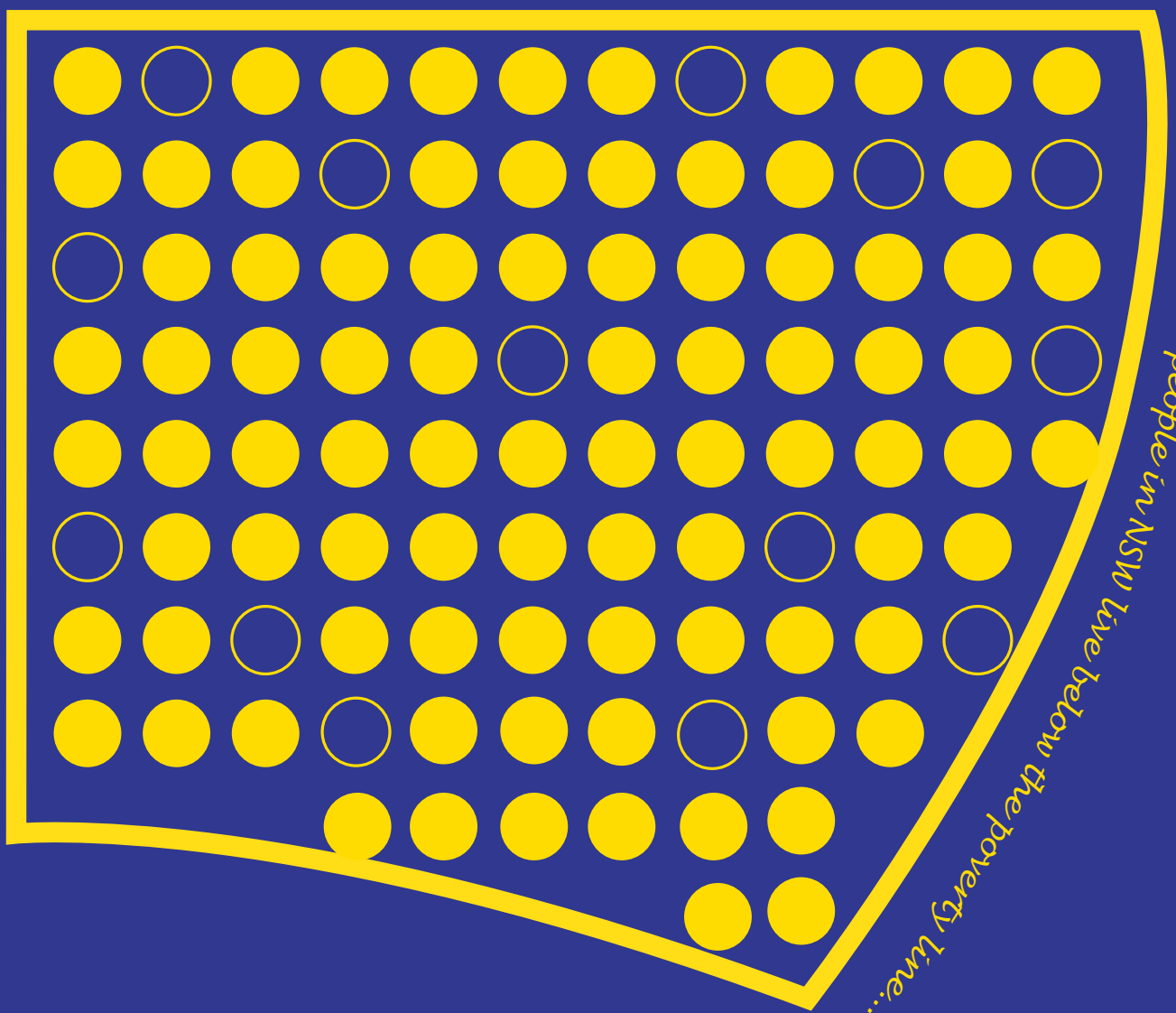


# Sharing the Benefits

## Making NSW Fairer



### NCOSS Pre-Budget Submission

Social and economic priorities for a fair and sustainable community: 2014-2015 State Budget

The Council of Social Service of New South Wales (NCOSS) is the peak body for the social and community services sector in New South Wales. NCOSS works with its membership on behalf of disadvantaged people and communities towards achieving social justice in New South Wales.

NCOSS was established in 1935 to promote cooperation in the provision of community services and influence social legislation. Today our constituents are:

- our members
- other peak community service agencies in NSW
- service providers
- other agencies working in the social policy and social services field
- individual members interested in social policy and social service issues
- disadvantaged and low income people and communities in NSW.

NCOSS provides an independent voice on welfare policy issues and social and economic

reforms and is the major co-ordinator for non-government social and community services in NSW.

We act as a channel for consultation with government and between parts of the non-government sector with common interests and diverse functions.

NCOSS is a membership organisation. Members range from the smallest community services to the largest major welfare agencies, state and regional level peak councils, churches, hospitals, local government and consumer groups.

**NCOSS can be found at:**

66 Albion Street

Surry Hills NSW 2010

**phone:** (02) 9211 2599

**email:** [info@ncoss.org.au](mailto:info@ncoss.org.au)

**website:** [www.ncoss.org.au](http://www.ncoss.org.au)

**facebook:** [on.fb.me/ncoss](https://on.fb.me/ncoss)

**twitter:** [@\\_ncoss\\_](https://twitter.com/_ncoss_)



Published October 2013

© Council of Social Service of New South Wales (NCOSS)

This publication is copyright. Non-profit groups have permission to reproduce part of this book as long as the original meaning is retained and proper credit is given to the Council of Social Service of New South Wales (NCOSS). All other persons and organisations wanting to reproduce material from this book should obtain permission from the publishers.

ISSN 1321-9251

# ■ Contents

■	Overview .....	1
1	Improved child well-being .....	6
2	The opportunity to participate in learning and education.....	8
3	A fair go for people with disability .....	11
4	Advancing older people’s rights and well-being .....	15
5	Improving the justice system .....	18
6	More affordable housing and less homelessness .....	20
7	Better health and well-being.....	25
8	Ensuring the essentials – affordable energy.....	28
9	An inclusive public transport system .....	31
10	Better planning and infrastructure.....	36
11	Strengthening the strong community sector .....	38
12	Revenue and savings measures.....	40
■	Footnotes .....	44



# ■ Overview

In recent years Australia has been a standout performer in terms of economic growth, weathering the global financial crisis in 2009 to post the strongest growth of all 34 advanced economies.<sup>1</sup>

The indications are that the NSW economy will play an increasingly important role in leading the national economy as it becomes more reliant on the non-mining sectors. BIS Shrapnel forecasts that NSW's economic expansion - 2.9% in 2012-13, up from 2.4% the year before - will continue to accelerate over the next three years.<sup>2</sup>

Strong growth in the finance and insurance sectors, 45% of which is based in NSW, is contributing to our positive performance. Large-scale infrastructure projects such as the North West Rail Link, CBD Light Rail and West Connex - along with a rise in the number of home approvals - will also boost employment growth in the construction industry, with multiplier effects across other areas of the economy.

But the benefits of economic growth are not evenly distributed. The Australian Bureau of Statistics' most recent *Household Wealth and Wealth Distribution* statistics (August 2013) show that, for 2011-12, the level of wealth between Australian households continued to vary greatly - averaging \$2.2m for the wealthiest 20% of households, and \$31,000 for the poorest 20%. Similarly, the wealthiest 20% had 60.8% of total net household worth, while the poorest had 0.9%.

The Australian Council of Social Service's *Poverty in Australia* report (2012) shows that one in eight Australians and one in six children lived in households below the most austere poverty line widely used in international research (being less than 50% of the median disposable income). The proportion of people living in poverty rose slightly between 2003 and 2010. NSW had a higher proportion of its residents below the poverty line than any other state (14.3% compared to a national average of 12.8%).

As a peak social justice organisation, NCOSS believes that fairness and equity are at the heart of a civilised society. We believe that, in a prosperous nation like Australia, it is unacceptable that so many experience deprivation and are unable to satisfy basic needs. When the economic trend is upward - as it is for NSW - it is imperative to ensure that everyone benefits.

For this reason we argue that it is time to step up and tackle the social housing crisis where growing demand is far outstripping diminishing supply; to take a more proactive approach to preventing electricity disconnections for the increasing number of households who cannot afford to pay their bills; to ensure that those on low incomes or in low-paid jobs can access

affordable transport options; and to continue to provide those most at risk of marginalisation a pathway to learning through TAFE NSW.

Research tells us that those countries that are more socio-economically equal have a range of advantages – such as greater child well-being, better educational performance, higher levels of trust, greater community life and more social mobility.<sup>3</sup>

These desirable outcomes align with many of the goals in *NSW 2021: A Plan to Make NSW Number One*. The Plan has a strong commitment to inclusivity, fairness and opportunity, expressed through specific goals and targets such as putting downward pressure on the cost of living, better protecting the most vulnerable members of the community, improving housing affordability and availability, and reducing homelessness.

NCOSS understands the financial pressures facing the NSW Government in light of increasing demand and finite resources. Setting clear priorities, engaging with the Commonwealth Government to secure fair and adequate assistance, and looking to new revenue and savings measures must all be part of the mix.

Within this context NCOSS has framed its 2014-15 Pre-Budget Submission (PBS) to highlight those areas where we believe more needs to be done to address disadvantage, improve well-being and increase opportunity. Our priorities and recommendations are:

## **1 Improved child well-being**

- 1.1 Increase the funding for early intervention services for children, young people and families in NSW.
- 1.2 Invest in proven, long term strategies to recruit, retain and support the child protection workforce to have the right people in the right jobs at the right time.
- 1.3 Commit to a further five year *Keep Them Safe* funding package that prioritises early intervention services, caseworker initiatives, and any issues identified in the evaluation currently underway.

## **2 The opportunity to participate in learning and education**

- 2.1 Implement a statewide Capacity Building Program for early childhood education providers to assist them develop capabilities, strategies and innovative service models for effectively engaging with disadvantaged families and children.
- 2.2 Provide further capital funding for not-for-profit services in areas of high demand for pre-school places for children in the year before school.
- 2.3 Guarantee the ongoing provision of essential TAFE 'infrastructure' and support for low income/disadvantaged students, Aboriginal and Torres Strait Islander students and students with disabilities.

## **3 A fair go for people with disability**

- 3.1 Expand the provision of independent information and advocacy services to meet growing demand in a complex and changing environment, support informed choice and ensure a representative voice at a systemic level.
- 3.2 Fund an additional 200 places for supported accommodation and community living options to address urgent unmet need and to provide appropriate alternatives to boarding house and residential aged care options, prior to commencement of the NDIS.
- 3.3 Increase funding for the community care program by 30% to meet unmet demand, focus on those who are most disadvantaged and pilot person-centred funding for Aboriginal people with disability.

- 3.4 Expand the Aids and Equipment Program to improve its capacity to provide vital aids and equipment to support people with life-long or long-term disability.

## **4 Advancing older people's rights and well-being**

- 4.1 Expand eligibility for the Seniors Card to Aboriginal and Torres Strait Islander people aged 45 years and older.
- 4.2 Empower older people to exercise their rights through:
- Expanding advocacy and support services under the Ageing Grants Program.
  - Expanding legal services by the Aboriginal Legal Service to older Aboriginal and Torres Strait Islander people.
  - A program of community based workshops to provide legal and financial information to older people from culturally and linguistically diverse communities.
- 4.3 Provide funding for community based organisations to develop/upgrade infrastructure and facilities that promote wellness.

## **5 Improving the justice system**

- 5.1 Provide a base level of funding for Community Legal Centres that is indexed.
- 5.2 Increase funding for inmate rehabilitation and education programs.

## **6 More affordable housing and less homelessness**

- 6.1 Develop a formal plan, with numerical targets, to increase the supply of social and affordable housing over the next four years. The plan should be developed on a cross-portfolio basis within the NSW Government, and in partnership with the Federal Government.
- 6.2 Progressively fund 200 Housing and Mental Health Support Packages (HMHSPs) for existing public and community housing tenants with an identified serious mental health condition over three years, commencing with an initial 60 support packages for 2014-15.
- 6.3 Provide capital funding for a Community Housing Social Investment Fund to develop additional social and affordable housing in agreed high need areas.
- 6.4 Provide additional funding to ensure that flexible brokerage assistance for the purchase of goods and services can be accessed through a sufficient number of Specialist Homelessness Services in each Local FACS District.
- 6.5 Continue funding for the *Going Home Staying Home* Industry Development Partnership beyond 2013-14.

