

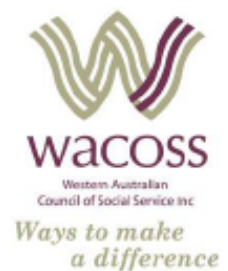


Issues Paper – Excerpt

Companion to the WACOSS Pre-Budget Submission

Investing in Outcomes
Making it Count for the People of WA

**Part Two – Issues and Funding Pressures in Regional WA
Accessibility and Sustainability of Community Services in Regional WA**



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Investing in Outcomes: Making it Count for the People of WA

*Part Two – Issues and Funding Pressures in the Regional WA
Accessibility and Sustainability of Community Services in Regional WA*

Western Australian Council of Social Service
City West Lotteries House
2 Delhi St
West Perth
WA 6005

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Accessibility & Sustainability of Community Services in Regional WA

Background

Regional WA covers more than 2.5 million¹ square kilometres and is home to over 600,000 people, or 27% of the state's population.² The vast distances and low population density across regional WA provides significant difficulties for community service providers to deliver services to the bush. The community sector welcomes the Government's renewed focus on issues affecting regional Western Australia. While more funding is finding its way to regional communities through the Royalties for Regions scheme, more needs to be done to support regional community service providers.

Services for people living in rural, regional and remote Western Australia are integral to addressing the issues of isolation and socio-economic disadvantage facing people in the bush. There are a number of critical issues that increase the need for services, but equally make it more difficult to provide and sustain the services that are currently available. These include:

- The higher cost of living in regional WA. This has been documented in the most recent Regional Price Index (RPI) created by the Department for Local Government and Regional Development;³
- The cost of living pressures are making it more difficult for people who volunteer to keep services operating, even though there is a greater dependence on volunteers in regional WA (38%) than Perth (32%);⁴
- The large majority of workers in the community services industry are female, and yet the population demographic of rural, regional and remote WA is disproportionately male;
- Due in part to the mining and resources boom much of the population is new to the area and growing rapidly in concentrated areas. This influx is placing great pressure on existing housing and service availability. Over 130,000 people have moved to regional WA in the last 5 years from around Australia, and a further 13,000 from overseas;⁵
- Extreme weather conditions including high and low temperatures, cyclones, torrential rain and drought increase the complexity of people's needs.

These services are at the core of ensuring a civil society across the whole of Western Australia, and reside with the community services sector.

¹ ABS National Regional Profiles. See <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/5Environment/Energy12004-2008?opendocument&tabname=Summary&prodno=5&issue=2004-2008>

² Department of Regional Development and Lands. *Population and Demographics*. Available Online at

³ Department of Local Government and Regional Development. (2007). *Regional Prices Index 2007*. Online at http://www.gsd.c.wa.gov.au/File_Manager/documents/rpi_final.pdf

⁴ Australian Bureau of Statistics 'Voluntary Work Survey' July 2007

<http://www.abs.gov.au/ausstats/abs@.nsf/0/124E5675AD3AED8CCA256A7100019C5?Open&Highlight=0,volunteers>

⁵ ABS Census, 2006, *Statistical Snapshot and Demographics*

Issues

Regional community service providers face a range of pressures delivering services to regional communities. The cost of housing and accommodation, fuel and transport, utilities, insurance, regulatory costs and security all exert significant pressure on regional service providers. The fixed nature of many funding arrangements creates difficulties for community agencies to effectively meet the rising costs of service delivery. Some agencies are faced with the trade-off between raising alternative funding to keep their organisations going and delivering services to needy communities.

Delivering outreach services without adequate additional funding continues to frustrate regional community service providers. The community services sector throughout regional WA raised the difficulty of delivering effective outreach services without additional funding. Regional funding agreements are based on a flat regional loading that does not reflect the true cost of delivering services across regional areas. In one instance a Broome based community agency reported gaining a “regional” funding contract that was costed at the same rate of delivering services in Bunbury. While not necessarily an accurate measure of cost in regional WA, the RPI showed the cost of living in the Kimberly was 10.6 per cent higher than the South West.⁶

There are many examples from around the state of community organisations struggling to deliver outreach. For instance, the implementation of Income Management across the Kimberly is suffering because there is a lack of incentive for service providers to deliver outreach. While the Income Management Program is travelling well in Broome it is not being extended into the region. Outreach is difficult and costly to deliver and program funding levels do not reflect the true cost of unfolding the program across regional communities.

