



WACOSS

Western Australian
Council of Social Service Inc

*Ways to make
a difference*

WHAT REALLY COUNTS:

INVESTING FOR WESTERN AUSTRALIANS

WACOSS Pre-Budget Submission
For the WA State Budget 2014–15

Prepared for the WA State Government
October 2013



WACOSS Pre-Budget Submission
2014–15

*What Really Counts:
Investing for **all** Western Australians*

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Foreword

The **Western Australian Council of Social Service** presents this Pre-Budget Submission *What Really Counts – Investing for all Western Australians* to the Western Australian Government, calling for investment in the top five priorities of the community services sector in the 2014–15 State Budget.

Over the past year the Council has continued to support the community services sector to secure the sustainability of services to meet the needs of vulnerable and disadvantaged people and enhance the wellbeing of all Western Australians.

Through the *Partnership Forum*, we have worked collaboratively with the State Government to progress improved approaches to funding, contracting and achieving better outcomes for our community. Both sectors face a range of challenges, and we need to maintain focus and purpose if we are to overcome them and realise the potential of a strengthened partnership approach.

The community sector is responding to multiple converging changes, and needs to balance its efforts between providing services to its clients on the one hand and responding to changing regulation of charities, funding, contracting and reporting policy, the design of new consumer-driven service models, and the implementation of corresponding new business models on the other. This year will see the introduction of significant new initiatives including the *National Disability Insurance Scheme*, with a unique and very welcome Western Australian approach, and we will have much to learn from its evaluation.

Western Australia is forecast to experience slower growth in the coming years, and more unpredictable revenue. The volatility of resource prices in global markets and associated royalty income that makes up a larger proportion of State revenue, increases uncertainty in the WA economy. While these circumstances are challenging, they are still in the large very positive for our State. Our annual revenue continues to grow, providing us the capacity to respond to the social service needs of our increasing population.

There is, however, increasing pressure on State expenditure and it is necessary for the Government to appropriately balance its many responsibilities. The Council provides this submission with the purpose of assisting the Government in prioritising social service expenditure in the community sector to achieve the best outcomes for the community.

The priority recommendations outlined in this submission represent wise investments in the social wellbeing of Western Australians, and lead us towards our vision of a just, inclusive and equitable society.



Francis Lynch
President



Irina Cattalini
Chief Executive Officer

Introduction

The **Western Australian Council of Social Service** undertakes an annual consultation with its members and stakeholders to prepare this submission on behalf of the community services sector and the people in the Western Australian community for whom we care and serve. This submission *What Really Counts – Investing for all Western Australians*, reflects the key recommendations that the Council is calling on the WA Government to prioritise in the 2014–15 State Budget.

The Council's consultation with the sector has revealed support for the same five priority areas as were reflected in *Stronger Together* our 2013–14 Budget Submission, with some important shifts of emphasis. These five areas are:

- Housing and homelessness
- The cost of living
- People with complex needs
- Children, young people and families, and
- Sustainable community services state-wide.

The key recommendations in each of these five areas reflect a focus on providing care and support to those most in need – acknowledging that, while all Western Australians benefit from living in a caring and compassionate community, there are some people in greater need than others, who ought to be a priority for the Government. Access to appropriate and affordable housing is overwhelmingly the community's number one priority.

This submission recognises that in a tightening fiscal environment prioritisation of programs is necessary, but must be based on clear evidence informed by quality data and transparently shared information. Responsible transitions are needed from old to new service models so that no-one is left behind, and higher levels of service delivery are ultimately needed to meet the demands of a growing population and achieve real benefit in outcomes.

To that end, we have focused on a thorough assessment of priority areas, and recommend a limited number of service investments the Council considers be of the greatest need and return the greatest benefit to the community. While this submission has been prepared for the State Government, the Council recognises the importance of the role of Federal Government policies and programs in addressing these priorities. There is a need for more effective cross-jurisdictional collaboration, and this submission will complement the Council's broader contributions to Federal advocacy and policy development through ACOSS and the COSS network.

The Council recognises the benefit of collaborative service models, and emphasises that to be successful this requires resourcing facilitation and coordination. To this end, we have called for investment in greater coordination of services, and an intention to overcome the barriers of competitive funding arrangements.

Finally, this submission seeks to highlight and strengthen the role of civil society in the governance and wellbeing of our community, by giving a voice to the community service organisations working at the coal face in our community. It builds on their experience and expertise, and recognises the great value to the Western Australian community at large of the efforts they make to pursue their missions, for the benefit of us all.

Summary of Budget Recommendations

SECTOR PRIORITIES	OUTCOME	2014-15 KEY BUDGET ASKS	COST 2014-15
Housing and Homelessness	<i>Access to affordable, appropriate and sustainable housing for Western Australians vulnerable to homelessness and financial hardship</i>	Expanded pathways to secure and affordable housing	\$238m
Cost of Living	<i>Targeted and integrated financial and household efficiency services for Western Australians on low, fixed or insecure incomes vulnerable to utility hardship and financial stress</i>	Targeted energy affordability scheme	\$2.5m
		Targeted retrofitting program	\$6.5m
		Consumer advocacy service	\$1.3m
		Integrated financial management services	\$1m
People with Complex Needs	<i>People experiencing multiple forms of vulnerability are supported to achieve positive outcomes through the effective and efficient delivery of services</i>	Support services for people with complex needs in contact with the justice system	\$16m
		South West Aboriginal rehabilitation service	\$7m
		Collaborative responses for at risk young people	\$9m
		Increased community sector delivery of mental health services	\$15m
Children, Young People and Families	<i>Coordinated client-centred services that support families and communities to protect and nurture children and young people</i>	Community-based intensive family support services, with a focus on Aboriginal children	\$14m
		Early years practitioners' network	\$2.6m
		Re-engaging youth through alternative education	\$19m
Sustainable Community Services State-wide	<i>Community services are adequately funded to cope with changing population need and strong regional community networks play an active role in regional development</i>	Regional community sector networks	\$5m
		Community sector capacity building	\$3m

Housing & Homelessness

OUTCOME Access to affordable, appropriate and sustainable housing for all Western Australians experiencing homelessness and financial hardship.

Key Budget Recommendations

PATHWAYS TO SECURE & AFFORDABLE HOUSING	
<p><i>Supporting vulnerable Western Australians on low incomes to achieve sustainable outcomes at key transition points on the housing continuum by:</i></p> <ul style="list-style-type: none">• <i>increasing the stock of social housing, crisis and transitional accommodation</i>• <i>encouraging private social investment in building and redevelopment of social housing and affordable rental</i>• <i>providing brokerage, support and rental subsidies to sustain tenancies.</i>	\$238m

Policy Rationale

Demand for housing continues to outstrip supply and the cost of housing has risen much faster than incomes for many disadvantaged Western Australians. We urgently need strategies to address the growing gaps at the critical end of our housing continuum to provide pathways to support vulnerable people to achieve sustainable housing outcomes.

Affordable housing has been the major priority of successive Pre-Budget Submissions and remains the most frequent and pressing priority in our community consultations. The areas of greatest concern are the availability of social housing, the affordability of private rentals for low income and vulnerable people, growing rates of homelessness and the lack of crisis and transitional accommodation.

Over the past decade, Perth median rent as a percentage of the State Minimum Wage has increased from 35% in March 2003, to 75% in March 2013 (see Table 1)¹. Housing is a major priority because of its centrality to tackling other issues. Our priority is to ultimately achieve better life outcomes for as many low income and vulnerable households as we can. Hence, the important thing in achieving long-term outcomes is the appropriateness and amenity of the housing, its affordability and security of tenure – rather than who owns, builds or manages it. Our concern is how we best provide diverse housing options to maximise the number of vulnerable people who can achieve and sustain better lives.

The Council recommends that the State Government put resources into exploring best cost pathways to achieving appropriate, affordable and secure housing outcomes for those on low incomes – to weigh up the options, consider economies of scale, and be mindful which strategies benefit which vulnerable groups and overcome key barriers in the housing continuum.

The Council supports the commitment of the State Affordable Housing Strategy to deliver 20,000 new units of affordable housing by 2020², and its promotion of a range of innovative approaches to developing new housing options across the housing continuum. We are concerned however, that there are still no clear targets for what proportion of social housing and affordable rental, shared equity products and other affordable ownership options. The Council suggests in the current economic climate greater priority should be given to investment in housing options for disadvantaged and vulnerable people (particularly social housing and affordable rental) ahead of affordable ownership options. In the absence of specific targets the least cost means of achieving the 20,000 target is to provide a greater proportion of affordable ownership products, without addressing the critical end of the continuum and delivering a wider community outcome.

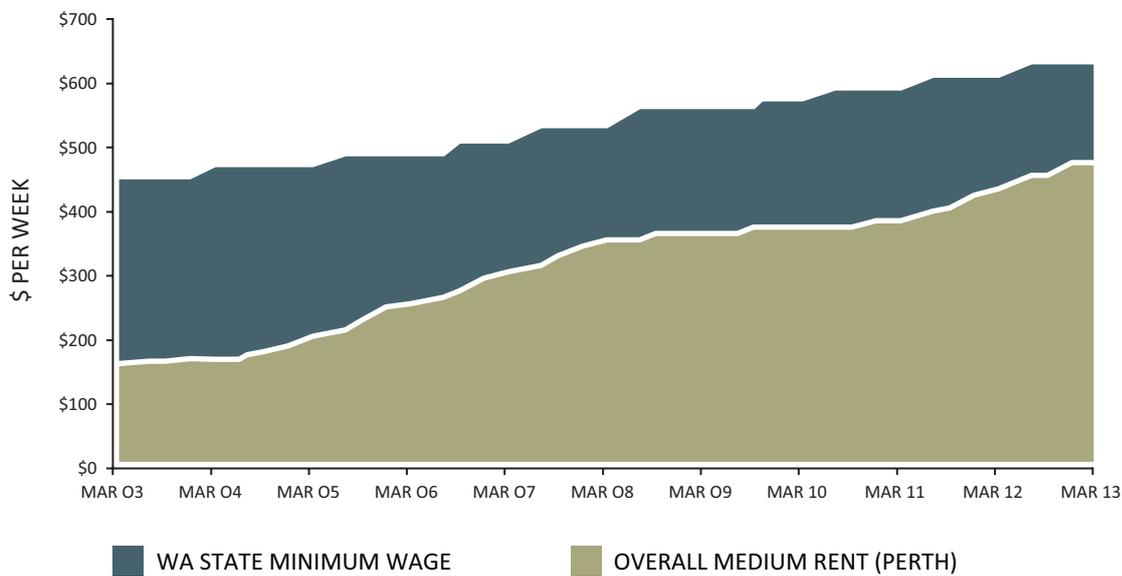
¹ WACOSS (2013) Cost of Living Report 2013, <http://goo.gl/1QQqBS>, p14.

² Noting the National Housing Supply Council estimated a shortfall of 38,000 dwellings in WA in 2012.

Poverty and financial hardship amongst older people is an emerging issue as our population ages. The provision of timely advice and support to seniors can make a critical difference in reducing the demand on crisis services. Seniors are identified as a specific group requiring support³ and currently occupy more than 30% of our public housing stock. With projections indicating the number of seniors owning their own homes is set to decline significantly in coming decades, the Council believes greater support should be provided to help seniors achieve and maintain secure and sustainable housing. On this basis, the decision to cease funding the Seniors Housing Service is a backwards step.