## **7 Better health and well-being**

- 7.1 Establish and implement a Health NGO Sector Development Program to assist with transitioning to a contestable funding framework.
- 7.2 Enhance Health Care Interpreters Services through supplementary funding to Local Health Districts.
- 7.3 Increase funding for community-based integrated mental health services, specifically:
- Community drop-in centres targeting four under-serviced areas of NSW.
  - Additional Integrated Service Model for People with Mental Health Needs pilots.

## **8 Ensuring the essentials – affordable energy**

- 8.1 Establish 'Staying Connected', a state-wide initiative to develop and implement a range of early intervention strategies in partnership with NSW energy retailers, aimed at reducing high levels of disconnection for low income households.
- 8.2 Improve energy rebates for vulnerable population groups by:
  - Increasing the budget of the Energy Accounts Payment Assistance (EAPA) scheme to reflect the increase in voucher value.
  - Extending the EAPA scheme to people living in residential parks and retirement villages.
  - Increasing and indexing the Life Support Rebate.

## **9 An inclusive public transport system**

- 9.1 Improve affordability and equity of the transport system for disadvantaged groups by:
  - Extending transport concessions to Health Care Card holders and asylum seekers.
  - Raising the subsidy cap for the Taxi Transport Subsidy Scheme to \$60 per trip.
- 9.2 Increase the accessibility of public transport through:
  - Additional funding for the Transport Access Program.
  - Bus stop upgrades in rural and regional areas.
  - Undertaking a state-wide project to identify spare capacity and optimise its utilisation.
- 9.3 Address transport disadvantage through:
  - Extending the Plan B drink-driving campaign to rural and regional areas.
  - Providing transport information in rural and regional areas.
  - Promoting social inclusion for young Aboriginal people through locally developed transport solutions in four targeted locations.
- 9.4 Take a cross portfolio approach to respond to high unmet demand for transport to health services through:
  - Increased funding to Community Transport providers to meet the growing need for non-emergency transport to health services.
  - Solutions for Local Transport Needs: a co-funded transport for health collaboration and partnership project to deliver innovative, demand responsive transport solutions.

## **10 Better planning and infrastructure**

- 10.1 Include social housing as a form of infrastructure investment and hypothecate proceeds from Waratah Bonds to invest in the development of new social housing supply.
- 10.2 Invest in capacity building to enable the NGO sector to better participate in major strategic planning exercises and the development of NSW Planning Policies.

## **11 Strengthening the community sector**

- 11.1 Resource a network of Regional Support NGOs to ensure a viable community sector.



## 12 Revenue and savings measures

- 12.1 Remove gaming machine tax concessions for clubs.
- 12.2 Introduce a \$2.50 levy on private vehicle registration fees to be hypothecated into local and community transport.
- 12.3 Reform existing road user charges and introduce a more strategic road-tolling regime that seeks to align cost with usage, with revenue raised hypothecated into public transport.
- 12.4 Direct savings to be realised from the introduction of the Opal Card towards ensuring a more inclusive and equitable public transport system.
- 12.5 Direct future revenue generated from the annual release of new taxi licenses in Sydney towards subsidising increases to the Taxi Transport Subsidy Scheme.
- 12.6 Establish mechanisms to ensure that the NSW Government captures a fair share of the enhanced value of land and development located near the significant infrastructure it is funding and building.

“The proportion of people living in poverty rose slightly between 2003 and 2010. NSW had a higher proportion of its residents below the poverty line than any other state (14.3% compared to a national average of 12.8%).”

# 1

## Improved child wellbeing

**A**buse and neglect in childhood is linked with poorer physical and mental health and poorer outcomes for education and employment later in life. Strong and supportive families provide the foundation for children to lead happy, healthy lives.

*NSW 2021: A Plan to Make NSW Number One* commits the NSW Government to better protecting the most vulnerable members of our community and break the cycle of disadvantage (Goal 13). It recognises the need to give children the best possible start to life; help vulnerable young people and their families build resilience and plan for the future; focus on prevention and early intervention; and work in partnership with non-government organisations to prevent problems from escalating and becoming entrenched.

The Plan's targets include reducing the rate of children and young people reported at risk of significant harm by 1.5% per year and reducing the rate of young people in statutory out-of-home care by 1.5% per year.

Since the Report of the Special Commission of Inquiry into Child Protection Services in 2008, the NSW Government has provided significant additional resources through Keep Them Safe (KTS) – the five year (2009 - 2014) action plan intended to enhance universal services, improve prevention and early intervention, better protect children at risk, support Aboriginal children and families and strengthen partnerships with NGOs.

However the 2013-14 NSW Government Budget Papers shows a reduction of 6.3% in allocation to the service group 'Targeted Earlier Intervention for Vulnerable Children, Young People and Families', compared to expenditure in the previous year.

Recently, the budget estimates process and media reports have drawn attention to the difficulties that the Community Services portfolio can face in maintaining caseworker numbers at full strength, which must impact upon its ability to appropriately respond to and protect those children most at risk.

Within this context, NCOSS makes the following recommendations to the Department of Family and Community Services (Community Services).

### **1.1 Increase the funding for early intervention services for children, young people and families in NSW**

**Cost: \$50m**

The most recent *NSW 2021 Performance Report* indicates that for 2011-12, rates of children and young people reported at risk of significant harm and in out-of-home care went up, not down.

To reverse this trend, there needs to be a greater focus on programs that can intervene as soon as possible to tackle problems emerging for children, young people and their families. We know that developing the foundations for learning through participation in early childhood education has positive and long lasting impacts for vulnerable and disadvantaged children (*see Section 2, The opportunity to participate in learning and education*).

We also know that there are early intervention services being provided now in different parts of the State that are proving to be effective. What is needed is a sustained, systematic and planned approach, based on research and evidence, that targets priority populations across NSW, provides intensive support and focuses on both parents and children.

## **1.2 Invest in proven, long term strategies to recruit, retain and support the child protection workforce to have the right people in the right jobs at the right time.**

**Cost: \$500,000**

Not having a full quota of skilled and experienced child protection workers stretches the system and can lead to poor outcomes for children and families in need of support and protection.

Problems with the recruitment and retention of child protection practitioners are not new and are not confined to NSW. Nationally and internationally contributing factors have been identified as: increasing demand; the stressful nature of the work; the impact of the media and public inquiries; organisational issues such as lack of support and career opportunities; a shortage of qualified workers; and the need for more effective workforce planning.

At different points in time various strategies have been used successfully in NSW and in other jurisdictions to tackle particular child protection workforce issues. What is needed now is a comprehensive, systematic and planned approach that builds on these successes by identifying, investing in and implementing proven long term strategies.

## **1.3 Commit to a further five year Keep Them Safe funding package that prioritises early intervention services, caseworker initiatives, and any issues identified in the evaluation currently underway.**

**Cost: \$750m**

With the five year KTS funding package due to finish in mid-2014, an international consortia led by the Social Policy Research Centre at the University of NSW has been engaged to review KTS and consider its overall impact and outcomes.

Undertaking a thorough, independent and rigorous evaluation of this important package of initiatives is necessary and commendable. Ideally the evaluation will identify those aspects of KTS that have had a positive impact and those aspects where more needs to be done or a different approach taken.

Whatever the outcome, it will be imperative that continuous improvement is made to the protection of vulnerable children and young people, and that there is no lessening of commitment or resources to this priority area.

# 2

## The opportunity to participate in learning and education

**N**SW 2021: *A Plan to Make NSW Number One* recognises that access to and participation in high quality education provides the foundations for long term social and economic success. It sets targets to provide all children with access to quality early childhood education, improve student achievement in literacy and numeracy and for more students to finish high school or equivalent.

For those who are disadvantaged, the opportunity to gain relevant skills and knowledge in a supportive environment can be a game changer. We know that children who receive quality early childhood education are more likely to need fewer educational supports later, finish high school and find stable productive employment.<sup>4</sup>

Similarly, the Vocational and Educational Training (VET) sector plays an important role in redressing disadvantage. The Productivity Commission notes that, for a young learner, VET training represents a \$324,632 increase in lifetime earnings, while improvement in literacy and numeracy is associated with hourly wage increases of up to 30%.<sup>5</sup>

There are some significant reforms underway in NSW with implications for how disadvantaged and vulnerable people access education and learning opportunities.

At one end of the spectrum, NSW's participation in the National Partnership Agreement on Early Childhood Education means that, from January 2014, four and five year olds should be able to access a preschool program delivered by a qualified early childhood teacher for 15 hours a week in the year before school. This includes reduced fees for this priority target group, free or near to free access for all children from low income families, and additional funding to support children who are educationally disadvantaged.

This new approach accords with the recommendations made by Professor Deborah Brennan in April 2012, following her review of NSW Government funding for early childhood education.

At the other end of the spectrum, 'Smart and Skilled' reforms – due to be introduced in July 2014 - will mean that funding for the VET sector will become demand driven, with 'entitlements' for government-subsidised training in select courses following the student rather than being allocated to specific Registered Training Organisations (RTOs). This new approach will have significant implications for TAFE NSW and its major role in providing disadvantaged and vulnerable students with 'second chance' education and pathways to learning and skill development.

In this context, NCOSS makes the following recommendations to the Department of Education and Communities.

## **2.1 Implement a statewide Capacity Building Program for early childhood education providers to assist them develop capabilities, strategies and innovative service models for effectively engaging with disadvantaged families and children.**

**Cost: \$1m**

The Brennan report highlights the need for a more equitable approach to early childhood education so that all children benefit from a suitable program in the year before school and there is a stronger focus on those who are educationally disadvantaged, including children from low income families, Aboriginal and Torres Strait Islander children and children with disabilities.

For some services, this approach will be a significant shift in focus, for which they will require practical assistance and guidance. While a new funding model can drive behavior change, it needs to be accompanied by a statewide 'capacity building' program to help services develop the capabilities and strategies to attract, engage and work effectively with priority target groups, in particular disadvantaged and vulnerable families.

## **2.2 Provide further capital funding for not-for-profit services in areas of high demand for pre-school places for children in the year before school.**

**Cost: \$5m**

The Brennan report notes that the majority of submissions received from peak groups during its review called for the establishment of a capital funding program. The review recommended that capital funding be made available to areas where there is a shortage of places for the target groups and where services can demonstrate that capital funding would be instrumental in addressing these shortages.

While the \$5m capital works fund already announced by the Government is welcome, historic under-funding of the sector means that, as a one-off allocation, this amount is unlikely to be sufficient to increase capacity in those areas of the state where there are not enough suitable places. Another injection of \$5m would further ease supply issues.

## **2.3 Guarantee the ongoing provision of essential TAFE 'infrastructure' and support for low income/disadvantaged students, Aboriginal and Torres Strait Islander students and students with disabilities.**


**Cost: \$50m p.a.**

The proposed changes to the funding of VET providers make it uncertain whether disadvantaged students will be able to access the same level of supports and services currently available through TAFE NSW. A key reason that TAFE has a significantly higher representation of students from 'equity groups' compared to private RTOs is because of the range of targeted supports it provides – such as childcare, counselling, technology and equipment, specialist advisers, tutorial assistance, modified courses etc.

TAFE also has a long and successful track record of partnering with other organisations to deliver community based programs that been able to provide diverse groups – such as homeless people, refugees, ex-offenders, the long term unemployed and people with mental health issues – the opportunity to engage in a supportive, non-threatening educational environment.

Under the proposed Smart and Skilled reforms TAFE would be funded to provide such services and supports via Community Service Obligations (CSOs) - if deemed a priority - but would be competing with other identified 'thin markets' for a share of the CSO pool. There is therefore no guarantee that such services and supports would be provided equitably across the state, to the same extent, or indeed at all. Further, IPART recommends that the supply of thin markets via CSOs should be put to competitive tender after the first few years.

This runs the risk of closing off an important avenue for vulnerable and disadvantaged members of the community to take the first step towards engaging in education, gaining skills and employment and making a productive contribution to society.



“...children who receive quality early childhood education are more likely to need fewer educational supports later, finish high school and find stable productive employment.”

# 3

## A Fair Go for People with Disability

There are 1.3 million people in NSW with disability of which 420,000 have a severe or profound disability that affects their ability to communicate, get around or care for themselves. *NSW 2021: A Plan to Make NSW Number One* includes the goal of increasing opportunities for people with disability by providing supports that meet their individual needs and realise their potential.

