

Submission to the Department of Local Government, Sport and Cultural Industries

Local Government Act Review

28 March 2019

The Western Australian Council of Social Service Inc. (WACOSS) welcomes the opportunity to make a submission to the review of the Local Government Act 1995.

WACOSS is the peak body of community service organisations and individuals in Western Australia. WACOSS stands for an inclusive, just and equitable society. We advocate for social and economic change to improve the wellbeing of Western Australians and to strengthen the community services sector that supports them. WACOSS is part of a national network consisting of ACOSS and the State and Territory Councils of Social Service, who assist people on low incomes and experiencing disadvantage Australia wide.

WACOSS takes an interest in the activities of local governments from three angles, in their roles as a procurer of services and a deliverer of services, but also as places in and between which can exist significant inequality. Although place is geographical, it is also shaped by economic, social, cultural and environmental circumstances. Some places create opportunity and prosperity for people, while in others, disadvantages can converge and compound – where ‘place’ is experienced as stressful and unsafe, with community connectedness missing, and trust and mutual support increasingly rare.

To create inclusive, just and equitable communities in local government areas, WACOSS proposes that the Local Government Act Review and the regulations for a new Act should incorporate the State-wide outcomes framework, consider the role of local government in the local coordination of community service provision and food relief, and be informed by the approaches of Asset-Based Community Development (ABCD) and community wealth building.

WACOSS supports the submission made by Community Employers WA regarding the issue of rates exemptions for charities and endorses the submission made by the Financial Counselling Network on rates and financial hardship.

Inclusion

Growing up in an impoverished neighbourhood can mean being systemically isolated from the range of social prospects. People living in so called ‘poverty postcodes’ fare worse on many social indicators – children are more likely to be developmentally vulnerable, school leaving happens earlier, unemployment and imprisonment rates are higher, and the incidence of both mental and

physiological illness is elevated. A recent study plotted the lack of access children in disadvantaged communities have to community amenities and recreational facilities that many take for granted.¹

All levels of government, from the national to the local level, have a responsibility to use the community's resources that they are entrusted to manage to create a better society. In many ways, local government is the closest level to the community, and yet is one with which many residents do not engage – except for the few who respond to consultations on local planning and development, or cast a vote every two years for candidates about which they generally know very little.

Despite this, local government can be well-placed to drive inclusive, local economic growth and to empower its residents through democratic decision-making processes. People and communities should be enabled to contribute as independent, experienced and respected voices. This includes their rights and choices being acknowledged and respected as they direct and design the services and supports that they access.

Local governments need to play an active role in creating inclusive communities for not only those living in poverty, but also Aboriginal peoples, those who are Culturally and Linguistically Diverse, people with disabilities, and people who are LGBTIQ+. Part of this is ensuring that local government processes are open, fair, transparent and accessible for all residents, regardless of their circumstances.

A critical issue for the resourcing of local governments at a structural and whole-of-state level is the extent to which inequality of resources at a local government level can function to perpetuate social and economic inequities for local communities. Unfortunately, areas of social and economic disadvantage are often concentrated such that the rates base and access to other resources of their local government limits their capacity to deliver local infrastructure, services and supports to those who need them most. Greater consideration needs to be given as how to balance the resource base against the need to ensure that children and families in disadvantaged areas are given greater opportunities, and all local communities have an equal chance to thrive.

Hardship Policies

It is crucial that local governments be required to have procedures in place to support residents in financial hardship. All residents, regardless of circumstances, deserve to be treated with fairness, integrity and compassion. Financial hardship policies ensure that this is codified in a way that residents can clearly understand their rights and to make it clear to staff in the relevant organisation how to appropriately and effectively provide assistance.

Financial hardship may be caused by:

- loss of a person's (or a family member's) primary income
- separation or divorce
- loss of a spouse or loved-one

¹ Gerry Redmond and Jennifer Skattebol (2018) 'Troubled kids? Locational disadvantage, opportunity structure and social exclusion,' *Children's Geographies*

- domestic or family violence
- physical or mental health problems
- a chronic medical condition
- budget management difficulties because of a low income
- other unforeseen factors affecting capacity to pay, such as a reduction in income or an increase in non-discretionary spending

As outlined in the 'Rates and Financial Hardship' submission prepared by the Financial Counselling Network, most hardship policies include a definition of hardship, a commitment to early identification, intervention and finding appropriate solutions for customer. These policies also create opportunities for organisations to understand hardship, consult with community advocates and provide training to staff who deal with customers in financial stress.

