs to have an appreciation of how ERO obligations will impact disproportionately across different sectors and portfolios and develop a mechanism for ensuring appropriate distribution of funding. Ensuring that these wage obligations can be met is not simply an issue for the sector, but will have a profound impact across the community should services have to be cut.

12

Sustain existing service delivery levels of community services by ensuring the cost of Equal Remuneration Order wage obligations is met.

Cost \$25m

COMPLEX NEEDS AND ENTRENCHED DISADVANTAGE

The key driver for creating better integrated, more responsive and empowering services is the need to deliver transformative outcomes for people with complex needs and entrenched disadvantage - who the system is currently failing.

Disadvantage can be viewed and defined in a multitude of different ways, including poverty, deprivation, level of capabilities and functioning, and social exclusion.⁸⁷ Its causes are equally diverse, though typically interrelated, from class and race to gender and sexuality. Single parents, those with a weak connection to the labour market, public housing tenants, those with a disability or long-term health condition, those with lower educational attainment, and Aboriginal Australians, are all more likely to experience ongoing or entrenched disadvantage.⁸⁸ This complexity results in

Disadvantage can be viewed and defined in a multitude of different ways, including poverty, deprivation, level of capabilities and functioning, and social exclusion

disadvantage and its consequences manifesting in a myriad of forms, which is why a flexible, accessible and intelligent service system is required in order to lift people out of it.

FAMILY AND DOMESTIC VIOLENCE

A persistent and profound way in which disadvantage continues to manifest in Western Australia, is our growing level of family and domestic violence.

Through 2014/15 the Department of Child Protection and Family Services responded to 34,524 incidents of family and domestic violence, which was a 27 per cent increase in incidents from the year before.

Over an 18 month period, the WA Police recorded that they responded to 75,983 family and domestic violence incidents.⁸⁹ That marked 11 per cent of all the incidents to which they responded. Data demonstrated that there has been steady

⁸⁷ Productivity Commission (2013) *Deep and Persistent Disadvantage*, p 6

⁸⁸ *Ibid.* p 2

⁸⁹ Ombudsman of Western Australia (2015) *Investigation into issues associate with violence restraining orders and their relationship with family and domestic violence fatalities*, p 16

Family and domestic violence incidents reported to WAPOL 2004 to 2013



Source: Ombudsman of Western Australia (2015)

growth in incidents of domestic violence reported to the WA Police from 2004 to 2013.⁹⁰

Aboriginal women and children in particular are significantly more likely to be victims of assault. From July 2014 to 2015, just under 600 incidents of domestic violence were reported to the Pilbara Community Legal Services, with that number increasing to 1,257 in the following 12 months.⁹¹

Secure, appropriate and affordable housing is also critical for women and children recovering from domestic and family violence and yet every day, Western Australian women and children are seeking assistance from homelessness services. Current shortage of public housing is a fundamental structural obstacle to women escaping violence and re-establishing their lives. The Women's Council for Domestic and Family Violence (WA) identifies lack of access to appropriate housing as the most pressing issue impacting on WA refugees and their capacity to support women transition out of refuge accommodation.⁹²

The importance of adequate funding for prevention and intensive support services for women and children who are victims of domestic violence remains paramount. Services for women

and children who have experienced abuse are struggling to provide adequate levels of support for mental health and alcohol and drug misuse and culturally appropriate support for Aboriginal and Torres Strait Islander women and those from non-English speaking backgrounds. Increasingly, the impact of pornography on young people's relationships makes it a key violence prevention issue.

Services for women and children who have experienced abuse need adequate numbers of highly trained staff however workforce capability is hindered by staff turnover, a lack of professional development funds and uncompetitive wages.

The Council calls on the State Government to invest in expanded outreach and wrap-around service support as part of a more integrated response to family and domestic violence.