In keeping with this, the NSW Government has continued its significant investment of \$2bn through *Stronger Together 2* – the second stage of its 10 year plan to deliver additional services and supports and a focus on person centred approaches so that people with disability can determine how such resources are used. Indeed, the *Living Life My Way* Policy Framework will shortly enable people with disability in receipt of Ageing Disability and Home Care (ADHC) funded or provided services to use them in more personalised and flexible ways.

In December 2012, NSW became the first jurisdiction to sign up to the National Disability Insurance Scheme (NDIS), now DisabilityCare Australia, with the Hunter Launch site commencing in July 2013 and the statewide roll-out due to commence in July 2016. This is a generational reform that will deliver a new system of disability support, focused on the needs and choices of people with disability through a partnership between State and Commonwealth Governments.

NSW was also the first state to release its *2012-14 Implementation Plan* for the National Disability Strategy, which sets out how state government agencies will improve their policies, programs and responsiveness to people with disability, supporting inclusion and participation.

Notwithstanding these significant developments, many people with disability in NSW are not able to access the services and supports they need now, in order to live productive and fulfilling lives. Critical issues putting pressure on a system that is already stretched include: projected increases in the population of people with disability, particularly people with higher support needs; increased levels of assistance required due to the ageing of the person with disability and their carer; escalating demand for community housing options; and falling ratios of carers to people with disability.

The new emphasis on person-centred, individualised funding will certainly make best use of available resources. But it will be some years before full-scale NDIS implementation ensures that people with disability and their families across NSW are able to access the support and funding they need and exercise choice and control. Until that time, it is vital that the NSW Government maintains its responsibility to, and accelerates support for, those people with disability and their families who are most vulnerable and in need of assistance.

In this context, NCOSS makes the following recommendations to the Department of Family and Community Services (Ageing Disability and Home Care).

### **3.1 Expand the provision of independent information and advocacy services to meet growing demand in a complex and changing environment, support informed choice and ensure a representative voice at a systemic level.**

**Cost: \$6.25m p.a.**

In a changing landscape where the emphasis is on greater choice and control, access to independent information and advice is paramount. In some instances people with disability will want to move away from their current service provider but will not want to go to that provider for information about other options. In other instances, there may be reluctance to rely on government information alone.

Of particular concern are those who are at the margins: Aboriginal and Torres Strait Islander people with disability, people with disability from culturally and linguistically diverse backgrounds, people without significant relationships, parents with disability, people who are homeless or in insecure housing or in institutions, and people with disability leaving care. Access to independent advocacy and support will be critical for these people to fully participate in, navigate and benefit from new arrangements.

Through ADHC, the NSW Government has funded disability advocacy and information organisations for many years to provide a broad range of services including individual advocacy and self-advocacy, as well as local and systemic advocacy. However there has been no growth in funding in real terms since 2000, despite increases in both the number of people with disability in NSW and the level of funding to disability services.

As well as assisting people with disability to navigate and get the best from new funding and support arrangements, advocacy and information organisations play a vital role in ensuring that people with disability are able to access mainstream services and fully participate in the community. They also advocate with and on behalf of people with disability at a systemic level, to ensure that policy and decision makers take account of the views and experience of those directly affected.

### **3.2 Fund an additional 200 places for supported accommodation and community living options to address urgent unmet need and to provide appropriate alternatives to boarding house and residential aged care options, prior to commencement of the NDIS.**

**Cost: \$26.4m p.a.**

*Stronger Together 2* is delivering significant additional accommodation supports for people with disability in NSW. However demand continues to outstrip supply, leaving many in crisis and/or forced to live in inappropriate situations. The Productivity Commission's *Report on Government Services 2013* found that for 2010-11, of the potential population of people with disabilities in NSW requiring accommodation support services, only 5.6% were accessing such services. The Australian Institute of Health and Welfare report *Current and Future Demand for Specialist Disability Services* (2007) projected that NSW would require at least 65% more accommodation supports than that scheduled to be provided under *Stronger Together*. Further, modelling by PricewaterhouseCoopers in the report *Stronger Together: A sustainable approach to*



*meeting increasing demand* (2011) indicates that a projected annual reduction of 1.6% in informal care arrangements (i.e. that given by family), would result in a 7.2% increase in demand for formal support.

In 2012 new legislation regarding assisted boarding houses was introduced, providing for increased regulation from July 2013. While such changes are welcome, more appropriate accommodation arrangements for vulnerable people with disabilities are required.

The Productivity Commission's *Report on Government Services 2013* indicates that in the year 2011-12 there were 2,507 people aged under 65 years in NSW receiving permanent residential aged care, including 297 people aged 49 years or under. The Younger People in Residential Aged Care (YPIRAC) program provides enhanced services within the aged care setting, however, the fact remains that younger people with disability should reside in community based accommodation options.

### **3.3 Increase funding for the community care program by 30% to meet unmet demand, focus on those who are most disadvantaged and pilot person-centred funding for Aboriginal people with disability.**

**Estimated cost: \$62.3m p.a.**

There are around 50,000 people in NSW using services funded under the Community Care Supports Program (CCSP).<sup>5</sup> CCSP is the part of the former Home and Community Care Program through which the NSW Government funds community care services for non-Aboriginal people under 65, and Aboriginal and Torres Strait Islander people under 50.

Continued availability and growth of community care is essential for people with disability to fully participate in the community and experience a quality of life that is comparable with the rest of the population. NSW has regularly had lower proportions of the target population using community care services than other states and territories.<sup>6</sup> Reports of waiting periods of up to six months are not uncommon for some service types. In this context, it is disappointing that growth funding for 2012-13 was not disbursed as planned and that there was a reduction in funding for 2013-14.

Aboriginal and Torres Strait Islander and culturally and linguistically diverse communities have consistently experienced barriers to accessing the CCSP. Other people with disability experiencing disadvantage, including those living in boarding houses or experiencing issues with squalor and hoarding, also continue to require greater support.

Provision of community care needs to be realigned to accord with other disability reforms, in particular the focus on person-centred approaches for people with disability. Applying the *Living Life My Way* framework to community care provides the opportunity for a more flexible and responsive approach within existing service delivery mechanisms. Piloting person-centred, individualised funding for Aboriginal people with moderate support needs would give Aboriginal communities the opportunity to develop experience with person-centred approaches and funding. The experience would provide information and understanding that would be invaluable, for both Aboriginal communities and decision makers, when the NDIS is implemented.

NCOSS also makes the following recommendation to the NSW Ministry of Health.

### **3.4 Expand the Aids and Equipment Program to improve its capacity to provide vital aids and equipment to support people with life-long or long-term disability.**

**Cost: \$25m p.a.**

EnableNSW is the major provider of aids, equipment and technology to assist people with disability. Since its establishment in 2009 and the consolidation of previously separate programs, some improvements have been made in reducing waiting times, ensuring more consistent access and providing clearer information and guidance to applicants.

However there continues to be a need for a substantial increase in funding to address unmet and undermet need for essential equipment for people with disability. Notwithstanding the escalation in numbers applying for assistance through EnableNSW over the last two years, the current funding level of \$40m (recurrent) is only marginally more than was provided five years ago and has not kept pace with CPI. Not surprisingly this has led to unacceptable waiting times, people not receiving the equipment and technology they require, and unnecessary hardship.

“Until full-scale NDIS implementation it is vital that the NSW Government maintains its responsibility to, and accelerates support for, those people with disability and their families who are most vulnerable and in need of assistance.”

# 4 Advancing older people's rights and wellbeing

The NSW population is ageing. By 2050 the number of people aged 65 and over will more than double. Living longer and healthier lives creates opportunities as well as challenges. There will be more people living alone, increased demand on services, and expectations that older people will lead active lives and be able to access high quality services and support when needed.

*NSW 2021: A Plan to Make NSW Number One* includes the goal to increase opportunities for seniors to fully participate in community life. Arising from the plan, the NSW Government has developed the NSW Ageing Strategy. It recognises that ageing issues will need to be addressed through other major government reforms in areas such as planning, transport, community participation, health, disability and community services.

Older people are not an homogenous group and some face greater challenges than others. Older Aboriginal and Torres Strait Islander people, and people who do not speak English as a first language experience particular barriers to accessing supports and planning ahead for older age. Cultural and language barriers, isolation and other types of disadvantage make it necessary for Government to develop targeted measures to better support these communities.

Increased wellbeing, participation and activity can help to avoid ill-health, isolation and disadvantage among the older population. The non-government sector plays a vital role in providing volunteering opportunities and programs and services that support and engage older people in the community. However, investment in and refreshment of community infrastructure is required to provide a base from which such activities can occur.

Within this context, NCOSS makes the following recommendations to the Department of Family and Community Services (NSW Office for Ageing and Ageing, Disability and Home Care).

## 4.1 Expand eligibility for the Seniors Card to Aboriginal and Torres Strait Islander people aged 45 years and older.

**Estimated cost: \$2m p.a.**

People aged over 60 years who work less than 20 hours a week are eligible for the Seniors Card. A Seniors Card entitles cardholders to a range of concession rates for government and private business services. Most significantly, the Seniors Card enables beneficiaries to take advantage of public transport concession fares, including the Pensioner Excursion Ticket.

Due to the reduced life expectancy of Aboriginal people - between 9.7 and 17 years lower than the rest of the population<sup>8</sup> - many Aboriginal people will never have access to Seniors Card benefits. Lowering the eligibility age for Aboriginal people to 45 years would improve access and affordability to services that are currently available to non-Aboriginal older people in NSW.

In particular, Aboriginal and Torres Strait Islander people experience significant levels of transport disadvantage which can result in social isolation and an inability to access much needed services such as health. Changing the age of eligibility for the Seniors Card would contribute to reducing this.

## **4.2 Empower older people to exercise their rights through:**

- Expanding advocacy and support services under the Ageing Grants Program.  
Estimated cost: \$1m p.a.
- Expanding legal services by the Aboriginal Legal Service to older Aboriginal and Torres Strait Islander people.  
Estimated cost: \$250,000 p.a.
- A program of community based workshops to provide legal and financial information to older people from culturally and linguistically diverse communities.  
Estimated cost: \$250,000 p.a.

In recognition of the growing numbers of older people in NSW at risk of abuse, the NSW Government established the Elder Abuse Help Line and Resource Unit in 2013. To complement this, a range of supporting strategies are needed to ensure a preventative and early intervention approach, focused on empowering older people to exercise their rights.

Advocacy can support older people to exercise their rights, make decisions in their own interests, continue living independently and avoid crisis situations. There is evidence that current levels of advocacy and support for older people in NSW are inadequate to meet the needs of this growing population. Funding via the Ageing Grants Program – through which services are currently funded – has not increased for many years and, over the last five years, appears to have decreased in real terms by approximately 10%. Increased funding would resource organisations already working closely with older people to increase their advocacy for and on behalf of older people, in line with growing demand.

Barriers to accessing mainstream legal services are heightened for older Aboriginal and Torres Strait Islander people.<sup>9</sup> Increased support to Aboriginal Legal Services would enable the development of effective outreach programs and strategies to target this disadvantaged group.

For older people who do not speak English as a first language, there are additional barriers to making important decisions which give effect to their rights - such as completing wills, powers of attorney and advance care directives. Providing resources for community based workshops on the need to plan ahead would support culturally and linguistically diverse communities to address the needs of their ageing community members.

### **4.3 Provide funding for community based organisations to develop/ upgrade infrastructure and facilities that promote wellness.**

**Estimated cost: \$500,000**

As part of the NSW Ageing Strategy, one-off funding was provided to local councils to identify and implement responses to the ageing of their local communities.

Along with local government, the community sector in NSW plays an important role in supporting older people to remain mobile, active and able to participate in their communities. Initiatives such as exercise and fall prevention programs, centre-based activities and the provision of allied health supports can help prevent hospital admissions, social isolation and other risk factors for ill-health in older people.

In some areas, the local community organisation is a more accessible, and closer option for such programs than the Council which can be based in a regional centre some distance away. But lack of suitable facilities limits the extent to which community organisations can provide these much needed programs.

“Older Aboriginal and Torres Strait Islander people, and people who do not speak English as a first language experience particular barriers to accessing supports and planning ahead for older age.”

# 5 Improving the Justice System

In any discussion of the Justice System, the focus is invariably on the impact of crime in our communities. This is recognised in *NSW 2021: A Plan to Make NSW Number One* where a focus on prevention and early intervention strategies along with better community engagement is proposed to support the growth of safer, stronger communities.<sup>10</sup>

Crime statistics<sup>11</sup> show that, for 15 of the 17 major crime categories, trends are stable or falling. Economic performance, particularly strong employment levels has an important impact on crime levels. However, re-offending rates, while showing some improvement remain high and contribute significantly to overall crime rates. Risk of re-offending reflects criminal history, educational and employment deficits and an offender's use of alcohol and other drugs. Addressing these factors is necessary to reduce both the risk and incidence of re-offending.