It has been raised with WACOSS that the exorbitant prices associated with accessing tipping services are particularly cost-prohibitive for those on the lowest incomes. For residents in social and private rentals being unable to access tips can have dire consequences, resulting in evictions and even homelessness. Local governments need to consider hardship provisions in relation to tip rates as a measure to prevent homelessness in their community and to support their residents most in need.

Outcomes Framework

There is increasing recognition that shared outcomes are vital to drive a unified vision for the wellbeing of all Western Australians. Through a partnership project the State Government is developing an Outcomes Framework with the support WACOSS for use across the government and the community services sectors.

The Outcomes Framework provides the scaffolding to link outcomes between different sector agents and stakeholders. The Framework will not replace any plans that already exist, but provide an overarching and integrated picture of how WA human services fit together. A shared framework for evaluating service outcomes is imperative to inform sector investment and facilitate a more consistent whole-of-government and whole-of-sector approach.

An outcomes framework provides the opportunity to co-design innovative service delivery at population, agency, program and place-based levels. Because the efficacy of service delivery is at the forefront of an outcomes commissioning process, it ensures service flexibility and responsiveness in the service design process, and indicates how we measure our collective impact. A shared framework for evaluating service outcomes, regardless of whether those services are provided by the community sector, the State Government or local governments, is imperative to inform investment and facilitate a more consistent whole-of-government and whole-of-sector approach.

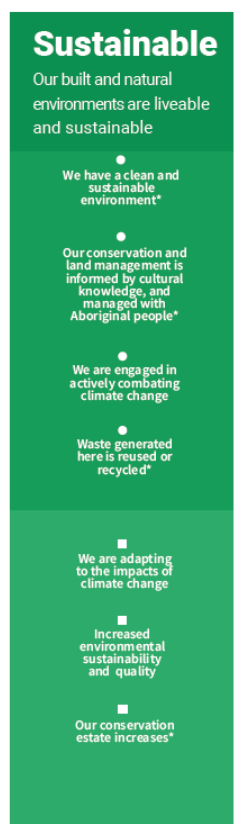
Creating scaffolding that assists in linking outcomes across different agencies and programs will address some of the siloes in service delivery that have been evident between program, agency and departmental levels, generating better service delivery outcomes for the community. The Outcomes Framework provides support for governments and the community service sector to better

understand and articulate the impact of the community services, and our ability to improve the lives of all Western Australians.

As a clear actor within the space of ensuring access to services to meet the needs of the community, local governments should be required to use the outcomes framework as part of their service provision and purchasing activities – to drive greater collaboration, improve accountability to the public and, most importantly, improve outcomes for people receiving community services in WA.

Infographic: Draft WA Outcomes Framework

Domains and outcome statements:



Community Service Provision and Food Relief

Local government can play a key role in the local coordination of community services operating within their jurisdiction, including the provision of healthy and safe food relief and wider place-based services. There is currently, however, great variation in local governments fulfilling that role across WA. Some local governments convene a local interagency network, while others provide free training to front line staff and volunteers, or fund material relief such as Transperth bus passes. Further, a limited number of local governments fund frontline social service workers, such as parenting support and youth workers, where they have identified gaps in service provision. Some local governments encourage better social support within their areas by providing 'peppercorn' leases to services to co-locate and operate out of local government facilities, while many others provide little to no support to local services. Well-organised local governments proactively include consideration of local community needs and partnerships with community-based services as part of their strategic and community development planning – creating age-friendly, child-friendly and disability-friendly communities as a consequence.

Local network coordination

The community relief sector ranges from paid youth workers or housing support staff through to local church volunteer food and relief providers. It has been long recognised that there are multiple service and sustainability outcome benefits from services attending a regular local network. These networks produce and strengthen referral pathways for community members with multiple unmet need. Networks also work together to coordinate local services and meet food and local government regulations during the delivery of their services, which has a direct benefit to the local governments that convene these networks. By hosting local inter-agency networks, local governments can promote and sustain holistic, integrated and coordinated local service delivery. Some local governments have partnered with service agencies to develop homelessness action plans and strategies.