There is an urgent need to provide additional investment to established domestic violence services and to increase the number, scope and diversity of services in metropolitan, rural and regional WA. The shortage of funding to the domestic violence sector has at worst, seen vital services close,⁹³ and at best has frustrated services' capacity to collaborate and partner as diminished

⁹⁰ Ibid p 65

⁹¹ Angus Sargent (2016) 'Domestic violence reports double in Western Australia's Pilbara, legal service says' *ABC News* <http://www.abc.net.au/news/2016-08-29/domestic-violence-reports-double-in-pilbara/7795830>

⁹² Written submission to WACOSS for the 2017/18 Pre Budget Submission dated 10 August 2016

⁹³ *Koori Mail* (2016) <http://koorimail.com/funding-cut-to-womens-shelters/>

funding contributes to a retraction to 'core business'.

Further investment is also needed in primary prevention and early intervention to prevent violence occurring and or escalating. As with many other challenging social problems, domestic violence prevention projects tend to receive sporadic project-based funding from governments. Investment in primary prevention, population health and integrated health promotion interventions and additional resources are required for research, monitoring and evaluation.

Ongoing, integrated resourcing and funding across all jurisdictions is crucial in order to effect long-term change encompassing responses by police, courts and social services to prevent and stop domestic and family violence.

13

Invest in expanded outreach and wrap-around service support as part of a more integrated response to family and domestic violence

Cost \$10m

ABORIGINAL RESIDENTIAL REHABILITATION SERVICE

Alcohol and drug misuse have a devastating impact on Aboriginal communities and are a major factor contributing to the burden of

ill-health and premature death.⁹⁴ Indigenous Australians experience harms associated with alcohol use, including deaths and hospitalisations, much more often than other Australians.⁹⁵

There is clear evidence that culturally secure community-based residential treatment programs are successful, with the completion of residential programs leading to reduced drug use and criminality, significantly improved psychological and physical health and increased involvement in work, education and training. Culturally-appropriate strengths-based programs delivered by Aboriginal community-controlled organisations are the most effective means of engaging with this at-risk population.

Culturally-appropriate strengths-based programs delivered by Aboriginal community-controlled organisations are the most effective means of engaging with this at-risk population

The sector has been advocating the establishment of an Aboriginal residential service in the Southwest for over a decade and the Council has listed it as a PBS priority since 2010. In the face of pressing need, Noongar community leaders are negotiating corporate and philanthropic support to secure capital for the construction of this facility, but a clear commitment from the State Government to provide ongoing funding for the delivery of this service is needed to ensure the project can progress. A clear commitment for sustained long-term funding should be a priority; there are clear links between this agree community priority and the commitment to fund Noongar services linked to finalisation of the Southwest Native Title Settlement; and

⁹⁴ Aboriginal Medical Services Alliance Northern Territory (2008) *Options for Alcohol Control in the NT*

⁹⁵ Australian Indigenous HealthInfoNet (2013) *Review of the harmful use of alcohol amongst Indigenous Australians* p 2. Australian Institute of Health and Welfare (2008) *2007 national drug strategy household survey: first results*

contribution to or partnership in this initiative by the WA Government would be welcomed (providing it helped expedite the process rather than leading to further delay). The geographical catchment for this 30 bed family-friendly service would include the South West of Western Australia, south west metropolitan and outer metropolitan Perth.

In addition to an increase in alcohol and drug misuse and associated harm in Western Australia we have seen a marked increase in the use of methamphetamine.⁹⁶ The Council also recommends that the proposed community based facility in Bunbury be expanded from the proposed 10 beds to 36 beds to meet demand for bed-based and community intervention support services.

14

Commit funding for the operation of an **Aboriginal residential rehabilitation** service in the Southwest

Cost \$5m

THERAPEUTIC SERVICES IN THE JUSTICE SYSTEM

We know that mental illness and alcohol and drug misuse can have devastating impacts on people, their families and communities. Those engaged in the justice system, particularly those in prison, also experience isolation from family and friends, boredom and lack engagement in meaningful

work – all of which exacerbate feelings of distress and despair. In addition to the high personal and family costs associated with insufficient therapeutic services there are substantial financial costs. In the 2016/17 PBS we wrote:

Recidivism in Western Australia is the cause of significant social and financial cost for both the Government and the community. Appropriate and supported therapeutic services in the justice system can play a significant role in reducing recidivism and, as a result, the associated social and financial burden.⁹⁷

Despite these significant costs (personal, social and financial), services often have insufficient capacity to provide quality individualised supports and are over-burdened by demand, struggling to meet the basic needs of people they support. The longstanding and complex nature of mental health and alcohol and drug issues means that intensive, enduring and wrap-around support is required. Due to limited resourcing however, services are often understaffed and people requiring supports have insufficient access to detoxification, counselling, rehabilitation and other therapeutic interventions.