While it remains important to address the impact of crime, many aspects of our daily lives are governed by laws where disputes or problems are dealt with outside the criminal justice system. These matters make up the majority of cases before our courts and tribunals and also have an impact on the safety, strength and resilience of our communities.

Research<sup>12</sup> tells us that disadvantaged groups who ignored their legal problems have poorer outcomes. Not resolving legal problems can lead to escalation in seriousness and the development of further legal and other issues. Legal needs surveys have also highlighted links between social and economic disadvantage and heightened vulnerability to multiple legal problems.

Providing support to disadvantaged and vulnerable people across the spectrum of legal issues is an important part of providing holistic and integrated support to meet the needs of people to prevent problems from escalating and becoming entrenched, break the cycle of disadvantage and build their resilience.

In this context, NCOSS makes the following recommendations to the Department of Attorney General and Justice, including Corrective Services:

## **5.1 Provide a base level of funding for Community Legal Centres that is indexed.**

**Cost: \$3.4m p.a.**

Community Legal Centres (CLCs) operate a service delivery model is that it is multi-disciplined in approach, works effectively with socially excluded and disadvantaged communities, targets services to emerging need and is flexible and responsive.

Clients are mostly in receipt of social security payments and face other barriers due to disability, Aboriginality, being unemployed or a single parent.<sup>13</sup>

A study of the economic value of Community Legal Centres found that for every dollar spent on CLCs, the Government saves a minimum of \$100 through their early intervention work that helps avoid ongoing costs to police, courts and social services.<sup>14</sup> Despite this, the *ACOSS Community Sector Survey 2013* showed that 63% of respondents providing legal services were unable to meet demand for their service.

## 5.2 Increase funding for inmate rehabilitation and education programs.

**Cost: \$1.7m p.a.**

The NSW Government has introduced programs such as Youth On Track and Life On Track that seek to provide specific intervention and support that address crimeogenic factors for groups who are at high risk. These programs target those who have not had a custodial sentence imposed. There is a need to ensure that those in prisons also have access to intervention and support that assists them address these factors when they are released back into the community.

The population of prisoners has a higher percentage of people with mental health issues, substance abuse disorders and intellectual and cognitive disabilities than the general population. Improved rehabilitation programs that address such factors and proper discharge planning from prison can help to reduce recidivism and crime rates overall.

While completion rates for key treatment and intervention programs are improving<sup>15</sup> further investment is warranted to improve inmates' capacity to successfully adapt and integrate back into life in the community.

“A study of the economic value of Community Legal Centres found that for every dollar spent on CLCs, the Government saves a minimum of \$100 through their early intervention work that helps avoid ongoing costs to police, courts and social services.”

# 6 More affordable Housing and less Homelessness

This year's Pre-Budget Submission proposals to expand the supply of affordable housing and reduce the level of homelessness have been developed in the context of far reaching change agendas at both Commonwealth and State levels.

The *Going Home Staying Home* reform agenda for Specialist Homelessness Services in NSW is well advanced<sup>16</sup> but is constrained by lack of security regarding ongoing Commonwealth and State funding for the COAG National Partnership Agreement on Homelessness (NPAH).

The recent report by the Auditor General into the state of public housing in NSW<sup>17</sup> is to be followed by work to develop a state social housing policy, a plan for the Land and Housing Corporation's assets and, less certainly, a possible Estates Strategy.

*NSW 2021 – A Plan to Make NSW Number One* includes a number of goals and targets directly relevant to improving housing affordability and preventing homelessness:

- **Goal 5** – Place downward pressure on the cost of living: Improve housing affordability and availability.
- **Goal 11** – Keep people healthy and out of hospital: Improve outcomes in mental health.
- **Goal 13** – Better protect the most vulnerable members of our community and break the cycle of disadvantage: Reduce the number and rate of homelessness.

The 2011 Census found that the rate of homelessness is not falling, despite the additional effort made in line with the Commonwealth White Paper and the NSW Homelessness Action Plan. While there was a slight fall in the number of Aboriginal people who are homeless, there have in fact been increases in the rate of both overall homelessness and rough sleeping.<sup>18</sup> No data is available on the extent of repeat homelessness.

On housing, the NSW Government points to progress on the overall supply of housing<sup>19</sup> but there is no evidence of any corresponding reduction in housing affordability stress. Data from the COAG Reform Council shows that almost half the state's low income rental households are in rental stress. On the planning side of the ledger, the Affordable Housing Task Force set up by Minister Hazzard in 2011 has reported to the Government but its report has not been made public and the prospects for future action remain uncertain.

The FACS Localisation Agenda, if implemented successfully, offers the opportunity to better integrate separate housing, community services and ageing and disability responses to common clients and to better integrate FACS and Health initiatives at the District level.



In this context, NCOSS makes the following recommendations to the Department of Family and Community Services (Housing NSW, Aboriginal Housing Office and the NSW Land and Housing Corporation), and to the Department of Planning and Infrastructure as appropriate.

## **6.1 Develop a formal plan, with numerical targets, to increase the supply of social and affordable housing over the next four years. The plan should be developed on a cross-portfolio basis within the NSW Government, and in partnership with the Federal Government.**

**Cost: \$250m over four years**

Key elements of this plan should include:

- Building 3,000 additional community, public and Aboriginal houses over the four year period 2014-15 to 2017-18, with 20% of this new supply being earmarked for formal partnership agreements with specialist homelessness services;
- Sufficient state subsidies to ensure that NSW receives its fair share of additional subsidies under the National Rental Affordability Scheme (NRAS), with NRAS state incentives having a clear budget allocation across the forward estimates; and
- Completion of the existing community housing title transfer program, to enable providers to borrow to invest in new supply, and the development of an agreed framework for the future growth of the community housing sector.

The lack of secure, appropriate and affordable rental housing is consistently cited as one of the major challenges facing NSW's low to moderate income households. In the 2013 Australian Community Sector Survey, conducted by ACOSS, improving housing affordability and availability was identified by respondent agencies as the top policy priority for the sector's clients.

The COAG Reform Council has reported that 47.6% of low income rental households are in rental stress in NSW, compared to 41.7% nationally.<sup>20</sup> Sydney has a significantly higher rate of rental stress (50.4%) compared to all capital cities, and outside the capital cities the proportion of low income households in rental stress was significantly higher in NSW and Queensland than in the other states.

The problem of rental stress is compounded by the absence of a social housing growth fund at the national level and the delayed implementation of the NRAS.

Since the completion of the social housing element of the Stimulus Package in 2010-11, the only Commonwealth funding available for additional community, public and Aboriginal housing is part of the funding under the National Affordable Housing Agreement (NAHA)<sup>21</sup> and the earmarked funding under the National Partnership Agreement on Remote Indigenous Housing, which runs to 2017-18.

NRAS provides affordable (or intermediate) rental housing to a broader income range, including low paid workers. The Commonwealth initially proposed that 50,000 NRAS incentives would be allocated nationally by 2011-12, with a further 50,000 incentives to be progressively available from 2012 'subject to continuing market demand from investors and tenants'.<sup>22</sup> Disappointingly the Commonwealth has delayed the roll out of the initial 50,000 incentives and NSW has received far less than its fair share of the available incentives.

The recent report of the NSW Auditor General confirmed that over the past ten years social housing as a proportion of overall NSW housing has declined and revealed that the Land and Housing Corporation (LAHC) projects that it will be disposing of more than double the number of properties it builds over the next four years.<sup>23</sup> It quotes Housing NSW estimates as showing that current social housing supply in NSW only meets 44% of need.

## **6.2 Progressively fund 200 Housing and Mental Health Support Packages (HMHSPs) for existing public and community housing tenants with an identified serious mental health condition over three years, commencing with an initial 60 support packages for 2014-15.**

**Cost: \$1.8m p.a.**

In August 2011 a Housing and Mental Health Agreement was signed between NSW Health and the Department of Family and Community Services. The Agreement aims to improve the housing outcomes and general wellbeing of people with mental health problems and disorders who are living in social housing or who are homeless or at risk of homelessness. The key objectives of the Agreement are for the parties to work in partnership with each other and the non-government sector to promote good practice in service delivery, deliver coordinated client-focused services, implement early intervention and prevention initiatives, strengthen transition planning to prevent homelessness and ensure people with mental health problems and disorders receive a consistent response when they access mental health and/or housing services.<sup>24</sup>

The Agreement builds on the existing Housing and Accommodation Support Initiative (HASI) which has been very successful in assisting people with mental health needs, particularly clients of the mental health system for whom access to safe and affordable housing is the cornerstone to stabilising their lives. HASI clients receive clinical care by public mental health services, accommodation support provided by health NGOs funded by NSW Health, and secure and affordable housing provided by Housing NSW.<sup>25</sup>

The HASI evaluation<sup>26</sup> found that participation in the program resulted in positive consumer outcomes for mental health hospital admissions (fewer admissions and shorter length of stay), stable tenancies, independence in daily living, social participation, community activities and involvement in education and voluntary or paid work.

From the perspective of housing providers, HASI is seen to have chiefly assisted clients of the health system who were in need of housing with support. Most people enter the program with a history of unstable housing, including almost half with no home immediately prior to entering HASI, for example, from hospital, prison, boarding houses, other unstable or temporary housing, or primary homelessness.<sup>27</sup> It is not seen as having reduced the number of social housing tenants who need support to sustain their tenancy, including pre-existing tenants or new tenants who come into social housing via different pathways.

There is currently no accurate measure of how many social housing tenants might need support to sustain their tenancy because of a serious mental health condition. Research on the experience of tenants living in selected public housing estates has, however, revealed a general view that unwell tenants do not have access to the level of support they need, requests for professional help sometimes go unheeded and compassionate neighbours are often left to pick up the slack.<sup>28</sup>

No additional resources have been allocated to drive the systemic improvements that are required under the Housing and Mental Health Agreement. NCOSS believes that measurable improvements over time in the level of assistance provided to social housing tenants with mental health needs is required if the sectors' active engagement in the implementation of the new agreement is to be sustained.

This proposal addresses a key gap in the current service system which, if funded, could significantly contribute to the achievement of the aims and objectives of the Agreement.

### **6.3 Provide capital funding for a Community Housing Social Investment Fund to develop additional social and affordable housing in agreed high need areas.**

**Cost: \$20m**

The 2007 strategic framework for community housing in NSW, *Planning for the Future: new directions for community housing in NSW 2007-08 to 2012-13*, has now expired.<sup>29</sup> At the time of writing it is not clear whether the NSW Government intends to develop a new standalone community housing strategic framework or whether this will be incorporated into the promised wider Social Housing Strategy.

Since 2007 the shape of community housing in NSW has been transformed, with the establishment of the Registrar of Community Housing and an integrated waiting list and allocation system under Housing Pathways. The size of the sector has grown exponentially as a result of the Property Transfer Program, vesting of title of some Nation Building projects and new affordable housing projects under NRAS. According to a recent sector profile, the 28 largest providers now have net assets in excess of \$1.8bn.<sup>30</sup>

Prior to the introduction of the NRAS by the Commonwealth in 2008, NSW experimented with a number of state-specific community housing capital funding schemes. With the current NSW Government expressing strong interest in social investment as a means to secure new resources for tackling complex social policy issues, there is an opportunity to explore targeted measures to generate additional social and affordable housing.

NCOSS proposes that a \$20m capital fund be set up to invest in this agenda. This funding should be offered through a competitive tender process to part fund development projects by registered community housing providers. State capital funding and possible access to state-owned sites should be matched by borrowings by providers and other contributions, including land.<sup>31</sup>

### **6.4 Provide additional funding to ensure that flexible brokerage assistance for the purchase of goods and services can be accessed through a sufficient number of Specialist Homelessness Services in each Local FACS District.**

The availability of flexible brokerage assistance, allowing for the purchase of goods and services, was found to be one of the most successful changes to service delivery under the NSW Homelessness Action Plan. Both the overall summary evaluation,<sup>32</sup> prepared by AHURI, and the analysis of the self-evaluation reports,<sup>33</sup> prepared by the Social Policy Research Centre, make extensive favourable reference to the contribution of flexible brokerage in developing a more client centred approach to service delivery.