Food Safety & Public Health Plans

Local governments are responsible for the development of public health plans and the enforcement of the Food Act and food standards. This is an important reason for local governments to be invested in local food and service networks. Local food providers especially benefit from having a good working relationship with the local government in whose area they operate. Charity food providers are often 'well intentioned' community members who have little to no training in food safety. As a result, they have varying understandings of the Food Act and associated regulations and standards, and so their best asset in the mission to provide safe and nutritious food is a working relationship with the local environmental health officer.

Local government environmental health officers have a key role in ensuring that providers have the capacity to ensure all charity food aid complies with relevant legislation and standards. It is imperative that charity food providers have access to local government food safety training free of charge. Ensuring that local environmental health officers have the capacity and remit to support and guide local food relief providers will result in a healthier and safer food environment for those in the community experiencing food insecurity.

Infrastructure and peppercorn leases

Local governments who attend or convene local interagency networks are well-positioned to support the sustainability of local services and achieve positive outcomes. There are case studies where local agencies have formed working collaborative relationships which have transformed into Memorandums of Understanding and co-location partnerships. Reduced or subsidised leases can enable services to locate and work together to provide whole-of-life services and supports in a convenient place-based manner. The services benefit from co-location, cross-referral and cheaper rental, and the local government benefits from its ability to influence the location and nature of service delivery within the local government area. Co-location also creates place, bringing a level of vibrancy to local areas and enabling higher levels of activity and engagement – for instance, if young mums can attend health or community services or classes co-located with their child care.

Currently, there is no mechanism to support local governments to undertake partnerships with local services and most local governments have had little engagement in the coordination of local services. The food and material aid sector, along with the wider social services sector would like to see appropriate amendments made to the Local Government Act that would provide the impetus for local governments state-wide to enact the valuable role they can and should play in developing and sustaining a healthy and inclusive community. We have avoided being prescriptive in our recommendations about the best way this might be incorporated into the Local Government Act at this stage, but would welcome the opportunity to be part of a further discussion and to engage with our members on the most effective means of implementation.

Asset-Based Community Development

ABCD is based on the idea that communities can drive the community development process themselves by identifying and mobilising existing, but often unrecognised assets. This approach is built on four elements:

- A focus on community assets and strengths, rather than deficits and problems
- Identifying and mobilising individual and community assets, skills and passions
- Driven by the community – ‘building communities from the inside out’
- Driven by relationships and social networks that exist within a community²

Building on assets that already exist necessitates time to be spent on their identification, before they can then be mobilised. Assets are then linked with other assets to build connections and enable the community to develop its strengths, create local social improvement and economic development.

ABCD groups ‘assets’ into five categories

- Individuals, Associations, Institutions (eg. government agencies, businesses, schools)
- Place-based assets (eg. buildings, heritage, public spaces)
- Connections (social relationships and networks)³

² Community Door, ‘Asset Based Community Development’ <https://communitydoor.org.au/asset-based-community-development-abcd>

³ Nurture Development (2018) ‘Asset Based Community Development’ <https://www.nurturedevelopment.org/asset-based-community-development/>

Core to ABCD is the principle that a recognition of strengths and assets is more likely to inspire positive action for change in a community than is an exclusive focus on needs and problems. Under this approach, organisations like local governments need to be ‘citizen-centred’, which means the local people control the organisation and set the organisation’s agenda.

Institutions should be viewed as ‘servants’ of the community. Leaders in institutions are seen to have an essential role in community-building as they lead by “stepping back,” creating opportunities for citizenship, care, and real democracy. Apathy in communities is seen to typically be the result of ‘bad listening’, rather than a genuine lack of motivation. Inviting communities to answer questions, rather than giving them answers is a better way to engage them, and it is important to demonstrate that they have actually been listened to.

This approach requires a strong commitment to community driven efforts through active citizenship and participatory democratic methods, that empower the community and give it ownership of the development process.⁴

Community Wealth Building

As defined by the Democracy Collaborative, “community wealth building is a systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly held ownership.”⁵

Building on the grassroots economic development approach of the Basque region and its federation of worker co-operatives, the Mondragon Corporation, community wealth building has been successfully implemented in Cleveland, USA and the Preston City Council area in the United Kingdom. Their success has seen a number of other communities and local governments investigating adapting the model to suit their circumstances.