Transportation and petrol are a significant cost for the community services sector. The RPI does not adequately illustrate the true cost of transportation in providing services to regional communities.⁷ Regional community organisations travel vast distances to provide outreach services to communities. Figure 13 below is indicative of the approximate distances, travel times and the estimated costs of providing outreach services to regional towns from regional centres. Often the expectation on centres to service entire regions is unrealistic and does not take into account this time or cost adequately.

Fuel costs were also raised in WACOSS’ regional consultations. The high and variable price of fuel is difficult for community service organisations to budget for. Figure 14 below compares the average price of ULP in the regions with the metropolitan area. On average, over the 12 months to August 2010, Kimberly residents paid 152.1 cents a litre for fuel. This was 29.2 cent per litre, or 24%, more than people in Perth paid and equates to an extra \$17.53 per tank of petrol.⁸

⁶ Department of Regional Development and Lands. *Regional Price Index November 2007*, p.5

⁷ *Ibid.* p.10

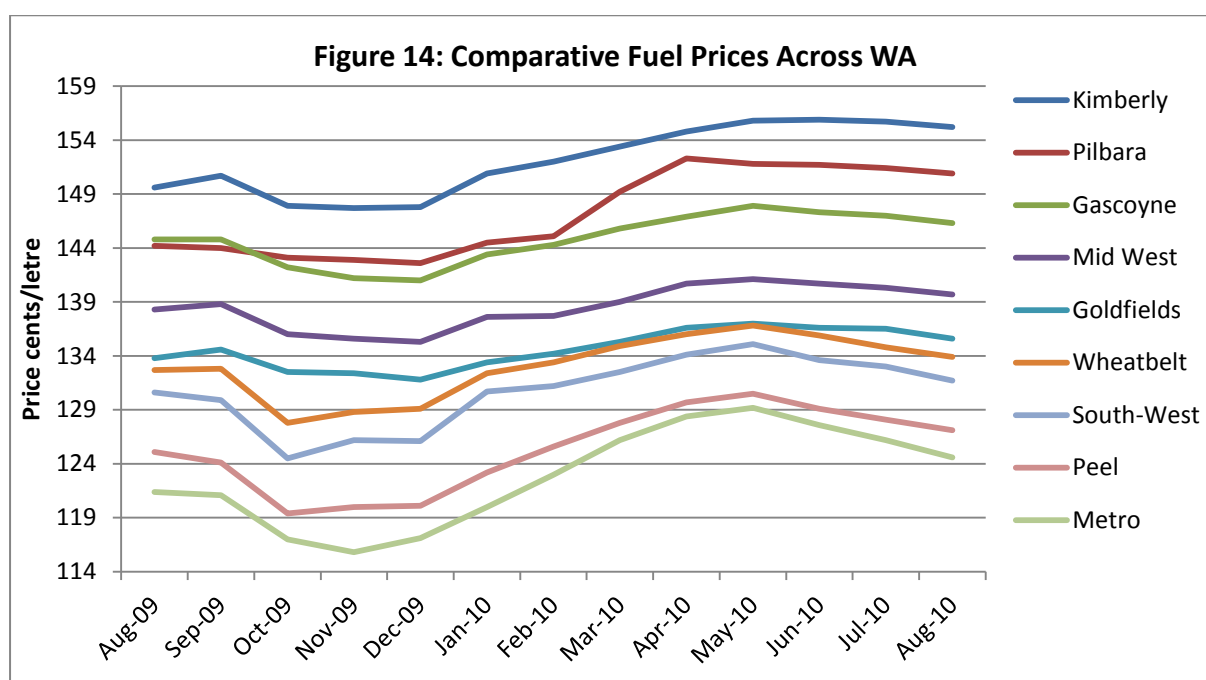
⁸ Based on a 60 litre tank capacity.

Figure 13: Estimated Costs of Providing Regional Services

Regional Centre	Town	Approximate Distance (km)	Approximate Travel Time*	Estimated Cost** (\$)
Albany	Denmark	53.2	44 mins	40
	Katanning	171	2 hour 19 mins	12
Bunbury	Margaret River	99.4	1 hour 47 mins	75
	Manjimup	132	2 hours	100
Geraldton	Mt Magnet	320	4 hours 30 mins	240
	Meekatharra	535	6 hours 45 mins	400
	Wiluna	717	9 hours 40 mins	540
Kalgoorlie	Esperance	391	4 hours 42 mins	295
	Leonora	235	3 hours 9 mins	175
	Leinster	370	4 hours 54 mins	280
	Warburton	901	11 hours 30 mins	675
Broome	Derby	221	3 hours 10 mins	165
	Fitzroy Crossing	396	4 hours 52 mins	300
Kununurra	Wyndham	101	1 hour 12 mins	75
	Halls Creek	396	4 hours 52 mins	300