In recent years, the community sector has welcomed the increased focus of the Government on investing in social housing opportunities for people with disabilities and mental ill health. This targeted approach delivers genuine benefits to those assisted by it. We support sustaining this initiative and wish to see an expanded focus on people with other forms of disadvantage and vulnerability, particularly families with children growing up in poverty, in housing stress or at risk of homelessness.

Figure 1: State Minimum Wage vs. Perth Median Rent⁴



³ Department of Housing (2011) *Affordable Housing Strategy: Opening Doors 2010-2020*, http://www.housing.wa.gov.au/HousingDocuments/AHS_Report_final.pdf, p. 42.

⁴ Department of Commerce (2013) *WA Minimum Wage Rates*, <http://goo.gl/57UMmG>; and REIWA (2013) *Historical Rental & Vacancy Data*, <http://reiwa.com.au/research/pages/perth-listings-and-rental-trends.aspx>.

The housing continuum

Housing outcomes and options range from homelessness at one end of the housing system through to full home ownership at the other end. Depending on their circumstances, Western Australians have different capacities and aspirations, requiring different entry points and different types of support along the housing continuum. It is important to recognise that there is a range of pathways to achieving stable accommodation and we should not assume that households should follow a sequential path, or that home ownership is a realistic endpoint or aspiration for many. Initiatives like the *Street to Home* program under the National Partnership Agreement on Homelessness have demonstrated it is possible to make successful supported transitions directly from homelessness to social housing or affordable rental. The combination of rising housing costs and population growth has led to significant gaps and barriers at key transition points in the housing continuum as shown in Table 1.

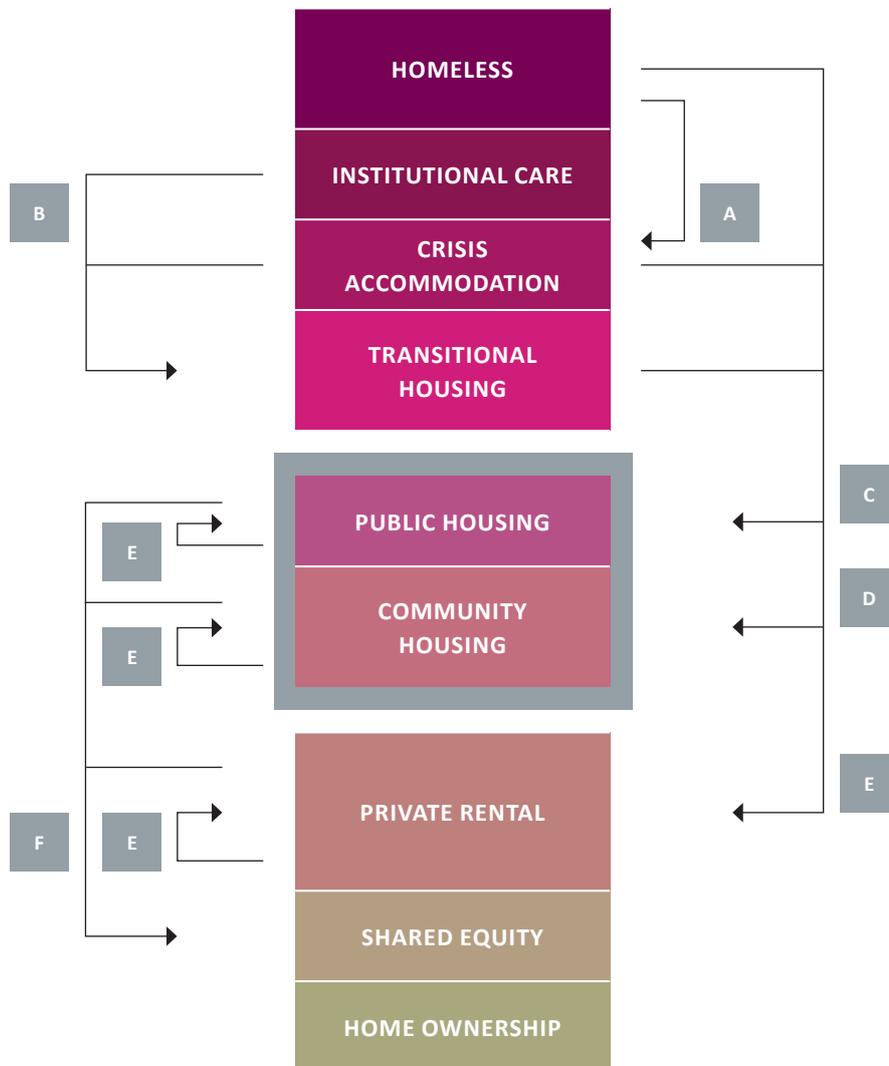
Table 1: The Housing Continuum – Key Observations

HOMELESS	There are approximately 15,000 homeless people in WA, many who are sleeping rough, in cars, tents or insecure housing, others rely on social networks for temporary shelter.
INSTITUTIONAL CARE	We must be committed not to discharge people from our prisons, hospitals or other forms of institutional care into homelessness.
CRISIS ACCOMMODATION	Each day people are turned away from homeless and crisis accommodation services which are at full capacity.
TRANSITIONAL HOUSING	The lack of transitional accommodation options causes a blockage in the system, as there are not enough housing options to move people on to once a crisis has been stabilised.
PUBLIC HOUSING	There are currently ~35,000 public housing dwellings and over 22,000 applications for housing on the wait list from over 55,000 people, including families with children.
COMMUNITY HOUSING	There are currently ~9,000 community housing dwellings, and a 'growth strategy' to increase the supply through the transfer of public housing stock, and investment in new construction.
PRIVATE RENTAL	The median weekly rent in Perth is ~\$475. Over 44,000 renters in WA are estimated to be in housing stress, spending more than 30% of their income on housing. The proportion of the minimum wage required to meet the median rent price has grown from 35% to 75% over the past decade.
SHARED EQUITY	The State Affordable Housing Strategy has invested in supporting people on moderately low incomes to buy their own home through a shared equity scheme.
HOME OWNERSHIP	45,000 WA home owners in the lowest two income quintiles are estimated to be in housing stress spending more than 30% of their income on mortgage payments.

The Council is calling on government to put resources into expanding a number of pathways to achieving appropriate, affordable and secure housing outcomes, at key points in the housing continuum, as shown

below. There is a need to expand capacity at points A – F in the diagram, to assist people to move through the continuum, or to sustain tenancies that are at risk and prevent homelessness.

Diagram 1: The Housing Continuum – Expanded Pathways



KEY

- A** \$11m for new crisis accommodation
- B** \$11m for new transitional accommodation
- C** \$132m for new public housing
- D** \$44m for new community housing
- E** \$38m for brokerage and support to sustain tenancies & rental subsidies
- F** Maintain existing pathways to shared equity

1. Crisis and transitional housing



The need for more crisis and transitional accommodation is an emerging issue in WA. Recent successes with homelessness programs are being limited in a number of areas by their ability to transition clients to sustainable and affordable longer-term housing. The Council is concerned that as the cost of housing has risen and the continuum has been 'stretched' larger transitional gaps have opened up – particularly for those looking to transition from homelessness, crisis accommodation or public housing into the private rental market. If these issues aren't addressed we risk seeing increasing churn between these services and private rental, which is both more resource intensive and delivers poorer life outcomes.

WHAT WE'RE CALLING FOR

Investment of \$11m to increase crisis accommodation, and \$11m to increase transitional accommodation.

Estimated cost of delivering improved outcomes in 2014/15: **\$22m**

2. Investment in public housing



There remains an urgent need for increased investment in public and community housing. Despite measures to prioritise those most in need, as of April 2013 there were 21,367 applicants on the WA public housing waitlist with an average wait time of 131 weeks, including 2,845 households on the priority waitlist with an average wait time of 96 weeks⁵. With changes to income support for single parents seeing an estimated 8,000 families in WA losing between \$60 - \$120 per week as of January 2013⁶, emergency relief services and financial counsellors are reporting rising rates of financial hardship and housing stress among this group, further increasing demand for social housing, crisis and transitional accommodation. While the inadequacy of income support is a federal issue, (and the Council is focusing its advocacy on achieving a positive outcome with the new Federal Government), it is critical for the State Government to be mindful of income capacity issues in designing its own policy and program responses to achieve realistic outcomes.

WHAT WE'RE CALLING FOR

Public investment in an additional 600 public housing dwellings, complemented by increased social investment.

Estimated cost of delivering improved outcomes in 2014/15: **\$132m**

“...emergency relief services and financial counsellors are reporting rising rates of financial hardship and housing stress... further increasing demand for social housing, crisis and transitional accommodation.”

⁵ Correspondence with Department of Housing, May 2013, based on data from State Budget Papers 2013-14.

⁶ ACOSS (2013) *ACOSS and NCSMC launch new campaign: Have a Heart* <http://goo.gl/u8kmxw>.

3. Investment in community housing

D

The Council supports sustained growth of the community housing sector, through increase transfers of public housing assets, increase transfer of tenancy management of public stock, and through government-backed private investment instruments (as discussed below). Key benefits include: higher rates of tenant satisfaction and better tenancy outcomes⁷; lower average cost per tenancy⁸; a more diverse and sustainable mix of tenants ability to provide specialist services for specific vulnerable groups; and an ability to provide longer-term accommodation as household incomes improve. Currently 18% of social housing stock within WA is provided by the community housing sector⁹, with State Budget commitments likely to see this increase to around 21% in 2014¹⁰ – well short of the 35% target for 2014 set by Australian Housing Ministers in 2009 to transfer 35% of public housing stock to the community housing sector by 2014. Sustained growth of the sector – with a greater focus on tenancy management transfers – would result in more cost effective social housing outcomes.

WHAT WE'RE CALLING FOR

Public investment in an additional 200 community housing dwellings, complemented by increased social investment.

Estimated cost of delivering improved outcomes in 2014/15: **\$44m**

“Sustained growth of the [community housing] sector – with a greater focus on tenancy management transfers – would result in more cost effective social housing outcomes.”

4. Supported pathways to sustained tenancies

E

Primary and secondary homelessness remain a growing concern in WA, as our population growth rate continues to outstrip housing supply and available housing becomes increasingly unaffordable – particularly for those on low and fixed incomes. The correlation between homelessness, poverty and complex need is also increasingly apparent. Discrimination in a tight private rental market is also an increasing problem, making brokerage services and the provision of social housing to disadvantaged sub-populations (such as young people, refugees, seniors, people with a disability and Aboriginal families) increasingly necessary. Brokerage services take on the task of finding suitable accommodation and negotiating with landlords or real estate agents to secure a property and put in place appropriate tenancy arrangements.

The existing *Rental Pathways Scheme* provides support for public housing tenants with improved income transitioning from public housing into private rental. It involves the Department of Housing establishing a relationship with the landlord, guaranteeing rent for the term of the lease and providing 20% up front bond assistance and relocation costs, and up to 24 months tenancy support. The Council notes that the take-up of the existing program has been relatively low, due to a combination of the current tightness of the rental market and the preference of those tenants for other outcomes (such as shared equity, community housing or NRAS properties). While real estate agents are willing to engage with the scheme, ultimately each property is let out on a competitive commercial basis, so take-up is likely to remain limited until the rental market eases some more and the vacancy rate for lower cost properties starts to come up. The Council thinks that the pathways model of brokerage, assistance and support is a good one, but that it would be more effective if targeted to other groups with greater need and fewer options.