A year on from our request in last year's PBS to "increase the availability and effectiveness of therapeutic services in the justice system, improve needs assessment and data sharing, and ensure continuity of care",⁹⁸ the Council remains concerned about the lack of investment in therapeutic services for people in the justice system.

In the 10-year Mental Health, Alcohol and Other Drug Services Plan it states: "The current number of forensic inpatient beds in the State is less than half what it should be in order to meet demand in 2014..."⁹⁹ and that "dedicated inpatient forensic mental health facilities are required urgently, to replace the inadequate conditions and bed

⁹⁶ Government of Western Australia (2016) *Western Australian Meth Strategy 2016*, p 7

⁹⁷ Office of the Inspector of Custodial Services (2014) *Recidivism rates and the impact of treatment programs*

⁹⁸ WACOSS (2015) *2016-17 Pre-Budget Submission*, p 26

⁹⁹ Mental Health Commission (2015) *Better Choices Better Lives Western Australian Mental Health, Alcohol and Other Drug Services Plan. 2015-2025*, p 92

numbers currently provided at the Frankland Centre.”¹⁰⁰ To date however further inpatient facilities have not been established. Similarly the plan reports that “In relation to forensic community services, the hours of service for alcohol and other drugs are required to grow from 50,000 hours to 163,000 hours, whereas the mental health community hours are required to grow from 33,000 to 140,000 hours, by the end of 2025.” To date community service hours have not increased since the Plan was released.¹⁰¹

There is a body of evidence to support the delivery of therapeutic services in prison programs by community service organisations, which are better positioned to continue treatment and support beyond release.¹⁰² Maintaining continuity of care can be critical in reducing relapse and reoffending rates, particularly as the transition from prison can be stressful and individuals may return to the same social circumstances that supported their previous use without support.

Better data is also needed to inform service planning and improve outcomes for people in prison and post release,¹⁰³ as is monitoring of achievements against outcomes with ongoing review of support strategies.

Expansion of a therapeutic communities model into WA prisons, which promotes self-help and mutual support, would introduce additional diversity of support and has been found to have a positive influence on general prisoner behaviour and reoffending.

15

Increase availability and effectiveness of **therapeutic services in the justice system**, including needs assessment, data sharing and through-care

Cost \$10m

BETTER CHOICES, BETTER LIVES

People with mental illness, those with alcohol and drug issues and their families should expect to have opportunities for meaningful work, to achieve a secure income, and have safe and secure housing in our community as should we all. However, it is estimated that by 2025, between 1,474 and 1,867 Western Australians who have mental health issues or alcohol and other drug problems will be homeless.¹⁰⁴

While there remains broad community support for *Better Choices Better Lives*, the 10-year Mental Health, Alcohol and Other Drug plan, getting the balance right between tertiary and bed-based services versus early intervention and prevention-focussed community services remains challenging. Bed-based services for people with mental illness in crisis and or requiring intensive treatment and support are increasingly costly. While we absolutely need to ensure access to services and support for those in acute need, we are increasingly aware that if this is all we are doing, then the costs of our service system

¹⁰⁰ Ibid

¹⁰¹ Ibid p 93

¹⁰² Ibid p 40

¹⁰³ WACOSS, WAAMH & WANADA (2015) *Submission to Inquiry into the Efficiency and Performance of Western Australian Prisons by the Economic Regulation Authority Prisons Inquiry*

¹⁰⁴ *Better Choices Better Lives WA Mental Health, Alcohol and Other Drug Services Plan 2015-2025*, p 37

will continue to rise. We need to become more effective at reducing the need for tertiary services and demonstrating the value of earlier interventions.