*Distance and time based on shortest distance values from Google maps <http://maps.google.com.au/>

**Based on 75c/km reimbursement See Tax Pack 2010, see p.30 for details.



9

⁹ Data on regional fuel prices is from FuelWatch. See

[http://www.fuelwatch.wa.gov.au/prices/all_region.cfm?smonth=Aug&year=2009&emonth=Aug&eyear=2010&product_id=1®ion_code=&CFID=18082420&CFTOKEN=93073485&jsessionid=9e3081d3ba11\\$3F\\$3F\\$5](http://www.fuelwatch.wa.gov.au/prices/all_region.cfm?smonth=Aug&year=2009&emonth=Aug&eyear=2010&product_id=1®ion_code=&CFID=18082420&CFTOKEN=93073485&jsessionid=9e3081d3ba11$3F$3F$5)

Accessed 20 September 2010.

Organisations which deliver services directly to people's homes provide a valuable service to regional communities. Many of them lack ongoing funding, affecting the capacity of community service providers to plan and deliver effective services. Short-term funding detracts from the business of helping people and communities by having to continually apply for funding. Contractual constraints mean service providers spend less than an hour with each client, which reduces the quality and range of care staff are able to provide. It also leads to a breakdown of trust between staff and clients.

Contractual reporting continues to be a problem for regional service providers. Not for profit organisations are overburdened with paperwork. The time taken to report takes time away from delivering services. In many instances regional service providers need to raise alternative funds in order to remain viable. This is particularly the case where providers do not receive ongoing funding. This leads to a trade-off between keeping the business running and providing adequate services to the community. The need to address reporting red-tape was stressed in the Economic Audit Committee Report and WACOSS urges the Government to continue with this much needed reform.¹⁰

Cost pressures on regional community service providers mean they have difficulties travelling to Perth or regional centres to access training. In some instances the cost of accommodation and travel to Perth for professional development is prohibitive. Having the capacity for personal development and training in good governance is essential for community service providers to remain sustainable.

Service providers in the regions expressed a need for greater coordination and cooperation between local service providers and fly in services. Local providers described investing a lot of effort into training their Boards in good governance. Coordination meetings between local providers and fly-in operators were regarded as fragmented and the key stakeholders did not participate. Fly in services should collaborate more with local groups, and share their skills and knowledge to build and strengthen the capacity of local providers, recognising their existing strengths and community connections. This will contribute to more sustainable services being viable when external providers withdraw over time. Local providers felt they did not receive adequate recognition from fly in organisations and that they were not utilising the knowledge and connections of local providers.

Community Service Workers and Keyworker Housing

A consistent theme throughout WACOSS' consultations with regional service providers was the difficulty attracting and retaining appropriately trained staff to regional areas. Many organisations at the front line of regional service delivery face problems of attracting and retaining staff. This is especially acute in regional Western Australia. The cost of living, housing and remoteness, compounded with low remuneration, undermine the ability of community service organisations to attract staff.

In Kalgoorlie, for example, WACOSS heard that both the Drug Arm Outreach van and rehabilitation services were not operating due to inability to recruit staff. In Broome there is funding for a mental

¹⁰ Economic Audit Committee. *Putting the Public First. Partnering with the Community and Business to Deliver Outcomes. Summary Report October 2009*, p.26.

health worker outreach program but no one to do the job. There are numerous examples of funded services that are not operating due to the inability to recruit staff into positions at the current wage levels.

A fundamental barrier to attracting and retaining workers is the lack of affordable housing in the regions. People can simply not afford the price of rents in regional WA with the pay levels in the community services sector. The viability of the community services workforce in regional WA would be greatly enhanced if workers had access to subsidised housing, recognising their value to the community as key workers.

Consultation in Peel suggests there are too many part-time funded positions. This creates lack of continuity of service for clients. This is particularly felt with the increased need for legal services. There is a big gap between the community's need for legal services, and the availability in the regions where there is no outreach.

Volunteers provide an enormous contribution to the community services sector. Many community service organisations are increasingly reliant on volunteers. Consultation with the Coordinator of Men's Health Services between Albany and Esperance says they rely on volunteers to provide 3,000 to 4,000 hours of unpaid work per quarter - the equivalent of six to nine full time employees. The rate of volunteerism is typically higher in regional WA than in metropolitan areas. The sustainability of that volunteer effort has been questioned by many service providers, who suggest that pressures on families in the regions are undermining their capacity to volunteer, as many are now too busy with their own businesses and families to afford the time.