The model could be equally effectively applied to provide transitional support to those transitioning from crisis or supported accommodation to private rental – particularly where they qualify for the public housing wait-list or priority waitlist.

⁷ AIHW (2012) *National social housing survey: state and territory results 2010*, <http://goo.gl/9kCuik>, p. 15-19.

⁸ Productivity Commission (2012) *Report on Government Services 2012*, p112.

\$5,400 per tenant per year in WA vs \$9,762pa in public housing, noting management costs may change with an increasing proportion of higher needs tenants. The Community Housing Coalition of WA advises on these figures transfer of the management of 5,000 public housing properties could save in the order of \$49m per year.

⁹ Department of Housing (2012) 2011-12 Annual Report, <http://goo.gl/u8pe9n>.

8,393 community housing accommodation options and 36,749 public housing units in rental stock, totalling 45,142 social housing properties. 35% of existing stock equates to 15,800 properties, meaning an additional 7,674 properties would need to be transferred between to reach the 35% target. On these figures \$71m actual in 2012-13 would mean around 321 houses transferred last year and \$184m budgeted in 2013-14 accounts for around 832 additional transfers, for a total of 1153 (just under 21% of social housing stock) leaving a shortfall of 6,521 to reach the 2014 target of 35%.

¹⁰ Department of Treasury (2013) *Budget Paper No. 2*, Volume 2, p 682. (\$70m actual vs \$81m forecast in 2012-13).

The Department of Housing's 2010-11 Annual Report indicates 1,041 assets transferred, and the Department of Treasury's 2011-12 Budget Paper No. 2, Volume 2, p.710 indicates expense of \$230mil for 2010-11 an average cost of \$221,000 per property. On this figure, \$184m in 2012-13 Budget Papers equates to around 832 properties.

When someone qualifies for the priority waitlist we effectively acknowledge that they have a clear and pressing need and are entitled to public housing, but there is not sufficient stock currently available. Under these circumstances, the State might be expected to have a duty of care to ensure they have access to appropriate affordable housing, and to provide interim or alternative support.

The cost of rental accommodation has emerged as the number one contributor to financial stress in low-income households, with the median rental price rising to \$475 per week¹¹. WACOSS' 2013 *Cost of Living Report* indicated that housing costs accounted for between 29% to 45% of weekly expenditure of low income households modelled, contributing between 61% and 74% of the total rise in living costs¹². This suggests recent increases in levels of financial default, utilities hardship and demand for emergency relief services are best understood as a product of transferred housing stress. With 21,367 applicants waiting up to 131 weeks on the public housing waiting list and an estimated 8,000 single parent households in WA moved into financial hardship this might be an efficient means of preventing homelessness and greater demand on crisis services.

We are calling on the State Government to review the current rental pathways program and assess the costs and benefits of delivering brokerage, tenancy support and rental assistance to a wider list of low-income households and specific vulnerable groups. Key considerations should be the comparative cost of this support versus crisis and transitional accommodation for those at imminent risk of homelessness, its use as an interim measure while the stock of social housing and affordable rental is increased, and the potential for an expanded pathways program to be delivered by community providers to specific vulnerable groups.

WHAT WE'RE CALLING FOR

An extended pathways program to assist those in transitional accommodation or on the public housing waitlist to secure and sustain affordable private rental, and to prevent those in private rental at risk of homelessness from defaulting on their rent.

Estimated cost of delivering improved outcomes in 2014/15: **\$38m**

5. Private social investment



The State Affordable Housing Strategy identified a number of 'breakthrough initiatives' to increase the availability of affordable housing in the private market – including the creation of an affordable housing investment vehicle to facilitate institutional investment in the sector, the implementation of appropriate affordability incentives, development of a register for affordable rentals, and financial assistance provided to low income households. The Council believes that these areas now need to be treated as major priorities, and is committed to working with State and Federal Governments to ensure effective policy is developed to deliver more affordable rentals for low income households.

Increasing social investment and creating greater incentives for affordable rental is the only way we are likely to achieve affordable housing outcomes on the scale that is needed to address demand and bring down rising rental costs for low income households. More effort needs to be put into exploring indirect measures to increase the provision of affordable stock as a medium-term strategy to complement immediate direct investment.

We need to increase long-term institutional investment in residential stock. Currently there is no significant institutional investment in wholesale residential property, let alone affordable rental properties. There is potential to engage institutional investors, such as superannuation funds and insurance companies, in the provision of affordable accommodation, but significant barriers need to be addressed first¹³. The key criteria to enable this investment are the ease of entry and exit; instruments with no requirement for active management or reputational risk¹⁴; and an ability to deliver solid and reliable returns¹⁵.

WHAT WE'RE CALLING FOR

Research and develop an effective investment vehicle for institutional investment in social housing and affordable rental.

Estimated cost of delivering improved outcomes in 2014/15: **\$2m**

¹¹ REIWA (2013) *Property Market Indicators at 7 August 2013*, <http://reiwa.com.au/Research/Pages/Market-indicators.aspx>; see also Anglicare WA (2013) *Rental Affordability Snapshot WA*, <http://goo.gl/ovjFrg>.

¹² WACOSS (2013) *Cost of Living Report 2013*, <http://goo.gl/1QQqBS>.

¹³ Milligan, V. (2013) *Financing and institutional arrangements for the provision of affordable rental housing in Australia*, AHURI; see also: Rowley, S. (2012) *Housing affordability, Home ownership, Private rental, Economics and modeling, Urban planning and development*, Curtin University.

¹⁴ For example, separating the investment instrument from the management vehicle, preferably with a not-for-profit, community-based provider.

¹⁵ Noting commercial property returns 9-11%, residential currently returns 6%, and affordable rental would currently deliver less without changes to address Federal and State tax barriers.

6. Stock redevelopment



The Council welcomes the commitment in the State Budget to redevelop 200 existing public houses to create 500 new units of affordable housing, with no net loss of public housing stock and resulting in a substantial improvement in the quality, amenity and thermal efficiency of the redeveloped stock. The Council believes that there is an opportunity to build upon this initiative to develop a cost-neutral rolling redevelopment program to improve the quality of public housing stock, deliver other more affordable housing options, and gradually increase the stock of social housing over time. Striking the right balance between the numbers of redeveloped properties sold as affordable housing or shared equity products and those sold at market rates could provide a sustainable funding stream to increase the stock of social housing at no additional cost to government. We are calling for a long-term commitment to continue redeveloping public housing stock at a rate of around 100 sites per year over the next decade. We note that investment will be required to provide a line of credit to establish the program, and consideration needs to be given to housing existing tenants in proximity to services, jobs, schools and social networks.

WHAT WE'RE CALLING FOR

A cost-neutral rolling redevelopment program for social and affordable housing based on this year's budget investment to redevelop 100 dwellings per year over the next decade to increase the stock of social housing.

Implementation

There is a pressing need to keep pursuing systemic change that can only be effectively achieved by bringing stakeholders together across service sectors and the three tiers of government to scale up and accelerate pathways to reach the affordable housing target. Lead government agencies, those primarily responsible for these areas, include the Department of Housing and the Department for Child Protection and Family Support. Other relevant agencies who should be engaged in a coordinated approach include Department of Planning, Department of Social Services (Commonwealth), Department of Human Services (Commonwealth), Department of Local Government and Communities, Department of Corrective Services, Department of Education, Mental Health Commission, Disability Services Commission, community housing providers, superannuation providers, investment and insurance companies, financial institutions, homelessness and tenancy support services, seniors housing service, community legal services.

“Striking the right balance between the numbers of redeveloped properties sold as affordable housing or shared equity products, and those sold at market rates, could provide a sustainable funding stream to increase the stock of social housing at no additional cost to government.”

Cost of Living

OUTCOME Targeted and integrated financial and household affordability services for Western Australians on low, fixed or insecure incomes vulnerable to utility hardship and financial stress.

Key Budget Recommendations

TARGETED ENERGY AFFORDABILITY SCHEME	
<i>Direct measures to reduce consumption for those on low incomes and in utility hardship who spend a disproportionate amount of their income on energy and water.</i>	\$2.5m
TARGETED RETROFITTING PROGRAM	
<i>A pilot program and cost/benefit analysis of the time to return investment of higher levels of thermal retrofitting of low income households across the climactic zones within WA.</i>	\$6.5m
CONSUMER ADVOCACY SERVICE	
<i>Fund a service to provide consumer advocacy to deliver better regulatory, service and price outcomes in WA's energy, water and transport markets.</i>	\$1.3m
INTEGRATED FINANCIAL MANAGEMENT SERVICES	
<i>Develop a common framework, assessment tool and shared referral system for financial hardship to improve assessment, facilitate needs-based referral, and reduce churn across financial management services.</i>	\$1m

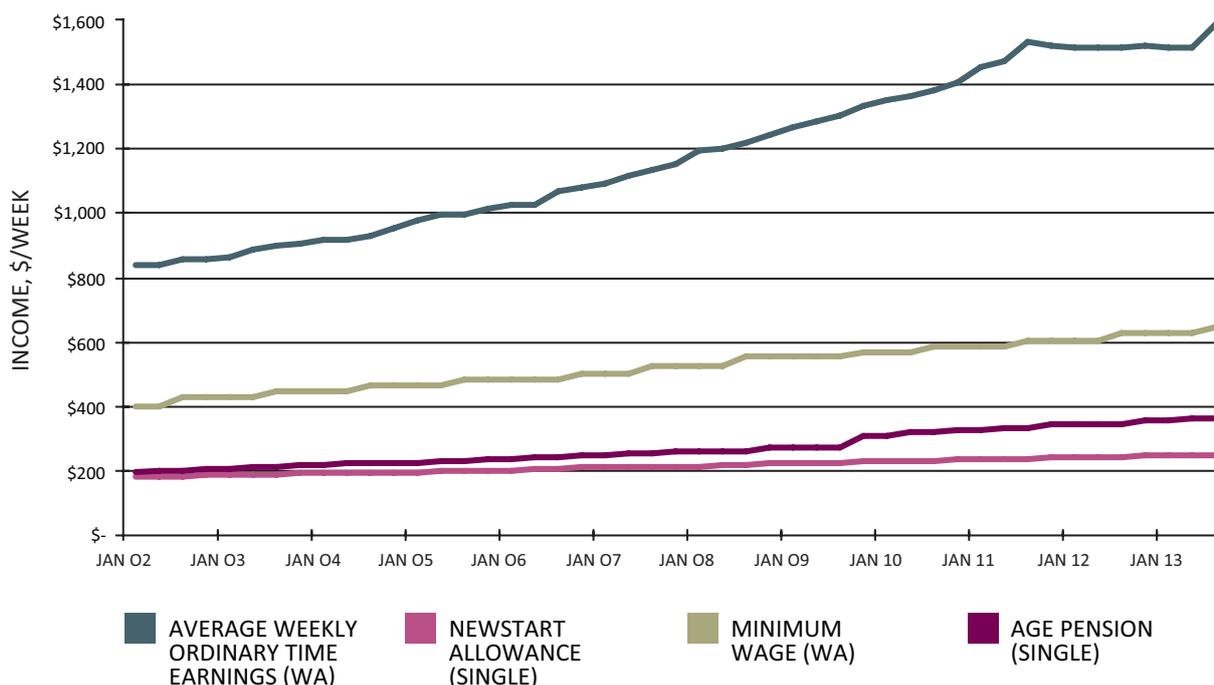
Policy Rationale

During tightening economic times it is critical that social policy spending focuses on those areas that provide the most efficient and effective measures to assist those who are most in need or at risk, and that are likely to deliver the greatest future benefits for the well-being of our community and the health of our economy. The findings of WACOSS' last two Cost of Living reports have highlighted very clearly who it is and isn't being adversely affected by rises in the cost of essential goods and services. Western Australian households on average or better incomes have seen their wages rise much faster than their essential living costs, and despite pervasive myths to the contrary, the majority are in fact much better off. In contrast, households on low and fixed incomes, particularly those reliant on income support, low-skilled part-time and casual work and the minimum wage have seen their incomes falling behind increases in essential living costs – particularly the cost of housing, utilities and transport. The rising cost of private rental is the biggest single cause of financial stress for low income households, while the increasing cost of energy and water means that unpaid utility bills are likely to be the first symptom of financial hardship and the start of growing household debt. Food stress also remains a major issue of concern, as households in financial hardship often cut corners on nutrition or

skip meals to help balance the budget; which is why the Council continues to call for a State food stress strategy based on a regular food access and pricing survey.