We need to become more effective at reducing the need for tertiary services and demonstrating the value of earlier interventions

In Western Australia the historical predominance of hospital based services was challenged by the inaugural state Commissioner for Mental Health in 2012, who led reforms that sought to 'move the dial' away from clinical and hospital care. In recent years the Office of the Chief Psychiatrist and other stakeholders have successfully argued for a return to increased funding for tertiary and clinical services. Currently less than 25% of services purchased are provided for early intervention, prevention and community based services and supports.

Mental health and alcohol and other drug services are facing significant changes and reforms at both federal and state levels. While national bodies such as the National Mental Health Commission are intended to provide overarching blueprints for reform, the implementation on the ground often appears fragmented, with little alignment and coordination between Federal and State approaches.

We have seen steady reduction in per capita funding for mental health at the Federal level, and a significant decline in the percentage of that funding directed to community-based programs.

The Council calls on the State Government to invest in the Plan. Though the Plan was completed in 2014, funding remains uncertain and the Council is concerned that the 2016/17 budget resulted in cuts to mental health and AOD services at a time when increased investment was expected. Investment needs to be transparent and accountable, with monitoring and reporting mechanisms that ensure the right balance is achieved across the spectrum of community and bed-based services and supports.

16

Commit funding to *Better Choices Better Lives* the **10 Year Mental Health, Alcohol and Other Drug Services Plan**

Cost \$20-30m

FINANCIAL RESILIENCE

Financial resilience is essential for households to make it through times of financial adversity or shock by accessing and drawing on internal capabilities and appropriate, acceptable and accessible external resources and supports.¹⁰⁵

Further, financial resilience provides an indication of an individual 'workforce responsiveness'. That is, those who are unable to draw upon resources and support in a time of financial adversity have a lower capacity to weather periods of unemployment or underemployment, and insufficient capability to respond effectively to changing labour market conditions and secure work in a new or emerging field.

According to research undertaken by the Centre for Social Impact, 46.6% of the Australian population has limited, very little or no savings at all. Without savings, the ability to raise funds in an emergency is low – requiring either support from family and friends, or the accumulation of debt.

On a scale of 1 to 4, with 1 being severe financial stress and 4 being financial security, Australia has an overall financial resilience mean of 3.06. This places the mean in the 'low financial stress/vulnerability' band. Western Australia has the second lowest level of financial resilience out of every state and territory, with a mean of 2.99.¹⁰⁶

Changes in the composition of the Western

Australian economy are seeing many former workers from the resource and construction industries requiring support from community services for the first time. While these workers have often been on high incomes, most have also been carrying high levels of debt, which can quickly become overwhelming. Often they rely on credit cards or pay day lenders as an interim solution while hoping to secure further employment – exacerbating the situation. Often by the time they seek professional help their debt levels are such that there is little option but to declare bankruptcy and lose it all.

Changes in the composition of the Western Australian economy are seeing many former workers from the resource and construction industries requiring support from community services for the first time

¹⁰⁵ Centre for Social Impact, *Financial Resilience in Australia*, August 2016

¹⁰⁶ Ibid.

It is crucial that in times of need, all Western Australians are able to access regulated, non-exploitative, intensive supports such as emergency relief, financial counselling services and community legal centres that are able to help address stressful and complex situations.

FINANCIAL COUNSELLING

Financial counselling services play a crucial role within the community service system. As other services tackle different areas of critical need, they will often identify financial problems that are creating ongoing barriers to securing life outcomes or recovery.

The integral nature of financial counselling services is why the community services sector campaigned so strongly to save them following the 2015-16 WA Budget. This budget would have seen the \$4 million funding for metropolitan financial counselling cut at a time WACOSS was recommending a funding increase to meet unmet need.¹⁰⁷ Following the sector's sustained advocacy, there was a reinstatement of \$2 million for financial counselling services, as well as the transfer of program responsibility to the Department of Local Government and Communities (DLGC). The Department partnered with the sector in good-faith to co-design a new, more effective model for metropolitan financial counselling services.

Reinstating only \$2 million however, meant that an already underfunded service was now only receiving half of what it once did. Regardless of efficiencies gained through the new co-designed model, this level of funding remains woefully insufficient to address the significant demand for financial counselling services.