“Brokerage funding has been a major factor in providing clients with appropriate support. The use of flexible funding was seen as a key aspect of case management, as it allows for more flexible case plans targeted to individual clients. Across all projects, service providers were creative in using brokerage funding to support clients to maintain their tenancies. Brokerage funding was commonly used to purchase household goods, pay debts, attend budgeting courses and access financial counselling. Brokerage funding allowed for responsive support to meet client needs and complemented other sources of financial support available to clients”.<sup>34</sup>

The most telling finding of the overall evaluation was that the “the value of a combination of elements cannot be overstated. In the HAP projects critical enablers of success were based on the combination of: case management; flexible brokerage funding; an individual client focus; and service integration”.<sup>35</sup> Case management of high support need clients was found to be an effective service response. “However, case management without access to brokerage funds can be ineffective given that brokerage funds can provide the necessary resources to attend to clients’ pressing needs, such as paying an electricity bill, buying food or medicine, or entering a rehabilitation program.”<sup>36</sup>

The challenge is to translate this learning from 36 NPAH projects with short-term funding to the wider homelessness service system that currently consists of almost 400<sup>37</sup> separate services. This cannot be immediately achieved without an expanded Specialist Homelessness Services (SHS) budget in NSW and without a detailed regional planning process made necessary by the broader FACS Localisation Agenda.<sup>38</sup> Defining what will be a sufficient number of brokerage services in each Local FACS District will be a challenging task, without a one size fits all answer. For this reason, NCOSS proposes that the brokerage agenda be pursued subsequent to the completion of the SHS procurement process that is currently under way.

## **6.5 Continue funding for the Going Home Staying Home Industry Development Partnership beyond 2013-14.**

**Cost: \$200,00 p.a.**

Industry and Workforce Development is one of the five linked strategies that form part of the NSW Government’s overall Going Home Staying Home reform plan. The strategy involves working with the sector to develop its workforce to increase consortia and alliances, create more partnerships between Specialist Homelessness Services (SHS), housing providers and other mainstream human services, build the capacity of the workforce to deliver quality client services and promote career development and mobility of SHS workers.<sup>39</sup>

An Industry Development Partnership involving Domestic Violence NSW, Homelessness NSW and Yfoundations has a lead role in the roll out of the Industry Development Fund, and the development of the industry development strategy and workforce development plan. This has included funding of \$1.3m for 58 Industry Development Fund projects.

This activity has been funded to date from unspent Commonwealth funds under the COAG National Partnership Agreement on Homelessness (NPAH). Unless a new Agreement is reached between the Commonwealth, States and Territories, the NPAH is due to cease in June 2014. Additional state funding will be necessary to continue the work of the Industry Development Partnership into 2014-15 and beyond.

# 7 Better Health and Well-Being

While people in NSW have high levels of health and wellbeing overall, vulnerable and disadvantaged people experience considerably worse health outcomes. People on low-incomes, living in rural/remote areas, people with a disability or a lived experience of mental illness, Aboriginal people, homeless people, and prisoners generally have lower life expectancies, more potentially avoidable deaths, and more potentially avoidable hospital admissions than the general population.

Targeted investment is needed to address the major areas of inequity in our health system. Significant barriers, including mental health service gaps, shortages of aids and equipment, language barriers, and the lack and cost of transport, impede people's ability to access the care they need, where and when they need it.

Enhancing primary and community-based health services is critical to improve the long-term fiscal sustainability of our health system. Services such as Womens' Health Centres and Community Drop-in Centres support people to remain well and provide on-going, more cost-effective care in the community. The NSW Government has committed to keeping people healthy and out of hospital (*NSW 2021*, Goal 11), yet the vast proportion of investment continues to be directed to emergency and acute hospital care.

Health is important for individual well-being, and a healthy population is a prerequisite for a strong economy and cohesive society. Responsibility for health and well-being lies not just with the formal health system. Addressing the underlying causes of illness and disease requires coordinated policy and services across all government agencies, and collaboration with non-government organisations, business and the community.

Currently, the NSW Government is developing a Health Strategic Plan to map out priority needs and ensure alignment between these and resources available. At the same time, the funding program under which non-government organisations have been funded to provide a range of health services is undergoing significant reform.

Within this context NCOSS makes the following recommendations to the NSW Ministry of Health.

## **7.1 Establish and implement a Health NGO Sector Development Program to assist with transitioning to a contestable funding network.**

**Cost: \$1m**

Non-government health organisations need assistance to transition to the new contestable funding framework, NSW Partnerships for Health. Many organisations historically grant funded under the former Health NGO Program are not in a position

to compete effectively in a contestable environment. Small organisations or those with limited resources are particularly vulnerable; yet these services are often the most effective as they are flexible and responsive to local needs.

A sector development program targeting small-to-medium organisations over 12-18 months would support providers revise and reconfigure their services more efficiently. This includes forming collaborations such as service level networking, formal partnerships, consortia, and mergers where appropriate. A similar Industry Development Fund is being allocated to Specialist Homelessness Services to support their transition under the *Going Home, Staying Home* funding reforms in 2013-14.

Funding to support service transition and development should be rolled out through the program-based peaks, along with a dedicated pool for non-peak affiliated organisations. Working collaboratively, program peaks would share good practice models, planning tools, and service development information. These service transition resources could be promoted widely across the sector and form an on-going part of the grants management reform process.

## **7.2 Enhance funding of Health Care Interpreters Services through supplementary funding to Local Health Districts.**

**Cost: \$1m p.a.**

Increased funding for specialist health interpreters is needed to meet the growing numbers of people from non-English speaking backgrounds (NESB). There are 1.9 million people, over one-quarter of the NSW population, who speak a language other than English at home.<sup>40</sup> Over the last decade the total number of people and the proportion of people who speak a language other than English at home have steadily increased, along with the range of languages spoken.<sup>41</sup>

Anecdotal evidence indicates consumers and service providers experience difficulties accessing NSW Health Care Interpreters Services (HCIS). In some areas, interpreters are not always immediately available due to high demand for services and a lack of interpreters in emerging community languages. Regional variation between HCISs, particularly different fee policies and availability of translation services, creates further access barriers.

It is a NSW legislative and policy requirement to provide culturally and linguistically diverse people with equitable access to services and information. Professional health care interpreters enable people who are not fluent in English or who are deaf to access mainstream health care services and communicate more effectively with health care providers. This reduces the risk of miscommunication resulting in incorrect diagnosis, inappropriate care, and costly adverse events or hospital re-admissions.

In addition to supplementing HCIS funding to meet immediate demand, the Ministry of Health should conduct a state-wide review to identify projected future demand and potential efficiencies from greater state-wide coordination and consistency across HCISs.

### 7.3 Increase funding for community-based integrated mental health services, specifically:

- Community drop-in centres targeting four under-serviced areas of NSW.  
Cost: \$1.1m p.a.
- Additional Integrated Service Model for People with Mental Health Needs pilots.  
Cost: \$3m

Growing integrated, community-based services is crucial to improve the health and well-being of people with lived experience of mental illness. Of the one million people in NSW with a mental illness, only one-third receive assistance.<sup>42</sup> Consumers, their families and carers report they are often unable to access the care they need when they need it.<sup>43</sup> Mental illness is closely associated with co-morbidities and multiple disadvantage, including poor physical health, homelessness and poverty.

Our mental health system continues to be under-resourced and fragmented despite recent funding increases. While there is good evidence about the cost-effectiveness of community care, NSW has the lowest per capita funding for community-managed mental health services of all Australian jurisdictions.<sup>44</sup> Services are patchy and uncoordinated, leaving people to fall through the gaps.

Community drop-in and integration services are needed to address shortages of funded group-support activities outside the Sydney metropolitan area. Community drop-in centres are an important part of the continuum of care, providing psychosocial support in a recovery-orientated environment. Evaluations indicate they increase participant well-being, community participation and prevent relapse.<sup>45</sup> Yet these services are lacking in rural and regional areas, particularly in the Far West, Western NSW, and Mid-North Coast Districts.<sup>46</sup>

Enhancements are needed to expand and fully evaluate the new Integrated Service Model for People with Mental Health Needs. The two pilots funded in the 2013-14 budget support a more comprehensive, joined-up service approach by bringing together primary care, drug and alcohol and mental health services, and vocational support services in a single co-located community facility. However, a minimum of four to five sites across a diversity of locations and contexts are needed to properly evaluate the model.

“Addressing the underlying causes of illness and disease requires coordinated policy and services across all government agencies, and collaboration with non-government organisations, business and the community.”

# 8

## Ensuring the Essentials – Affordable Energy

**N**SW 2021: *A Plan to Make NSW Number One* includes the goal of placing downward pressure on the cost of living, with a specific target to support 220,000 low income households to reduce energy use by up to 20%. The main initiative to achieve this is the Home Power Savings Program which includes a free assessment by an energy expert, a kit containing energy efficient products and a personalised power saving plan. By June 2013, an estimated 200,000 low income households had participated in the program.

While this is a welcomed and positive initiative, available evidence suggests that it is not sufficient to improve energy affordability. Escalating electricity bills have been a hallmark of the NSW energy market for several years now, impacting disproportionately on people on fixed and low incomes. While the average NSW household pays around 4% of its household income on energy, low income households spend twice as much (8%), with around one quarter of lowest income households spending over 10% of their income on energy.<sup>47</sup> The average annual household bill for electricity is approximately \$2,000, with rural and regional households paying an average of nearly \$2,500.<sup>48</sup>

In recent years, the introduction of retail competition has seen 20 energy retailers providing gas and electricity to households, in an increasingly de-regulated market. At the same time, NSW is experiencing high and increasing rates of electricity disconnection. IPART reports that for 2011-12, there were 23,297 residential household disconnections in NSW, a 25% increase from the previous year.<sup>49</sup> This suggests that the energy market is not working optimally and there is a need for intervention to reduce the rate of disconnections.

PIAC research on disconnections has highlighted that, in the majority of cases, reconnection occurred within 24 hours.<sup>50</sup> This strongly suggests that the disconnection could have been prevented in the first place. The PIAC study also showed that the majority of respondents who were disconnected were renting at the time, with 43% in the private market and 24% in public housing.

The State Government has responded to price increases by 'reforming the state-owned networks to drive down electricity prices, delivering assistance to customers and implementing protections for vulnerable customers' (*NSW Government Budget Papers 2013-14*). Capping network price increases at CPI over the next six years, introducing the NSW Energy Efficiency Action Plan (2013) and signing up to the National Energy Consumer Framework are also welcome initiatives. However more is needed to ensure a stronger, preventative focus on those households who are most disadvantaged.



Within this context, NCOSS makes the following recommendations to NSW Trade and Investment and the Department of Premier and Cabinet (Office of Environment and Heritage).

### **8.1 Establish ‘Staying Connected’, a state-wide initiative to develop and implement a range of early intervention strategies in partnership with NSW energy retailers, aimed at reducing high levels of disconnection for low income households.**

**Cost: \$500,000**

Development of this initiative should include exploration of self-funding options, such as the re-direction of re-connection fees into a Social Benefit Fund. The project would focus on low income households, including those who had experienced multiple disconnections and/or with disproportionately high electricity bills. It would examine risk factors and triggers for energy disconnections, from which a range of early intervention strategies would be developed, in partnership with the 20 energy retailers operating in NSW. Affordable payment plans, improved communication between retailer and household, referral to financial counsellors, assistance with energy efficiency to reduce consumption, management and reduction of debt, and retailer co-payment incentives are among the possible strategies which could be developed, trialed and implemented.

While each energy retailer is required under the Australian Energy Regulator (AER) to have a hardship program, there is evidence to suggest that these programs are not adequately assisting, or communicating with, those in need. PIAC’s study on disconnections in NSW found that over half the respondents felt their payment plan was unaffordable, and that almost one-in-three had had no contact with their retailer prior to disconnection.<sup>51</sup>

The three Government-owned energy networks in NSW charge households the re-connection fee (via the retailer’s bill). The option of funding the program through diverting this revenue into a Social Benefit Fund reflects the fact that one of the major reason for high electricity bills is the fixed charge of network costs, which have risen dramatically in recent years.

The project could be located within Government or with a state-wide non-government organisation.

“IPART reports that for 2011-12, there were 23,297 residential household disconnections in NSW, a 25% increase from the previous year.”

## 8.2 Improve energy rebates for vulnerable population groups by:

- Increasing the budget of the Energy Accounts Payment Assistance (EAPA) scheme to reflect the increase in voucher value.  
Cost: \$1.8m p.a.
- Extending the EAPA scheme to people living in residential parks and retirement villages.  
Cost: \$1.8m p.a.
- Increasing and indexing the Life Support Rebate.  
Cost: \$1m p.a.