The Council is advocating for a strategy of focusing assistance onto those who need it most, and developing strategies and measures that can lead to a sustained improvement in the affordability of basic living costs. It remains critically important that we retain existing concessions and support for those on low incomes or in financial hardship while we better target our efforts and develop evidence based policies that sustainably reduce ongoing costs of essential services for low income households. To this end we are recommending a number of strategies that aim to make permanent reductions to energy and water consumption for low income households; that engage with the regulation of energy, and water markets to encourage further efficiency; and ensure those in hardship are supported. This will need to include greater efficiency and more sustained outcomes from financial management services assisting those in hardship. We also want to ensure transport investment decisions and public transport pricing is well informed by the needs of vulnerable consumers to support their mobility, and access to education, employment and services.

Table: The gap between average wages, the minimum wage and income support payments ¹⁶



7. Targeted energy affordability scheme

Reducing consumption is an important method to reduce cost of living pressures, and it may be more economically efficient to achieve permanent reductions in consumption, and therefore energy costs, than trying to address utility hardship via tariffs, concessions and hardship grants alone. The Council recommends a new energy affordability program targeted at low income households. The scheme would target concession holders experiencing financial hardship who are identified as either having a comparatively high consumption for their household size and type (say, the top two quintiles) or are under-consuming heating and cooling services to the detriment of their health. By targeting the highest users the program will be able to make significant savings for those households, while putting downward pressure on the recurrent spending on HUGS.¹⁷ By targeting those with very low consumption, we will be able to achieve greater heating and cooling service at the same cost by ensuring consumption is more efficient, thereby improving their wellbeing, and reducing the risk of detrimental health impacts. By being selective with who can access the program, the scheme should be more effective and efficient.

A cost effective solution to achieve sustained reductions in consumption can build on the learning from community-based organisations with established relationships with eligible low income households, experienced at delivering services to clients in their homes. Ensuring that retrofit activities target households with high or low consumption, requiring that participation is contingent on sharing of data, and including behaviour change targets as a means of securing further assistance should produce a highly successful program.

The Council considers that improving the thermal efficiency of existing housing stock may provide wider benefits to the community if it is also targeted at locations that require electricity network expansion, or where the cost of delivering power is particularly expensive (for instance many regional and remote areas where power delivery is heavily subsidised by the community via the tariff equalisation contribution). In regional and remote areas, economies of scale are more likely to be achieved by identifying particular communities with high rates of eligible consumers and undertaking multiple assessments and refits at the same time.

¹⁶ WACOSS (2013) *Cost of Living Report 2013*, <http://goo.gl/1QQqBS>.

¹⁷ As HUGS is available to a household receiving assistance based on 85% of their utility bills until they reach the cap, any reduction in bills below the cap will also result in a saving to the HUGS budget.

Low income families with multiple children reliant on the dependent child rebate are likely to live in poorer housing stock and have much higher power consumption – but do not receive commensurate concessional support. Such households are likely to consume disproportionately more energy during peak periods after school and in the evening and thus reducing their consumption can help reduce peak demand. With the construction phase of the resources boom winding down, employment in this industry is likely to be a good match for the current skill sets of a segment of our population currently facing rising rates of unemployment.

The scheme is also likely to be more cost-efficient if it includes a water saving scheme. Water and energy use are in many instances closely tied, in that heating water is one of the most energy intensive tasks in most homes. By combining an energy and water audit the home visit will also be more valuable for the household. Participants may gain access to further efficiency measures by meeting behaviour change targets that reduce consumption and by engaging with peer to peer education and support. The home efficiency assessment would identify least cost measures, with the cost of interventions tracked against bill reductions. It would also include capacity to support households to replace or upgrade appliances where appropriate.

The Council recommends 3,000 home electricity and water audits and basic refits in the Metropolitan region at an average cost of \$500 per household, and 1,000 in regional and remote locations, at up to \$1,000 per household. Annual program reviews can analyse the costs and benefits of the program, secure ongoing support and further refine its strategies and measures.

WHAT WE'RE CALLING FOR

Direct measures to reduce consumption for those on low incomes and in utility hardship who spend a disproportionate amount of their income on energy and water.

Estimated cost of delivering improved outcomes in 2014/15: **\$2.5m**

8. Targeted retrofitting program

For dwellings with poor thermal efficiency weather/ draught sealing, ceiling and floor insulation measures can dramatically improve the thermal efficiency of a dwelling and hence energy consumption for less than \$5,000¹⁸. Many houses built before 1990 in Western Australia are likely to rate at around 1 star. Poor thermal efficiency results in higher energy bills as the heating and cooling equipment have to run longer and harder to maintain a liveable temperature inside the home. Rationing of energy use by aged pensioners and low income families leads to increased rates of preventable illness, particularly among the very old and the very young¹⁹ which ultimately impacts on the State's recurrent health expenditure.

Numerous reports have found that the benefits of introducing minimum thermal performance requirements for existing dwellings outweigh the costs.²⁰ As such the Council considers it prudent that the government investigates the feasibility of introducing minimum thermal performance requirements for existing housing stock in Western Australia at point of sale or rental. Results from the retrofitting pilot trial may provide a basis for a cost/benefit analysis of minimum thermal performance standards or mandatory reporting in the future.

The Council recommends piloting a program that identifies poor thermal-efficient housing stock (that which has a NatHERS rating between zero and 1.5 stars), and implements changes to improve those dwellings' NatHERS rating by between one and two stars. An appliance replacement should be included where it can deliver an efficient outcome within the household budget. When implemented, the pilot program should have a large enough sample size – in all five climactic regions in WA – to ensure that the data collected as a part of a comprehensive evaluation process, is valid and applicable to all Western Australia residents.

WHAT WE'RE CALLING FOR

A pilot program and cost/benefit analysis of the time to return investment of higher levels of thermal retrofitting of low income households across the climactic zones within WA.

Estimated cost of delivering improved outcomes in 2014/15: **\$6.5m**

¹⁸ This is based on as yet unpublished research in Victoria looking at converting older dwellings rated on average at 1.5 stars up to 3.5 stars. Achieving higher levels of thermal efficiency, while easier to achieve in constructing newer dwellings, are likely not to be cost effective in reducing consumption – except in more climactic extremes.

¹⁹ Williams, S., Nitschke, M., Weinstein, P., Pisaniello, D., Parton, K. Bi, P. (2012) The impact of summer temperatures and heatwaves on mortality and morbidity in Perth, Australia 1994–2008, *Environment International*, Volume 40, April 2012, p. 33-38; and Howden-Chapman, P., Viggers, H., Chapman, R., O'Sullivan, K., Telfar Barnard, L., Lloyd, B. (2012) Tackling cold housing and fuel poverty in New Zealand: A review of policies, research, and health impacts, *Energy Policy*, Volume 49, October 2012, p. 134-142.

²⁰ Centre for International Economics (2010) *Energy-efficiency: building code star-ratings. What's optimal, what's not*, <http://goo.gl/oOqYaj>; and Moreland Energy Foundation Ltd (2010) *On-Ground Assessment of the Energy Efficiency Potential of Victorian Homes*, <http://goo.gl/TwpzLy>.

9. Consumer advocacy service

The need for a dedicated energy advocacy body has been identified and supported by consumer energy advocates and independent analysis, including the Productivity Commission²¹. Currently Western Australia and the Northern Territory are the only jurisdictions without any funded consumer advocacy in the energy market. As Western Australia is not connected to the so called 'national energy market' (NEM), we do not benefit from the national analysis and advocacy funded by a levy on energy producers within the NEM. The Council believes that Western Australian energy consumers should be afforded the same representation as energy consumers in other jurisdictions. Without consumer advocacy the consumer's voice is lost in the regulatory decisions that impact directly on their interests. In the absence of independent advocacy and analysis there would be no submissions provided to the Economic Regulation Authority to counter the views of utility providers, which have a vested interest in pushing up prices. In this context, expert independent economic analysis and consumer advocacy could deliver significant savings to Western Australian consumers by achieving modest gains in pricing efficiency.

"In the absence of the presentation of objective, evidence-based analysis and reasoning about the cost, pricing and service implications of energy market operations and decisions for energy users, it is currently left to policy and market institution decision-makers to analyse and take account of any consumer impacts and interests in ad hoc and often uninformed ways. As a result, it is likely that those interests will be poorly understood, under weighted or overlooked in those decision processes, thus increasing the risk of undue influence in (or even capture of) those processes by the well-resourced submissions and representations from energy suppliers.

*As well as improving direct and indirect energy market outcomes for energy consumers, effective engagement and advocacy on their behalf... by an appropriately resourced national advocacy body can be expected to improve the quality, balance and effectiveness of energy policy and regulatory decision-making. In turn this would contribute to improvements in the operation of... energy markets and in public understanding of and support for their performance and the outcomes they deliver for energy consumers."*²²

Rapid population growth in Western Australia has put severe stress on our transport network, with housing cost and availability pressures, (and insufficient medium density infill development), forcing many low to moderate income working households out onto the urban fringe. Transport was identified as a significant priority in our regional towns and centres, particularly for key vulnerable groups (including seniors, people with a disability, young people accessing work and education, single parent households and those travelling to access healthcare).

Current consumer advocacy on transport in WA has largely focused on road congestion and the interests of the automotive lobby. There is a need for independent analysis and policy development to assess the impact on and best interests of disadvantaged and vulnerable consumers in our evolving transport system.

²¹ Productivity Commission (2013) *Electricity Network Regulatory Frameworks Inquiry Report Volume 1 No. 62*. See also Productivity Commission (2008) *Review of Australia's Consumer Policy Framework, Inquiry Report No. 45, Volume 1. No 30*.

²² Tambllyn, J. & Ryan, J. (2013) *Proposal for a National Energy Consumer Advocacy Body*, <http://goo.gl/zJyNli>.

The Council proposes the establishment of an expert consumer advocacy service in Western Australia with a staff of 3.5 FTE to provide independent analysis and advice in electricity, gas, water markets and to advise on transport investment strategies, at a cost of \$1.3m in 2014-15.

WHAT WE'RE CALLING FOR

Fund a service to provide consumer advocacy to deliver better regulatory, service and price outcomes in WA's energy, water and transport markets.

Estimated cost of delivering improved outcomes in 2014/15: **\$1.3m**

“...expert independent economic analysis and consumer advocacy could deliver significant savings to Western Australian consumers...”