This year alone, the Financial Counselling Network is expecting to turn away over 6,000 clients who contact the service wanting to make an appointment; with the clients they do see

having accumulated a combined debt of over \$500 million. By providing the network with the funding they need to see all of the clients wishing to make an appointment, the resilience of the Western Australian community could be greatly increased.

The value of financial counselling services is significant. Research undertaken by the University of Adelaide found that financial counselling services generated \$5 in benefit for every dollar spent.¹⁰⁸ Based on these findings, the Council's recommendation of an additional \$4 million investment into financial counselling services in WA would generate \$30 million in benefit.

Regional financial counselling services were initially shielded from the 2015-16 cuts, provided an additional 12 months funding and not included in the co-design of the new integrated metropolitan service model. The conditions under which regional services operate is significantly different from their metropolitan counterparts, and a metro service model is unlikely to be transferable. WACOSS strongly recommends that regional services are now given the opportunity to co-evaluate and co-design their service model to ensure it is sustainable, responsive and appropriate for their circumstances.

17

Increase funding for metropolitan financial counselling services and co-design an integrated financial counselling model for regional areas

Cost \$4m

¹⁰⁷ The WACOSS 2016-17 Pre-Budget Submission, *Leaving No-one Behind* recommended an additional \$3m p/a and a shift to a more integrated service model.

¹⁰⁸ Parvin Mahmoudi, Ann-Louise Hordacre & John Spoehr (2014) *Paying it forward: Cost benefit analysis of The Wyatt Trust funded financial counselling services*, Australian Workplace Innovation and Social Research Centre, The University of Adelaide, p. 16

FINANCIAL ASSISTANCE

Utility bills have often been a focus of financial hardship protection. Having to pay a utility bill can necessitate a choice between avoiding homelessness or purchasing food for the family versus retaining light and refrigeration or heating for their home. As a result, low-income earners may be forced to forsake services, such as water and electricity, which are essential to maintaining a reasonable standard of living in order to feed themselves, or to keep a roof over their head.

The Hardship Utility Grant Scheme (HUGS) provides financial assistance to those in financial hardship in order to pay their utility bills. An average of 55 people a day applied for HUGS over the last financial year, with approximately 10,000 Synergy customers referred to HUGS in 2015/16.¹⁰⁸ The payment is not means tested.

Total grant funding of \$8.5 million was allocated to assist utility bill payments in 2016-17 for households in financial hardship in the State Budget.¹⁰⁹ The scheme began as a once-off intervention to help households to better manage their budgets, linked with a household efficiency audit and grant. With both the financial counselling and energy efficiency measures removed it is not clear whether the program now meets its policy objectives. Inadequate data collection has meant it is not possible to determine how many people are re-applying every 12 months or whether they are in fact those most in need of assistance. Arguably a better approach to energy concessions for low income households would be simpler to administer and more equitable.

We recommend a proper evaluation of the scheme and trialling of a new hardship assistance model that is both more flexible and more targeted to ensure we are getting the best outcomes from this investment.

Providing assistance to those who are struggling

to pay utility bills is a vital service. That struggle, however, is only one of the ways in which financial hardship can present. Hardship policies are intended to assist customers to take control of their financial situation, but the narrow focus of HUGS means that the funds do not necessarily target the most pressing issues for those facing financial hardship.

Providing assistance to those who are struggling to pay utility bills is a vital service

A flexible, brokerage approach to financial assistance, whereby financial counsellors would be able to work with clients to make informed judgments regarding their specific needs could enable improved outcomes for individuals and the development of greater independence. Clients, in conjunction with a financial counsellor, would be able to determine on a case-by-case, bill-by-bill basis where the hardship grant money was most needed and how it could be best spent, with the outcomes monitored by that counsellor.

This kind of responsive model could provide greater self-determination for those in financial hardship and enable them to overcome the particular barriers preventing the achievement of financial resilience.

18

Trial a more **flexible model of financial assistance** for those in hardship that enables the prioritisation of where hardship grants are spent

Cost \$2m¹¹⁰

¹⁰⁸ Joel Kelly (2016) 'Chill hits power bill' *Sunday Times*, p 11

¹⁰⁹ *WA Budget 2016-17*, BP3 p 147

¹¹⁰ This represents redirection of existing HUGs funding, not additional expenditure.