EAPA provides critical support for people experiencing difficulty paying their electricity or gas bill because of a crisis or emergency situation. The 2013-14 Budget increased the value of a single EAPA voucher from \$30 to \$50, but there was no corresponding increase in the overall funding for the scheme. Consequently a smaller number of households facing energy stress are now able to access the scheme.

Customers who purchase their electricity through non-standard energy suppliers, such as people living in residential parks or retirement villages, are not eligible for assistance through EAPA. This is inequitable. For many park residents, energy purchase is included as part of their tenancy agreement; an inability to pay can result in a breach of this agreement, making them vulnerable to eviction.

The experiences of people with a physical disability underscore that energy is an essential of life; for some people it is not an option, but rather the means by which they breathe and stay alive. The Life Support Rebate assists householders with payment of electricity bills if they are required to use energy-intensive life support machines at home. The Rebate is not generous and while the 2013-14 Budget provided for a very small increase on some items, escalating energy costs and no increase on most items since 2002 has put significant financial stress on recipients. A study conducted by PIAC and the Physical Disability Council of NSW (2012) found that people with a physical disability were most likely to give up heating and cooling their home, in efforts to keep their electricity bill affordable. However, nearly three quarters of the survey respondents reported having a physical condition (for example MS) that required them to heat or cool their living space.<sup>52</sup>

“Escalating electricity bills have been a hallmark of the NSW energy market for several years now, impacting disproportionately on people on fixed and low incomes.”

# 9

## An inclusive public transport system

**N**SW 2021: *A Plan to Make NSW Number One* recognises the role of public transport in delivering on both economic and social goals. Specific targets include reducing travel times, growing patronage, and improving customer experience. Transport is a key enabler for people's participation in employment, education, social and community activities. It is also an enabler of independence for older people and people with disability. Public transport, including community transport, has a critical role in fostering social inclusion. Cross-cutting linkages between transport, health, housing, employment, economic productivity and urban development need to be recognised and reflected in planning processes and service delivery.

Record investment in new transport projects and the release of the NSW Long Term Transport Master Plan (December 2012) are critical steps in this direction. Importantly the Plan lists reducing social disadvantage as one of the eight objectives for the NSW transport system.<sup>53</sup> When people have limited or no access to private transport and have difficulty using public transport - either because it is not available or affordable, or is inaccessible - their ability to participate in society is severely limited. Transport for NSW's development of a Social Access Framework for responding to transport disadvantage, currently underway, is an important initiative for ensuring that the benefits of an enhanced transport system are able to be enjoyed by all.

Within this context, NCOSS makes the following recommendations to Transport for NSW:

### 9.1 Improve affordability and equity of the transport system for disadvantaged groups by:

- Extending transport concessions to Health Care Card holders and asylum seekers.  
Cost estimate: \$18m p.a.
- Raising the subsidy cap for the Taxi Transport Subsidy Scheme to \$60 per trip.  
Cost: \$9m p.a.

Transport concessions are central to ensuring that people on low and fixed incomes and from vulnerable population groups are able to access public transport. The Government has an extensive transport concessions program that enables eligible people to travel for half fare or greatly reduced prices, or in some instances for free. However these concessions are not available on an equitable basis to those in need. Unlike in other jurisdictions, low income earners in receipt of a Commonwealth issued

Health Care Card in NSW are not entitled to half fare concessions. Low income earners (including part-time and casual workers) typically spend a higher proportion of their weekly income travelling to and from work than do higher income earners. They may live in outer-metropolitan or regional areas where housing is more affordable, only to find they have long and expensive commutes to work.

Recently, the requirement that full-time university students could only access half-fare concessions if they were not in paid employment was removed. This recognised that university students generally need to support themselves through part-time jobs, face cost of living pressures, and should be encouraged to use public transport. The same is true of low income earners who may be supporting families and, unlike many university students, not living at home with parents. Extending transport concessions to them would provide further incentive to stay in work and would reduce cost of living pressures, while facilitating greater take-up of public transport and social inclusion.

Similarly, asylum seekers are among the most vulnerable in the community; they are ineligible for social security benefits and often unable to work due to visa restrictions. Providing concessions to this group would not only be a humanitarian and just response; it would effectively encourage patronage of public transport and payment of a concessional fare by a group who currently cannot afford to use it.

The Taxi Transport Subsidy Scheme (TTSS) entitles people with severe and permanent disability, who may be unable to use other forms of transport, to a half rate concession of the prescribed taxi fare, up to a maximum subsidy cap of \$30 per trip. This subsidy cap has not been increased since 1999, despite taxi fares increasing by more than 60% over the same period. The Northern Rivers Social Development Council report *TTSS: The Shrinking Circle* (2013) presents the results of its survey of TTSS users and concludes that people with disability are rationing and limiting their travel, and hence participation and inclusion in wider society, because the cost of taxis, even with the TTSS, is prohibitive.<sup>54</sup> Taxis were the only transport option for approximately one third of the 117 respondents and over two thirds of respondents were dependent on the Disability Support Pension.

Transport for NSW's own TTSS consumer study (2013) further highlights that lack of affordability is a major barrier for people with disability using the TTSS. Analysis of the findings suggests that the subsidy cap only allows people to take very short taxi trips, and even with short trips affordability is still an issue.

Increasing the subsidy cap to \$60 per trip would align the scheme with other jurisdictions and with the increase in taxi fares over the last decade. The person with disability would still pay half the fare themselves, effectively ensuring that excess travel is not undertaken.

“Transport for NSW’s development of a Social Access Framework for responding to transport disadvantage... is an important initiative for ensuring the benefits of an enhanced transport system are able to be enjoyed by all.”

## 9.2 Increase the accessibility of public transport through:

- Additional funding for the Transport Access Program.  
Cost: \$13m p.a.
- Bus stop upgrades in rural and regional areas.  
Cost: \$4m p.a.
- Undertaking a state-wide project to identify spare capacity and optimise its utilisation.  
Cost: \$450,000 (\$150,000 for scoping project and \$300,000 for two pilots)

The public transport system should be physically accessible for everyone, regardless of their mobility needs. This is important not only for people with physical disabilities, but for all people with restricted mobility, including people with a health condition, parents with young children and older people. As the population ages, ensuring universal access across the public transport system will become increasingly important.

The Transport Access Program (TAP) has enabled station upgrades across the Sydney Trains network, in particular ensuring disability access through installation of lifts, level walkways, audio-announcements and improved signage. However, there are still many stations which have not been upgraded. Information provided by Transport for NSW shows that 47.4% of the 176 stations on the Sydney Trains network are DDA compliant. While these improvements are acknowledged, they fall short of the 55% compliance required by December 2012 under the Commonwealth's Disability Standards for Accessible Public Transport. The Standards require full compliance by December 2022. There is therefore a legislative imperative for additional funds to be made available to the TAP.

Bus stop upgrades are needed to improve access and make the best use of the wheelchair accessible bus fleet. Given the lack of transport infrastructure and services in rural and regional NSW, upgrades should be prioritised in these areas on equity grounds. Inaccessible bus stops and poor roadside infrastructure can prevent people with restricted mobility from using public transport while improving bus stop infrastructure can encourage patronage.

Accessibility also relates to service frequency. In less densely populated metropolitan areas and in rural and regional NSW, accessing bus services outside of peak periods can be difficult because of low frequency. At the same time, buses can be sitting idle and community transport organisations can be struggling to meet demand to provide services to meet specific needs – for example, transport to health services (*see recommendation 9.4 below*). A statewide project could scope the extent of spare capacity in the transport system, the barriers to its effective utilisation (e.g. contracting or insurance issues, lack of cooperation between operators, etc.) and strategies to match spare capacity with unmet need. This would support a key aim of Transport for NSW Social Access Framework, being to facilitate better and more efficient use of existing transport resources.

### 9.3 Address transport disadvantage through:

- Extending the Plan B drink-driving campaign to rural and regional areas.  
Cost: \$500,000 p.a.
- Providing transport information in rural and regional areas.  
Cost: \$1.5m p.a.
- Promoting social inclusion for young Aboriginal people through locally developed transport solutions in four targeted locations.  
Cost: \$600,000 (\$150,000 per project)

The Plan B drink-driving campaign is a road safety initiative to encourage planning and making positive choices to get home safely after a night out, highlighting that driving is not an option. It presents practical options to avoid drink driving, and focuses on young male drivers who are over-represented in alcohol related crashes. The campaign to date has been primarily focused in metropolitan Sydney and presents public transport options for young people to travel home safely. An efficient and effective way to extend the campaign to rural and regional areas would be to locate and connect it with the 10 Regional Transport Coordinators under the Regional Transport Coordination Program, via the provision of funding for the development of marketing materials and innovative, local solutions. The aim would be to foster partnerships between public transport providers, Clubs NSW, taxi companies and TAFEs/Universities with a view to providing alternative transport options and preventing drink-driving and road accidents.

The need for transport information in rural and regional areas was a major theme raised at recent Transport for NSW regional consultations as part of its development of the Social Access Framework. Locating a Mobility Management Officer in each of the non-metropolitan transport regions – ideally with a local council – would provide a means of establishing a database of regional services to support a web and telephone based information service. After an initial period, consideration could be given to centralising the regional information service within the 131 500 transport infoline.

Given the risks to young Aboriginal people from social exclusion, the third initiative proposes to trial the use of transport in a proactive way to help young Aboriginal people connect with their communities and neighbourhoods in positive ways. The project would test the assumption that transport can be a social enabler in Aboriginal communities. It would adopt a community development approach, seek input from the Aboriginal community and be driven by local needs. It would involve placing an Aboriginal project worker, with access to a pool of project funds, in each of four geographic areas – two metropolitan and two rural and regional - selected on the basis of the risk factors facing the local Aboriginal youth population and the preparedness of the community to get involved.

NCOSS further recommends that Transport for NSW and the Ministry for Health:

#### **9.4 Take a cross portfolio approach to respond to high unmet demand for transport to health services through:**

- Increased funding to Community Transport providers to meet the growing need for non-emergency transport to health services.  
Cost: \$11.4m p.a.
- Solutions for Local Transport Needs: a co-funded transport for health collaboration and partnership project to deliver innovative, demand responsive transport solutions.  
Cost: \$1.5m p.a.

The lack of appropriate transport acts as a significant barrier to accessing health services. Transport difficulties can mean people are unable to get preventative treatment, receive effective care or be diagnosed early. The people most likely to experience transport difficulties include those who are socio-economically disadvantaged and those who live in isolated or rural communities. The need for non-emergency health transport services is significant and growing. As the population ages, demand for health transport services will continue to grow. Many Community Transport providers are now disproportionately delivering health transport services at the expense of 'social inclusion' services for which they receive the bulk of their funding. Additional funding for transport for health for Community Transport providers would enable them to renew their focus on others who experience transport disadvantage, while still meeting demands for health transport.

NCOSS also proposes an innovative locally driven project focused on building solutions to health related transport needs, where funding is provided to each Local Health District (LHD) to develop partnerships with Community Transport, Community Health, Medicare Locals, Health Transport Units, bus companies and other transport providers, with the aim of delivering a range of innovative, demand responsive transport for health services.

“The lack of appropriate transport acts as a significant barrier to accessing health services. Transport difficulties can mean people are unable to get preventative treatment, receive effective care or be diagnosed early.”

# 10 Better Planning and Infrastructure

Planning reform and improving infrastructure delivery are two of the current NSW Government's signature reforms. This is reflected in the Planning System Review, the reviews of the Metropolitan and Regional Strategies, the creation of Infrastructure NSW and the development of the State Infrastructure Strategy. These agendas relate to the following goals and targets in *NSW 2021: a Plan to Make NSW Number One*:

- **Goal 19** – Invest in critical infrastructure.
- **Goal 20** – Build liveable centres.
- **Goal 29** – Restore confidence and integrity in the planning system.
- **Goal 32** – Involve the community in decision making on government policy, services and projects.

The Planning White Paper<sup>55</sup> foreshadows an increased focus on strategic planning as opposed to development assessment. Legislation to completely rewrite the planning legislation is expected to be introduced into Parliament in the near future.

The Government has created Restart NSW as a special fund to invest in priority infrastructure projects. Initially Restart NSW was to be funded from the sale of the desalination plant, borrowings through Waratah Bonds and windfall gains in state revenue in years when the Budget is in surplus. With the Budget in deficit, increasingly Restart NSW is being underwritten by government asset sales involving ports, government property and certain electricity assets. As at June 2013, around \$4.7bn has been deposited into the Fund and the Government has announced funding allocations to a number of major road projects and to Bridges for the Bush.<sup>56</sup> Thirty per cent of Restart NSW funds are reserved for infrastructure investment in regional areas, including 10% that is specifically reserved for mining affected communities.