10. Integrated financial management services

In late 2012 the Council undertook the first comprehensive research in to the emergency relief sector in Western Australia, resulting in the 2013 Emergency Relief Scoping Report, *Giving Shape to the ER Sector*. These are charitable services that provide food parcels, vouchers and other kinds of monetary assistance, transport, medication, clothes, assistance with urgent bills and accommodation, and other types of advocacy and referral services to individuals and families in crisis. The Council has convened the emergency relief networks over the past two decades. One of the key findings of this report was that there was significant churn and cross-referral between emergency relief services, high levels of turn-away and unmet need, and that front-line staff were often frustrated by their inability to provide effective support to address the underlying causes and deliver sustained life outcomes.

Emergency relief services were provided on 101,440 occasions during 2011-12 through 167 outlets, with 19,514 people or 28% of those seeking support turned away due to lack of resources, 33% requiring multiple services and 33% seeking relief for the first time. 76% of recipients' main source of income was Centrelink, and services accounted for 62,894 staff hours and 1.3 million volunteer hours, with up to 95% of services provided by volunteers. The highest reported source of referral both in to and out of emergency relief providers were other emergency relief agencies, with 52% of referrals to ER services coming from other ER services, and 66% of referrals out of ER services were to other ER services, indicating that many in need are being bounced around between services to try to find assistance due to limited capacity and resources. One consequence of this churn is an increasing risk to front-line staff (the majority of whom are volunteers), from frustrated and angry clients given the run around between services.

The Council has convened a roundtable of financial management services (including emergency relief, financial counselling, consumer credit services, no-interest and low interest loans, and legal and tenancy advice services) during 2013 as a means of progressing the findings of this report to achieve more sustained and efficient outcomes.

While it has not yet concluded its deliberations, many members of the Roundtable has emphasised the need to improve access to Hardship Utility Grants (HUGs) by expanding approved HUGs assessors amongst other professionals in the sector and/ or increasing the number of financial counsellors to improve access to HUGs. Currently the process of supporting a client with an application for HUGS is limited largely to Financial Counsellors.

This has caused a major blockage in the financial counselling sector, as regular demand for Financial Counsellors is well in excess of the available supply of financial counselling services. This has led to prolonged periods of waiting times of 4-8 weeks. As a result the HUGS grant funding allocated in the 2012-13 Budget was significantly underspent by \$1.6m or 17%. The underspend in HUGS should not be confused or misinterpreted as signally a reduction in the need or demand for HUGS, but rather an unintended consequence of limited access to the program through a blockage in the application process. This is a failure of the current system to link those in need with the help available for which they are eligible. The Council suggests that expanding the range of professionals that are appropriately skilled and experienced to assist clients consider their financial situation, and apply for a HUGS grant would not only ease some of the pressure on the financial counselling sector, but also greatly improve the access to this support.

The emergency relief scoping report and 2013 Conference have resulting in calls for the development of a common assessment tool and a shared referral system so that organisations have a standardised assessment framework for financial hardship. Such a framework would enable information sharing across the range of financial management services as a way of improving assessment, facilitating needs-based referral, and reducing emergency relief churn. It could provide a basis for ensuring effective and appropriate referral to financial counselling and other expert services of those most needing and most likely to benefit from their services.

The Council is calling for \$1m in 2014-15 to develop this tool over 18 months, with a similar level of investment then required to provide education and training in its use over the subsequent 18 months.

Implementation

A coordinated approach across multiple government agencies is required to achieve better outcomes. Lead government agencies include the Department of Finance Public Utilities Office, the Department for Child Protection and Family Support and the Department of Local Government and Communities. Other relevant agencies that should be engaged in a coordinated approach include Department of Social Services (Commonwealth), Department of Human Services (Commonwealth), Department of Commerce, Department of Health, Mental Health Commission, Disability Services Commission and the Department of Environment (Commonwealth).

WHAT WE'RE CALLING FOR

Develop a common framework, assessment tool and shared referral system for financial hardship to improve assessment, facilitate needs-based referral, and reduce churn across financial management services.

Estimated cost of delivering improved outcomes in 2014/15: **\$1m**

People with Complex Needs

OUTCOME People experiencing multiple forms of vulnerability are supported to achieve positive outcomes through the effective and efficient delivery of person-centred services.

Key Budget Recommendations

SUPPORT SERVICES FOR PEOPLE WITH COMPLEX NEEDS IN CONTACT WITH THE JUSTICE SYSTEM	
<i>Increased access to a range of community-based mental health, alcohol and other services, proportionate to need and based on a comprehensive and ongoing audit of the prison population.</i>	\$16m
SOUTH WEST ABORIGINAL REHABILITATION SERVICE	
<i>Construction and operation of a culturally secure, residential alcohol and other drug rehabilitation service for Aboriginal people and their families in the South West region.</i>	\$7m
COLLABORATIVE RESPONSES FOR AT RISK YOUNG PEOPLE	
<i>A collaborative budget to develop strengths-based programs for young people at risk, particularly for Aboriginal youth.</i>	\$9m
INCREASED DELIVERY OF MENTAL HEALTH SERVICES BY THE COMMUNITY SECTOR	
<i>The community sector be resourced to take on a greater proportion of service delivery.</i>	\$15m

Policy Rationale

Service providers continue to raise concern about the increased complexity of need and vulnerability among clients. Clients often present to a community service resourced to address a particular need (such as housing, child protection, family and domestic violence, mental health or alcohol and other drug issues) only to be found to have highly complex and interrelated problems that all need to be addressed to achieve a positive and sustainable outcome. They may be attending and relying upon a range of different services and tying up significant resources, without actually receiving the support they need to overcome their barriers and achieve the outcomes they are looking for in life.

The achievement of secure, sustainable and affordable housing often underpins the ability to overcome complex disadvantage. This is clearly illustrated in the interaction between mental illness and security of tenure:

People with a mental illness face a number of barriers in their attempts to achieve and maintain stable housing. These include housing affordability, insecure tenure, poor housing conditions, financial difficulties, administrative issues, behavioural and social issues, stigma and discrimination, and a lack of support and treatment. Certain groups will experience additional difficulties due to their increased social isolation. Mental illness can also result from, or be exacerbated by, the experience of homelessness or unstable housing.²³

The Council is concerned by the prevalence of mental health and drug and alcohol issues in clients across community service areas. Clients with complex needs complicate the provision of other support services and place demands on service staff not trained or resourced to address all the issues.

²³ Mental Health Council of Australia (2009) *Home Truths – Mental Health, Housing and Homelessness in Australia*, <http://goo.gl/4zu8TK>, p.7.

The complexity of an individual's vulnerabilities often means it is never just a single individual who is being negatively affected. There are often also long-term impacts on a person's partner's health, mental health, wellbeing, and safety; their children's health, education, social and emotional outcomes; family and friends who support them financially, emotionally, and take on caring responsibilities for them and their dependents; and the wider community.

Investing in targeted and timely wraparound support programs for individuals facing multiple and complex disadvantage brings positive benefits to the lives of a wide community of people.

Community service providers are often frustrated by structural barriers such as contractual requirements or limited resources that restrict their ability to assist clients with complex needs to achieve positive outcomes. These barriers can include:

1) *Narrow service parameters* that limit the time and capacity of service providers to assist those clients facing multiple, interdependent issues. Greater understanding of causal interactions amongst multiple types of disadvantage may lead to more flexible procurement that supports greater collaboration and cross-referral between services or greater wrap-around and continuity of care for those with complex needs.

The Council supports the introduction of *collaborative budgets* — issue-based budgets managed by the Department of Treasury. Access to collaborative budget funding must require multiple government agencies in partnership with community service organisations to submit evidence-based, collaborative bids to address an identified issue for a specific location or sub-population.

2) *The need for service funding to grow in line with both population growth and need.*

3) *A lack of recognition of the financial cost of developing and maintaining relationships* across and between government agencies and non-government service providers. While there is a growing recognition within the public and community sectors of the value of collaborative working relationships, there are few if any resources dedicated to building and maintaining information and referral networks and collaborative arrangements.

The Council recommends the *allocation of additional funding* in all future service agreements tackling areas of complex need to provide for relationship building and maintenance. The value of relationships should be assessed and considered a key part of the core business of service delivery, especially in the areas of health, mental health, alcohol and other drug services, communities and child protection.

4) *A lack of transparency of funding decisions* — including decisions to fund programs or services, to provide grant-based rather than recurrent funding through service agreements, and to cease funding programs or services. The importance of this is outlined in the *Delivering Community Services in Partnership* policy, particularly the desire to acknowledge “the importance of partnering with the not-for-profit sector in the planning, design and delivery of human services.”²⁴

The Council is keen to contribute to *improvements in the level of transparency in the use of data* on outcomes to identify service need and guide policy development and service procurement. Better sharing of government-held data across agencies and program areas with community services and independent experts could provide a basis for significant improvement in the efficiency and effectiveness of service delivery for people with complex needs. Transparent service evaluation together is needed, and we need to increase the evidence base for informed, innovative and collaborative service planning, design and delivery. A transparent evidence-based approach will contribute towards a more mature funding and contracting relationship between the government and community sectors.

We have a significant opportunity with the establishment of two *Disability Care*²⁵ trial sites in Western Australia to compare and contrast the practical application of different approaches to supporting people with a disability. The Council, NDS WA and the wider community sector are calling for the evaluation of these trials to be well-resourced, transparent and carried out independently of both State and Federal Governments. Western Australia is poised to make a major contribution to the effective roll-out of disability funding and services nationwide, but for this to happen the evaluation needs to be credible, thorough and beyond reproach.

²⁴ Department of Finance (2013) *Delivering Community Services in Partnership Policy*.

²⁵ Previously referred to as the National Disability Insurance Scheme or NDIS.

11. Support services for people with complex needs in contact with the justice system

The Council maintains its call for the establishment of an ongoing audit of mental illness, alcohol and other drug problems, and other conditions that contribute to cognitive impairment (including foetal alcohol spectrum disorder and acquired brain injury) among the prison population. There is currently no system in place for the collection of comprehensive data on these issues within the Western Australia prison population. The Council understands that while some information is collected as a result of prisoner contact with medical staff in the detention facilities, data is not collected and tracked in a manner sufficient to enable an evidence based approach to service design, delivery and evaluation. Prisoners are often people with very complex needs arising from backgrounds of significant disadvantage and trauma, requiring integrated service responses to achieve sustained outcomes.

The cost to the community of not taking prisoner rehabilitation seriously and not systematically addressing the underlying causes of their offending behaviour is extremely high and continues to rise. In the 5 years between 2007-08 and 2012-13, the Department of Corrective Services' cost of delivering *Adult and Juvenile Offender Services* increased 63.7 per cent or \$317 million per annum — from \$498 million to an estimated \$815 million this financial year.²⁶ In 2012-13 the estimated actual cost of detaining an adult in WA was \$311 per day or \$113,515 per year, while for juvenile offenders the cost was \$592 per day or \$216,080 per year²⁷. Western Australia has the second highest per capita imprisonment rates in the country (after the Northern Territory)²⁸. The Council believes this presents an opportunity for the government to achieve significant savings and improve community safety by developing evidence-based strategies to prevent crime and decrease recidivism rates.