CONSUMER REPRESENTATION

Electricity is an essential domestic service. Disconnection from electrical power can have severe social and economic ramifications for individuals, families and communities. Electricity supports fundamental human needs including food, hygiene and shelter. It supports equipment that is critical to wellbeing and independence, and it enables and supports community engagement and family life.

Fundamental to ensuring access to a reliable, safe, affordable supply of electricity is effective regulation developed on principles of best practice consumer protection. Western Australia remains the only state in Australia without funded consumer research and representation in our energy and water markets.¹¹¹ Without it, we cannot expect to see best practice consumer protection or be sure that we are not paying too much for our power.

The move to full retail contestability as part of the Western Australian Electricity Market Review makes the need for that consumer representation all the more essential.

Research shows that negative energy market outcomes, such as market failure or affordability problems, have greater consequences for vulnerable consumers.¹¹² If full retail contestability is entered into without the appropriate consumer protections in place, the result could be costly for our economy and our community. The voice of consumers is essential in developing the support, concessions and awareness needed to enable vulnerable consumers to engage in a new energy market.

In the National Electricity Market (NEM), consumer representation and research funded by a market levy is commissioned and governed by Energy Consumers Australia (ECA). ECA was established in 2015 as a Council of Australian Governments initiative. It advocates within the national energy

market and funds grants for consumer protection and policy development.¹¹³

Western Australia has begun the process of transitioning into the National Electricity Market with the transfer of regulatory responsibility for the wholesale electricity market from the WA Economic Regulatory Authority to the Australian Energy Market Operator on 1 October 2016. At this stage it is not entirely clear when ECA might be expected to take on responsibility for oversight of consumer research and representation in WA during this transition and the matter may need to be resolved by the COAG Energy Council. Market participant levy arrangements do not currently operate in WA to support this work and so it will be necessary for the WA Government to fund ECA during the transition to ensure there is capacity for consumer representation in the development of new market arrangements.

In this critical period of electricity market reform, the Council calls on the State Government to fund ECA to provide consumer representation and research. Without it, the community and consumers cannot be assured that their interests will be considered or protected through both the reform process and in the final product.

19

Fund Energy Consumers Australia to provide **consumer representation and research** in WA energy markets in transition to national market membership

Cost \$1 m

¹¹¹ WACOSS (2014) *Consumer research and representation in Western Australian electricity, gas and water markets*

¹¹² Australian Energy Market Commission (2016) *Final Report: Retail Competition Review*, p 46

¹¹³ Energy Consumers Australia (2016) 'About ECA' <http://www.energyconsumersaustralia.com.au/about-eca>

WAGERING TAX

Western Australia has historically had a different relationship with gambling to other states as a result of the controls placed on the proliferation of electronic gambling machines or ‘pokies’. The rise of online betting and gambling, however, has meant that access to gambling has become easier than it has ever been before.

Studies indicate that online or interactive gamblers are more likely to experience gambling problems than ‘land-based’ gamblers, with factors such as its privacy and convenience potentially increasing the risk and severity of gambling problems.¹¹⁴ Sports and race betting are associated with problem online gambling, an association that is not found in the same way for land-based gambling.

The rise of online gambling also means that, where revenue from the state-controlled TAB would previously have gone back into the public purse to be sent on infrastructure and services, online bookmakers are using gambling havens to avoid paying taxes in this state. Because Western Australia has been so successful in containing the pokies we have not had the proliferation of gambling support services (combining treatment of addiction with financial counselling) seen in other jurisdictions and so are underprepared and more vulnerable to societal harm.