In this context, NCOSS makes the following recommendation to Infrastructure NSW, in conjunction with the Department of Family and Community Services (Housing NSW and Land and Housing Corporation).

## **10.1 Include social housing as a form of infrastructure investment and hypothecate proceeds from Waratah Bonds to invest in the development of new social housing supply.**

While the capital works programs of the Land and Housing Corporation (LAHC) and City West Housing are included in the annual Infrastructure Statement (*Budget Paper No. 4*), social and affordable housing is not included in the definition of social



infrastructure for the purposes of Restart NSW or the State Infrastructure Strategy. This is an unfortunate omission.

Analysis of the 2013-14 NSW Budget by NCOSS revealed that only 2% of the \$15.5bn infrastructure/capital works budget is devoted to new supply of social housing. Continuation of this approach means that the level of housing affordability stress in the rental sector is likely to deteriorate, rather than improve.

With asset sales playing a larger role in funding the Government's overall infrastructure agenda, it is timely to reconsider the role of Waratah Bonds. With the Commonwealth now designating Waratah Bonds as an eligible investment vehicle for approved Significant Investor Visa applicants, the NSW Government is anticipating receiving investments in excess of \$200m from that market alone.

While \$200m could make only a small contribution to the Government's planned investment in new billion dollar rail and road projects, it could make a welcome boost to the supply of the additional social housing that we so badly need.

Furthermore NCOSS makes this recommendation to the Department of Planning & Infrastructure.

## **10.2 Invest in capacity building to enable the NGO sector to better participate in major strategic planning exercises and the development of NSW Planning Policies.**

**Cost: \$300,000**

The Government's announced White Paper proposals<sup>57</sup> entail a shift in focus away from development assessment towards medium and long term strategic planning. It entails new governance arrangements, a new set of strategic plans [including Regional Growth Plans, Subregional Delivery Plans and Local Plans] and the replacement of 72 existing State Environmental Planning Policies [SEPPs] with around 12 NSW Planning Policies.

These proposals potentially involve far reaching changes to policies and processes that impact on disadvantaged groups and communities, including changes to the rules governing affordable housing and community infrastructure provision.

NCOSS acknowledges that the Government provided resources to the UTS Centre for Local Government to assist stakeholder groups, including some NGO sector peaks and service providers, engage in further consideration of the White Paper proposals. This engagement highlighted that the sector has few resources for work on planning policies and strategies and that participation mechanisms assume considerable prior knowledge of quite complex processes and concepts. It also highlighted the need for the NGO community sector to be seen as a sector in its own right, rather than just part of a wider community.

NCOSS considers that the essential next step is for the provision of modest funding to enable the sector to build its capacity and knowledge in these areas. This capacity building would include the conduct of workshops and preparation of resource materials, in partnership with relevant experts from the University sector and professional planning community. This could include learning by doing, using whatever strategic planning processes are under way in 2014-15.

# 1 1 Strengthening the community sector

Community sector organisations are currently operating in a period of considerable change while experiencing growing demand for their services. Pressure has resulted from changes in legislation, both State and Federal, the introduction of a national regulator and the NSW Government’s extensive reform agenda which impacts on the sector. Understanding this environment and the impact of the changes is essential for the survival of individual organisations and the sector as a whole.

Many organisations have the capacity to manage this period of change successfully. Other organisations, whilst providing excellent services are struggling to keep abreast of what has become a constantly changing environment in terms of:

- Changes to legislation;
- Changes in policies;
- New approaches to funding;
- Pressure to source alternative funding;
- Changes to reporting and compliance requirements; and
- Raised community expectations.

The focus of these organisations by necessity is often on workforce issues (attracting and retaining skilled and professional workers) and remaining sufficiently resourced to maintain and ideally expand current services to meet demand. There is limited capacity to keep ahead of, and respond to, broader change.

It must be acknowledged that the sector generally welcomes both the national and state reform agendas. However, managing the impact whilst providing effective services to their communities is a complex task.

In line with Goal 32 of *NSW 2021: A Plan to Make NSW Number One* – “Involve the community in decision making on government policy, services and projects” – there is a need to support organisations to understand and develop strategies to respond to new requirements and improve efficiency, effectiveness and innovation, while remaining focused on service priorities and meeting the needs of vulnerable and disadvantaged service users.

In this context, NCOSS makes the following recommendation to the Department of Family and Community Services:

### **11.1 Resource a network of Regional Support NGOs to ensure a viable community sector.**

**Cost: \$2.25m p.a.**

As the NSW Government extends delivery of human services by NGOs it is essential that NGO capacity and 'know-how' is strengthened to ensure effective expenditure of government monies to deliver high quality services in an increasingly complex environment. This requires a regional NGO support structure that can act as a 'hub' of information, advice and resources and support NGOs to adapt, address common challenges, continuously improve and deliver.

A network of Regional Support NGOs currently exists however it is unevenly resourced and spread. Some have the capacity to provide strong support to organisations within their communities in the areas of governance, funding accountability, workforce development, planning, communication and training. Other regional areas have limited capacity whilst other regions have no such support structure at all. There are currently seven areas (New England, Central West, Orana Far West, Riverina, Albury-Wodonga, Far South Coast and Southern Tablelands/Monaro) without this vital support.

Resourcing a regional network across the state would strengthen communities and community organisations and improve the capacity of both to participate in decision making on government policy, services and projects. It would also provide government with a distribution network for initiatives, capacity building and a closer relationship with local communities.

The NGO Regional Support Program would bring existing Regional Support Organisations to a consistent level of operation and provide resources in those regions currently lacking. A three year development phase is proposed to design and implement targeted strategies to enhance the capacity of those organisations currently providing some support and to develop the support structure in those areas where none currently exists.

“Community sector organisations are currently operating in a period of considerable change while experiencing growing demand for their services.”

# 12 Revenue and Savings Measures

**N**COSS recommends the following revenue and savings measures to contribute to State finances in line with Goal 2 of *NSW 2021: A Plan to Make NSW Number One* and provide additional revenue for the NSW Government to fund socially beneficial programs.

## **12.1 Remove gaming machine tax concessions for clubs.**

**Estimated revenue: \$790m p.a.**

In 2009-10, 1,282 clubs received \$3,245m in pre-tax profit from 71,275 gaming machines. They paid \$640m in tax. In the same year 1,659 hotels received \$1,514m in pre-tax profit from 23,640 gaming machine and paid \$428m in tax.

Clubs in NSW enjoy a substantial concession on gaming machine taxation compared to NSW hotels. This is based on the view that clubs provide a substantial social benefit.

While clubs do provide a social and economic benefit to the communities in which they operate, this needs to be weighed against the cost and impacts of problem gambling. The Productivity Commission estimated that problem gamblers account for 22%-60% of total gaming machine spending.

The changing nature of club operations in NSW also needs to be considered. While they enjoy not- for- profit status, many have increasingly adopted a more commercial focus and sophisticated marketing and expansion strategies.

NCOSS contends that the tax concessions provided to clubs in NSW could be better spent on social and economic priorities by the NSW Government. Further, the NSW Government in consultation with local government, non-government services and communities, is better placed to determine local needs and priorities.

## **12.2 Introduce a \$2.50 levy on private vehicle registration fees to be hypothecated into local and community transport.**

**Estimated revenue: \$12m p.a.**

Many people are not able to access mainstream transport services due to physical, social, cultural or geographical factors. People more likely to experience transport disadvantage include isolated families, Aboriginal people, the frail aged, people with disability, and carers. Transport disadvantage is also more concentrated in locations that are poorly serviced by public transport, such as rural and regional areas. As our

population ages, the proportion of people who are unable to drive and who experience difficulty accessing public transport is likely to increase.

There is an urgent need to better address the needs of people experiencing transport disadvantage. While community transport often plays a lead role in delivering services for the transport disadvantaged, there is also the potential to strengthen the role played by other modes, such as buses and taxis.

To meet current and future demand for programs and services addressing transport disadvantage, additional resources and recurrent funding will be required. A \$2.50 fee levied on motor vehicle registrations would provide a dedicated income stream to support transport disadvantage, and would generate broader social benefits. Florida State University estimates that every dollar invested in services for the transport disadvantaged generates an \$8.35 return.

### **12.3 Reform existing road user charges and introduce a more strategic road-tolling regime that seeks to align cost with usage, with revenue raised hypothecated into public transport.**

In order to reduce the economic, social and environmental costs associated with car dependency and congestion, transport should be priced in such a way so as to encourage people to use whichever mode incurs the lowest overall cost to society.

Many costs associated with road use are not currently borne by the individual road user. Of those charges that are levied at individuals, most are not paid at the point-of-use and therefore do little to influence transport choices. Once someone has outlaid capital to purchase and register a car, there is often no incentive to use public transport when this might be more appropriate.

Road user charges should therefore be reformed in such a way so as to more closely align the price paid for using a road with the full costs of usage. The externalities associated with car use that should be considered include environmental costs, health costs, social costs, and a loss of amenity.<sup>144</sup> The cost of congestion, estimated by the Bureau of Transport and Regional Economics to be between \$5-6bn annually, should also be considered.

A key step towards road user charging reform would be the introduction of a more strategic road-tolling regime for Sydney's motorways. In developing such a regime, equity should be a primary consideration as well as the following principles:

- Charges should not unfairly disadvantage people unable to access alternative forms of transport, or those who are disadvantaged.
- Charges should ensure more efficient use of the road network.
- Revenue must be hypothecated into public transport and making it a more attractive alternative. The experience of cities across the world suggests that this approach is key to securing public support for new road tolls.
- Locations currently lacking in public transport infrastructure should be prioritised for investment.

## **12.4 Direct savings to be realised from the introduction the Opal Card to ensure a more inclusive and equitable public transport system.**

**Estimated revenue: \$50-80m p.a.**

The introduction of a centralised, modern electronic ticketing system to replace mode specific outdated ticketing systems should result in considerable savings and efficiencies. Not only will it reduce the cost of maintaining old equipment and separate systems across rail, bus and ferry networks, it will potentially result in the streamlining and greater automation of back office functions and reduce fraud.

NCOSS argues that savings realised should be directed to initiatives that will support a transport system that is more equitable and affordable for all – such as increased funding for the Transport Accessibility Program and extending transport concessions to low income Health Care Card holders and asylum seekers (*see Section 9, An inclusive public transport system*).

## **12.5 Direct future revenue generated from the annual release of new taxi licenses in Sydney towards subsidising increases to the Taxi Transport Subsidy Scheme. Estimated revenue: \$10m over four years.**

Since 2010, changes to the Public Transport Act 1990 have required Transport for NSW to determine, before March 31 of each year, the annual number of taxi licenses to be released in Sydney for the following financial year, taking into account factors such as likely demand, existing performance, and the viability of the taxi industry. Prior to 2010 taxi licenses could be purchased from the then Department of Transport (and its various predecessors), at a rate comparable to that which would be paid on the secondary market. However for a variety of historical reasons very few licenses were purchased directly from the Department. The new arrangements correct this anomaly and have led to annual releases of, in some instances, up to 200 new 10- year licenses attracting annual fees in the vicinity of \$20,000 to \$37,000 (depending on the type of license on offer).

NCOSS acknowledges that the number of new licenses released each year will vary (for instance the 2012-13 release saw no new licenses made available) and that each license release will put downward pressure on license value. Nevertheless, these arrangements have resulted in a substantially increased revenue stream for Government.

Even taking a conservative approach – with say 50 new licenses released annually over the next four years at an annual fee of \$20,000 – would see \$10m generated over this time. This would make a significant contribution to increasing the level of subsidy provided to people with disability who are unable to use public or private transport and are reliant on the Taxi Transport Subsidy Scheme to go about their daily lives. As spelt out in Section 9 of this Pre-Budget Submission, the level of subsidy available to eligible recipients under this Scheme has not increased since 1999.

## **12.6 Establish mechanisms to ensure that the NSW Government captures a fair share of the enhanced value of land and development located near the significant infrastructure it is funding and building.**

Rising land values that are generated from investment in public infrastructure should contribute fairly to Government revenue. Ownership of land, even if that land is unused, can yield a significant return especially if infrastructure investment occurs locally (e.g. road upgrades, rail lines, schools or hospitals, etc).