Improved data collection processes need to be implemented to accurately evaluate and justify the need for and scale of services within prisons, to identify the factors that contribute to offending behaviours, and to determine strategies that prevent crime and post-release support programs that provide a cost effective means of reducing recidivism. The Council recommends the implementation of a new process to maintain an ongoing audit of the rates of mental illness, alcohol and other drug problems, and other conditions of all people when they enter the WA corrections system. To maximise the value and application opportunities of the data to be collected, the audit process should be designed in partnership between the Department of Corrective Services, the Mental Health Commission, the Drug and Alcohol Office, the Department of Health and representatives from the community services sector. The sharing of the data and statistics gathered needs to include other government departments and community services that are involved in the delivery of services both pre-, during and post-release, with the aim of developing and implementing innovative, evidence-based programs.

WHAT WE'RE CALLING FOR

Increased access to a range of community-based mental health, alcohol and other services, proportionate to need and based on a comprehensive and ongoing audit of the prison population.

Estimated cost of delivering improved outcomes in 2014/15: **\$16m**

“The cost to the community of not taking prisoner rehabilitation seriously, and not systematically addressing the underlying causes of their offending behaviour, is extremely high and continues to rise.”

²⁶ Department of Treasury (2007) *2007-08 Budget Paper No.2*, Volume 3, pp. 1063 & 1065; and Department of Treasury (2013) *2013-14 Budget Paper No. 2*, Volume 2, p. 882.

²⁷ Department of Treasury (2013) *2013-14 Budget Paper No. 2*, Volume 2, p. 884.

²⁸ The WA adult incarceration rate is 261 per 100,000 or 1.5 times the national rate of 173. Our Aboriginal adult incarceration rate is 20 times as high at 4092 per 100,000 or 1.7 times the national rate of 2,364. *ABS (2013) 4512.0 Corrective Services, Australia, June Quarter 2013*. In WA there were 690 young people aged 10–17 per 100,000 in detention on an average night in the June quarter 2012, compared to a rate of 350 nationally - and around 70% of young people in sentenced and unsentenced detention in WA were Aboriginal. *AIHW (2012) Juvenile detention population in Australia 2012*.

12. South West Aboriginal rehabilitation service

An Aboriginal-specific residential rehabilitation service in the South West has been a long-standing priority of the AOD sector. Consultations were undertaken by the Drug and Alcohol Office a number of years ago, during which a new facility was agreed as a priority and the South West was identified as having the greatest need. There is clear evidence that community-based residential treatment programs are successful, with 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.²⁹ Culturally appropriate strengths-based programs are the most effective means of engaging with this at-risk population. Completion of a residential program is the best predictor of success, and program retention is best when practices were adapted to support specific population groups.³⁰

It is important that such a service recognises that Aboriginal clients with AOD problems are also likely to have some combination of co-occurring mental health conditions, a background of significant disadvantage, face a number of other ongoing complex challenges, and have experienced serious trauma in their lives. In this context, holistic, therapeutic, residential services are needed together with more efficient and effective referral pathways to through-care, mental health services, Department of Corrections and Department for Child Protection and Family Services.

WHAT WE'RE CALLING FOR

Construction and operation of a culturally secure, residential alcohol and other drug rehabilitation service for Aboriginal people and their families in the South West region.

Estimated cost of delivering improved outcomes in 2014/15: **\$7m**

13. Collaborative responses for at risk young people

At risk young people — young people who come into contact with the criminal justice system or child protection system, access homelessness services, or become disengaged from the education system — often experience multiple levels of disadvantage and have complex needs. Given their young age, it is especially important to ensure they are able to access appropriate services capable of providing the timely, non-threatening, culturally appropriate, wraparound services needed in order to get their lives “back on track”, or prevent them from going off track in the beginning.

One of the challenges in the delivery of services to youth at risk in Western Australia is that the services are often fragmented in funding and delivery amongst a number of government departments as well as a range of contracted community service sector organisations. This fragmentation has a tendency to deliver inefficient and ineffective services, with a lack of continuity and follow-through that mean that fundamental issues aren't effectively addressed, and those most in need often fall through the cracks. Continuity and trust are crucial, and the provision of short term, grant-based or non-recurrent funding is also a major challenge for organisations delivering what need to be relationship-centred services.

The Council encourages the Department of Treasury to trial a new collaborative budgeting approach to funding evidence and partnership-based interventions to meet the complexity of need of an identified at-risk population, as described previously. In keeping with the principles of the *Delivering Community Services in Partnership* policy evidence-based initiatives should be funded for no less than 5 years, and be subject to transparent and independent evaluation processes.

WHAT WE'RE CALLING FOR

A collaborative budget to develop strengths-based programs for young people at risk, particularly for Aboriginal youth.

Estimated cost of delivering improved outcomes in 2014/15: **\$9m**

²⁹ Marsh, A., Dale, A. & Willis, L. (2007) cited in WANADA (2012) 2013-14 Pre-Budget Submission, Western Australian Network of Alcohol & other Drug Agencies, Perth.

³⁰ De Leon, G. (2000) cited in WANADA (2012) 2013-14 Pre-Budget Submission, Western Australian Network of Alcohol & other Drug Agencies, Perth.

14. Increased delivery of mental health services by the community sector

The community-managed mental health and alcohol and other drug sectors have provided services in the WA community for many years. One of the key strengths of community-based programs is their strong focus on ensuring the social inclusion of people dealing with mental health and/or alcohol or other drug issues, as well as their families and carers.

The Council believes that the Western Australian community at large will benefit demonstrably from the community mental health sector being resourced to take on a greater role in service delivery, particularly in the area of early intervention services. The Council welcomes the increase in the proportion of services delivered by the community sector, with \$45m or 9.4% of net appropriations of \$475m for mental health in 2012-13 spent on services delivered by the community sector, rising to \$62m or 11.2% of \$556m in 2013-14.³¹ The community sector's peak mental health body, the Western Australian Association for Mental Health, recommends a target in line with New Zealand's current rate of 25-30% of community-based mental health services by 2020.

WHAT WE'RE CALLING FOR

The community sector be resourced to take on a greater proportion of service delivery.

Estimated cost of delivering improved outcomes in 2014/15: **\$15m**

Implementation

A coordinated approach across multiple government agencies is required to achieve better outcomes. Lead government agencies primarily responsible for these areas include the Department for Child Protection and Family Support, Mental Health Commission, Department of Corrective Services and the Drug and Alcohol Office. Other key players who should be engaged in a coordinated approach include WA Police, Disability Services Commission, Department of Local Government and Communities, Department of Education, Department of Health, Office of the Public Advocate, Department of Housing, Department of Health (Commonwealth), Department of Social Services (Commonwealth), Department of Employment (Commonwealth), WA Network of Alcohol and other Drug Agencies, WA Association for Mental Health, Youth Affairs Council of WA and other community services in the youth, mental health, alcohol and other drug and family services areas.

“...the Western Australian community at large will benefit demonstrably from the community mental health sector being resourced to take on a greater role in service delivery, particularly in the area of early intervention services.”

³¹ Department of Treasury (2013) 2013-14 Budget Paper No. 2, Volume 2, p. 543.

Children, Young People & Families

OUTCOME Co-ordinated client-centred services and supports that nurture and protect children and young people within their families and communities.

Key Budget Recommendations

COMMUNITY-BASED INTENSIVE FAMILY SUPPORT SERVICES, WITH A FOCUS ON ABORIGINAL CHILDREN	
<i>Increasing the number and capacity of Aboriginal community-based family support services available to target and sustain prevention and early intervention services; and support for children and families in the child protection system.</i>	\$14m
EARLY YEARS PRACTITIONERS' NETWORK	
<i>Investment in the development of a practitioners' network for professionals working in early years service delivery; to better coordinate care and support, and to share and enhance expertise and professional development.</i>	\$2.6m
RE-ENGAGING YOUTH THROUGH ALTERNATIVE EDUCATION	
<i>Maintain the viability of existing alternative education programs, and support the implementation of evidence-based practices that improve employment outcomes for young people at risk (particularly those who are already disengaged from the mainstream education system).</i>	\$19m

Policy Rationale

There are significant demographic changes occurring in Western Australia, which has the fastest growing population of families with children under 15 years of age, while at the same time the number of Western Australians aged 60 years and over is predicted to increase by more than 150% by 2050³². Services for children and young people, their families and the communities in which they live remain disjointed and compartmentalised. Early childhood practitioners and experts recognise that the early years are critical to setting the foundations for life-long development, and that early disadvantage can have profound impacts on a child's future potential. Development is influenced by experiences arising from broader social and cultural systems as well as a child's immediate surroundings, such as within the family. For this reason, early childhood services are critical and the most effective approach is a universal and coordinated one. The Council continues to advocate for overarching frameworks to engage children, young people and their families with government agencies and community sector organisations in a common, efficient and effective approach.

Discussions about the provision of services to families and communities tend to set universal services against targeted services. Universal services are those available to the whole of the population and are designed to promote positive functioning and decrease the likelihood of specific problems or disorders developing. Such services are truly universal if they are not only available to the whole population, but also accessible to, and accessed by, most people. Factors affecting accessibility include location, cost, opening hours and inclusiveness. Targeted services are those available to selected groups or individuals who are known to be at risk of developing a particular health or developmental problem, and designed to reduce the likelihood of the problem developing. Intensive services tend to be designed to meet the needs of clients currently experiencing significant problems, rather than focusing on preventing or intervening early on in their development.³³ Clearly we need a balance of different service types across our service system, and moves to rebalance the focus of service provision to produce better community level outcomes and reduce the need for more intensive and costly services can only happen gradually.

³² Department of Treasury (2013) 2013-14 Budget Paper No. 2, Volume 2, p. 776 & 778.

³³ Moore, T. (2008) *Rethinking universal and targeted services*, Centre for Community Child Health, <http://goo.gl/9m4D8I>.

The purposes of universal, targeted and intensive services tend to exist along a spectrum. At one end universal services focus on the prevention of difficulties, while at the other end intensive services focus on treatment of chronic problems and identified disorders. Targeted services exist between the two and work with vulnerable individuals or at risk communities to prevent or identify emerging problems, and are often linked to the provision or referral to more intensive treatment or support.

One critical problem with the delivery of universal services is that often the individuals from disadvantaged backgrounds who are most vulnerable or at risk are less likely to have access to them. Conversely, services that specifically target disadvantaged communities or sub-populations may miss identifying or providing support to highly vulnerable or at risk individuals within the wider community. The best example of this is if we consider the distribution of developmental vulnerability in young children (as measured by the Australian Early Development Index). While specific disadvantaged communities may have a much higher proportion of children who are developmentally vulnerable, if we only target early years services to those communities we will miss a much higher number of vulnerable children who are spread through the general community in middle income or well-off areas.

As a means of addressing these disadvantages of the universal and targeted service approaches, Sir Michael Marmot introduced the concept of proportionate universalism.³⁴

“Focusing solely on the most disadvantaged will not reduce health inequalities sufficiently. To reduce the steepness of the social gradient in health, actions must be universal, but with a scale and intensity that is proportionate to the level of disadvantage. We call this proportionate universalism.”

The basis of this approach is that by normalising and de-stigmatising programs through availability to all children and families, the more vulnerable will also be more likely to access these services. An important consideration has been highlighted by Dr Tim Moore, from the Murdoch Children’s Research Institute in his discussion of what made for effective service systems:³⁵

“A service system that is easy to access therefore needs to have multiple entry points and no “wrong door”: whatever service a child is brought to should either provide help or find a more suitable service that is easy to access;

A service system based on universal and non-stigmatising services- available to all children and families in all locations- therefore need to strengthen the capacity of universal services to provides basic services to all children and families;

An inclusive system that is designed from the ground up to cater for the full range of children and families- therefore needs to be based on principles of universal design.”