Following the example of the United Kingdom, South Australia announced as part of their 2016/17 State Budget the introduction of a 15% place of consumption tax on the Net Wagering Revenue of betting companies that offer services in that state. Net Wagering Revenue is the difference between the total money staked with bookies and the money paid back on winning bets. This means that the bookmakers’ winnings are taxed where the bets are made, rather

than the jurisdiction in which they hold their bookmaking licence.¹¹⁵

It is estimated that the tax will raise \$9.2 million in new tax revenue each year for South Australia, with \$500,000 per year from the revenue raised to go to the Gamblers Rehabilitation Fund to support problem gamblers.¹¹⁶ The implementation of this tax may require regulatory reform to accurately capture when companies are receiving bets from Western Australians, potentially through aggregated and auditable data on online gambling site registrants, and enforce their tax obligations (learning from the experience in South Australia).

In 2015/16, Western Australia raised \$45.1 million in betting tax collections.¹¹⁷ The introduction of such a tax in Western Australia would not only act to increase the revenue of the state (by an estimated \$10m in 2016/17), but if linked to support for problem gamblers such as in South Australia, provides a stronger capacity for WA to cope with the consequences that follow from increased access to gambling and betting online.

20

Introduce a 15% place of consumption tax on Net Wagering Revenue using proceeds to support financial counselling and addiction services for those harmed by online gambling

Revenue +\$10m

¹¹⁴ Australian Gambling Research Centre (2014) ‘Concerns related to interactive gambling’, *Interactive Gambling*, AGRC Discussion Paper No. 3

¹¹⁵ SACOSS (2016) ‘SA Wagering Tax’, <https://www.sacoss.org.au/sa-wagering-tax>

¹¹⁶ Ibid.

¹¹⁷ Department of Treasury, Western Australia (2015) *Overview of State Taxes and Royalties 2015-16* p. 59

ACKNOWLEDGEMENTS

Each year, the Council consults widely in preparing our pre-budget submission. Peak organisations and other key stakeholder representatives from across the community services sector play a critical role in this process by providing data and information about the key service pressures in the community. We also appreciate input provided by government agencies.

AccordWest
Activ Foundation
Advocare Inc
AHCWA
AnglicareWA
Australian Red Cross
Broome Circle Inc
Cancer Council WA
Centacare Kimberley
Centrecare Inc
City of Wanneroo
CLAN WA
Commissioner for Children and Young People
Communicare Inc.
Community Legal Centres Association WA
Community Sector Banking
Community Vision Inc
Consumer Credit Legal Service WA
Department of Child Protection and Family Support
Department of Finance
Department of Local Government and Communities
Department of the Premier and Cabinet
Department of Regional Development
Department of Social Services
Financial Counselling Australia
Food Rescue – UnitingCare West
Fortis Consulting
Givit
Hope Alexander

Interchange Incorporated
Jacaranda Community Centre
Jon Rose
Key Assets
Kimberley Community Legal Services
King Edward Memorial Hospital
Lamp Inc
Leeming Food Hampers
Linkwest
Local Information Network Karratha
Lotterywest
MacKillop Family Services
Margaret River Community Centre
Men's Outreach
Mental Health Commission
Mission Australia
Mosaic Community Care Inc
Ngala
North Regional TAFE
Orana House
Parkerville
Pathways SouthWest
Peel Community Development Group
Playgroup WA
Regional Development Australia – South West
Richmond Wellbeing
Rise Network Inc
Riverview
Ruah Community Services
Save the Children
Shelter WA
Shire of Augusta Margaret River
Shire of Derby/West Kimberley

Social Ventures Australia
South Coastal Women's Health Services
South West Australian Homeless People
St Bartholomew's House Inc
St Vincent de Paul Society
Starick
Sudbury Community House Assn. Inc
Sussex St Community Law Service Inc
Swan Emergency Accommodation
Tenancy WA
The Salvation Army
The Smith Family
The Spiers Centre Inc
Uniting Aid
UnitingCare West
University of Western Australia
Victory Life Centre
Volunteering WA
WA NILS
Wanslea Early Learning Development
Western Australian Association for Mental Health
Western Australian Local Government Association
Western Australian Network of Alcohol and Other Drug Agencies
Wongan Hills Community Resource Centre
Yaandina Family Centre Limited
YMCA WA
Youth Affairs Council of WA
Zonta House

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WACOSS stands for an inclusive, just and equitable society. We advocate for social change to improve the well-being of Western Australians and to strengthen the community services sector that supports them.