A number of countries have introduced measures to capture a share of the increased value of properties located near infrastructure, including the United States, Britain, Japan, Singapore and Hong Kong. Recent increased investment by the NSW Government in substantial infrastructure projects – including CBD Light Rail, the North West Rail Link and WestConnex - provides the perfect opportunity to recoup some of the additional value that these projects will deliver for private investors.

“...to reduce the economic, social and environmental costs associated with car dependency and congestion, transport should be priced so as to encourage people to use whichever mode incurs the lowest overall cost to society.”

# ■ Footnotes

<sup>1</sup> About NSW - Economic and Business Climate. [www.business.nsw.gov.au/invest-in-nsw/about-nsw/economic-and-business-climate](http://www.business.nsw.gov.au/invest-in-nsw/about-nsw/economic-and-business-climate)  
Accessed 21 September 2013

<sup>2</sup> BIS Shrapnel: State Economic Industry Prospects NSW 2013-23 [www.bis.com.au/news/im\\_nsw\\_economy\\_to\\_receive\\_2013\\_mr.html](http://www.bis.com.au/news/im_nsw_economy_to_receive_2013_mr.html)

<sup>3</sup> The Spirit Level: Why More Equal Societies Almost Always Do Better, Wilkinson, R. & Pickett, K., Alan Lane, 2009

<sup>4</sup> Brennan, Professor Deborah Review of NSW Government Funding for Early Childhood Education, Social Policy Research Centre, University of NSW, April 2012, p.9.

<sup>5</sup> Productivity Commission (2012) Impacts of COAG Reforms: Business Regulation and VET, Volume 3 -VET, Productivity Commission, Melbourne p. 170; and Productivity Commission (2011) Vocational Education and Training Workforce Productivity Commission research report, Productivity Commission, Melbourne. p.5.

<sup>6</sup> Australian Government Department of Health and Ageing (2011) Home and Community Care Program Minimum Data Set 2009-10 Annual Bulletin, Australian Government Department of Health and Ageing, Canberra, Table A3.

<sup>7</sup> Based on NCOSS analysis of several editions of the Steering Committee for the Review of Government Service Provision Report on Government Services, published by the Productivity Commission, Canberra.

<sup>8</sup> ABS & AIHW (2008) The health and welfare of Australia's Aboriginal and Torres Strait Islander peoples 2008, Cat. no. IHW 21. Canberra: AIHW, p. 154.

AIHW (2011) Life expectancy and mortality of Aboriginal and Torres Strait Islander people, Cat. no. IHW 51. Canberra: AIHW.

<sup>9</sup> Schetzer, L. & Henderson, J. (2003) Access to Justice and Legal Needs Public consultations: A project to identify legal needs, pathways and barriers for disadvantaged people in NSW, vol. 1, Law and Justice Foundation of NSW, Sydney, last accessed 13/08/2012, available at: [www.lawfoundation.net.au/report/consultations/](http://www.lawfoundation.net.au/report/consultations/), p. 16, pp. 63-67.

<sup>10</sup> NSW 2021: a plan to make NSW number one. Goals 16, 17, 18 and 23.

<sup>11</sup> Bureau of Crime Statistics and Research and the NSW 2021 Performance Report 2013-14

<sup>12</sup> Law and Justice Foundation LAW (Legal Australia Wide) Surveys

<sup>13</sup> Community Law Australia, Unaffordable and Out of Reach: The Problem of Access to the Australian Legal System (July 2012)

<sup>14</sup> Institute of Sustainable Futures, The Economic Value of Community Legal Centres, (UTS 2006).

<sup>15</sup> NSW 2021 Performance Report 2013-14

<sup>16</sup> See: [www.housing.nsw.gov.au/Help+with+Housing/Homelessness/Going+Home+Staying+Home/](http://www.housing.nsw.gov.au/Help+with+Housing/Homelessness/Going+Home+Staying+Home/)

<sup>17</sup> Making the best use of public housing, Audit Office of NSW, July 2013.



- <sup>18</sup> NSW 2021 Performance Report 2013-14, Department of Premier & Cabinet, June 2013 p. 4-9 to 4-10.
- <sup>19</sup> NSW 2021 Performance Report 2013-14, Department of Premier & Cabinet, June 2013 p. 5-6.
- <sup>20</sup> Affordable Housing 2010-11: comparing performance across Australia. National Affordable Housing Agreement report to the Council of Australian Governments, COAG Reform Council, 30 April 2012 chapter 2 p. 8. This finding was based on unpublished data from the ABS Survey of Income and Housing 2009-10. The 2011-12 report on the NAHA was restricted to homelessness and did not include updated data on rental stress.
- <sup>21</sup> NAHA funding is broad-banded and can be spent by the states and territories on a wide range of housing and homelessness programs. According to the Commonwealth's forward estimates, funding to NSW under the NAHA for 2014-15 will be \$415.9m; it is up to the NSW Government to determine what proportion of this funding is earmarked for new supply.
- <sup>22</sup> National Rental Affordability Scheme Prospectus, Commonwealth of Australia, 2008 p. 10.
- <sup>23</sup> Making the best use of public housing, Audit Office of NSW July 2013 p. 11.
- <sup>24</sup> Housing and Mental Health Agreement, Department of Family & Community Services and NSW Health, August 2011, aims and objectives p.6. The aims and objectives have been edited for brevity.
- <sup>25</sup> Housing and Accommodation Support Initiative (HASI) for people with mental illness, NSW Department of Health, November 2006.
- <sup>26</sup> Jasmine Bruce, Shannon McDermott, Ioana Ramia, Jane Bullen and Karen R. Fisher (2012): Evaluation of the Housing and Accommodation Support Initiative (HASI) Final report, prepared for NSW Health and Housing NSW, Social Policy Research Centre University of NSW, September 2012.
- <sup>27</sup> Jasmine Bruce, Shannon McDermott, Ioana Ramia, Jane Bullen and Karen R. Fisher (2012): Evaluation of the Housing and Accommodation Support Initiative (HASI) Final report, prepared for NSW Health and Housing NSW, Social Policy Research Centre University of NSW, September 2012, p.14.
- <sup>28</sup> Jon Eastgate, Paula Rix and Craig Johnston: View from the estates: Tenants' views on the impact of changes in eligibility and allocation policies on public housing estates, Shelter brief number 47, Shelter NSW June 2011 p. 21. This study involved focus groups with tenants in five different locations and did not attempt to quantify the incidence of particular support needs.
- <sup>29</sup> Planning for the Future: new directions for community housing in NSW 2007-08 to 2012-13, Housing NSW, December 2007.
- <sup>30</sup> Sector Snapshot, Registrar of Community Housing, February 2013 p. 5. The 13 class 1 providers had net assets of \$1.45bn and the 15 class 2 providers had \$1.38bn.
- <sup>31</sup> Including contributions of land to councils and other consent authorities under the planning system.
- <sup>32</sup> Homelessness Action Plan – summary of evaluation findings, AHURI Research Synthesis Service for Housing NSW, May 2013.
- <sup>33</sup> Homelessness Action Plan Projects: analysis of self evaluation reports, Sharni Chan, Kylie Valentine and Christine Eastman, Social Policy Research Centre UNSW, February 2013.
- <sup>34</sup> Homelessness Action Plan – summary of evaluation findings, AHURI Research Synthesis Service for Housing NSW, May 2013, p. 26.
- <sup>35</sup> Homelessness Action Plan – summary of evaluation findings, AHURI Research Synthesis Service for Housing NSW, May 2013, p.5.
- <sup>36</sup> Homelessness Action Plan – summary of evaluation findings, AHURI Research Synthesis Service for Housing NSW, May 2013 p. 25.
- <sup>37</sup> Combining the NPAH projects and pre-existing services funded under the former SAAP program.
- <sup>38</sup> Under Localisation future program planning and resource allocation will be based on 15 Local FACS Districts, which have identical boundaries to NSW Local Health Districts. These boundaries differ from the 10 regions used to develop Regional Homelessness Action Plans in 2010.
- <sup>39</sup> Going Home Staying Home Report Card on Reform Progress, Department of Family & Community Services July 2013 p. 5.

<sup>40</sup> 1,904,313 people or 27.5% of the NSW population speak a language other than English at home. There were 1,702,506 people or 26% of the NSW population who spoke a language other than English in the 2006 Census. This represents an additional 201,807 or 2.5% increase in the population that speak a language other than English at home. (ABS Census 2011 and 2006). Source: NSW Multicultural Health Communication Service, About CALD Communities: Population Demographics, NSW Ministry of Health, accessed on 19/09/2013 at [www.mhcs.health.nsw.gov.au/services/cald-community](http://www.mhcs.health.nsw.gov.au/services/cald-community)

<sup>41</sup> See ABS Census 2011 and 2006 and 2001. Australian Bureau of Statistics (ABS), National Regional Profile: New South Wales, Population/People, in National Regional Profile 2007-2011 (latest) and National Regional Profile 2006-2010, accessed 19/09/13.

<sup>42</sup> The Mental Health Commission of NSW identified 350,000 people receive assistance, Living well in our community, Towards a strategic plan for mental health in NSW, Paper 1, Mental Health Commission of NSW, Sydney, May 2013, p4

<sup>43</sup> *ibid*, p4

<sup>44</sup> Living well in our community, Towards a strategic plan for mental health in NSW, Paper 1, Mental Health Commission of NSW, Sydney, May 2013, p11

<sup>45</sup> Commonwealth Department of Health and Ageing, Evaluation of the D2DL Measure – Final Report, Canberra, p2

<sup>46</sup> Priority sites include Broken Hill, Port Macquarie, Coffs Harbour and Dubbo, based on Mental Health Coordinating Council (MHCC) analysis of Community Managed Organisation program distribution, combining Day-To-Day Living final evaluation data with Mental Health Sector Mapping project data. NSW Consumer Advisory Group (CAG) consumer consultations confirm the lack of services in these areas.

<sup>47</sup> IPART (2012), 'Changes in regulated electricity retail prices from 1 July 2012', Independent Pricing and Regulatory Tribunal, Sydney

<sup>48</sup> EWON (2013), EWON News, Issue 27 June 2013, Energy and Water Ombudsman NSW, Sydney

<sup>49</sup> IPART (2012), 'Customer service performance of electricity retail suppliers', Independent Pricing and Regulatory Tribunal, Sydney, p. 2

<sup>50</sup> PIAC (2013), 'Cut Off 111, The Social Impact of Utility Disconnection', Public Interest Advocacy Centre, Sydney

<sup>51</sup> PIAC (2013), 'Cut Off 111, The Social Impact of Utility Disconnection', Public Interest Advocacy Centre, Sydney

<sup>52</sup> PIAC (2012), 'More Power to You: electricity and people with physical disability', Public Interest Advocacy Centre, Sydney

<sup>53</sup> Transport for NSW (2012), NSW Long Term Transport Master Plan, NSW Government, p. 22

<sup>54</sup> Northern Rivers Social Development Council (2013), 'TTSS: The Shrinking Circle', Lismore

<sup>55</sup> A New Planning System for NSW: White Paper and accompanying draft legislation, released on 16 April and open to comment until 28 June 2013.

<sup>56</sup> Infrastructure Statement 2013-14, Budget Paper No. 4, NSW Treasury June 2013 p. 31. Allocations to date include \$1.8bn for the WestConnex Motorway, \$135m for Bridges for the Bush. Funds have also been reserved for the revitalisation of Newcastle CBD and for a new infrastructure fund for the Illawarra.

<sup>57</sup> These proposals are subject to further consideration by the Government and Parliament and as such are subject to change.



Over 14 in every 100 people in NSW live below the poverty line.

In recent years Australia has been a standout performer in terms of economic growth, weathering the global financial crisis in 2009 to post the strongest growth of all 34 advanced economies. And yet one in eight Australians and one in six children lived in households below the most austere poverty line widely used in international research (being less than 50% of the median disposable income). The proportion of people living in poverty rose slightly between 2003 and 2010. NSW had a higher proportion of its residents below the poverty line than any other state (14.3% compared to a national average of 12.8%).

NCOSS has framed its 2014-15 Pre-Budget Submission (PBS) to highlight those areas where we believe more needs to be done to address disadvantage, improve well-being and increase opportunity in NSW. Our priorities and recommendations are:

- **Improved child well-being**
- **The opportunity to participate in learning and education**
- **A fair go for people with disability**
- **Advancing older people's rights and well-being**
- **Improving the justice system**
- **More affordable housing and less homelessness**
- **Better health and well-being**
- **Ensuring the essentials – affordable energy**
- **An inclusive public transport system**
- **Better planning and infrastructure**
- **Strengthening the community sector**
- **Revenue and savings measures**