By placing community-shared ownership at its core, community wealth building seeks to provide low- and moderate-income communities with the tools necessary to build their own wealth.⁶

The approach places a large emphasis on the procurement activities of ‘anchor institutions’ – organisations which employ a significant number of people, which spend a lot of money through procurement and other processes, and which were unlikely to leave as they are rooted in the local area.⁷ These anchor institutions include local government authorities, but also institutions that operate within their local areas, such as hospitals, schools and universities. Wherever possible, anchor institutions are encouraged to shift external spending towards local procurement.

As set out by its City Council, the Preston model for community wealth building is based on four principles:

⁴ Ibid.

⁵ Marjorie Kelly and Sarah McKinley, ‘Cities Building Community Wealth’

<https://democracycollaborative.org/content/cities-building-community-wealth-executive-summary>

⁶ Ted Howard ‘Owning Your Own Job is a Beautiful Thing: Community Wealth Building in Cleveland, Ohio’

<https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/article-howard12.pdf>

⁷ Centre for Local Economic Strategies (2017) ‘Community Wealth Building through Anchor Institutions’

https://cles.org.uk/wp-content/uploads/2017/02/Community-Wealth-Building-through-Anchor-Institutions_01_02_17.pdf

- **Wealth that's there** – harnessing the power of the money that anchor institutions are spending on procuring goods and services. Aiming to localise as much of that spend as possible, securing investment in local supply chains and improving local economic competitiveness
- **Workforce** – maximising the benefits of investment in staff by building a skilled and committed workforce and providing an exemplar to local businesses. Paying at least the Living Wage to all employees and encouraging staff to spend local and save local, including through Credit Unions.
- **Land, Property and Investments** – using anchor institution assets to lever in additional investment, to encourage the development of new businesses and support new methods of financial intermediation.
- **Economic democracy** – supporting the growth of alternative models of economic governance which give citizens greater investment in and control over their economic future. This can mean the development of new co-operatives as well as other ways of helping people feel ownership of assets and decision-making processes.⁸

This last aspect, economic democracy, is of crucial importance as it ensures that the benefits of business ownership are spread widely. In Preston, where the local economy was unable to meet the procurement needs of the anchor institutions like the local government, the city council advocated for and assisted with the creation of worker-owned cooperatives.⁹ Worker-owned cooperatives, in particular, play a critical role in building community wealth by creating quality, empowering jobs for community members, keeping profits remaining and circulating within the community, allow employees to accumulate wealth through an ownership stake, and develop democratic, grassroots decision-making skills.¹⁰

The impact of this community wealth building in Preston has been clear. By 2016, three years after the project began, spending by six anchor institutions had risen from 5% in Preston and 39% in Lancashire more generally, to 19% in Preston and 81% in Lancashire. The benefits have not been simply economic, with a sense of community and belonging for the people of Preston having been created.¹¹

⁸ Preston City Council, 'Community Wealth Building', <https://www.preston.gov.uk/thecouncil/the-preston-model/community-wealth-building/>

⁹ Lisa Schaefer (2018) 'The Preston Model of Community Wealth Building in the UK', Centre for Public Impact, <https://www.centreforpublicimpact.org/case-study/the-preston-model-of-community-wealth-building-in-the-uk/>