In other words universal services need to be universal not only in terms of access, but also availability.

It is important to clarify the concept of early intervention to be clear that universal services aim not only for early intervention in the life of a child, but also early intervention in the life of a problem. In this context, early intervention is referring to actions prior to a crisis occurring, recognising that there are particularly critical times across the life course where transitions take place where interventions are likely to be most needed and most effective; for instance, the transitions from home to school, from primary school to high school, high school to tertiary education, education to the workforce etc.

“Early childhood practitioners and experts recognise that the early years are critical to setting the foundations for life-long development...”

Health services for children have featured prominently in the last three State Budgets, starting with a significant injection of funding into child development services. This was intended to see a reduction in waiting times for specialised services such as speech therapy. It was followed by a commitment to increase the number of Child Health Nurses but this is still to be implemented due to a very prolonged procurement process. Finally there has been an increase of funding committed this year for school health nurses to ensure that children commencing school have improved health support, and that additional assistance is provided to children with higher health needs. With increasing numbers of children in Western Australia the need for such important services will continue to grow, and it is important to ensure resources increase to meet growing demand over time.

³⁴ Marmot, M. (2010) *Fair society, healthy lives: the Marmot Review : strategic review of health inequalities in England post-2010*, <http://goo.gl/m55m8M>.

³⁵ Moore, T. (2010) *Presentation at the Northern Territory Symposium on Integration*, August 2010, Murdoch Children’s Research Institute.

These initiatives have been complemented by the development of sixteen Child and Parent Centres located on school sites. The Council welcomes the significant investments made and priority given over subsequent budgets by the State Government. However, but the Council still remains concerned by the lack of an overall policy framework to underpin these important activities to link them together and identify where gaps exist, needs are most pressing and additional resources should be directed. It is important that such a framework not only takes account of other initiatives within schools (such as the potential freeing up of space in primary schools with the move of year seven students to high school), but also what else is occurring in the broader community, such as where other services for children and their families are located or planned to make the most of opportunities and limited resources and avoid duplication.

15. Community-based intensive family support services, with a focus on Aboriginal children

Western Australia has some of the highest rates of children in care within our child protection system. There were 3,972 children in care as of June 2013, representing a 5.1% increase over 2012. While the rate of increase has slowed from 7% rise in the previous year, the proportion of children in care remains alarmingly high and the proportion of Aboriginal children taken into care continues to increase (49.4% in June 2013, up from 47% in 2012). The disproportionate rate of Aboriginal children and young people in care is of particular concern.

It is critical to acknowledge the role of preventative measures in reducing the numbers of children in care. While there has been a change in name of the department to *Child Protection and Family Support*, we have yet to hear any new family support programs announced or see any substantive increase to existing family support measures. The Council anticipates seeing a call for greater investment in secondary services following the evaluation of the *innovation site* at the Armadale Family Support Network, and hopes to see an expansion of these networks in coming years.

The Secretariat of National Aboriginal and Islander Child Care (SNAICC) has taken national leadership on this issue, and identified four solutions through the *Step Up* campaign:

- Promote understanding of, and respect for, Aboriginal and Torres Strait Islander rights and cultures;
- Place Aboriginal and Torres Strait Islander family and community decision making at the centre of ensuring the safety and wellbeing of children;
- Increase the proportion of government expenditure on Aboriginal and Torres Strait Islander developed and delivered prevention and early intervention services, and targeted family support services;
- Increase the number and capacity of Aboriginal and Torres Strait Islander child protection services available to provide prevention and early intervention services, targeted family support services and out of home care services.³⁶

WHAT WE'RE CALLING FOR

Increasing the number and capacity of Aboriginal community-based family support services available to target and sustain prevention and early intervention services; and support for children and families in the child protection system.

Estimated cost of delivering improved outcomes in 2014/15: **\$14m**

³⁶ SNAICC (2013), *Family Matters*, <http://www.snaicc.org.au/policy-advocacy/dsp-default.cfm?loadref=279>. (The *Family Matters* campaign was originally known as the *Step Up* campaign.)

16. Early years practitioners' network

Parenting is one of the most important determinants of a child's emotional and social wellbeing and development as well as their health and success at school.³⁷ However, in her 2013 report *Supporting Parents*, the Western Australian Commissioner for Children & Young People described the need for support for parents to be given greater priority, and for the existing parenting programs and services offered by government, non-government and private agencies in WA to be better coordinated and integrated. The Commissioner also found that there are substantial gaps in both regional and metropolitan areas, and for parents of primary school age children and adolescents.³⁸ The Council continues to work with the Commissioner in advocating for improved levels of parenting programs and resources.

One specific focus has also been around the concept of self-regulation, a concept explored in detail in WA in 2012, when Canadian researcher, and self-regulation expert Dr Stuart Shanker was appointed as the CCYP's *Thinker in Residence*. Self-regulation refers to a child, young person or adult's ability to monitor and modify their emotions, to focus or shift attention, to control impulses and to tolerate frustration or delay gratification. This concept has been shown to apply to a broad range of mental and physical problems experienced by children and young people, and teaching better self-regulation may play a critical role in both minimising or avoiding the development of significant problems in later life, and securing more positive educational, mental health and life outcomes.

The Council has arranged for a return visit of Dr Shanker, with one of his Canadian colleagues, Mike McKay, in February 2014, to build on the work he initiated during the Residency. The objective of the visit is to implement the approach in a range of early education and care settings, including the recently established child and parent centres, health settings and child care services, as well as developing a practice network of interested and committed practitioners linked into the self-regulation initiative and a similar network in Canada.

“...existing parenting programs and services offered by government, non-government and private agencies in WA [need] to be better coordinated and integrated.”

WHAT WE'RE CALLING FOR

Investment in the development of a practitioners' network for professionals working in early years service delivery; to better coordinate care and support, and to share and enhance expertise and professional development.

Estimated cost of delivering improved outcomes in 2014/15: **\$2.6m**

17. Re-engaging youth through alternative education

Between 2001 and 2011, the number of people aged between 12 and 25 in WA grew by 78,778 (20.7%). Significantly, such increases were not uniform across the state, ranging from a 53.6% increase in the Mandurah area through to a 2.8% decrease in the Wheatbelt.

Young people who have slipped through the mainstream education system and are disengaged from education are a particular concern. While approaches that aim to increase the capacity of highschools to deliver a wider range of programs and services to at risk and marginalised youth are welcome, there is a significant risk if we only deliver services through the mainstream education, those young people who need support and assistance the most are likely to miss out as often they have already been expelled, excluded or disengaged from those institutions.

Alternative education settings are a response to the complex, interacting needs and challenges that are faced by a comparatively small yet increasing proportion of disadvantaged and disaffected young people that affect their capacity to participate in mainstream education provision. A person-centred and strengths-based approach is needed to re-engage these young people and empower them to envisage positive life outcomes and aspire to meaningful education, training and life outcomes. There is a strong consensus that to achieve these outcomes “...young people need to be engaged in identifying the issues they face and be supported in identifying pathways to their development and full participation in society;” and “...youth development programs at all levels, from schools and diversionary programs to tertiary interventions, need to be designed *with* young people, not *for* them.”³⁹

³⁷ Commissioner for Children & Young People WA (2013) *Issues Paper: Supporting Parents*, <http://goo.gl/i19t9Y>.

³⁸ Commissioner for Children & Young People WA (2013) *Issues Paper: Supporting Parents*, <http://goo.gl/i19t9Y>.

³⁹ Save the Children Australia (2013) *Identity on the Line: An alternative perspective on Aboriginal young people's street presence in the south-east corridor of Perth*, <http://goo.gl/3joAGI>, p. 25.

There is currently no clear picture of the range and number of alternative education policies and initiatives at federal, state and local government levels in Western Australia. There is significant opportunity to learn from successful programs that have demonstrated outcomes with some of our most marginalised and disaffected youth by supporting greater data-sharing, networking and analysis across the alternative education sector. Research is also needed to establish meaningful operational benchmarks for alternative education programs, support evidence-based policy development, and ensure the efficient delivery of support services.

The Council supports the work of the Alternative Education Forum that aims to improve education, training and/or employment outcomes for all young people aged 13-19 years of age through better planning, coordination and delivery of alternative education by practitioners, program managers and policy makers.

WHAT WE'RE CALLING FOR

Maintain the viability of existing alternative education programs, and support the implementation of evidence-based practices that improve employment outcomes for young people at risk (particularly those who are already disengaged from the mainstream education system).

Estimated cost of delivering improved outcomes in 2014/15: **\$19m**

Implementation

WACOSS continues to advocate for an Office for Early Childhood as an effective means of coordinating the activity occurring across the government and community sectors. There is a lead role to be played by the Department of Education; Department of Local Government and Communities; Department for Child Protection and Family Support; Department of Health; and the Commissioner for Children and Young People.

Services and supports for children, young people and their families require coordinated approaches across a range of different government agencies, including: the Department of Social Services (Commonwealth); Department of Employment (Commonwealth); Mental Health Commission; Department of Corrective Services; Disability Services Commission; Department of Training and Workforce Development; Department of Local Government and Communities; Department of Housing; Department of Sport and Recreation; and Department of Educational Services together with the wide range of community organisations providing services in this area.

“Research is also needed to establish meaningful operational benchmarks for alternative education programs, support evidence-based policy development, and ensure the efficient delivery of support services.”

Sustainable Community Services Statewide

OUTCOME Community services are adequately funded to cope with changing population need and strong regional community networks play an active role in regional development.

Key Budget Recommendations

REGIONAL COMMUNITY SECTOR NETWORKS	
<i>Enhance existing networks (and support new ones) in the nine development regions to support regional planning and assessment, facilitate service collaboration and location-based responses, and improve the efficiency of service delivery in our towns and regions.</i>	\$5m
COMMUNITY SECTOR CAPACITY BUILDING	
<i>Provide consistent and reliable support to small community service organisations to develop organisational capabilities and resilience in an environment of changing regulation, procurement and service user expectations.</i>	\$3m

Policy Rationale

The rate of demographic change in regional communities in Western Australia directly affected by rapid development, population growth and a transient workforce has emerged as a significant challenge for community services over the last few years. Regional centres affected by this rapid development face a range of issues from housing affordability, infrastructure stress, and cost of living pressures through to social cohesion and a lack of access to critical health and community services. Unless we ensure that critical community services are planned to respond to changing population demographics and need, and resourced to cope with the changing cost of delivering services (particularly outreach services in regional areas) we are likely to face significant emerging social problems with a direct impact on the health of our economy and the well-being of our society.

Regional services have particular needs that impact upon their sustainability including the need to deliver services over vast distances, the ability to recruit and retain qualified staff and the ability to stay informed of changing policies, procedures and procurement practices. During our recent consultations with regional members there was significant concern with the loss of regional capacity for local planning, governance and participation as a direct consequence of procurement decisions at both federal and state levels that arguably did not effectively assess local capacity, engagement or networks resulting in a number of new services then struggling to engage with disadvantaged local communities. One direct result of more regional services being delivered by larger national organisations is a lack of local service managers who are empowered to make decisions or participate in collaborative and place-based solutions. While we have seen increasing in principle commitment to place-based, integrated and collaborative outcomes what we are seeing in practice is significant reduction in the capacity to actively engage in such solutions in many regional areas.

“Regional centres affected by this rapid development face a range of issues from housing affordability, infrastructure stress, and cost of living pressures through to social cohesion and a lack of access to critical health and community services.”

All community service organisations need to be engaged and supported through this current period of reform at both state and federal levels. There is a risk that smaller and regional community service providers will struggle to keep up with these parallel and diverging reforms, resulting in a reduction in the diversity of service provision within WA and poorer outcomes for disadvantaged communities. There is great potential to engage local government in the development of place-based approaches to locational disadvantage and the development of service hubs.

There is significant opportunity to secure improved service efficiency and achieve better outcomes through better service delivery coordination, planning and cross-referral which can be achieved by increasing the capacity of regional community service networks as discussed below. The need for regional community service hubs and networks was identified as a priority in the Economic Audit Committee report,⁴⁰ but despite the willingness of regional community services to participate in greater collaboration, we have not seen any progress on this front. The best way to engage community service organisations in service planning and coordination is through regional community services networks that are resourced to support network coordination and to develop regional planning policy capacity.

The need for regional social planning

Regional planning, redevelopment and funding have taken place without adequate consideration of the service and cost burden placed on community organisations to meet a rising demand for services, especially in those regional centres such as Mandurah, Bunbury and Geraldton, and other towns experiencing rapid population growth. A number of regional centres in Western Australia have some of the highest rates of growth in the country, but there is currently no strategy or formula that links population demographics or levels of need to the resourcing of community services (as we see in health funding). In addition, the “real” population of regional areas (inflated by those who do not reside there permanently), in terms of accessing services is often not taken into account.

“The capacity of community services to meet the needs of a growing population is often overlooked in regional and local planning initiatives...”

Royalties for Regions funding has predominantly been allocated towards physical infrastructure development, with very little having been appropriated for social infrastructure or to support regional community services struggling to meet rising demand. The 2013-14 Budget announced changes to the program to focus more on community outcomes and to enable it to fund human services provided by State Government Departments, however, it is as yet unclear whether this funding extends to regional community services struggling to respond to increased demand, or whether application and decision-making processes will change sufficiently to enable a focus on critical and emerging social needs in the regions.

The capacity of community services to meet the needs of a growing population is often overlooked in regional and local planning initiatives. More opportunities for formal engagement of the community sector in planning for the social impacts of regional development (for instance, in “Super Towns”) is necessary to ensure that services have the capacity and range to meet community needs and service demand, and that consideration is given to the long-term social consequences of population growth and infrastructure development. While there has been some recognition of the infrastructure pressures created by rapid growth within the *Royalties for Regions* program, its focus has been primarily on physical infrastructure, its assessment criteria are not a good fit for emerging social issues, and it only provides short-term funding for community services on a once-off or pilot project basis.

The misalignment of regional and program boundaries across different State and Federal funding agencies also remains a significant barrier to service coordination and outcomes measurement. Towns such as Roebourne or Waroona find themselves on one side or another of a dozen different jurisdictional boundaries for their health, education, housing and social services. State Government Departments need to coordinate with their Federal counterparts to align jurisdictional boundaries and program funding criteria. The Council welcomes the recent initiative of the Partnership Forum on data sharing as a positive first step in this direction.

18. Regional community sector networks

The Council’s regional consultations continue to highlight the challenges posed by gaps in service coverage and capacity, and the limited resources available to deliver services to dispersed populations in regional areas. Many regional service providers report coordinating their efforts and collaborating on remote visits, and cross-referrals on an informal and ad hoc basis.

⁴⁰ Economic Audit Committee (2009) *Putting the Public First: Partnering with the Community and Business to Deliver Outcomes*, <http://goo.gl/tuEvga>.

These informal networks rely on existing relationships and the knowledge and capacity of staff, and as a result are patchy and prone to break down when staff move on, funding programs cease, or things just get too complicated. Where there has been some dedicated capacity for regional networking and capacity building, or for the engagement of regional service providers in planning (for instance in the Peel and Midwest regions), we have seen significant benefits.

The most effective means for engagement with the community sector in service co-ordination planning, funding and allocation of resources is through Regional Community Services Networks that are sufficiently resourced to support network coordination, activities and events and with sufficient policy capacity to participate in regional planning.

WHAT WE'RE CALLING FOR

Enhance existing networks (and support new ones) in the nine development regions to support regional planning and assessment, facilitate service collaboration and location-based responses, and to improve the efficiency of service delivery in our towns and regions.

Estimated cost of delivering improved outcomes in 2014/15: **\$5m**

19. Community sector capacity building

The current context in which services are operating is one of increasing service demands at a time when significant policy, legislative and regulatory reforms are being implemented. Services face both increasing levels of unmet need, (and hence a demand for more services,) at the same time as tackling increasing complexity of need, (and hence a demand for more intensive services), from a sub-set of service users. In an environment in which the resources to support service provision are also tightening, there is a significant challenge to make services more efficient at a time when service deliverers are being run off their feet.

Now, more than ever effective support is required if we are to continue to have a robust, vibrant and diverse community services sector that enhances civic participation and assists in enabling strong, cohesive communities.

Organisations across the sector are increasingly seeking assistance for support for organisation development services including meeting legal, human resource and governance obligations; business and service planning; financial modelling; governance development; data collection; and meaningful evaluation methodologies (that fall in line with the *Delivering Community Service in Partnership* policy and the shift to outcomes-based procurement).

Significant support is needed to shift organisations from a theoretical understanding of current reform agendas to where they are able to take practical steps to effective implementation within their organisations, and have a solid understanding of how to approach innovation in service design, including engaging and empowering service users, to deliver person-centred services that achieve measureable social impact. To achieve greater service efficiencies and meet the challenges of increasing levels and complexity of need, we need to improve internal strategic planning and governance practices, provide consistent and reliable support, and provide change leadership across the sector as a whole.

To meet these challenges the sector requires a commitment to:

- a whole of sector development project focussing on shared resource development, such as data collection, evaluation and financial modelling tools; [measuring impact]
- providing direct support to assist smaller organisations to look at needs so funds are used more effectively when accessing external consultants to assist with planning, business models that are more sustainable and product purchase;
- professional development support through affordable training and professional development opportunities.

WHAT WE'RE CALLING FOR

Provide consistent and reliable support to small community service organisations to develop organisational capabilities and resilience in an environment of changing regulation, procurement and service user expectations.

Estimated cost of delivering improved outcomes in 2014/15: **\$3m**

Implementation

A coordinated approach across multiple government agencies is required to achieve better outcomes. Lead government agencies primarily responsible for these areas include Department for Child Protection and Family Support, Department of Housing and the Department of Regional Development. Other key players who should be engaged in a coordinated approach include the Regional Development Council, Regional Development Commissions, Local Government Authorities, Department of Local Government and Communities, Mental Health Commission, Disability Services Commission, Department for Workforce Development, Department of Social Services (Commonwealth); regional service providers, existing regional community networks and the resources industry.

About WACOSS

The Western Australian Council of Social Service (WACOSS) is the leading peak organisation for the community services sector, and represents its 300 members and the over 800 organisations involved in the provision of services to individuals, families and children in our community.

WACOSS is part of a national network consisting of the State and Territory Councils of Social Service and the Australian Council of Social Service (ACOSS). Our national coverage strengthens our capacity to represent the interests of people in Western Australia across the breadth of state and national issues.

Each year WACOSS member organisations deliver services to hundreds of thousands of Western Australians. The services we provide include health, community services and development, disability support, employment and training, aged and community care, family support, children and youth services, mental health and drug and alcohol treatment, Aboriginal services, support for culturally and linguistically diverse people, victims of violence and abuse, housing and advocacy.

We speak with and for Western Australians who use community services, to bring their voices and interests to the attention of government, decision makers, media and the wider community. We invite you to join with us in our mission to create a just, inclusive and equitable society.

Contact

For more information about this Pre-Budget Submission or to pursue further development of any of the strategies and ideas in this report, please contact **Chris Twomey** on (08) 9420 7222 or email chris@wacoss.org.au.

Acknowledgements

Each year, the Council consults widely with the community services sector in preparing our Pre-Budget Submission. Peak organisations and other key stakeholder representatives in the sector play a critical role in this process by providing data and information about the key service pressures in the community, and assisting to establish priorities. We also appreciate the input from government agencies.

The Council gratefully acknowledges the contributions, ideas, thoughts and recommendations provided by the organisations listed below.

Aged & Community Services Western Australia (ACSWA)	Development Disability Council WA	Pilbara Association of Non-Government Organisations
Allambee Counselling Inc	Disability Services Commission	Pilbara Community Legal Service
Alzheimer's Australia WA	Drug ARM WA	Playgroup WA
Anglicare WA	Durack Institute of Technology	Pollinators Inc
ASeTTS	Dwellingup Community Village	Regional Development Australia (RDA)
Australian Red Cross	Ethnic Communities Council of WA (ECCWA)	Ruah Community Services
Beehive Industries of WA	Fairbridge Western Australia	Sarjan's Legacy
Belay Consulting	Financial Counsellors Association of WA	Save the Children Australia
BIZLINK	Geraldton Regional Community Education Centre	Shelter WA
BJL Connecting Communities	Geraldton Resource Centre	Shire of Serpentine-Jarradahle
Broome CIRCLE Inc	Goldfields-Esperance Development Commission	South West Development Commission
Brunswick Junction Community Resource Centre	Headspace Kimberley	South West Emergency Care for Children
Calvary Youth Services	Health Consumers' Council WA	St Bartholomew's House
Cancer Council WA	Health Consumers Action Group WA	St Vincent de Paul Society (WA)
Catholic Social Justice Council Perth	IBN Corporation	STAY
Centrecare	Injury Control Council of WA	The Patricia Giles Centre
Chamber of Commerce and Industry (CCI WA)	Intework Inc	The Spiers Centre
Child Australia	ISADD	Transition Management
Children, Youth and Family Agencies Association	JSW Training & Community Services	UnitingCare West
City of Armadale	Linkwest	Volunteer South West
City of Greater Geraldton	Marnja Jarndu Women's Refuge	Volunteering WA
City of Joondalup	Mid West Community Services Network	WA No Interest Loans (WA NILS)
City of Mandurah	Minnawarra District Scouts	Wanslea Community Services
CLAN WA	Minnawarra House	Waroona Community Resource Centre
Combined Universities Centre for Rural Health	Mission Australia	WestAus Crisis and Welfare Services
Communicare	Multicultural Services Centre of WA	Western Australian Network of Alcohol & Other Drug Agencies (WANADA)
Community Housing Coalition of WA (CHCWA)	National Disability Services WA (NDS WA)	Western Australian Association for Mental Health (WAAMH)
Community Legal Centres Association (WA)	Ngala	Women's Council For Domestic & Family Violence Services
Connect Groups – Support Groups Association WA	Ngarliyarndu Bindirri Aboriginal Corporation	Wunan Foundation
Council on the Ageing (COTA WA)	Palmerston Association	Yaandina Community Service Pilbara
CREATE Foundation	Parkerville Children & Youth Services	YMCA Perth
Department for Child Protection & Family Support	Pat Thomas House	Youth Affairs Council of WA (YACWA)
Department of Education	Peel Community Development Group	Youth Focus
Department of Employment, Education and Workplace Relations	Peel Development Commission	Youth Futures
	Peel Volunteer Resource Centre	
	People With Disabilities WA (PWD WA)	

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The Council also wishes to acknowledge the insights and advice provided by the WACOSS Board through the PBS Advisory Committee and the work of Francis Lynch, Steve Joske, Louise Giolitto, Cheryl Cassidy-Vernon, Veronica Rodenburg and Tricia Murray.



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