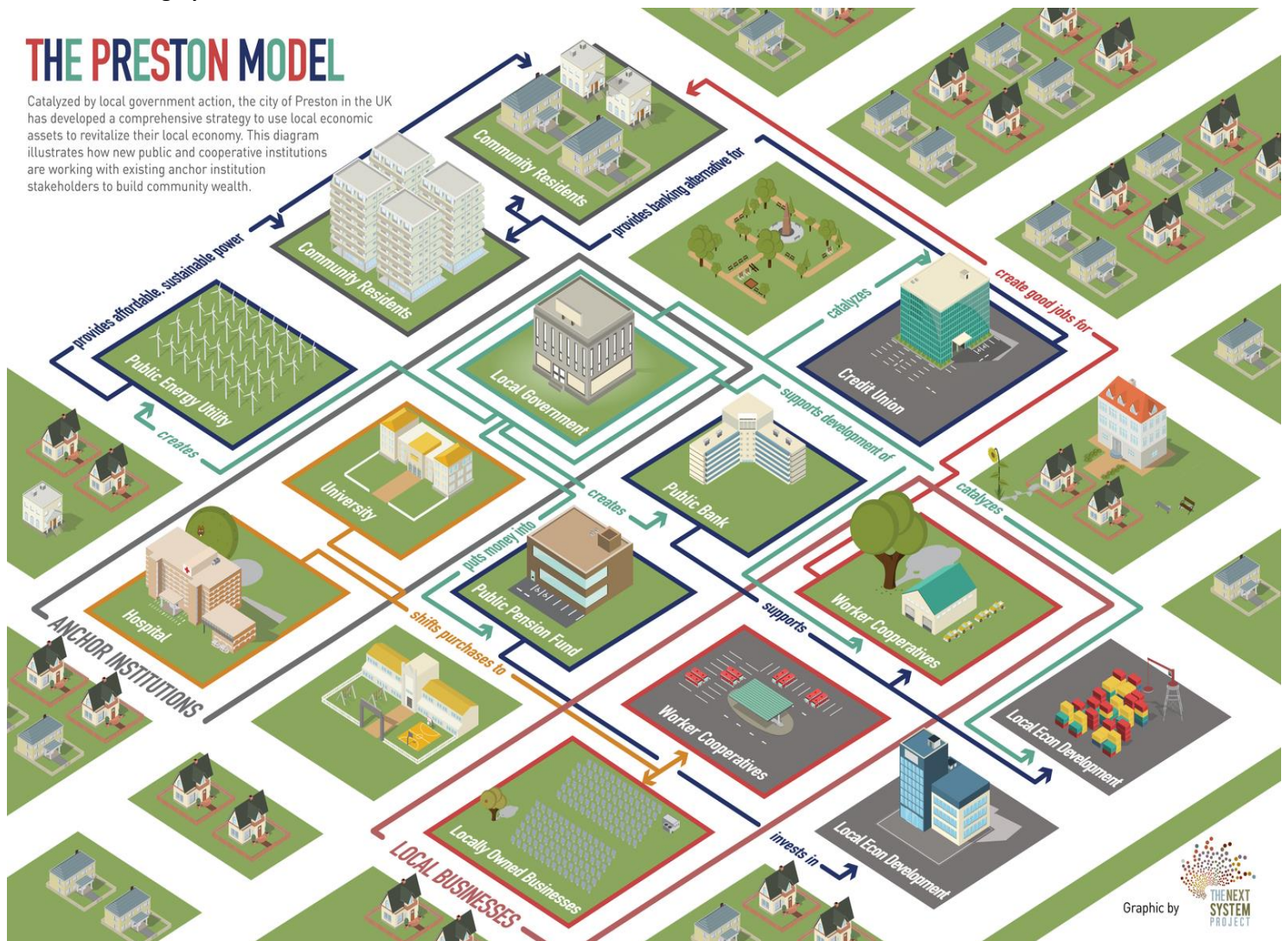
¹⁰ Democracy Collaborative, 'Worker Cooperatives', <https://community-wealth.org/content/worker-cooperatives>

¹¹ Lisa Schaefer (2018), The Next System Project (2018) thenextsystem.org/learn/stories/infographic-preston-model

Infographic: The Preston Model

THE PRESTON MODEL

Catalyzed by local government action, the city of Preston in the UK has developed a comprehensive strategy to use local economic assets to revitalize their local economy. This diagram illustrates how new public and cooperative institutions are working with existing anchor institution stakeholders to build community wealth.



To create agile, smart and inclusive local governments, Western Australia needs to be bold in its thinking and embrace successful models that make a fundamental difference for the wellbeing of the entire community, including those on the lowest-incomes. Local government can drive economic democracy on a localised level, opening up opportunities for communities to shape the society in which they want to live and be engaged in genuinely meaningful ways.

If you would like to discuss this submission further, please contact the WACOSS Research and Policy Development Leader Chris Twomey at chris@wacoss.org.au or 9420 7222.

Yours sincerely,

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